

IN THE MATTER between **NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**, Applicant, and **MARY INUKTALIK AND BESSIE INUKTALIK**, Respondents;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act");

AND IN THE MATTER of a Hearing before, **HAL LOGSDON**, Rental Officer, regarding the rental premises at **INUVIK, NT**.

BETWEEN:

**NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**

Applicant/Landlord

- and -

**MARY INUKTALIK AND BESSIE INUKTALIK**

Respondents/Tenants

**ORDER**

IT IS HEREBY ORDERED:

1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondents shall pay the applicant rent arrears in the amount of six hundred eighty five dollars and thirty six cents (\$685.36).

DATED at the City of Yellowknife, in the Northwest Territories this 24th day of September, 2008.

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Hal Logsdon  
Rental Officer

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**NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**

Applicant/Landlord

-and-

**MARY INUKTALIK AND BESSIE INUKTALIK**

Respondents/Tenants

**REASONS FOR DECISION**

**Date of the Hearing:** September 10, 2008

**Place of the Hearing:** Inuvik, NT

**Appearances at Hearing:** Beverly Fahlman, representing the applicant

**Date of Decision:** September 24, 2008

### **REASONS FOR DECISION**

The respondents were served with Notices of Attendance sent by registered mail and confirmed delivered. The respondents failed to appear at the hearing and the hearing was held in their absence.

The tenancy agreement between the parties was terminated on July 31, 2008 when the respondents vacated the premises. The applicant retained the security deposit of \$1500, applying it against rent arrears, disturbance expenses and compensation for lost rent. The applicant provided a statement indicating a balance owing in the amount of \$2670.94.

The applicant served two notices regarding disturbance in May, 2008 and a notice of early termination on June 9, 2008 seeking vacant possession on June 30, 2008. The applicant stated that following each disturbance complaint, the respondents were charged \$156.98 to cover the cost of responding to the complaints from other tenants. Section 43(3) of the *Residential Tenancies Act* sets out the remedies available to a landlord when a tenant breaches the obligation to not disturb other tenants.

**43 (3) Where, on the application of a landlord, a rental officer determines that a tenant has breached the obligation imposed by subsection (1), the rental officer may make an order**

- (a) requiring the tenant to comply with the tenant's obligation;**
- (b) requiring the tenant to not breach the tenant's obligation again;**
- (c) requiring the tenant to compensate the persons affected for loss suffered as a direct result of the breach; or**
- (d) terminating the tenancy on the date specified in the order and ordering the tenant to vacate the rental premises on that date.**

Notwithstanding that the applicant has not provided any evidence that the charges applied relate to any specific expenses incurred, in my opinion, responding to complaints of noise is a normal part of a landlord's business and any related costs are normal costs of doing business. Normal costs of doing business are not recoverable as compensation and the relief of \$470.94 requested by the applicant is denied.

The applicant has charged the August, 2008 rent of \$1500. The tenancy agreement was made for a term ending on April 30, 2009. Although a landlord may be entitled to compensation for lost rent even when a tenant has complied with a notice of early termination, mitigation of loss must still be demonstrated. In this matter, there was no evidence as to when the premises were re-rented or what efforts were made by the applicant to re-rent the premises. Therefore the applicant's request for compensation for lost rent for August, 2008 is denied.

The applicant has also failed to apply any interest to the security deposit. I find the interest to be \$14.64.

I find the respondents in breach of their obligation to pay rent and find the rent arrears to be \$685.36 calculated as follows:

Balance as per statement	\$2670.94
less compensation for lost rent	(1500.00)
less disturbance charges	(470.94)
less interest on security deposit	<u>(14.64)</u>
Amount owing applicant	\$685.36

An order shall issue requiring the respondents to pay the applicant rent arrears in the amount of \$685.36.

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Hal Logsdon  
Rental Officer