

IN THE MATTER between **JORDAN STEWART AND LARRISSA RYMER**,
Applicants, and **DALLAS RICHARDS AND GEORGE BAIRD**, Respondents;

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

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

BETWEEN:

JORDAN STEWART AND LARRISSA RYMER

Applicants/Tenants

- and -

DALLAS RICHARDS AND GEORGE BAIRD

Respondents/Landlords

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 18.1(b) of the *Residential Tenancies Act*, the respondents shall return the remainder of the retained security deposit to the applicants in the amount of seven hundred sixty seven dollars and seventy cents (\$767.70).

DATED at the City of Yellowknife, in the Northwest Territories this 19th day of
December, 2012.

Hal Logsdon
Rental Officer

IN THE MATTER between **JORDAN STEWART AND LARRISSA RYMER**,
Applicants, and **DALLAS RICHARDS AND GEORGE BAIRD**, 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.

BETWEEN:

JORDAN STEWART AND LARRISSA RYMER

Applicants/Tenants

-and-

DALLAS RICHARDS AND GEORGE BAIRD

Respondents/Landlords

REASONS FOR DECISION

Date of the Hearing: December 13, 2012

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: Jordan Stewart, applicant
Larrissa Rymer, applicant
Dallas Richards, respondent
George Baird, respondent (by telephone)

Date of Decision: December 18, 2012

REASONS FOR DECISION

The tenancy agreement was made for a one year term commencing on November 1, 2011 between the respondents and three joint tenants, two of which were the applicants. The security deposit required was \$2300. The applicants stated that they each paid \$767 toward the security deposit and provided the dates of payment. It appears that the third tenant paid the remaining balance. At the end of the term, the applicants vacated the premises but the third tenant rented one of the bedrooms in the premises from the respondents. The respondents returned \$767 to the applicants, \$383.50 to each of them. There was no statement of the security deposit completed by the respondents. The applicants sought the return of the remainder of their security deposit, or \$767 plus interest.

The respondents acknowledged that no statement of the security deposit had been completed. The respondents stated that the applicants did not give sufficient notice to terminate the tenancy agreement and the retention of a portion of the security deposit was in consideration of their failure to give proper notice.

Pursuant to section 18 of the *Residential Tenancies Act*, a landlord who holds a security deposit must within 10 days after a tenant(s) vacates or abandons the rental premises either return the deposit and accrued interest to the tenant(s) or provide a statement or estimated statement of the deductions. The respondents have failed to provide a statement.

Section 18(4) of the Act sets out what maybe deducted from a security deposit.

18.(4) A landlord may, in accordance with this section, retain all or a part of a security deposit, a pet security deposit or both for arrears of rent owing from a tenant to the landlord in respect of the rental premises, and for repairs of damage to the premises caused by the tenant or a person permitted on the premises by the tenant.

The failure of a tenant to give adequate notice to terminate a tenancy agreement may give rise to the landlord's loss of future rent. A landlord may make an application for an order requiring the tenant to pay compensation for this loss but it may not be deducted from a security deposit.

The *Residential Tenancies Act* prohibits the application of penalties for the breach of an obligation by a tenant except for penalties for late rent.

For these reasons, the respondents are not entitled to retain any part of the security deposit. I calculate the interest on the security deposit to be \$0.70. An order shall issue requiring the respondents to return the retained portion of the security deposit to the applicants in the amount of \$767.70.

Since the third tenant was not a party to this application, I cannot consider the return of her portion of the security deposit.

Hal Logsdon
Rental Officer