

IN THE MATTER between **AJ and CJ**, Applicants, and **MP and MP**, 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 **Adelle Guigon**, Rental Officer,

BETWEEN:

AJ and CJ

Applicants/Tenants

-and-

MP and MP

Respondents/Landlords

REASONS FOR DECISION

Date of the Hearing: September 27, 2016

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: AJ, applicant

Date of Decision: September 27, 2016

REASONS FOR DECISION

An application to a rental officer made by AJ and CJ as the applicants/tenants against MP and MP as the respondents/landlords was filed by the Rental Office July 28, 2016. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The applicant served a copy of the filed application on the respondents by registered mail signed for July 29, 2016.

The applicant alleged the respondent had failed to return the security deposit in accordance with the *Residential Tenancies Act*. An order was sought for the return of the security deposit.

A hearing was scheduled for September 27, 2016, in Yellowknife, Northwest Territories. Mr. AJ appeared as applicant and on behalf of Ms. CJ. Mr. MP and Ms. MP were served notices of attendance by email confirmed received September 20, 2016. Neither of the respondents appeared at the hearing, nor did anyone appear on their behalf. The hearing proceeded in their absence pursuant to section 80(2) of the Act.

Tenancy agreement

The applicant testified and provided evidence establishing a residential tenancy agreement between the parties commencing March 1, 2015. The applicant testified they had vacated the rental premises June 24, 2016. I am satisfied a valid tenancy agreement was in place between the parties in accordance with the Act.

Security deposit

Section 6 of the written tenancy agreement specified a security deposit of \$2,200 and the landlord acknowledged within that section receipt of the security deposit on March 4, 2015.

The applicant testified that although a walk-through of the premises was done at the start of the tenancy, he had never received a written entry inspection report. The applicant further testified that a walk-through or exit inspection was not done at the end of the tenancy. Repeated attempts to make arrangements with the respondents for an accounting of the security deposit were unsuccessful, resulting in the application now before me.

Section 15(1) of the Act requires a landlord to conduct an inspection of the rental premises at the beginning of a tenancy. Section 15(3) of the Act requires the landlord to prepare and sign an entry inspection report, and allow the tenant an opportunity to include comments and sign the report, without delay after conducting the entry inspection. Section 15(5) of the Act requires the landlord to give a copy of the written entry inspection report to the tenant within five days after the day of the inspection.

Section 17.1 (1) of the Act requires a landlord to conduct an inspection of the rental premises at the end of a tenancy. Section 17.1(3) requires the landlord to prepare and sign an exit inspection report, and if the tenant participated in the inspection allow them an opportunity to include comments and sign it, without delay after conducting the exit inspection. Section 15(5) of the Act requires the landlord to give a copy of the written exit inspection report to the tenant within five days after the day of the inspection.

Sections 18(3) and 18(7) of the Act requires the landlord to return the security deposit and/or an itemized statement of account detailing the distribution of the security deposit, including what – if anything – the security deposit is retained against, to the tenant within 10 days after the tenant vacates the rental premises.

Section 18(4) of the Act permits a landlord to retain the security deposit at the end of the tenancy against rental arrears and/or for repairs of damages to the premises caused by the tenant. Section 18(5) of the Act prohibits a landlord from retaining the security deposit for repairs of damages where the landlord failed to complete the entry and exit inspection reports or failed to provide a copy of each report to the tenant.

Based on the testimony of the applicant, I am not satisfied the respondent has complied with any of sections 15, 17.1, and 18 referenced above. As such, the respondent is not entitled to retain the security deposit and an order will issue for the respondents to return to the applicant the security deposit, including interest, in the amount of \$2,200.74.

Adelle Guigon
Rental Officer