

IN THE MATTER between **NTHC**, Applicant, and **FM and GL**, 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:

NTHC

Applicant/Landlord

-and-

FM and GL

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	September 13, 2016
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	KB, representing the applicant MU, representing the applicant FM, respondent
<u>Date of Decision:</u>	September 13, 2016

REASONS FOR DECISION

An application to a rental officer made by NTHC as the applicant/landlord against FM and GL as the respondents/tenants was filed by the Rental Office May 18, 2016. The application was made regarding a residential tenancy agreement for a rental premises located in Fort Resolution, Northwest Territories. The applicant served a copy of the filed application on the respondents by registered mail signed for May 31, 2016.

The applicant alleged the respondents had repeatedly failed to pay their rent and the respondents had accumulated rental arrears. An order was sought for payment of the rental arrears, termination of the tenancy agreement, and eviction.

A hearing was scheduled for September 13, 2016, by three-way teleconference. Ms. KB and Ms. MU appeared representing the applicant. Ms. FM appeared as respondent and on behalf of Mr. GL.

Tenancy agreement

The parties agreed and evidence was presented establishing a residential tenancy agreement between them commencing July 1, 2010. I am satisfied a valid tenancy agreement is in place between the parties in accordance with the *Residential Tenancies Act* (the Act).

Previous orders

Rental Officer Order Number 10-14187 dated October 20, 2014, required the respondents to pay outstanding security deposit and rental arrears in the total amount of \$8,080.42 in minimum monthly installments of \$400 starting in October 2014.

Rental arrears

The lease balance statement entered into evidence represents the landlord's accounting of monthly rents and payments made against the respondents' rent account. The respondents did not dispute the accuracy of the accounting. I am satisfied the lease balance statement accurately reflects the current status of the respondents' rent account.

The statement supports the applicant's allegation that the respondents have repeatedly failed to pay their rent in full and on time, and have repeatedly failed to pay the ordered minimum monthly installments towards their rental arrears. The last credit recorded against the rent account was entered May 19, 2016, in the amount of \$971.10; this credit came from a Canada Revenue Agency (CRA) remittance. The last successful payment the respondents made directly was recorded November 13, 2015, in the amount of \$375. The respondent did not dispute this allegation, acknowledging their failure to make the obligated payments and the amount of rental arrears accumulated.

The respondent apologized for their inability to comply. She indicated a garnishment of their wages started in December 2015 was of such an amount as to create a significant hardship for them. An application for garnishee reduction has been commenced, and the respondents are in the process of securing a bank loan to consolidate their debt. The respondent also mentioned that they no longer require a premises as large the one they are in and would like to request a transfer to a smaller rental premises. Such a transfer may alleviate their monthly expenses as well, making it easier for the respondents to meet their obligations.

I am satisfied the respondents have repeatedly failed to comply with Rental Officer Order Number 10-14187 by failing to pay the minimum monthly installments required by that order. I am satisfied the respondents have repeatedly failed to pay their rent as required. I find the respondents have accumulated rental arrears in the amount of \$16,616.17. I am satisfied that rescinding Rental Officer Order Number 10-14187 and requiring the respondents to pay their rental arrears in a lump sum is appropriate under the circumstances.

Termination of the tenancy agreement

Based on the circumstances as above stated, I am satisfied termination of the tenancy agreement and eviction are justified. However, in agreement with the applicant, I am satisfied the termination and eviction should be conditional on the respondents be successful consolidation of their debt so as to pay the rental arrears in full and pay their future rent on time.

Orders

An order will issue: rescinding Rental Officer Order Number 10-14187 and requiring the respondents to pay rental arrears in the amount of \$16,616.17; requiring the respondents to pay their future rent on time; terminating the tenancy agreement December 31, 2016, unless the rental arrears are paid in full and the rents for October, November, and December 2016 are paid on time; and evicting the respondents from the rental premises January 1, 2017, if the termination of the tenancy becomes effective.

Adelle Guigon
Rental Officer