

IN THE MATTER between **MA**, Applicant, and **GBHHL**, Respondent.

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:

**MA**

Applicant/Tenant

-and-

**GBHHL**

Respondent/Landlord

**REASONS FOR DECISION**

**Date of the Hearing:** March 28, 2017

**Place of the Hearing:** Yellowknife, Northwest Territories

**Appearances at Hearing:** MA, applicant  
GM, representing the respondent

**Date of Decision:** May 22, 2017

**REASONS FOR DECISION**

An application to a rental officer made by MA as the applicant/tenant against GBHHL as the respondent/landlord was filed by the Rental Office December 7, 2016. The application was made regarding a residential tenancy agreement for a rental premises located in Inuvik, Northwest Territories. The applicant served the filed application on the respondent by registered mail signed for December 12, 2016.

The applicant alleged the respondent had failed to return the security deposit to the tenant in accordance with the *Residential Tenancies Act* (the Act) and disputes the amount retained by the respondent for cleaning of the rental premises. An order was sought for the return of the security deposit.

A hearing was scheduled for March 28, 2017, by three-way teleconference. MA appeared as applicant. GM appeared representing the respondent.

*Tenancy agreement*

The parties agreed and evidence was presented establishing a residential tenancy agreement between them commencing May 1, 2016. The tenant vacated the rental premises September 25, 2016, and the parties agreed the tenancy agreement was terminated effective September 30, 2016. I am satisfied a valid tenancy agreement was in place between the parties in accordance with the Act.

*Cleaning costs*

The tenant first learned of the landlord's intention to retain any part of the security deposit for cleaning upon receipt of the damage deposit refund summary form received in December 2016. The landlord retained \$500 of the security deposit against cleaning costs. The landlord claimed 10 hours of cleaning at \$50 per hour.

The tenant disputed not only the amount claimed for cleaning costs but also the amount of time claimed to clean the rental premises. The tenant submitted into evidence a price list from Amarco Services for cleaning of various sized premises in support of his dispute that the dollar amount claimed for cleaning by the landlord was unreasonable. Amarco Services is a local cleaning services provider in Inuvik. The rental premises is a two-bedroom apartment. Amarco Services' price list provides for the following costs for cleaning a two-bedroom apartment:

Carpet steam cleaning	\$250
Basic cleaning	\$200
General cleaning	\$250
Extensive cleaning	\$300

To my mind and in my experience, these rates appear consistent with average cleaning rates in the Northwest Territories. In my experience the average hourly rate per cleaning person is between \$20 and \$25 per hour.

The landlord's representative disagreed that the rates offered by the tenant were reasonable, claiming that they are well below the local average, that he himself offers cleaning services at a rate of \$35 per hour, and that other local companies charge anywhere from \$50 to \$100 per hour. He also claimed that the landlord's rate of \$50 per hour represented his own hourly wages plus the landlord's overhead. The landlord's representative provided no documentary evidence to support any of these claims.

The exit inspection report identified that the floors, walls, countertops, stove, fridge, medicine cabinet, and bath tub and tub surround required cleaning, and that cleaning behind the appliances had not been done. Seventeen photographs were provided supporting the items identified in the exit inspection report. One of the photographs provided was identified as being from a different apartment, which was eventually admitted by the landlord's

representative, but the remaining 16 photographs were sworn by the landlord's representative to be taken of the rental premises on September 26, 2016. The tenant could neither confirm nor deny the authenticity of the remaining 16 photographs. I am satisfied that 16 of the 17 photographs entered into evidence represent the condition of the rental premises at the time that the tenant vacated and that the items identified as requiring cleaning in the exit inspection report are represented in the 16 photographs.

The landlord attempted to substantiate his claim that it took him 10 hours to clean the rental premises because in addition to the general items identified in the exit inspection report the walls and ceiling in the kitchen were extremely greasy. The tenant disputed this was the case. None of the photographs entered into evidence show the walls in the kitchen, let alone whether or not they were greasy. The only photographic evidence regarding the walls was of black marks and smudges.

The evidence supports that the fridge had not been cleaned, the exterior surfaces of the stove had not been cleaned, some stains remained in the linoleum flooring, baseboards do not appear to be cleaned, black marks and smudges remained on the walls, the bathroom medicine cabinet had not been cleaned out, the cabinet beneath the bathroom sink had not been cleaned out, the bathtub and tub surround had not been cleaned, and the kitchen counters had not been wiped down. All of these items are relatively basic cleaning requirements and I am satisfied that a rate of \$200 is reasonable for the work required to return the rental premises to an ordinary state of cleanliness.

I find the tenant failed to comply with his obligation to return the rental premises in a state of ordinary cleanliness upon vacating. I find the tenant liable to the landlord for cleaning costs in the amount of \$200.

*Return of security deposit*

The landlord submitted into evidence an accommodation inspection report dated at move-in (entry) April 27, 2016, and at move-out (exit) September 25, 2016. Both parties signed the inspection reports at entry and exit. The parties agreed the tenant did not receive a copy of the exit inspection report until it was provided in response to this application as part of the landlord's faxed submissions received December 15, 2016 .

The tenant testified that he does not recall signing the exit inspection report and questioned whether or not the signature on it is truly his. However, I have no reason to believe that the tenant's signature was forged as his signature is quite unique and I believe on a balance of probabilities the respondent did in fact sign the exit inspection report.

A security deposit of \$1,250 was paid by the tenant May 1, 2016. The parties agreed that \$750 was returned to the tenant, along with a damage (security) deposit refund summary form, by the landlord's cheque number 3733 dated November 25, 2016.

The tenant testified that he inquired on a weekly basis after vacating the rental premises when he could expect the return of his security deposit and was repeatedly told the landlord's financial manager was unavailable to process the return. The landlord's representative confirmed this, stating that there was no one else available within the company who could issue the required cheque.

Section 18(3) of the Act requires a landlord to return the security deposit with an itemized statement of account for the deposit within 10 days after the day the tenant vacates the rental premises.

Sections 18(4) and 18(5)(b) of the Act state that a landlord may retain all or part of the security deposit against costs of repairs to the premises, but only if a copy of both the entry and exit inspection reports are given to the tenant.

Section 17.1(5) of the Act requires the landlord to ensure that the tenant is given a copy of the exit inspection report within five days after the day of the inspection.

I am not satisfied that the tenant was given a copy of the exit inspection report as required by the Act. The landlord's representative had the respondent's forwarding address to which he could have forwarded a copy of the exit inspection report at any time. He failed to do so until he made his written reply to this application.

I am not satisfied that the extended absence of the landlord's financial manager is a reasonable explanation for the two-month delay in processing the return of the tenant's security deposit. The landlord's obligation to return the security deposit within 10 days of the tenant vacating the rental premises is clear in the Act and binding on the landlord, and the landlord must have reasonable processes in place to be able to comply with the requirements of the Act.

Section 16 requires the landlord to account for interest accumulated on the security deposit which must be returned to the tenant along with the security deposit at the end of the tenancy. The landlord failed to account for this interest when preparing the security deposit summary. By my calculation, based on the move-in date of May 1, 2016, and the move-out date of September 25, 2016, the interest accumulated on the security deposit amounts to \$0.27.

I find the landlord has failed to comply with his obligation to account for interest on the security deposit in accordance with section 16 of the Act. I find the landlord has failed to comply with his obligation to give the tenant a copy of the exit inspection report in accordance with section 17.1(5) of the Act. I find the landlord was not entitled to retain any portion of the security deposit against costs of repairs or cleaning pursuant to section 18(5)(b) of the Act. I find the landlord has failed to comply with his obligation to return the total security deposit to the tenant in accordance with section 18(3) of the Act.

*Orders*

An order will issue requiring the landlord to return the retained portion of the security deposit and interest to the tenant in the amount of \$500.27.

An order will issue requiring the tenant to pay to the landlord costs for cleaning the rental premises in the amount of \$200.

---

Adelle Guigon  
Rental Officer