IN THE MATTER between IREL, Applicant, and EL and NJ, 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:

IREL

Applicant/Landlord

-and-

EL and NJ

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: September 13, 2017

<u>Place of the Hearing</u>: Yellowknife, Northwest Territories

Appearances at Hearing: DC, representing the applicant

Date of Decision: September 13, 2017

REASONS FOR DECISION

An application to a rental officer made by IREL as the applicant/landlord against EL and NJ as the respondents/tenants was filed by the Rental Office June 29, 2017. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was served on the respondents by email deemed received September 8, 2017, pursuant to section 4(4) of the *Residential Tenancies Regulations* (the Regulations).

The applicant alleged the respondents had accumulated rental arrears, had caused damages to the rental premises, had left the rental premises in an unclean condition, and had accumulated parking fees arrears. An order was sought for payment of rental arrears, payment of late payment penalties, payment of costs of repairs and cleaning, and payment of parking fees.

A hearing was scheduled for September 13, 2017, in Yellowknife. DC appeared representing the applicant. EL and NJ were served notice of the hearing by email deemed received September 8, 2017, pursuant to section 4(4) of the Regulations. The respondents did not appear at the hearing, nor did anyone appear on their behalf. The hearing proceeded in the respondents' absence pursuant to section 80(2) of the *Residential Tenancies Act* (the Act).

Tenancy agreement

The applicant's representative testified and provided evidence establishing a residential tenancy agreement between the parties commencing September 1, 2015. The respondents vacated the rental premises, ending the tenancy July 31, 2017. I am satisfied a valid tenancy agreement was in place in accordance with the Act.

Rental and parking arrears

The applicant's representative testified that the respondents were late paying the rent for May and June, and had yet to pay the rent for July. The rent was established at \$2,540 per month. The rent for May was paid in full by June 19th. The rent for June was paid in full by July 15th. The applicant sought payment of rental arrears and late payment penalties. Section 3.1 of the written tenancy agreement sets a \$250 fee for late or dishonoured rent payments, however, this fee is contrary to sections 13 and 41(2) of the Act and section 3 of the Regulations and therefore section 3.1 of the written tenancy agreement is invalid. The applicant is entitled to penalties from the respondent for late payment of rent pursuant to section 41(2) of the Act calculated in accordance with section 3 of the Regulations. Applying those calculations to the late rent for May, June, and July, the total amount of penalties the applicant is entitled to is \$138.

Prior to vacating the rental premises, the applicant agreed to permit the respondents to leave their vehicle parked in the driveway for which the respondents agreed to pay \$10 per day for the first seven days of August and \$25 per day for each day after August 7th. The vehicle was not removed until August 23rd, at which time the respondents paid the applicant \$250. The total amount agreed to for parking fees totalled \$470, of which there remains a balance owing to the applicant of \$220.

I am satisfied the accounting of arrears presented by the applicant accurately reflects the current status of the respondents' rent account. I find the respondents have accumulated rental arrears in the amount of \$2,540, parking arrears in the amount of \$220, and late payment penalties in the amount of \$138, less a payment received of \$280, for a total amount of \$2,618. The respondents had paid a security deposit of \$2,000 on or about September 1, 2015, to which interest has accumulated in the amount of \$1.65. The total security deposit of \$2,001.65 was appropriately retained by the applicant against the rental arrears and will be accounted for in an order to pay.

Repairs and cleaning

The applicant's representative testified to the following claims of damages to the rental premises for which the respondents are liable:

1. One missing bar stool	\$75.00
2. One broken dining room chair	\$75.00
3. Two missing wood bed footboards	\$250.00
4. Two broken wood bed headboards	\$350.00
5. One post office box key	\$50.00
6. Change of exterior door locks	\$203.77
7. Damaged exterior door frame and closing mechanism	\$400.00
8. Broken fridge door handle	\$125.00
9. Three damaged stove elements	\$175.00
10. One damaged flat screen TV	\$300.00
11. Pet damage to carpets	\$2,069.60
12. Pet damage to wood radiators	\$350.00
13. Cleaning throughout	\$240.00
Total	\$4,663.37

The cost claimed to replace the pet damaged carpets was calculated at 40% of the provided quote, accounting for the age of the carpet at 6 years and the average useful life of carpeting at 10 years. The respondents were not permitted pets under their written tenancy agreement and yet persisted in either having pets or permitting pets within the premises, resulting in the claimed damages.

The cost claimed to replace the exterior door locks is the actual cost. The remainder of the costs claimed are reasonable estimates.

I am satisfied the respondents are responsible for the above claimed damages. I find the respondents liable to the applicant for costs of repairs and cleaning in the amount of \$4,663.37.

Orders

An order will issue requiring the respondents to pay rental arrears in the amount of \$616.35 and requiring the respondents to pay costs of repairs and cleaning in the amount of \$4,663.37.

Adelle Guigon Rental Officer