

IN THE MATTER between **NTHC**, Applicant, and **SM**, 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:

**NTHC**

Applicant/Landlord

-and-

**SM**

Respondent/Tenant

**REASONS FOR DECISION**

**Date of the Hearing:** February 27, 2018

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

**Appearances at Hearing:** AS, representing the applicant

**Date of Decision:** February 27, 2018

### **REASONS FOR DECISION**

An application to a rental officer made by HRHA on behalf of the NTHC as the applicant/landlord against SM as the respondent/tenant was filed by the Rental Office November 10, 2017. The application was made regarding a residential tenancy agreement for a rental premises located in Hay River, Northwest Territories. The filed application was served on the respondent by registered mail deemed served December 25, 2017, pursuant to subsection 71(5) of the *Residential Tenancies Act* (the Act). The applicant's representative further confirmed at hearing that attempts made to personally served the filed application on the respondent were unsuccessful and it was believed that the respondent was evading service.

The applicant alleged the respondent had repeatedly failed to pay rent, had accumulated rental arrears, and had failed to report income as required. An order was sought for payment of rental arrears, payment of future rent on time, compliance with the obligation to report income as required and not breach that obligation again, termination of the tenancy agreement, and eviction.

A hearing was scheduled for February 27, 2018, by three-way teleconference. AS appeared representing the applicant. SM was served notice of the hearing by registered mail deemed served December 25, 2017, pursuant to subsection 71(5) of the *Residential Tenancies Act* (the Act). The applicant's representative further confirmed at hearing that attempts made to personally served the notice of the hearing on the respondent were unsuccessful and it was believed that the respondent was evading service. The respondent did not appear at the hearing, nor did anyone appear on the respondent's behalf. The hearing proceeded in the respondent's absence pursuant to subsection 80(2) of the Act.

#### *Tenancy agreement*

The applicant's representative testified and evidence was presented establishing a residential tenancy agreement between the parties for subsidized public housing commencing January 19, 2016. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

*Reporting of household income*

Subsection 45(1) of the Act specifies that the tenant must comply with additional obligations set out in a written tenancy agreement.

Paragraph 6 of the written tenancy agreement sets out the tenant's obligation to report his total household income whenever and as often as the landlord requests and in the form prescribed by the landlord.

Paragraph 7 of the written tenancy agreement establishes the tenancy as one for subsidized public housing and agrees that as long as the tenant is not in breach of any of the conditions of the tenancy agreement then the tenant will be eligible for rent subsidies.

The applicant's policy respecting rent subsidies is to require tenants to submit their annual tax returns for the prior taxation years from which the rent subsidy will be calculated for the current July to June period. For example, the subsidized rent for July 2017 to June 2018 would be calculated based on the tenant's 2016 income as reported in the tenant's income tax return. If the tenant's income tax return is not filed by June 30<sup>th</sup> then the rent subsidy cannot be calculated and the tenant is charged the maximum monthly rent until the income tax return is filed.

In this case, the applicant testified that despite notices to the respondent sent both before and after the June 30<sup>th</sup> due date requesting the respondent's 2016 income information, the respondent still had not filed her taxes. The respondent has failed to report the required 2016 income information in any manner, and has refused to communicate directly with the applicant at all to date. Such payments which have been received against the respondent's rent account have been made on her behalf by her friends.

I find the respondent has failed to comply with her obligation to report her total household income in accordance with paragraph 6 of her written tenancy agreement.

*Rental arrears*

The statements of account and client aged details (rent documents) entered into evidence represent the landlord's accounting of monthly assessed rents and payments received against the respondent's rent account. All rents up to and including for June 2017 have been subsidized and were last assessed at \$160. All rents since July 2017 have been assessed the maximum monthly rent of \$1,625 due to the respondent's failure to report her household income as required.

On August 29, 2017, the respondent was sent a statement of account with a note directing the respondent to continue making payments in the previously assessed subsidized rent amount despite the maximum rent being applied as of July 2017. Based on that previous subsidized amount of \$160, the rent documents indicate that either no payments or insufficient payments were received in seven of the last 12 months of the tenancy.

I am satisfied the rent documents accurately reflect the current status of the respondent's rent account. I find the respondent has repeatedly failed to pay the full amount of rent when due and has accumulated unsubsidized rental arrears in the amount of \$11,950.

*Termination of the tenancy agreement and eviction*

In light of the respondent's repeated failure to report her total household income as required, the respondent's repeated failure to pay the full amount of her rent (subsidized or not) when due, and the amount of rental arrears accumulated, I am satisfied termination of the tenancy agreement and eviction are justified. However, under the circumstances I am prepared to grant a conditional termination and eviction order dependent on the respondent reporting her total household income for the 2016 calendar year, paying her subsidized rental arrears in full, and paying her subsidized monthly rents for March, April, and May on time.

*Orders*

An order will issue:

- requiring the respondent to pay rental arrears in the amount of \$11,950;
- requiring the respondent to pay her future rent on time;
- requiring the respondent to comply with her obligation to report her total household income as required under paragraph 6 of her written tenancy agreement, and not to breach that obligation again;
- terminating the tenancy agreement May 31, 2018, unless the respondent reports her total household income for the 2016 calendar year, the subsidized rental arrears are paid in full, and the subsidized rents for March, April, and May are paid on time; and
- evicting the respondent from the rental premises June 1, 2018, if the termination of the tenancy agreement becomes effective.

---

Adelle Guigon  
Rental Officer