

IN THE MATTER between **AP and SP**, Applicant, and **JW**, 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:

**AP and SP**

Applicants/Landlords

-and-

**JW**

Respondent/Tenant

**REASONS FOR DECISION**

**Date of the Hearing:** January 11, 2018

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

**Appearances at Hearing:** AP, applicant  
SP, applicant

**Date of Decision:** January 11, 2018

### **REASONS FOR DECISION**

An application to a rental officer made by AP and SP as the applicants/landlords against JW was filed by the Rental Office July 17, 2017. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was personally served on the respondent November 6, 2017.

The applicants alleged the respondent had vacated the rental premises without providing written notice in accordance with the *Residential Tenancies Act* (the Act). An order was sought for payment of lost future rent or authorization to retain the security deposit.

A hearing was scheduled for January 11, 2018, by three-way teleconference. AP and SP appeared as applicants. JW was served notice of the hearing by email in care of her Integrated Case Management case worker deemed received December 22, 2017, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations). 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 applicants testified and evidence was presented establishing a residential tenancy agreement between them for a fixed-term commencing November 1, 2016, and ending October 31, 2017. On June 29, 2017, the applicants received a text message from the respondent indicating she was moving out and would like to set up an exit inspection for June 30<sup>th</sup>.

An exit inspection was conducted. The applicants notified the respondent that because she had failed to give them any notice of her intention to vacate that she would be obligated to pay the rent for July, and that they were prepared to retain the security deposit against that debt.

The applicants had successfully sold the rental premises, transferring ownership effective July 17<sup>th</sup>. The new owners had purchased the premises intending to continue using it as a rental premises. The applicants were unable to secure new tenants before the transfer of ownership took effect, but were able to confirm with the new owners that they had been able to secure new tenants for August 1<sup>st</sup>. The applicants also confirmed that they had in fact paid the portion of the rent they retained from the security deposit for the July 17<sup>th</sup> to 31<sup>st</sup> period to the new owners.

The applicants made the application in recognition that technically the security deposit could not be retained by the landlord against lost future rent, hence their request either for an order for the respondent to pay the rent for July – in which case they would return the security deposit to the respondent – or for authorization to retain the security deposit against the rent for July.

Given this is the landlord's application made in good faith, and given that the respondent has made no indications that she is seeking the return of her security deposit, I am not going to issue an order for any payments to be made to anyone.

I am satisfied that the respondent failed to give notice of her intention to vacate the rental premises as required pursuant to subsection 51(1) of the Act. I am satisfied the applicants fulfilled their obligation to mitigate their losses by re-renting the premises as soon as practical after the respondent vacated pursuant to subsection 5(2) of the Act. I find the applicants are entitled to compensation for lost rent of \$1,900 for the month of July 2017 and under the circumstances I am satisfied the retained security deposit covers that amount. No order will issue.

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Adelle Guigon  
Rental Officer