IN THE MATTER between NPRLP, Applicant, and KP, RSM, and AM, 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:

NPRLP

Applicant/Landlord

-and-

KP and RSM and AM

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: July 5, 2018

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

Appearances at Hearing: CL, representing the applicant

NA, representing the applicant

<u>Date of Decision</u>: July 5, 2018

REASONS FOR DECISION

An application to a rental officer made by NPRLP as the applicant/landlord against KP, RSM, and AM as the respondents/tenants was filed by the Rental Office April 20, 2018. 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 June 23, 2018, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations).

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

A hearing was scheduled for July 5, 2018, in Yellowknife. CL and NA appeared representing the applicant. KP, RSM, and AM were served notices of the hearing by email deemed received June 23, 2018. The respondents did not appear at the hearing, nor did anyone appear on their behalf. The hearing proceeded in the respondents' absence pursuant to subsection 80(2) of the *Residential Tenancies Act* (the Act).

Tenancy agreement

The applicant's representative testified and evidence was presented establishing a residential tenancy agreement between the parties commencing April 1, 2017. The respondents abandoned the rental premises, effectively ending the tenancy when the applicant reclaimed possession on June 29, 2018. The applicant's representative withdrew their request for termination of the tenancy agreement and eviction. I am satisfied a valid tenancy agreement was in place in accordance with the Act.

Rental arrears

The resident ledgers entered into evidence represent the landlord's accounting of monthly rents, late payment penalties, and payments received against the respondents' rent account. Rent was established at \$2,500 per month. Late payment penalties were calculated in accordance with the Act and Regulations. The last payment made against the rent account was recorded February 16, 2018, in the amount of \$2,540.

Included in the resident ledger were charged for "pet fees" of \$25 per month. The written tenancy agreement includes a condition for monthly pet fees with no reference to whether or not the fees are refundable. Given that the Act provides for a refundable pet security deposit, I am of the opinion that the monthly pet fees as described in the written tenancy agreement are contradictory to the Act and therefore invalid. However, I see no reason why a landlord couldn't collect the pet security deposit in monthly installments, as long as they collect no more than the allowed 50 percent of one month's rent. Additionally, I remind the applicant that unpaid security deposits and pet security deposits are not rental arrears, and that both paid security deposits and pet security deposits must be returned or retained at the end of the tenancy in accordance the Act. The resident ledger accounts for pet security deposit charges amounting to \$392.74 of which the respondents paid \$142.74. The resident ledger balance will be adjusted to deduct \$250 of the charged but unpaid pet security deposit.

I am satisfied the adjusted resident ledger accurately reflects the current status of the respondents' rent account. I find the respondents have accumulated rental arrears in the amount of \$16,261.07.

Order

An order will issue requiring the respondents to pay rental arrears in the amount of \$16,261.07.

Adelle Guigon Rental Officer