

IN THE MATTER between **NPRLP**, Applicant, and **KP**, 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:

NPRLP

Applicant/Landlord

-and-

KP

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	July 5, 2018
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	CDL, representing the applicant KP, respondent SS, on behalf of the respondent
<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 as the respondent/tenant 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 respondent by email deemed received May 10, 2018, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations).

The applicant alleged the respondent 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. CDL appeared representing the applicant. KP appeared as respondent, with SS appearing on the respondent's behalf.

Tenancy agreement

The parties agreed and evidence was presented establishing a residential tenancy agreement between them commencing August 8, 2015. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (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 respondent's rent account. Rent was established at \$1,290 per month. Late payment penalties were calculated in accordance with the Act. Either insufficient payments or no payments were received in six of the last 12 months of the tenancy.

The respondent did not dispute the accuracy of the landlord's accounting, except to provide evidence of payment made earlier in the day which resolved the balance of rental arrears. The resident ledger was adjusted accordingly. Consequently, the applicant's representative withdrew their requests for payment of rental arrears, termination of the tenancy agreement, and eviction, requesting instead only an order for future rent to be paid on time.

The resident ledger also included monthly charges for “pet fees”. The written tenancy agreement does include a condition for monthly pet fees without reference to whether or not the pet fees are refundable and whether or not there is a maximum amount that will be collected. The Act provides for a pet security deposit to a maximum value of 50 percent of one month’s rent. In my opinion, the monthly pet fees as described in the written tenancy agreement are contrary to the Act and therefore invalid. While I see no reason why the landlord could not collect the pet security deposit in monthly installments, the landlord would be prohibited from collecting more than 50 percent of one month’s rent as allowed for in the Act. Additionally, the landlord would be required to return or retain the pet security deposit at the end of the tenancy in accordance with the Act.

In this case, the maximum pet security deposit the landlord could collect is \$645. Over the course of the tenancy, the applicant has charged and collected a total of \$1,488.71 in “pet fees”. Of the amount charged for “pet fees”, the landlord must reverse \$843.71 from the respondent’s rent account. Having already paid the amounts charged, the respondent now enjoys a rent credit in the amount of \$843.71, which I expect the applicant to honour. I failed to recognize this credit at hearing. I could issue an order for the applicant to return the credit directly to the respondent, however, given the tenancy is intended to continue I will trust that the applicant will properly account for the credit on respondent’s rent account. If the applicant fails to do so then the respondent is free to make her own application to a rental officer for an order for the return of an overpayment of rent.

I am satisfied the adjusted resident ledger accurately reflects 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.

Order

An order will issue requiring the respondent to pay rent on time in the future.

Adelle Guigon
Rental Officer