

IN THE MATTER between **NPRLP**, Applicant, and **TM and AC**, 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-

TM and AC

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: August 2, 2018

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: CDL, representing the applicant

Date of Decision: August 2, 2018

REASONS FOR DECISION

An application to a rental officer made by NPRLP as the applicant/landlord against TM and AC as the respondents/tenants was filed by the Rental Office May 29, 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 15, 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 August 2, 2018, in Yellowknife. CDL appeared representing the applicant. TM and AC were served notice of the hearing by email deemed received June 15, 2018. The respondents did not appear at the hearing, nor did anyone appear on the respondents' 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 May 1, 2017. The respondents abandoned the rental premises, effectively ending the tenancy July 20, 2018. Consequently, 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 rent, late payment penalties, and payments received against the respondents' rent account. Rent was established at \$2,448 per month. Late payment penalties were calculated in accordance with the Act and Regulations. The last payment received against the rent account was recorded April 6, 2018, in the amount of \$1,229.

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 \$1,224. Over the course of the tenancy, the applicant charged \$700 in "pet fees" and of that the respondents paid \$450; the resident ledger will be amended to deduct the difference of \$250 from the balance owing.

I am satisfied the amended resident ledger accurately reflects the current status of the respondents' rent account. I find the respondents have accumulated rental arrears in the amount of \$11,005.

Order

An order will issue requiring the respondents to pay rental arrears in the amount of \$11,005.

Adelle Guigon
Rental Officer