

IN THE MATTER between **NTHC**, Applicant, and **ML**, 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-

ML

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: September 18, 2018

Place of the Hearing: Tulita, Northwest Territories

Appearances at Hearing: DY, representing the Applicant
ML, Respondent

Date of Decision: September 18, 2018

REASONS FOR DECISION

An application to a rental officer made by THA on behalf of the NTHC as the Applicant/Landlord against ML as the Respondent/Tenant was filed by the Rental Office June 25, 2018. The application was made regarding a residential tenancy agreement for a rental premises located in Tulita, Northwest Territories. The filed application was personally served on the Respondent September 4, 2018.

The Applicant alleged the Respondent had repeatedly failed to pay rent, had accumulated rental arrears, and had failed to report household income as required. An order was sought for payment of rental arrears, payment of future rent on time, termination of the tenancy agreement, and eviction.

A hearing was scheduled for September 18, 2018, in Tulita. DY appeared representing the Applicant. ML appeared as Respondent.

Tenancy agreement

The parties agreed and evidence was presented establishing a residential tenancy agreement between them for subsidized public housing commencing August 21, 2014. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Reporting of household income

The parties agreed that the Respondent had as yet failed to file his 2016 income tax return, and that by failing to do so the Respondent has not reported his household income for the 2016 taxation year as required by the Applicant in accordance with paragraph 6 of the written tenancy agreement. The Respondent admitted that he has the return completed and sitting at home waiting to be put in the mail to Revenue Canada.

Paragraph 6 of the written tenancy agreement requires the Tenant to report the total household income at such times and in such forms as may be specified by the Landlord from time to time. The current requirement is for the Tenant to disclose his annual income tax assessments from which the Landlord will calculate the annual subsidized rent.

I am satisfied the Respondent has failed to file his 2016 income tax return. I find the Respondent has failed to comply with the obligation to report his total household income in accordance with paragraph 6 of the written tenancy agreement.

Rental arrears

The lease balance statements entered into evidence represent the Landlord's accounting of monthly assessed rents and payments received against the Respondent's rent account. All rents except for July 2017 to June 2018 have been subsidized and are currently assessed at \$70 per month. The rents for the period of July 2017 to June 2018 were assessed at the maximum monthly rent of \$1,445 due to the Respondent's failure to report the household income for the 2016 taxation year. Either insufficient payments or no payments have been received against the Respondent's account in 22 of the last 24 months of the tenancy, and in fact there have been no payments received since August 2017.

The Respondent did not dispute the accuracy of the Landlord's accounting, acknowledging the debt and accepting responsibility for it. As previously mentioned, the Respondent admitted he still has not yet sent in his 2016 income tax return and he knows that no rent subsidies can be assessed for the July 2017 to June 2018 period until his taxes are filed.

The Applicant's representative confirmed that upon receipt of the Respondent's 2016 notice of tax assessment the rent for the July 2017 to June 2018 period will be assessed for eligible subsidies and the Respondent's rent account will be adjusted accordingly, which will likely result in a substantial reduction in the rental arrears balance.

I am satisfied the lease balance statements accurately reflect the current status of the Respondent's rent account. I find the Respondent has repeatedly failed to pay rent and has accumulated rental arrears in the amount of \$17,900, which amounts to approximately 20 months of both subsidized and unsubsidized rent.

Termination of the tenancy agreement and eviction

In light of the Respondent's repeated failure to pay rent and the substantial amount of both subsidized and unsubsidized rental arrears, I am satisfied termination of the tenancy agreement and eviction are justified. By agreement with the parties, the termination and eviction orders will be conditional on the Respondent reporting his 2016 household income as required, paying at least \$150 towards the rental arrears, and paying future rent on time.

Orders

An order will issue:

- requiring the Respondent to pay rental arrears in the amount of \$17,900;
- requiring the Respondent to pay rent on time in the future;
- requiring the Respondent to comply with the obligation to report household income in accordance with paragraph 6 of the written tenancy agreement, and not to breach that obligation again;
- terminating the tenancy agreement December 31, 2018, unless the 2016 household income is reported as required, at least \$150 is paid towards the rental arrears, and the rents for October, November, and December are paid on time; and
- evicting the Respondent from the rental premises January 1, 2019, if the termination of the tenancy agreement becomes effective.

Adelle Guigon
Rental Officer