

IN THE MATTER between **NTHC**, Applicant, and **MR and DR**, 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:

NTHC

Applicant/Landlord

-and-

MR and DR

Respondents/Tenants

REASONS FOR DECISION

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| <u>Date of the Hearing:</u> | September 19, 2018 |
| <u>Place of the Hearing:</u> | Yellowknife, Northwest Territories |
| <u>Appearances at Hearing:</u> | DD, representing the Applicant MR, Respondent DR, Respondent |
| <u>Date of Decision:</u> | September 19, 2018 |

REASONS FOR DECISION

An application to a rental officer made by IHA on behalf of the NTHC as the Applicant/Landlord against MR and DR as the Respondents/Tenants was filed by the Rental Office July 19, 2018. The application was made regarding a residential tenancy agreement for a rental premises located in Inuvik, Northwest Territories. The filed application was personally served on the Respondents August 16, 2018.

The Applicant alleged the Respondents had repeatedly failed to pay rent and had accumulated rental arrears. At hearing, the Applicant also alleged the Respondents had failed to pay for costs of a recent call-out for access to the rental premises. An order was sought for payment of rental arrears, payment of call-out costs, termination of the tenancy agreement, eviction, and compensation for use and occupation of the rental premises.

A hearing was scheduled for September 19, 2018, by three-way teleconference. DD appeared representing the Applicant. MR and DR appeared as Respondents.

Tenancy agreement

The parties agreed and evidence was presented establishing a residential tenancy agreement between them for subsidized public housing commencing December 1, 2017. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The lease balance statements entered into evidence represent the Landlord's accounting of monthly assessed rents and payments received against the Respondents' rent account. All rents have been subsidized and are currently assessed at \$1,295 per month; prior to July 2018 the subsidized rents were assessed at \$365. Either insufficient payments or no payments were received in seven of the 10 months of the tenancy.

The parties entered into a last chance agreement June 14, 2018, in which the Respondents acknowledged and accepted responsibility for the rental arrears accumulated at the time, and they agreed to pay the rental arrears in full by June 27, 2018. The Respondents failed to comply with the terms of the last chance agreement.

The Respondents did not dispute the accuracy of the Landlord's accounting, acknowledging the debt and accepting responsibility for it. The Respondents acknowledged signing the last chance agreement, but stated they believed at the time that they had no choice but to sign it and they were given no opportunity to negotiate the terms of the agreement. Neither of the Respondents were working at the time, and they knew they would not be able to pay the full amount of rental arrears by June 27, 2018. Had they been able to negotiate the terms of the agreement, they could have made a commitment for payments in addition to the rent that they could afford. While they did not pay the rental arrears in full in June, the Respondents did pay the rent in full plus an additional \$135. Subsequent payments were not as successful, primarily due to the substantial increase in the subsidized rent, however, the Respondents have since returned to work and are committed to paying the rental arrears in full by the end of December and to pay their future rent in full and on time.

I am satisfied the lease balance statement accurately reflects the current status of the Respondents' rent account. I find the Respondents have repeatedly failed to pay the full amount of rent when due and have accumulated rental arrears in the amount of \$4,067.50, which represents approximately four months of subsidized rent.

Call-out costs

The parties agreed that on or about September 10, 2018, the Respondents' daughter was locked out of the rental premises and had to call the Applicant for assistance. The Respondents did not dispute the charge of \$115.50 for the call-out costs, accepting responsibility for it.

I am satisfied the Respondents are liable for the claimed call-out costs of \$115.50. Although an order will issue for payment of the call-out costs, to be clear, I am not finding the Respondents have failed to comply with their obligation to pay for those costs. The incident occurred only nine days before this hearing, and the Respondents did not in fact receive the invoice for the call-out costs until several days later. As such, I am not satisfied the Respondents have had fair opportunity to pay the call-out costs.

Termination of the tenancy agreement and eviction

In light of the Respondents' repeated failure to pay the rent and the amount of subsidized rental arrears that have accumulated, 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 Respondents paying the rental arrears in full by the end of December and paying future rent on time.

Orders

An order will issue:

- requiring the Respondents to pay rental arrears in the amount of \$4,067.50;
- requiring the Respondents to pay rent on time in the future;
- requiring the Respondents to pay call-out costs in the amount of \$115.50;
- terminating the tenancy agreement December 31, 2018, unless the rental arrears are paid in full and the rents for October, November, and December are paid on time; and
- evicting the Respondents from the rental premises January 1, 2019, if the termination of the tenancy agreement becomes effective.

Adelle Guigon
Rental Officer