IN THE MATTER between **NTHC**, Applicant, and **PL and SD**, 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-

PL and SD

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: December 5, 2018

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

Appearances at Hearing: EN, representing the Applicant

DA, representing the Applicant

Date of Decision: December 5, 2018

REASONS FOR DECISION

An application to a rental officer made by NTHC as the Applicant/Landlord against PL and SD as the Respondents/Tenants was filed by the Rental Office October 11, 2018. The application was made regarding a residential tenancy agreement for a rental premises located in Wekweeti, Northwest Territories. The filed application was personally served on the Respondents November 1, 2018.

The Applicant alleged the respondents had repeatedly failed to pay rent and had accumulated rental arrears. An order was sought to rescind paragraph 1 of Rental Officer Order Number 10-14378 and for PL to pay rental arrears under her sole tenancy, for PL and SD to pay rental arrears under their joint tenancy, for payment of future rent on time, and for conditional termination of the tenancy agreement and eviction.

A hearing was scheduled for December 5, 2018, by three-way teleconference. EN and DA appeared representing the Applicant. PL and SD were personally served notices of the hearing November 1, 2018. Neither of the Respondents appeared 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 agreements

The Applicant's representative testified and evidence was presented establishing two separate tenancy agreements. The first was a sole tenancy with PL for subsidized public housing which ended January 31, 2015. The second is a joint tenancy with PL and SD for subsidized housing under the Applicant's Supported Lease Program (SLP) commencing February 1, 2015. Both tenancies were for the same rental premises. I am satisfied that both tenancy agreements were and are valid tenancy agreements in accordance with the Act.

Previous orders

Rental Officer Order Number 10-14378 issued February 4, 2015, was regarding the sole tenancy agreement with PL. At the time of the hearing, the sole tenancy was still in effect and the order issued included the rent for February 2015. The order required PL to pay rental arrears in the amount of \$15,058 in minimum monthly installments of \$150 starting in February 2015, required PL to pay an outstanding security deposit of \$300, and required PL to pay future rent on time. The Applicant had requested termination of the tenancy agreement so that they could enter into a joint tenancy agreement with PL and SD. The Rental Officer denied that request as he felt — and I agree with him — that the stated reasons for terminating the tenancy agreement were not justified; if the Landlord wants to enter into a joint tenancy agreement that includes the current sole tenant then they can do that at any time whether or not the current sole tenancy agreement has been terminated.

Rental Officer Order Number 15413 issued February 23, 2017, was regarding the joint tenancy agreement with PL and SD. The Respondents were ordered to pay rental arrears accumulated since February 1, 2015, in the amount of \$5,425, and to pay future rent on time. The order also terminated the tenancy agreement May 31, 2017, unless at least \$3,000 was paid towards the rental arrears and the rents for March, April, and May were paid on time, and evicting the Respondents from the rental premises June 1, 2017, if the termination of the tenancy agreement became effective. Despite the Respondents' failure to make the ordered payments, the Landlord did not enforce the termination and eviction orders, effectively re-instating the joint tenancy agreement as of June 1, 2017.

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 accounts. The statements identify which tenancy agreement each transaction is related to by referencing the associated lease numbers: 1584 and 5628 are associated with the sole tenancy with PL;

.../4

5910 and 7148 are associated with the joint tenancy with PL and SD. All rents have been subsidized and are currently assessed under the joint tenancy agreement at \$375 per month. The last successful payment specifically made against the sole tenancy rent account was recorded July 26, 2018, in the amount of \$187.50. Insufficient payments were made in one of the last 12 months of the joint tenancy.

I am satisfied the lease balance statements accurately reflect the current status of the sole tenancy rent account and the joint tenancy rent account.

With respect to the sole tenancy, I am satisfied that PL has failed to comply with Rental Officer Order Number 10-14378 to pay minimum monthly installments of \$150 towards her rental arrears and I find PL continues to carry rental arrears under her sole tenancy agreement in the amount of \$9,395.43. The Applicant's request to rescind paragraph 1 of Rental Officer Order Number 10-14378 and replace it with an order for lump sum payment of the remaining rental arrears is justified.

With respect to the joint tenancy, I am satisfied that PL and SD have repeatedly failed to pay rent in full when due, have failed to comply with a rental officer order to pay future rent on time, and have accumulated rental arrears in the amount of \$3,712.57, which represents approximately 10 months' subsidized rent.

Termination of the tenancy agreement and eviction

With respect to the current joint tenancy agreement, in light of the Respondents' repeated failure to pay rent in full when due and the substantial amount of subsidized rental arrears accumulated, I am satisfied termination of the tenancy agreement and eviction are justified. By agreement with the Applicant's representative, the termination and eviction orders will be conditional on the Respondents paying the joint tenancy rental arrears of \$3,712.57 in full by the end of March 2019 and paying future rent on time.

Orders

An order will issue:

- rescinding paragraph 1 of Rental Officer Order Number 10-14378 and requiring PL to pay rental arrears in the amount of \$9,395.43 (p. 41(4)(a), ss. 84(3));
- requiring the Respondents to pay rental arrears in the amount of \$3,712.57 (p. 41(4)(a));
- requiring the Respondents to pay rent on time in the future (p. 41(4)(b));
- terminating the tenancy agreement March 31, 2019, unless the rental arrears of \$3,712.57 are paid in full and the rents for January, February, and March are paid on time (p. 41(4)(c), ss. 83(2)); and
- evicting the Respondents from the rental premises April 1, 2019, if the termination of the tenancy agreement becomes effective (p. 63(4)(a), ss. 83(2)).

Adelle Guigon Rental Officer