

IN THE MATTER between **NPRLP**, Applicant, and **MJ**, 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-

**MJ**

Respondent/Tenant

**REASONS FOR DECISION**

**Date of the Hearing:** March 7, 2019

**Place of the Hearing:** Yellowknife, Northwest Territories

**Appearances at Hearing:** CDL, representing the Applicant  
BL, representing the Applicant  
NS, representing the Applicant  
MJ, Respondent

**Date of Decision:** March 7, 2019

### **REASONS FOR DECISION**

An application to a rental officer made by NPRLP as the Applicant/Landlord against MJ as the Respondent/Tenant was filed by the Rental Office January 29, 2019. 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 February 15, 2019, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations).

The Applicant alleged the Respondent had repeatedly failed to pay rent in full when due and had accumulated rental arrears. An order was sought for payment of the rental arrears, termination of the tenancy agreement, and eviction.

A hearing was scheduled for March 7, 2019, in Yellowknife. CDL, BL, and NS appeared representing the Applicant. MJ appeared as Respondent.

#### *Tenancy agreement*

The parties agreed and evidence was presented establishing a residential tenancy agreement between them commencing April 1, 2016. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

#### *Rental arrears*

The lease ledgers entered into evidence represent the Landlord's accounting of monthly rent, late payment penalties, and payments received against the Respondent's rent account. The rent was established at \$1,734 per month. The late payment penalties were calculated in accordance with the Act and Regulations. Either insufficient payments or no payments were received in six of the last 12 months of the tenancy, and the rent was paid late in nine of the last 12 months.

The Applicant acknowledged that, due to a problem with their accounting software, the late payment penalties for December to March do not appear in the lease ledger. They requested the addition of those late payment penalties to the lease ledger. The late payment penalties for those months were calculated at hearing and added to the lease ledger balance.

The lease ledgers included four \$50 charges for automatic withdrawal rent payments that were returned due to insufficient funds (NSF). Section 13 of the Act prohibits penalties from being imposed when a breach occurs. Section 41(4) of the Act provides for remedies for when a tenant fails to comply with their obligation to pay the rent in full and when due; those remedies do not include compensation to the landlord for losses suffered as a direct result of the breach. Consequently, it is inappropriate and in contravention of the Act for the Landlord to claim administrative costs for NSF rent payments. The total charges of \$200 for NSF charges were denied at hearing and deducted from the lease ledger balance.

The Respondent did not dispute the accuracy of the Landlord's accounting in the adjusted lease ledgers, acknowledging the debt and accepting responsibility for it. She committed to having the rental arrears paid in full before the end of March, and to paying future rents in full and on time.

I am satisfied the adjusted lease ledgers accurately reflect 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, and has accumulated rental arrears in the amount of \$5,827. That amount represents approximately four months' rent.

#### *Termination of the tenancy agreement and eviction*

In light of the Respondent's repeated failure to pay the rent in full when due and the amount of 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 Respondent paying the rental arrears in full before the end of March.

*Orders*

An order will issue:

- requiring the Respondent to pay rental arrears in the amount of \$5,827 (p. 41(4)(a));
- requiring the Respondent to pay future rent on time (p. 41(4)(b));
- terminating the tenancy agreement March 31, 2019, unless the rental arrears are paid in full (p. 41(4)(c), ss. 83(2)); and
- evicting the Respondent from the rental premises April 1, 2019, if the termination of the tenancy agreement becomes effective (p. 63(4)(a), ss. 83(2)).

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Adelle Guigon  
Rental Officer