

IN THE MATTER between **MPM**, Applicant, and **JW**, 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:

MPM

Applicant/Landlord

-and-

JW

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: July 3, 2019

Place of the Hearing: Yellowknife

Appearances at Hearing: JB, representing the Applicant
JW, Respondent

Date of Decision: July 3, 2019

REASONS FOR DECISION

An application to a rental officer made by MPM as the Applicant/Landlord against JW as the Respondent/Tenant was filed by the Rental Office May 3, 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 registered mail signed for May 23, 2019.

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

A hearing was scheduled for July 3, 2019, in Yellowknife. JB appeared representing the Applicant. JW appeared as Respondent.

Tenancy agreement

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

Rental arrears

The resident statement submitted as part of the application to a rental officer accurately reflected the status of the account as of May 2, 2019, showing rental arrears including late payment penalties in the amount of \$6,659.88. Just prior to the hearing for this application, the Applicant had changed accounting software programs and had not as yet worked out the bugs. The Applicant's representative was not confident that the ledger summary report provided at the hearing was accurately reporting the transactions on the rent account since the May 2, 2019, statement was printed, in particular as they related to the calculation of late payment penalties. Additionally, the ledger summary report was not detailed enough to identify when payments were received in a given month to be able to calculate late payment penalties from at hearing.

It was agreed to calculate the rental arrears to date without the late payment penalties for May, June, and July, which at hearing amounted to \$2,269.88 thanks to substantial payments received in May and June. As a consequence of the Respondent's recent efforts to resolve his rental arrears, to pay his rent, and to communicate more effectively with the Landlord, the Applicant's representative withdrew their request for an order to terminate the tenancy agreement.

The Respondent did not dispute that he had repeatedly failed to pay his rent in full when due, having made either insufficient payments or no payments in eight of the last 12 months of the tenancy. The Respondent acknowledged the debt and accepted responsibility for it, committing to resolve the arrears as soon as possible.

However, the Respondent raised a question about the amount of rent he was being charged, stating that he was unaware that there had been a change. The ledgers showed the rent increasing from \$1,555 to \$1,655 as of October 1, 2018. The Applicant's representative confirmed that usually there is a written notice given to Tenants at least three months before their fixed-term tenancies are set to expire notifying them of their option to sign a new fixed-term tenancy agreement along with notifying them of any rent increase that might be forthcoming. This action would be in accordance with the requirements of the Act as they relate to increasing the rent. The Respondent denied receiving that notice. The Applicant's representative committed to search her records to confirm whether or not such a notice had been given to the Respondent. It was agreed that if the Applicant could not produce evidence of the required 90-day notice of rent increase that the monthly rent would remain at \$1,555 and \$1,000 would be credited to the Respondent's rent account to refund the rent increases charged for October 2018 through July 2019. The Applicant's representative confirmed to me by email on July 5, 2019, that she could not produce evidence of the rent increase notice and acknowledged the agreed upon adjustments had been entered into the account. This reduces the rental arrears to \$1,269.88.

I find the Respondent has repeatedly failed to pay the rent in full when due and has accumulated rental arrears in the amount of \$1,269.88. That amount represents approximately one month's rent.

Order

An order will issue requiring the Respondent to pay rental arrears in the amount of \$1,269.88 and requiring the Respondent to pay his rent on time in the future.

Adelle Guigon
Rental Officer