

IN THE MATTER between **NTHC**, Applicant, and **CM and JM and MM**, 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 **Janice Laycock**, Rental Officer,

BETWEEN:

NTHC

Applicant/Landlord

-and-

CM and JM and MM

Respondents/Tenants

REASONS FOR DECISION

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| <u>Date of the Hearing:</u> | November 6, 2019 |
| <u>Place of the Hearing:</u> | Tulita, Northwest Territories |
| <u>Appearances at Hearing:</u> | SD, representing the Applicant |
| <u>Date of Decision:</u> | November 7, 2019 |

REASONS FOR DECISION

An application to a rental officer made by the THA on behalf of the NTHC as the Applicant/Landlord against CM, JM, and MM as the Respondents/Tenants was filed by the Rental Office on September 27, 2019. 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 Respondents on October 23, 2019.

The Applicant claimed that the Respondents had rental arrears and had not reported their income in accordance with section 6 of their tenancy agreement. An order was sought for payment of the rental arrears, termination of the tenancy agreement, and eviction.

A hearing was scheduled for November 6, 2019, and both parties were provided notice of the hearing. Janice Laycock, Rental Officer, appeared by telephone. SD appeared representing the Applicant. No one appeared for the Respondents. As the Respondents had received notice by personal service on October 23, 2019, the hearing proceeded in their absence under section 80(2) of the *Residential Tenancies Act* (the Act).

Tenancy agreement

Evidence was presented establishing a joint tenancy agreement for subsidized public housing beginning on February 1, 2019. The agreement provided as evidence is signed by two of the three Tenants. However, based on testimony and evidence provided, including emails documenting attempts to get the agreement signed, I believe that all three tenants are parties to the Tenancy Agreement. I am satisfied that a valid tenancy agreement is in place in accordance with the Act.

Rental arrears

The lease balance statement entered into evidence provides information on charges and payments on the rental account. According to the statement, as of September 1, 2019, full market rent of \$1,445 per month was being charged and the arrears totalled \$10,590. At the hearing the Applicant testified that an updated lease balance statement was available for November 1, 2019, and according to that statement the rent of \$1,445 for October and November was not paid and the arrears are now \$13,480.

The Applicant also testified that the Respondents had signed a last chance agreement on September 20, 2019, agreeing to pay their arrears. I requested copies of these documents be provided to the Rental Office so that I could examine them prior to making a decision on this application. I also requested confirmation that the Respondents had received these documents.

Immediately after the hearing I received the updated lease balance statement up to November 1, 2019, a copy of the last chance agreement dated October 23, 2019, signed by the parties, and confirmation that the Respondents had received a copy of the statement. These documents confirm the information provided in testimony, that total arrears are currently \$13,480 and no payments were made (despite the last chance agreement) in either October or November.

I am satisfied that the lease balance statement accurately reflects the current status of the Respondents' rental account. I find that the rental arrears currently owing are \$13,480.

Breach of obligation to report income

The Applicant testified that the Respondents had failed to provide household income as required in section 6 of the written tenancy agreement. As indicated in section 7 of the tenancy agreement, the Tenants are not eligible for a subsidy because they are in breach of section 6. As a result of this breach, full market rent has been charged for the entire period of the tenancy. Included in the evidence is documentation of numerous requests by the Applicant to receive income information. I find that the Respondents have breached their obligation under Section 6 of the Tenancy Agreement to provide household income information.

Termination and Eviction

Based on the evidence and testimony of the Applicant, it is clear that the Respondents have a history of not paying their rent when due. In the ten months since the tenancy began, the Respondents have only made three payments: in February of \$70, in July of \$300, and in August of \$300. As previously discussed, the Respondents are being charged full market rent because they have breached their obligation under the tenancy agreement to provide household income information.

For these reasons I am satisfied that termination of the tenancy agreement and eviction are justified. However, the Applicant testified that they are willing to work with the Respondents and give them a chance to pay off their arrears. Considering this, termination and eviction will be conditional on the Respondents paying off a portion of their rental arrears, paying rent on time in the future and providing income information as required under the tenancy agreement.

Orders

An order will be issued:

- requiring the Respondents to pay rental arrears in the amount of \$13,480 and to pay their rent on time in the future (p. 41(4)(a), p. 41(4)(b));
- requiring the Respondents to comply with their obligation under section 6 of the written tenancy agreement to report their household income and not to breach that obligation again (p. 45(4)(a), p. 45(4)(b));
- terminating the tenancy agreement on February 29, 2020, unless at least \$1,445 of the rental arrears are paid, the rents for December 2019 and January and February 2020 are paid on time and the household income is reported as required (p. 41(4)(c), p. 45(4)(e), ss. 83(2)); and
- evicting the Respondents from the rental premises on March 1, 2020, if the termination of the tenancy agreement becomes effective (p. 63(4)(a), ss. 83(2)).

Janice Laycock
Rental Officer