

IN THE MATTER between **NTHC**, Applicant, and **KD and DD**, 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-

**KD and DD**

Respondents/Tenants

**REASONS FOR DECISION**

**Date of the Hearing:** January 9, 2020

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

**Appearances at Hearing:** WJC, representing the Applicant  
KD, Respondent

**Date of Decision:** January 9, 2020

### **REASONS FOR DECISION**

An application to a rental officer made by HRHA on behalf of the NTHC as the Applicant/Landlord against KD and DD as the Respondents/Tenants was filed by the Rental Office November 18, 2019. The application was made regarding a residential tenancy agreement for a rental premises located in Hay River, Northwest Territories. The filed application was served on the Respondents by registered mail signed for December 30, 2019.

The Applicant alleged the Respondents had repeatedly failed to pay their rent when due and had accumulated rental arrears. An order was sought for payment of the rental arrears, payment of future rent on time, termination of the tenancy agreement, and eviction.

A hearing was held January 9, 2020, by three-way teleconference. WJC appeared representing the Applicant. KD appeared as Respondent and on behalf of DD.

#### *Tenancy agreement*

The parties agreed and evidence was presented establishing a residential tenancy agreement for a market rental unit for a fixed-term commencing April 15, 2019, to March 31, 2020. I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

#### *Rental arrears*

The lease balance statement entered into evidence represents the Landlord's accounting of monthly rents and payments received against the Respondents' rent account. Rent was established at \$1,470 per month due the first of each month. There have been either insufficient payments or no payments received in 5 of the 10 months of the tenancy.

The Respondent did not dispute the accuracy of the Landlord's accounting, acknowledging the debt and accepting responsibility for it. He admitted to being further behind than he thought, but made a commitment to pay \$900 every two weeks – plus whatever amounts DD pays – towards the rent and rental arrears. The Respondent did mention that the Landlord's limited methods of receiving payments partially contributed to the difficulties they were having in paying the rent, as they were hoping to set up monthly payments through electronic funds transfers.

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 rent in full when due and have accumulated rental arrears in the amount of \$4,290. That amount represents approximately three months' rent.

*Termination of the tenancy agreement and eviction*

In light of the Respondents' 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. However, by agreement with the parties, the termination and eviction orders will be conditional on the Respondents paying the rental arrears in full and paying future rent on time.

There was mention by the Applicant's representative that the tenancy agreement may not be renewed because it was unclear whether or not the building owner (the federal government) would extend their contract with the Landlord. That contract is expiring March 31, 2020. I cautioned the Applicant regarding the assumption that a fixed-term tenancy agreement is terminated at the end of the fixed term. On the contrary, it is not terminated at the end of the fixed term because of section 49 of the Act, which says that a fixed-term tenancy agreement is automatically renewed as a month-to-month tenancy agreement unless the parties have entered into a new tenancy agreement or the tenancy agreement has otherwise been terminated in accordance with the Act. If the building owner chooses not to extend their contract with the Landlord the tenancy agreement might be considered frustrated, in which case the Landlord could give the Tenant notice in accordance with paragraph 54(1)(e) of the Act to terminate the tenancy agreement. At any rate, to clarify, my findings in regards to the justification for the conditional termination and eviction orders is not based on what may or may not happen with the contract between the building owner and the Landlord.

*Orders*

An order will issue:

- requiring the Respondents to pay rental arrears in the amount of \$4,290 (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, 2020, unless the rental arrears are paid in full and the rents for February and March are paid on time (p. 41(4)(c), ss. 83(2)); and
- evicting the Respondents from the rental premises April 1, 2020, if the termination of the tenancy agreement becomes effective (p. 63(4)(a), ss. 83(2)).

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Adelle Guigon  
Rental Officer