

IN THE MATTER between **NTHC**, Applicant, and **CT and MC**, 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 **Hal Logsdon**, Rental Officer,

BETWEEN:

NTHC

Applicant/Landlord

-and-

CT and MC

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	November 17, 2020
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	PS, representing the Applicant
<u>Date of Decision:</u>	November 18, 2020

REASONS FOR DECISION

The Respondents were served with a notice of attendance sent by registered mail and confirmed delivered. The Respondents failed to appear at the hearing and the hearing was held in their absence.

The monthly written tenancy agreement between the parties commenced on January 16, 2014. The premises are subsidized public housing. The Applicant held a security deposit of \$1,625. An inspection of the premises was conducted by the parties at the commencement of the tenancy and a written report completed. The Applicant served a notice of termination on the Respondents on December 16, 2019, and filed an application on January 16, 2020. The Respondents vacated the premises on March 9, 2020.

The Applicant inspected the premises on March 20, 2020. The Applicant testified that the Respondents were given the opportunity to participate in the inspection but declined. The Applicant prepared a statement of the security deposit which indicated a balance owing of \$11,386.19 calculated as follows:

Rent arrears	\$965.00
Repairs of damages	12,050.52
Security deposit	(1,625.00)
Interest on deposit	<u>(4.33)</u>
Amount owing	<u><u>\$11,386.19</u></u>

The Applicant sought relief in that amount.

Rent arrears

The Applicant provided a statement of account in evidence which indicated a balance of rent owing as at March 1, 2020, in the amount of \$965. I find the statement in order and I find rent arrears of \$965.

Damages and repair costs

The Applicant provided the inspection reports, an itemized list of repairs and repair costs, and photographs of the premises taken at the end of the tenancy. The photographs indicate that the premises were significantly damaged and very dirty. There were numerous damages to wall surfaces, doors, appliances, and window coverings. Significant repairs and cleaning were necessary in order to make the premises suitable for occupation. The inspection report confirms that the damages were not present when the Respondents took possession. The itemized list of repair costs totalled \$12,050.52 which included a 10% administration fee and GST. With the following exceptions, I find the repair costs reasonable and the repairs made necessary due to the negligence of the Respondents.

Included in the repair costs was a charge of \$3,400 for painting the entire unit. There is no doubt, given the wall damages, that new paint throughout the premises was required. However, the premises had not been painted for at least 6 years and would have required new paint within four more years, regardless of damages. The Respondents should be responsible for the depreciated cost of painting the unit. In my opinion the depreciated cost should be 40% of the full cost or \$1,360, a reduction of \$2,040.

Also included in the repair costs is a charge of \$880.35 for the removal of items from the premises. There are a number of pieces of furniture which clearly have some value. Pursuant to sections 64 and 65 of the *Residential Tenancies Act*, any items not deemed to be worthless or unsafe or unsanitary to store, must be stored in a safe place and an inventory provided to a Rental Officer and the Tenant. The Tenant may claim the goods by paying the costs of removal and storage. If the value of the removing and storing the goods exceeds the amount those goods could be sold for, the Landlord may seek the permission of a rental officer to dispose of the goods without storing them. The Applicant failed to store these goods or seek permission to dispose of them. The costs of removal are denied.

I find reasonable costs of repairs to be \$8,640, calculated as follows:

Total cost of repairs claimed	\$10,433.35
Less removal of items	(880.35)
Depreciation of painting	(2,040.00)
GST and admin fee (15%)	<u>1,127.00</u>
Total	<u>\$8,640.00</u>

Applying the retained security deposit and interest against the repair costs, I find a remaining balance of repair costs due to the Applicant of \$7,010.67, calculated as follows:

Repair costs	\$8,640.00
Security deposit	(1,625.00)
Interest	<u>(4.33)</u>
Total	<u>\$7,010.67</u>

Orders

An order shall issue requiring the Respondents to pay to the Applicant rent arrears of \$965 and repair costs of \$7,010.67.

Hal Logsdon
Rental Officer