

IN THE MATTER between **SHDC**, Applicant, and **MK and KL**, 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:

**SHDC**

Applicant/Landlord

-and-

**MK and KL**

Respondents/Tenants

**REASONS FOR DECISION**

**Date of the Hearing:** August 4, 2021, and August 23, 2021

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

**Appearances at Hearing:** SG, representing the Applicant  
AG, representing the Applicant

MK, Respondent – appearing August 4, 2021

**Date of Decision:** August 23, 2021

### **REASONS FOR DECISION**

An application to a rental officer made by SHDC as the Applicant/Landlord against MK and KL as the Respondent/Tenant was filed by the Rental Office June 10, 2021. The application was made regarding a residential tenancy agreement for a rental premises located in Sachs Harbour, Northwest Territories. The filed application was personally served on the Respondents July 9, 2021.

The Applicant alleged the Respondents had repeatedly failed to pay rent and had accumulated substantial rental arrears. An order was sought for payment of the rental arrears, termination of the tenancy, and eviction.

A hearing was started on August 4, 2021, by three-way teleconference. SG and AG appeared representing the Applicant. MK appeared as Respondent and on behalf of KL. The hearing was adjourned by mutual agreement to August 19, 2021, for the Applicant to produce a more detailed accounting of the transactions on the Respondents' rent account and provide the Respondent an opportunity to review that information.

SG and AG appeared at the August 19, 2021, hearing as scheduled. The Rental Officer appeared late and the Respondents did not appear at all. With the Applicant's representatives on the line, the Rental Officer connected MK into the call and by mutual agreement the hearing was adjourned to August 23, 2021.

The hearing continued on August 23, 2021, by three-way teleconference. SG and AG appeared representing the Applicant. MK and KL were sent email reminders of the adjourned hearing date which were deemed received August 22, 2021, pursuant to subsection 4(4) of the *Residential Tenancies Regulations* (the Regulations). The Respondents did not appear at the hearing, nor did anyone appear on their behalf. The hearing continued in the Respondents' absence pursuant to subsection 80(2) of the *Residential Tenancies Act* (the Act).

#### *Tenancy agreement*

Evidence was presented establishing a residential tenancy agreement between the parties commencing July 1, 2017. At the August 4<sup>th</sup> hearing, the Respondent claimed that they did not in fact gain occupancy of the rental premises in July because it was not ready for occupancy, but the Respondent was unclear on the dates in question. Given the tenancy agreement was

signed May 15, 2017, I believe it more likely than not that the Respondents did not take occupancy of the rental premises in June because it was not ready for occupancy and that the Respondents did take occupancy July 1, 2017, as indicated in the tenancy agreement. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

#### *Rental arrears*

The statement included in the application package listed unpaid invoices as of May 28, 2021. The statement did not detail what payments had been made or when they were made. The rent was established at \$1,000 per month and the statement claimed rental arrears of \$22,700.

The Respondent disputed the claimed amount of rental arrears. He did not dispute that there were rental arrears, but he could not understand how the arrears were so high as he believed some payments had been made. Given those details were not included in the application package, the hearing was adjourned so that the Applicant could provide a detailed accounting of the Respondent's rent account and the Respondent could review that material to identify any discrepancies.

By email on August 11, 2021, the Applicant's representative provided an updated statement of invoices, a detailed statement of account, a payroll summary referencing payroll deductions taken for rent payments, monthly invoices for rent, and proofs of payments received against the Respondents' rent account. The Respondents would be deemed to have received this package August 14, 2021, and the Respondent confirmed during our discussion August 19, 2021, that they did receive the Applicant's email. The Respondent had not thoroughly reviewed the information by August 19<sup>th</sup>, but was granted the additional time to do so before the conclusion of the hearing on August 23<sup>rd</sup>.

At the hearing, the Applicant's representative confirmed that the Respondents had forwarded a payment of \$500 on August 16, 2021, which does not appear on the updated statement of account as it has not yet cleared the bank. The statement of account was adjusted accordingly. My review of the details provided show that no rent payments have been made in 22 of the last 36 months of the tenancy, and there are 5 of those 36 months in which insufficient amounts were paid.

I am satisfied the adjusted statement of account accurately reflects the current status of the Respondents' rent account. I find the Respondents have repeatedly failed to pay the rent and have accumulated rental arrears in the amount of \$23,700. That amount represents approximately 24 months' rent.

*Termination of the tenancy and eviction*

In light of the Respondents' repeated failure to pay the rent and the substantial amount of rental arrears that have accumulated, I am satisfied termination of the tenancy and eviction are justified. I am also satisfied an order for the tenants to pay overholding rent for each day they remain in the rental premises after the termination date is appropriate.

*Orders*

An order will issue:

- requiring the Respondents to pay rental arrears in the amount of \$23,700 (p. 41(4)(a));
- terminating the tenancy August 31, 2021 (p. 41(4)(c));
- evicting the Respondents from the rental premises September 15, 2021 (p. 63(4)(a)); and
- requiring the Respondents to pay compensation for use and occupation of the rental premises at a rate of \$32.88 for each day they remain in the rental premises after August 31, 2021, to a maximum of \$1,000 per month (p. 63(4)(b)).

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Adelle Guigon  
Rental Officer