

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

BETWEEN:

NTHC

Applicant/Landlord

-and-

FF

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	January 25, 2022
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	PS, representing the Applicant FF, the Respondent
<u>Date of Decision:</u>	January 25, 2022

REASONS FOR DECISION

The parties entered into a written monthly tenancy agreement commencing on December 2, 2015. The premises are subsidized public housing.

The Applicant alleged that the Respondent had breached the tenancy agreement by failing to pay rent. An order was sought to require the Respondent to pay the alleged rent arrears and to terminate the tenancy agreement.

The Applicant provided a lease balance statement in evidence which indicated a balance of rent owing as at December 16, 2021, in the amount of \$5,907.07. The Applicant testified that since that date the January 2022 rent of \$1,625 had come due and a payment of \$3,000 had been made, bringing the balance owing to \$4,532.07.

The Applicant testified that the monthly rent for the premises has been assessed based on the household income and was set at \$1,625 in April 2021. That is the maximum rent permitted per month. Another rent assessment was conducted in July 2021 and the rent was confirmed at \$1,625 per month.

The Respondent entered into an agreement on September 10, 2021, promising to pay \$950 within five days and to make monthly payments of \$500 plus the rent every month until the rent arrears were paid. The Respondent failed to satisfy the agreement in every month except January 2022.

The Respondent did not dispute the amount of rent owing but stated that she had difficulty meeting her rent obligations due to COVID-19. She stated that her partner had missed at least one shift at his workplace due to the pandemic.

Although the Respondent has not sought a review of her rent assessment or provided sufficient evidence that the rent assessment is inaccurate, the lease balance statement suggests that serious rent payment difficulties only began when the rent was increased to \$1,625 per month. Although the Respondent has made a payment in every month since April 2021 when the rent was assessed at \$1,625, she has only paid the full amount three times and has only reduced the rent arrears by \$950 since the repayment agreement was signed.

Two previous orders issued against the Respondent involved arrears of rent. Rental Officer Order #10-9159 issued September 20, 2006, ordered the payment of rent arrears of \$37.90 and Rental Officer Order #10-9315 issued November 28, 2006, ordered the payment of rent arrears of \$207.90.

The Applicant has served several notices on the Respondent noting that the repayment agreement has been breached and continued failure to pay the rent arrears would result in an application for payment and termination of the tenancy.

It should also be noted that the rent structure in subsidized public housing is designed so that a family assessed the maximum rent should be able to afford to rent on the open market. Presumably, the rent structure encourages higher income households to move to market housing, freeing up public housing units for lower income families.

I find the Respondent in breach of her obligation to pay rent and I find the rent arrears to be \$4,532.07.

Clearly the Respondent is having difficulty paying the \$500 per month plus the monthly rent of \$1,625. In my opinion, a monthly payment of \$400 plus the monthly assessed rent would help to ensure the arrears were paid and would not create undue hardship on either party. I acknowledge that I have very limited knowledge of the Applicant's household income. I would suggest the Respondent request a rent assessment review from the Applicant if they feel that the household income has been significantly reduced since July 2021.

An order shall issue requiring the Respondent to pay the Applicant rent arrears in the amount of \$4,532.07 in monthly payments of no less than \$400, payable no later than the last day of every month until the rent arrears are paid in full. The first payment of arrears shall be due no later than February 28, 2022. The Respondent is also ordered to pay the monthly assessed rent on time.

Should the Respondent fail to pay the rent arrears in accordance with this order or fail to pay the monthly assessed rent on time, the Applicant may file an application seeking the full lump sum of any balance owing, termination of the tenancy agreement, and the issuance of an eviction order.

Hal Logsdon
Rental Officer