

IN THE MATTER between **RPP and DN**, Applicants, and **HW**, 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 **Janice Laycock**, Rental Officer, regarding a
rental premises located within the **city of Yellowknife, in the Northwest Territories**.

BETWEEN:

RPP and DN

Applicants/Tenants

-and-

HW

Respondent/Landlord

REASONS FOR DECISION

<u>Date of the Hearing:</u>	July 13, 2022
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	RPP and DN, Applicants RS, representing the Respondent
<u>Date of Decision:</u>	July 25, 2022

REASONS FOR DECISION

An application to a rental officer made by RPP and DN as the Applicants/Tenants against TPM as the Respondent/Landlord was filed by the Rental Office April 28, 2022. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was served on the Respondent by email, deemed served on May 9, 2022.

The Applicants/Tenants alleged the Respondent/Landlord planned to retain a portion of their security deposit for repair of damages that they were not responsible for. An order was sought for the return of the security deposit.

A hearing was held June 1, 2022 by teleconference. RPP and DN appeared as the Applicants. RS appeared representing the Respondent/Landlord. This hearing was adjourned pending further information from the Applicant on the amount of security deposit paid, and from the Respondent on the amount of security deposit paid, interest calculated, and amounts claimed against the security deposit for damages.

Another hearing was scheduled for July 6, 2022. This hearing was cancelled due to technical issues with the phone lines in the Northwest Territories, and another hearing was scheduled and held on July 13, 2022 by teleconference. RPP and DN appeared as the Applicants/Tenants. RS appeared representing the Respondent/Landlord.

Preliminary matter

The application to a rental officer identified TPM as the Landlord. The written tenancy agreement identifies HW as the Landlord. At the hearing, it was clarified that TPM is the agent acting on behalf of the Landlord. The style of cause for this application is amended to RPP and DN v. HW.

Tenancy agreement

Evidence was presented establishing a residential tenancy agreement between the parties commencing on May 31, 2017. The tenancy agreement was terminated on April 16, 2022 at the agreement of the parties.

I am satisfied a valid tenancy agreement was in place in accordance with the *Residential Tenancies Act* (the Act) and this agreement was terminated on April 16, 2022.

Tenant damages

At the end of the tenancy, the Landlord claimed \$200 for additional cleaning and \$1,398.60 to replace the doors (fridge and freezer) on the stainless steel refrigerator unit. The Applicants agreed to pay the \$200 for cleaning but challenged the claim for the refrigerator doors. They testified that they had not damaged the refrigerator doors and should not be responsible for the cost to replace the doors.

The Respondent testified and provided evidence, including photographs, that the doors had to be replaced because the finish was badly scratched. The Respondent testified that during a walk through in March 2022, there was no damage to the finishes on the refrigerator doors and assumed the Tenant's had scratched the finish by accident when they were doing the final clean up.

The Respondent also testified that attempts were made to polish the stainless panels with an appliance scratch remover but without success. An estimate from Arctic Appliance for the cost to replace the fridge and freezer doors was provided, and the total estimated cost with freight and GST is \$1,398.60.

I am satisfied, based on the evidence and testimony of the parties, that the refrigerator doors were damaged during the Applicant's tenancy. The photographs show badly scratched finishes on both doors, and although the Applicants denied causing the damage, the damage occurred during their tenancy and under subsection 42(1) of the Act they are responsible for repair or in this case replacement. However, they are not responsible for the full cost of replacement. The accepted lifespan for a refrigerator is fifteen years, and depreciation can be applied against the costs for replacement.

At the hearing, the representative for the Respondent testified they understood the age of the appliance was five years, however, the Applicants challenged this, as the refrigerator was in the rental premises when they moved in five years ago, and was not new then. I asked the representative for the Respondent to confirm the age of the appliance and reserved my decision pending this information.

According to information provided to the Rental Office by the Respondent after the hearing, the age of the refrigerator is eight years. The estimated depreciated replacement cost is therefore $\$1,398.60 / 15 = \$93.24 \times 7\text{yrs (remaining life)} = \652.68 . When the cost for cleaning of \$200, is added, I find the Applicants owe a total of \$852.68 for cleaning and repair of tenant damages.

Security Deposit

At the initial hearing there was some confusion about the amount of security deposit paid by the Applicants and further details were requested. According to the statement provided to the Rental Office and the Applicants by the Respondent, the total security deposit paid was \$2,100.50, and with interest of \$3.87 this amount is now \$2,104.37. This is also consistent with information provided to the Rental Office by the Applicants. The Respondent testified they had not returned any portion of the security deposit as they were waiting for the outcome of this hearing.

When the amount owing for cleaning and repair of damages is deducted from the security deposit with interest, a total of \$1,251.69 should be returned to the Applicants ($\$2,104.37 - \$852.68 = \$1,251.69$).

Order

An order will issue requiring the Respondent to return part of the security deposit in the amount of \$1,251.69 (p. 18.1(b)).

Janice Laycock
Rental Officer