IN THE MATTER between **NF**, Applicant, and **WA**, 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, regarding a rental premises located within the **city of Yellowknife in the Northwest Territories**.

**BETWEEN:** 

NF

Applicant/Landlord

-and-

WA

Respondent/Tenant

## **REASONS FOR DECISION**

**Date of the Hearing:** September 27, 2022

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: RP, representing the Applicant

WA, Respondent

**Date of Decision:** September 29, 2022

## **REASONS FOR DECISION**

The tenancy agreement between the parties was made for a one-year term commencing on February 1, 2016. The agreement was renewed as a monthly agreement pursuant to section 49(1) of the *Residential Tenancies Act*. The monthly rent is currently \$1981 and the Applicant holds a security deposit of \$1375. A copy of the tenancy agreement was provided in evidence.

The Applicant alleged that the Respondent had breached the tenancy agreement by failing to pay rent and sought an order requiring the Respondent to pay the alleged rent arrears and terminating the tenancy agreement. The Applicant also sought an eviction order.

The Applicant provided a tenant ledger in evidence indicating rent transactions between the parties. The ledger indicates a balance of rent owing as at September 1, 2022 in the amount of \$16,119.50. The Applicant testified that there had been no payments since that date.

The Respondent did not dispute the allegations. He stated that he had suffered a serious medical situation which prevented him from earning income for a period of time and threatened to prevent him from working in his usual trade altogether. He stated that he has been medically cleared to work again and has been scheduled to return to work. The Respondent stated that he would put as much of his earned income as possible toward the debt and was currently seeking other forms of emergency funds to prevent him from being evicted. He stated that he had retirement investments that he would cash but would not be able to redeem them until January 2023.

A previous order (file #16598, filed on August 22, 2019) required the Respondent to pay rent arrears of \$3492 and to pay future rent on time. The order terminated the tenancy agreement unless the rent arrears were paid by September 30, 2019. The arrears were paid and the tenancy continued.

A review of the tenant ledger indicates that the rent account was paid in full in May 2021 albeit payments were not paid on time and the account was often two to three months in arrears. Rent payments stopped in June 2021 and no rent whatsoever was paid until January 2022 when the Respondent made one payment of \$8000. Three payments of \$2500 were paid in April 2022 and no other rent has been paid since then. The current arrears appear to coincide with the onset of the Respondent's health problems.

The Applicant would not agree to continue the tenancy agreement unless the rent arrears were promptly paid, preferably by October 31, 2022.

I find the Respondent in breach of his obligation to pay rent, I find the tenant ledger in order, and find rent arrears of \$16,119.50.

Although the Respondent does not have a good record of paying the rent when it is due, I accept that his current situation is due primarily to the failure of his health. In my opinion, the Respondent should have a reasonable opportunity to retire this debt. However, the Applicant should not be exposed to additional risk. In my opinion, an order that permits the Respondent to access his retirement funds, while not increasing the arrears, and terminates the tenancy promptly if the terms of the agreement are breached is reasonable.

An order shall issue requiring the Respondent to pay the rent arrears in four monthly payments along with the monthly rent, beginning in October 2022. If the ordered payment and/or the monthly rent is not paid by the end of each month, the tenancy agreement will be terminated on the first day of the following month and an eviction order shall become effective on the following day. The payments contained in the order are summarized as follows:

Arrears payment	Due Date	Monthly Rent	Total
\$2000.00	October 31, 2022	\$1981	\$3981
\$2000.00	November 30, 2022	\$1981	\$3981
\$2000.00	December 31, 2022	\$1981	\$3981
\$10,119.50	January 31, 2023	\$1981	\$12,100.50

Hal Logsdon Rental Officer