

IN THE MATTER between **HNT**, Applicant, and **KM**, 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 **community of Lutselk'e in the Northwest
Territories.**

BETWEEN:

HNT

Applicant/Landlord

-and-

KM

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	August 9, 2023
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	MRC, representing the Applicant KM, Respondent
<u>Date of Decision:</u>	August 9, 2023

REASONS FOR DECISION

An application to a rental officer made by the LHA on behalf of the HNT as the Applicant/Landlord against KM as the Respondent/Tenant was filed by the Rental Office June 2, 2023. The application was made regarding a residential tenancy agreement for a rental premises located in Lutselk'e, Northwest Territories. The filed application was personally served on the Respondent on July 11, 2023.

The Applicant claimed the Respondent had not paid rent when due and had accumulated significant rental arrears. An order was sought for payment of rental arrears, to pay rent on time in the future, as well as termination of the tenancy agreement, eviction, and compensation for overholding.

A hearing was held August 9, 2023, by teleconference. MRC appeared representing the Applicant. The Respondent, KM, also appeared.

Tenancy agreement

Evidence was provided establishing a residential tenancy agreement for subsidized public housing commencing on April 4, 2022 and continuing month to month. At the time the Application was filed, the rent was \$1,545 per month (full market rent) as the Respondent had not provided income information for 2021 as required under section 6 of their written tenancy agreement. However, starting in July 2023 the subsidized rent was assessed based on income information for 2022 and was reduced to \$70 per month.

I am satisfied a valid tenancy agreement is in place in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The Applicant provided, as evidence, an updated lease balance statement including entries up to August 1, 2023. The statement represents the Landlord's accounting of monthly rents and payments made against the Respondents' account. According to this statement, and the testimony of the Applicant, the Respondent has not made any payment in August, and currently has rental arrears totalling \$16,186.

The majority of these rental arrears accrued during the year July 2022 to June 2023, when the Respondent did not provide income information as required under the written tenancy agreement signed by all parties. Under section 6. *Tenant's Income*, the Respondent promised to provide the landlord when requested with "an accurate report of the Tenant's income, and the income of all other authorized occupants", and under section 7. *Rent Calculation*, if they did not do this, they were not eligible for a rental subsidy. Schedule A of the tenancy agreement lays out the full "market rent" of \$1,545 which is charged if no subsidy is applied.

At the hearing, I found that the Respondent was in breach of their obligations under the tenancy agreement and the Applicant was justified in charging full market rent. An order will issue for the payment of arrears totalling \$16,186.

I pointed out that if the Respondent was able to provide the Applicant with income information for 2021, they might still be able to receive a reassessment for the year July 2022 to June 2023 and a reduction in the arrears enforced by the Landlord. The Applicant agreed that if provided they would submit this information for reassessment.

Termination of the tenancy agreement and eviction

The Applicant provided evidence and testified that repeated notices were provided to the Respondent about the arrears, reminding them to provide income information for 2021, and to set up a payment plan. Despite the notices, the Respondent repeatedly did not pay their rent or provide the required income information for 2021, nor did they attempt to establish a payment plan.

Based on the evidence and testimony, since the commencement of their tenancy in April 2022, the Respondent did not make any payments for rent or arrears during the four-month period from April to July 2022, during the six-month period from October 2022 to March 2023, or in the months May, June, and August 2023.

The Respondent acknowledged that they had not provided income information for 2021 as required. They explained they had tried to file their taxes but had not been able to get a tax assessment from Canada Revenue Agency (CRA) for that tax year. They also explained they had not received all of the notices sent by the Landlord to their postal account, were not working as they were presently incarcerated, but expected to be released and back in the community soon, and were relying on this housing for themselves and their girlfriend.

They repeatedly complained about the amount of rent charged, saying “no one can afford that rent in Lutsel k’e”, and there are no jobs in the community. However, they committed to try again to obtain the tax assessment from CRA for 2021 and to provide it to the Applicant, and to make payments on the arrears and pay the rent when due.

I am satisfied, based on the evidence, that termination of the tenancy agreement and eviction are justified. The Respondent has repeatedly not paid the rent owing when due under their tenancy agreement. However, based on the assurances from the Respondent and agreement of the Applicant, the termination will be conditional. The tenancy will be terminated on November 30, 2023, and the Respondent must vacate the rental premises on that date, unless the Respondent pays at least \$500 in each of the months of September, October, and November 2023 (totalling a minimum of \$1,500), on their arrears, as well as paying rent when due. If the tenancy is terminated, then the Respondent will be evicted December 1, 2023.

Compensation for overholding

In the application, the Applicant had also sought compensation under subsection 67(4) of the Act for use and occupation of the rental premises after the tenancy has been terminated. As this termination is conditional, I denied this request, suggesting that the Applicant file a new application for compensation if required.

Orders

An Order will issue:

- requiring the Respondent to pay rental arrears owing totalling \$16,186 (p. 41(4)(a));
- requiring the Respondent to pay their rent on time in the future (p. 41(4)(b));
- terminating the tenancy agreement on November 30, 2023, unless at least \$1,500 is paid on the rental arrears, and the rent for September, October, and November 2023 is paid on time (p. 41(4)(c) and 83(2)); and
- if the tenancy agreement between the parties is terminated in accordance with this order the Respondent is evicted from the rental premises on or after December 1, 2023 (p. 63(4)(a) and 83(2)).

Janice Laycock
Rental Officer