IN THE MATTER between **HNT**, Applicant, and **JA and SM**, 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 **Janice Laycock**, Rental Officer, regarding a rental premises located within the **hamlet of Tulita in the Northwest Territories**.

BETWEEN:

HNT

Applicant/Landlord

-and-

JA and SM

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: August 14, 2024

<u>Place of the Hearing</u>: Yellowknife, Northwest Territories

Appearances at Hearing: DW, representing the Applicant

<u>Date of Decision</u>: August 14, 2024

REASONS FOR DECISION

An application to a rental officer made by THA on behalf of HNT as the Applicant/Landlord against JA and SM as the Respondents/Tenants was filed by the Rental Office November 1, 2023. The application was made regarding a residential tenancy agreement for a rental premises located in Tulita, Northwest Territories. The filed application was personally served on the Respondents on November 28, 2023.

The Applicant claimed the Respondents had repeatedly not paid their rent when due and had accrued significant rental arrears and had not provided household income information as required under their tenancy. An order was sought for payment of rental arrears, to provide income information, as well as termination of the tenancy, and eviction.

A hearing was held on December 6, 2023, by three-way teleconference. DW appeared representing the Applicant, the Respondents did not appear, nor did anyone appear on their behalf. As the Respondents had received sufficient notice, the hearing proceeded in their absence as provided for under subsection 80(2) of the *Residential Tenancies Act* (the Act).

The hearing was adjourned to allow the parties more time to resolve issues related to rental arrears. I understood the Respondents were working with the Applicant to have their rent reassessed.

The hearing was scheduled to resume on May 29, 2024, but was rescheduled at the request of the Applicant. A hearing was held on August 14, 2024, by three-way teleconference. DW appeared representing the Applicant, the Respondents did not appear, nor did anyone appear on their behalf. As the Respondents received notice of the resumption of the hearing by registered mail signed for on July 29, 2024, the hearing proceeded in their absence as provided for under the Act.

Previous orders

Previous Rental Officer Order file #15713, between NTHC v SM and JA, issued on November 10, 2017, required the Respondents to pay rental arrears owing totalling \$13,265.93, pay rent on time, termination of the tenancy agreement on January 31, 2018, unless at least \$350 is paid towards rental arrears and rent for November to January 2018 is paid on time. If tenancy terminated then eviction February 1, 2018.

Previous Rental Officer Order File #20-11116, between THA v SM and JA, issued on January 22, 2010, required the Respondents to pay rental arrears in the amount of \$5,946, pay costs for repairs in the amount of \$149.94, pay rent arrears and repair costs in monthly installments of \$200 until costs paid, pay future rent on time.

Tenancy agreement

The Applicant provided, as evidence, the written tenancy agreement between the parties for subsidized public housing commencing on March 27, 2012 and continuing month to month. The subsidized rent is currently \$790 per month.

At the hearing, the Applicant testified that the tenancy was not terminated on January 31, 2018, as provided for under the previous order.

I am satisfied there is a valid tenancy agreement between the parties in accordance with the Act.

Rental arrears

The lease balance statement provided, as evidence, represents the Landlord's accounting of monthly rents and payments received against the Respondent's rent account. According to the updated statement dated August 13, 2024, the balance currently owing is \$28,786.91. All tenant damage charges have been paid, so this means that when previously ordered arrears that can still be enforced totalling \$13,265.93 are deducted, this leaves a further \$15,520.98 in rental arrears that have accrued since the previous order was issued.

I am satisfied the lease balance statement accurately reflects the current status of the Respondent's rent account and I find they have rental arrears currently owing that can be ordered in the amount of \$15,520.98.

Income information

Under section 6 of the tenancy agreement entitled "Tenant's Income", the Respondents are required to provide their household income information each year. This allows their landlord to assess their rent and calculate their rental subsidy.

At the hearing on August 14, 2024, I asked what progress had been made on a reassessment. The Applicant testified that the Respondents had provided income information for 2023, allowing for assessment of a rental subsidy for the 2024/25 year, and starting in July 2024 their rent is \$790 per month. However, the Respondents had not provided household income information for 2022, despite attempts by the Applicant to work with them on this reassessment. As a result, they did not receive a subsidy for the 2023/2024 year and their rent was charged at full market rent of \$1,445.

Termination and eviction

According to the lease balance statement provided as evidence, the Respondents have repeatedly breached their obligation to pay their rent when due, especially since July 2022, when their rent was increased to \$1,155. In the 12 month period July 2022 to June 2023, they accrued arrears totalling \$5,971.58. In July 2023, their rent was increased to \$1,445, and during the next twelve month period July 2023 to June 2024, they accrued a further \$5,107.08 in arrears. These arrears accrued because the Respondent didn't pay full rent when due or in some months they didn't pay any rent at all. Since January 1, 2024, the Respondents paid nothing or only \$70 in February, March, May, June, and have made no payments to date on their rent for August 2024.

The Applicant provided evidence of repeated notices to the Respondents about their rental arrears, and at the hearing expressed their frustration with the situation. Since the hearing was adjourned in December 2023, the Respondents had made no effort to set up a repayment plan and had not provided information required to support a reassessment of their rent for the 2023/2024 year. However, they stated they were willing to give the Respondents another opportunity to address their arrears and would support a conditional termination order.

I am satisfied based on the testimony and evidence that the Respondents have repeatedly breached their obligation to pay their rent when due and termination of the tenancy agreement and eviction are justified. With the support of the Applicant, the tenancy agreement will be terminated on November 30, 2024, unless the Respondents pay their rent when due for September, October, and November, and pay at least \$100 each month on their rental arrears. If the tenancy is terminated then the Respondents will be evicted from the rental premises on December 1, 2024.

Orders

An order will issue:

- requiring the Respondent to pay rent owing in the amount of \$15,520.98 (p. 41(4)(a));
- requiring the Respondent to pay their rent on time in the future (p. 41(4)(b));
- terminating the tenancy on November 30, 2024, and requiring the tenants to vacate the rental premises on that date unless rent for September, October, and November 2024 is paid when due, and at least \$300 is paid on the rental arrears (p.(41(4)(c) and ss 83(1)); and
- if the tenancy is terminated, the Respondent is evicted from the rental premises on December 1, 2024 (p. 63(4)(a)).

| lanice Laycock | |
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| Rental Officer | |