

IN THE MATTER between **506 NL**, Applicant, and **HT and JT**, 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 **Jerry Vanhantsaeme**, Rental Officer, regarding
a rental premises located within the **city of Yellowknife in the Northwest Territories**;

BETWEEN:

506 NL

Applicant/Landlord

-and-

HT AND JT

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: August 14, 2024

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: KS, representing the Applicant

HT, representing the Respondents

Date of Decision: August 15, 2024

REASONS FOR DECISION

An application to a rental officer made by DPM on behalf of 506 NL as the Applicant/Landlord against HT and JT as the Respondent/Tenants was filed by the Rental Office June 3, 2024. 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 Respondents by email and deemed served on July 20, 2024.

The Applicant claimed the Respondents failed to pay rent on time and in full, resulting in the accumulation of rental arrears. An order was sought for the payment of arrears.

A hearing was scheduled for August 14, 2024, by three-way teleconference. KS appeared representing the Applicant. HT, appeared representing th Respondents. As the application was served on only HT, the Rental Officer verified if JT was aware of the hearing. HT testified that J was called into work, they had discussed the hearing and she would be appearing on both their behalf. Upon verification, the hearing was allowed to proceed. Due to the severity of the application, the hearing was adjourned *Sine Die* to allow the Applicant to provide supporting documents to the claim.

Tenancy Agreement

The Applicant entered into evidence a fixed term tenancy agreement between the Respondents and a previous Landlord (YDL) starting June 1, 2021 to May 31, 2022. The rental complex was subsequently sold by YDL to RLD, who subsequently sold the property to the current landlord (506 NL) on October 1, 2022. During the hearing, the Rental Officer questioned the Applicant if on change of the two landlords, were there any new tenancy agreements done. The Applicant's representative testified no other tenancy agreements were in place. The Respondents were on a month-to-month tenancy based on the Yellowknife Dairies Ltd tenancy agreement.

I am satisfied a valid month-to-month tenancy agreement is in place in accordance with the *Act*.

Termination of the tenancy

In the application to the rental officer, the Applicant's representative wrote " Tenants were issued an eviction notice for eviction January 31, 2023 and end of March for May 1, 2023 move out, tenant moved out, total balance owing as of today is \$35,626.05 (May 31, 2024). Tenant did not advise when they moved all of May rent may not apply waiting on the city to confirm the water bill and if any amounts are outstanding". The Rental Officer questioned the date of the Respondents vacated the rental premises, and the Respondent testified they had vacated before mid April, did not provide the Applicant's representative a date they had vacated, as they were told the police would be coming on May 1, 2024 if they had not vacated the rental premises. It was also the understanding of the Respondent that the Applicant's representative would be confirming if the rental premises had been vacated.

In response to the Respondent's statement, the Applicant's representative testified, they would not be sending the police, they would do the next steps as avoided multiple eviction notices and payment arrangements. The Respondent would not remove them, someone else would. The Applicant also testified they recommended the Respondents reach out to the Rental Office to find out their rights.

The Respondent further testified, they did not reach out as they did not feel comfortable in reaching out with the Applicant's representative, as they felt they were not being respected, but an email would suffice. The Respondents thought the notice meant to be out at the end of April.

The Rental Officer confirmed the keys had not been returned and the Applicant's representative did not verify the unit had been vacated or send notice they were inspecting the unit. The Applicant's representative testified they did not check to see if the Respondents had vacated, as the Respondents has ignored earlier notices and did not feel good about visiting the property. The Applicant did send notice one to two weeks later regarding a maintenance inspection, and that was when the Applicant was informed the Respondents had vacated the unit.

The Respondent rebutted and testified the Applicant has a unit at the end, and occupants there knew the Respondents had not been around since April 2024.

Upon verification to the Rental Officer, the Respondent testified the mail key was left in the unit, but they did not return the main keys to the unit as they were on the assumption the locks would be changed.

Based on the evidence provided, and testimony, **the tenancy is deemed to be terminated and the rental premises vacated on April 30, 2024.**

Rental arrears

The Applicant entered into evidence a “tenant statement” representing the Landlord’s account of the monthly assessed rents and payments received against the Respondents rent account from November 1, 2022 to May 30, 2024. The tenant statement indicates the rent charged from November 1, 2022 to April 4, 2023 was \$2,200.00 per month. From May 1, 2023 to May 30, 2024 the rent had increased to \$2,950.00 and the total amount owed was \$35,626.05. During the tenancy, the Respondents missed paying 11 months and under paid 2 months of the calculated rent.

The tenant statement also includes a past due water bill charge of \$766.05. The water bill is not considered rental arrears and is deducted from the rental arrears balance.

In further review of the “tenant statement”, the Rental Officer questioned as to whether a security deposit was being held by the Applicant as the statement showed a \$0.00 balance being held. The Applicant’s representative testified there was a security deposit from the previous Landlord that was transferred. The Applicant’s representative testified, as of August 2024, they were holding the \$2,200.00 deposit plus interest in the amount of \$1.74 for a total of \$2,201.74. Upon request, the Applicant provided a notice that as of August 14, 2024, they were holding \$2,200.58 in trust. Due to the discrepancy of over a dollar, the Rental Officer calculated the interest being held in accordance with paragraph 2 of the *Residential Tenancies Regulations* and found the interest earned is \$0.68.

$(\text{Amount}) \times (\text{number of days}) \times (\text{interest rate}) / 365 / 100$

June 1, 2021 - August 14, 2024

Year	Deposit	Days	Interest	Divide 365	Divide 100	Interest earned
2021	2200	168	0.01%	369600	3696	\$0.10
2022	2200	365	0.01%	803000	8030	\$0.22
2023	2200	365	0.01%	803000	8030	\$0.22
2023	2200	226	0.01%	497200	4972	\$0.14
						\$0.68 Total interest

Based on the calculations the deposit being held is **\$2,200.68.**

As the tenancy was ended and the Tenants vacating the rental premises on April 30, 2024, rental charged for May 2024 is **denied**; deducting the water charge of \$776.05 and security deposit amount of \$2,200.68, I find the Respondents have arrears in the amount of **\$29,699.32**.

Utilities

Section 45(1) of the *Act* specifies a tenant shall comply with the obligations under the tenancy agreement and with the rules of the landlord that are reasonable in all circumstances. Section 9 of the tenancy agreement specifies the tenant is responsible for the cost of water services among others.

While not specifically requested in the hearing, the “tenant statement” contained a past due water charge. As part of the application entered into evidence was an October 30, 2023 utilities charge letter from the city of Yellowknife to advise an outstanding utilities charges. The Applicant’s representative also confirmed the utilities charge has been placed against the Applicant’s tax account. The Respondent did not dispute the debt. The Respondent also testified they were charged for water and power after they had vacated the unit but will be bringing this forward to the utility providers.

I am satisfied based on the evidence presented and the testimony of both parties reflects the outstanding amount for water arrears. I find the Respondents failed to comply with their obligation to pay the utilities bill and accumulated arrears in the amount of \$776.05.

Determinations

Based on the evidence and the testimony provided by both parties, I am satisfied the Respondents are responsible for the rental arrears and utility charges incurred by the Applicant.

Orders

An order will be issued:

- requiring the Respondents to pay rental arrears in the amount of \$29,699.32 (p. 41(4)(a)); and
- requiring the Respondents to pay outstanding utilities costs in the amount of \$776.05 (p. 45(4)(c)).

Jerry Vanhantsaeme
Rental Officer