IN THE MATTER between **HNT**, Applicant, and **MK**, 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 **town of Inuvik in the Northwest Territories**.

BETWEEN:

HNT

Applicant/Landlord

-and-

MK

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: November 6, 2024

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

Appearances at Hearing: CC, representing the Applicant

MK, the Respondent

<u>Date of Decision</u>: November 6, 2024

REASONS FOR DECISION

An application to a rental officer made by IHA on behalf of HNT as the Applicant/Landlord against MK as the Respondent/Tenant was filed by the Rental Office October 2, 2024. The application was made regarding a residential tenancy agreement for a rental premises located in Inuvik, Northwest Territories. The filed application was served on the Respondent by registered mail on October 7, 2024.

The Applicant claimed the Respondent had not paid their full rent when due and had accumulated significant rental arrears, and were responsible for damages. An order was sought for payment of rental arrears, to pay rent on time, to pay costs for repair tenant damages, termination of the tenancy agreement, and eviction, as well as compensation for use and occupation after termination of the tenancy.

A hearing was held November 6, 2024, by three-way teleconference. CC appeared representing the Applicant. The Respondent, MK, appeared at the hearing.

Tenancy agreement

The Applicant provided, as evidence, the written tenancy agreement between the parties for subsidized public housing commencing on February 5, 2021, and continuing month to month. The assessed rent based on household income is currently \$1,625 per month.

I am satisfied there is a valid tenancy agreement between the parties in accordance with the *Residential Tenancies Act* (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 statement provided with the application, dated October 1, 2024, the Respondent owed \$19,950.

At the hearing, the Applicant testified that since the application was filed, there have been additional charges of \$1,625 (rent for November), and the Respondent had made further payments in October, totalling \$600 bringing the rental arrears to \$20,975.

I asked the Applicant to provide a copy of the updated lease balance statement. A copy was provided after the hearing confirming the Applicant's testimony.

I am satisfied the lease balance statement accurately reflects the current status of the Respondent's rent account and find they have rental arrears currently owing (including November's rent) in the amount of \$20,975.

Tenant damages

The Applicant claimed the Respondent had left garbage in the yard, and despite numerous reminders the Respondent had not cleaned up the yard. When filing the application, the Applicant anticipated they would have taken steps to clean the yard and would have an invoice of this cost to present at the hearing. However, they were not able to do this work and did not have a claim to bring forward at this time.

Termination of the tenancy agreement

According to the lease balance statement provided, as evidence, the Respondent has repeatedly breached their obligation to pay their rent when due. They had a credit balance in June 2023, when their subsidized rent was \$890/month, but have struggled to pay full rent when due when the rent increased to \$1,625 in July 2023. Since July 2023, the Respondent has not paid full rent in any of the months, resulting in significant arrears.

The Applicant provided, as evidence, copies of notices to the Respondent about the arrears, including termination notices sent in February, June, and September 2024. They also provided a copy of an agreement to pay dated March 21, 2024 to pay rent plus \$50 per month.

At the hearing, the Respondent confirmed they were working full time, but had many costs to cover and were having difficulty making the rent payments. They were seeking funding through Jordan's Principle to help pay off their arrears. The Applicant expressed concern that the Respondent was getting more and more in trouble with the rising arrears and they understood that funding approvals may take at least six months. They agreed to a conditional termination order to allow the Respondent some time to pay their rent and arrears.

Based on the evidence and testimony, I am satisfied the Respondent has repeatedly failed to pay their rent when due and is in breach of the subsection 41(1) of the Act and termination of the tenancy agreement is justified. At the hearing, I expressed my concern with continuing the tenancy, if the Respondent continues to not pay their rent and make payments on their arrears.

At the hearing, the Respondent agreed to make weekly payments of \$500, resulting in payments each month of \$2,000. After their rent of \$1,625 is paid in full, this leaves a further \$375 that can be applied against the arrears. They also promised to continue to seek other funding to try to pay off their rental arrears in full. The Applicant agreed to this plan and to give the Respondent a further six months to seek funding. .../4

Based on this agreement between the parties, a condition termination order will be issued. The tenancy will be terminated on April 30, 2025, unless the Respondent pays at least \$375 per month starting in November on their rental arrears and pays their rent when due in December 2024, January, February, March, and April 2025. If the Respondent does not comply with these conditions, their tenancy will be terminated and they will be evicted on May 15, 2025.

Compensation for use and occupation

In their application, the Applicant also sought an order for use and occupation after the termination of the tenancy as provided for under paragraph 63(4)(b) of the Act. As this order is conditional, I denied this request. If the Respondent does not comply with the conditional order then the Applicant may return with an application for compensation.

Orders

An order will issue:

- requiring the Respondent to pay their rent owing in the amount of \$20,975 (p. 41(4)(a));
- requiring the Respondent to pay their rent on time in the future (p. 41(4)(b)); and
- terminating the tenancy agreement on April 30, 2025, unless at least \$2,250 is paid on the rental arrears and rent for December 2024 and January, February, March, and April 2025, is paid on time (p. 41(4)(c) and ss. 83(2)).
- if the tenancy is terminated then the Respondent will be evicted from the rental premises on or after May 15, 2025 (p. 63(4)(a)).

Janice Laycock	
Rental Officer	