IN THE MATTER between **TH**, Applicant, and **MR and TH**, 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 **city of Yellowknife in the Northwest Territories**.

BETWEEN:

TH

Applicant/Landlord

-and-

MR and TH

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: December 4, 2024

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

Appearances at Hearing: TH, representing the Applicant

AB, witness for the Applicant

<u>Date of Decision</u>: December 4, 2024

REASONS FOR DECISION

An application to a rental officer made by TH as the Applicant/Landlord against MR and TH as the Respondents/Tenants was filed by the Rental Office November 4, 2024. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was deemed served on the Respondents by email on November 27, 2024.

The Applicant claimed the Respondent had not paid their full security deposit, had not paid their rent when due and had accumulated rental arrears, were responsible for disturbances, and had committed various breaches of their obligations under the tenancy agreement. An order was sought for payment of rental arrears, payment of the security deposit, as well as termination of the tenancy agreement and eviction.

A hearing was held on December 4, 2024 by three-way teleconference. TH, appeared as the Applicant. AB, appeared as a witness for the Applicant. The Respondents did not appear at the hearing, nor did anyone appear on their behalf. As the Respondents were provided sufficient notice of the hearing by email deemed served November 27, 2024, the hearing proceeded in their absence as provided for under subsection 80(2) of the *Residential Tenancies Act* (the Act).

Tenancy agreement

The Applicant provided, as evidence, a copy of the written tenancy agreement for the term September 1, 2024 to March 1, 2025. Although this agreement is initialled and signed by the parties, the version provided with the application does not include the names of the tenants, and the amount of rent is given as \$3. At the hearing, the Applicant testified that they did not have experience as a landlord, and had not corrected errors in the tenancy agreement including the section on rent. They testified the actual monthly rent agreed to by the parties was \$3,200 per month, and the Respondents moved into the rental premises 7 days early for a charge of \$700. This is verified in the tenant screening report provided with the application.

I am satisfied that a valid tenancy agreement is in place in accordance with the Act.

Rental arrears

The Applicant provided, as evidence, an updated statement dated December 2, 2024, detailing rent charged and paid. According to this statement, the Respondents paid only \$2,330 on rent over their tenancy, and currently have rental arrears totalling \$11,070.

	Charged	Paid
August 7 days	\$700	\$2,330
September	\$3,100 (discounted by \$100 for work)	\$0
October	\$3,200	\$0
November	\$3,200	\$0
December	<u>\$3,200</u>	<u>\$0</u>
TOTAL	\$13,400	\$2,330 = \$11,070 rent arrears.

I am satisfied the updated statement is accurate and find the Respondents currently have rental arrears totalling \$11,070.

Security Deposit

The Applicant testified that the Respondents had paid \$2,200 on the security deposit in August and September, owing a further \$1000 on their \$3,200 security deposit. At the hearing, I pointed out the tenancy agreement sites the security deposit as \$3,100, which would leave \$900 owing on the deposit. However, considering that the tenancy will be terminated, I will not order it paid.

Disturbances and breach of obligations

The Applicant explained that the rental premises is located next to another residence and a business. They claimed the Respondents' and their guests have disturbed other tenants, and had breached their obligations under the written tenancy agreement or agreed to prior to the tenancy, by smoking in the rental premises, keeping pets in excess of the number agreed, parking or leaving pallets in the business parking area, and exceeding the provision relating to occupancy by having more than two people living in the rental unit.

The Applicant provided a statement from an employee of the business attesting to theses issues. The tenant living in the adjacent unit, also appeared at the hearing and testified they had witnessed these incidents themselves. They also pointed out that exceeding the occupancy numbers has meant that the shared water tank has run out of water on a number of occasions.

Termination of the tenancy agreement and eviction

According to evidence and testimony, the Respondents have repeatedly not paid rent when due and in their short tenancy have accrued significant rental arrears. They paid no rent. This is despite numerous notices by the Applicant about the rent, and promises by the Respondents to pay. For this reason alone, I believe that termination of the tenancy agreement and eviction are justified and will order termination of the tenancy agreement December 9, 2024, and eviction to follow on December 10, 2024.

I also believe that the Respondents have breached their obligations under subsection 43(1) of the Act, by disturbing other tenant's possession of the rental premises, and have breached subsection 45(1) of the Act by not complying with the obligation set out in the written tenancy agreement relating to occupancy. I believe, based on the testimony, that the Respondents have breached other obligations agreed to by the parties (but not included in the written tenancy agreement) relating to smoking, pets, and parking. However, although I believe there have been breaches, I am not convinced based on the evidence that these specific incidents would on their own justify termination of the tenancy agreement.

At the hearing, I stated that considering my intention to order immediate termination of the tenancy agreement, I would apply the Security Deposit paid against the rental arrears owing. However, after further consideration I believe that this is premature. Under subsection 18 of the Act, a landlord who holds a security deposit may, after a tenant vacates the rental premises, retain the security deposit for arrears of rent or repair of damages, if an entry and exit inspection were completed. In this situation, I expect that the Applicant will retain the partial security deposit paid of \$2,200, to cover part of the ordered arrears.

Orders

An order will issue:

- requiring the Respondent to pay rental arrears owing in the amount of \$11,070 (p. 41(4)(a));
- 2. terminating the tenancy agreement on December 9, 2024, and the Respondents must vacate the rental premises on that date (41(4)(c)); and
- 3. evicting the Respondents from the rental premises on December 10, 2024 (63(4)(a)).

Janice Laycock		
Rental Officer		