IN THE MATTER between AFI, Applicant, and CLPH and CE, 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:

AFI

Applicant/Landlord

-and-

**CLPH and CE** 

Respondents/Tenants

# **REASONS FOR DECISION**

**Date of the Hearing:** January 22, 2025

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

Appearances at Hearing: DR, representing the Applicant

**CLPH and CE, the Respondents** 

<u>Date of Decision</u>: January 22, 2025

## **REASONS FOR DECISION**

An application to a rental officer made by AFI as the Applicant/Landlord against CLP and CE as the Respondents/Tenants was filed by the Rental Office October 7, 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 October 13, 2024.

The Applicant claimed the Respondents had repeatedly not paid their rent on time and had rental arrears owing. They sought an order for the Respondents to pay rent owing and to pay their rent on time in the future.

A hearing was held on November 13, 2024, by three-way teleconference. DR appeared representing the Applicant. CLP and CE appeared as the Respondents. I adjourned the hearing to a later date to allow the parties an opportunity to provide further information on rent charged and paid. Also, at the hearing the Respondents reported that they were in the process of vacating the rental premises and I indicated that an addendum to the application could be considered from the Applicant to address any issues at move-out. The parties agreed to provide further information by November 27, 2024.

A hearing to resume consideration of this application was scheduled for January 8, 2025, but was rescheduled at the request of the Rental Office and notices provided to the parties. A hearing was held on January 22, 2025, by three-way teleconference. DR appeared representing the Applicant. The Respondents, CLP and CE, appeared at the hearing. At the hearing, CL made a correction in her name, stating that it is actually CLPH. I agreed to amend the style of cause accordingly.

## Tenancy agreement

In their application, the Applicant explained that there was no written statement, but there was an oral agreement with the parties, and the rent per month of \$1,200 included power, water, and heat. According to evidence provided with the application, the rent was increased to \$2,000 starting November 1, 2024, and a notice provided to the Respondents in July 2024, about the rental increase and other changes in the tenancy agreement. I understand that no security deposit was charged or paid for the tenancy.

At the hearing in November 2024, the Respondents confirmed they had an oral agreement that commenced May 1, 2023, and they were in the process of vacating the rental premises, and expected to be moved out by November 14, 2024.

When the hearing resumed in January, although there was some disagreement about the exact date the key had been returned, the parties agreed that the Respondents had vacated the rental premises mid November. The Applicant reported that the rental unit was rented for December 2024.

I am satisfied a valid tenancy agreement was in place between the parties in accordance with the *Residential Tenancies Act* (the Act) and this tenancy was terminated when the Respondents vacated the rental premises in November 2024.

### Rental arrears

The Applicant provided with their application a statement showing rent charged and paid during the period May 1, 2023 to October 2024. According to this statement, the Respondents owed \$3,200 in August and after paying no rent for September and October, they owed \$5,600 for rent. The Applicant also testified that no rent had yet been paid for November 2024.

The Respondents testified that they had paid September and October's rent to the Applicant's ex-spouse, who they felt had an interest in the property. At the hearing, I stated that it was my opinion, based on the evidence and testimony, that the oral tenancy agreement was with DR on behalf of AFI. Previously, they had paid their rent to D, and their was no valid reason why they should now pay their rent to someone else. As a result, rent was still owing to the Applicant for those two months.

The Respondents disputed the amount of rent owing as claimed by the Applicant, I agreed to give both parties more time to review their records and provide evidence supporting their position.

On November 25, the Applicant provided an updated statement to the Rental Office and indicated they would not be filing an addendum to their application. On November 27, 2024, the Respondents provided an updated statement including copies of their bank statements for some dates. On January 20, 2025, the Applicant also provided more evidence in response to the statements provided by the Respondents.

When the hearing resumed in January 2025, the Applicant had provided an updated statement detailing rent charged and paid, copies of relevant bank statements, as well as an explanation of some payments made in one month that had been entered in the next, they claimed rent now owing (including rent for November 2024) was \$6,800. ..../4

The Respondents provided their own statement of charges and payments (compiled from bank statements and the Applicants's statement), as well as their own bank statements and claimed after making a payment of \$800 in November, they owed \$3,000.

I told the parties that after reviewing all of the documents there were only three instances where their records differed. I also pointed out that the statement provided by the Respondents included errors in math and did not include any rent charges for November 2024. After correcting errors in their statement, I calculated the amount owing for 2023 and 2024 to be \$3,300. When rent for November of \$2,000 is included minus the payment made in November of \$800, the amount now owing is \$4,500.

At the hearing, we discussed the differences between the statements and I was prepared to accept further information from the Respondents to support their claim, however, at this point the Applicant stated they were interested in settling and would be willing to accept a payment of \$4,500 from the Respondents, but this offer was not up for further negotiation. The Respondents agreed to pay, but stated they would need some time to do so.

Based on the agreement of the parties, I find the Respondents owe \$4,500 in rental arrears, and an order will issue for the Respondents to pay.

#### Orders

An order will issue requiring the Respondents to pay rental arrears owing in the amount of 44,500 (p. 41(4)(a)).

Janice Laycock Rental Officer