IN THE MATTER between **VS and ZF**, Applicant, and **AR**, 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 **city of Yellowknife**, in the **Northwest Territories**;

BETWEEN:

VS and ZF

Applicant/Landlord

-and-

AR

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: January 15, 2025

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

Appearances at Hearing: VS and ZF, representing the Applicants

TD, Property Manager for the Applicants

AR, Respondent MS, Respondent

Date of Decision: January 16, 2025

REASONS FOR DECISION

An application to a rental officer made by VS and ZF as the Applicants/Landlords against AR and MS as the Respondents/Tenants was filed by the Rental Office November 21, 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 Respondent by email on December 5, 2024.

The Applicant claimed the Respondent, AR, had repeatedly not paid their rent when due and had accumulated significant rental arrears. They sought an order to pay rental arrears and termination of the tenancy agreement.

A hearing was scheduled for January 8, 2025, but was rescheduled to January 15, 2025, at the request of the Rental Office. A hearing was held on January 15, 2025, by three-way teleconference. VS and ZF appeared representing the Applicants. TD appeared as the Property Manager for the Applicant. Respondents, AR and MS, also appeared at the hearing.

Tenancy agreement

Provided as evidence was a written joint tenancy agreement between the parties for the term December 1, 2021, to November 30, 2022, and then continuing month to month. Also provided is a copy of a letter to the Landlord from MS notifying them that he had moved out of the rental unit on April 4, 2024 and should be removed from the tenancy agreement. At the hearing, the parties agreed that in April 2024, a sole tenancy agreement with AR alone was created.

Rent was \$2,350 but was increased to \$2,467.50 in August 2024. A copy of the letter notifying the Respondent of this increase was provided.

I am satisfied that a valid sole tenancy agreement is in place in accordance with the Act between the Applicants and AR, the Respondent. The style of cause of this application has been revised to reflect the current status of the tenancy.

Rental arrears

The Applicants provided a statement of rent charged and paid up to August 2024, as well as email correspondence with the Respondent detailing rent owing for August, September, and October, totalling \$4,944. They also provided copies of text messages from the Respondent with apologies about not paying rent when due and promises to pay.

The Applicant testified at the hearing that the Respondent had not paid full rent in August, and no rent in September, October, November, December 2024, and to date in January 2025, and currently has rent owing totalling \$12,345.

I questioned the amount of rent charged, as the statements and correspondence including the email dated October 6, 2024, detailing rent owing, includes rent charges of \$2,468, which is different than the amount (\$2,467.50) in the notice of increase.

The Applicant confirmed the rent was \$2,467.50 and references to rent of \$2,468 were in error. I reserved my decision on the amount owing pending receipt of an updated statement detailing charges and payments made during the period at issue. An updated statement was provided to the Rental Office on January 16, 2025, showing full rent paid up to July 2024, detailing rent charges and payments during the period in question (August 2024 to January 2025), and confirming the Applicant's testimony.

Date	Charges	Date	Payments
August 1, 2024	\$2,467.50	August 16, 2024	\$2,460.00
Sept 1, 2024	\$2,467.50		\$0
Oct 1, 2024	\$2,467.50		\$0
Nov 1, 2024	\$2,467.50		\$0
Dec 1, 2024	\$2,467.50		\$0
Jan 1, 2025	\$2,467.50		\$0
TOTAL	\$14,805	TOTAL	\$2,460.00

The statement shows rent owing up to the end of December 2024, was \$9,877.50, and with rent for January 2025 still outstanding of \$2,467.50, the total rent owing currently is \$12,345.

I am satisfied the statement provided accurately reflects the current status of the Respondent's rent account and find they have repeatedly breached their obligation to pay rent when due and currently owe rent totalling \$12,345.

Termination of the tenancy agreement

At the hearing, the Respondent did not dispute the amount owing, they testified that they had been a good tenant during most of their tenancy, again apologized for not paying their rent, and explained that they had been struggling with health issues and had lost their job, but were now employed again and if provided with an opportunity to pay, would do so.

At the hearing, I stated that based on the evidence and testimony, I was satisfied the Respondent had repeatedly not paid their rent when due, despite numerous promises to do so and had accumulated significant rental arrears. In my opinion, termination of the tenancy agreement was justified.

I asked the Applicant, considering the Respondent's circumstances, struggles, and current promises, if they would be willing to consider a conditional termination of the tenancy agreement.

The Applicant initially was reluctant, considering the rental arrears that had accrued and the broken promises previously made by the Respondent. They also expressed concern about the Respondent's ability to pay considering their change in employment status. However, they were sympathetic to the Respondent's circumstances and agreed with giving them another opportunity.

The Respondent agreed to provide the Applicant with a copy of their recent offer of employment, confirming their employment status, and agreed to conform with the terms of the conditional termination.

Considering the agreement of the Applicant and the testimony of the Respondent, the tenancy agreement will terminate, and the Respondent shall vacate the rental premises on:

- January 31, 2025, unless rent owing for January 2025, totalling \$2,467.50is paid in full,
 or
- February 28, 2025, unless rent for February 2025, totalling \$2,467.50 is paid when due, and rental arrears totalling \$9,877.50 are paid in full.

I encourage the Respondent to comply with these conditions. Despite repeated breaches of your obligation to pay rent when due, and a string of broken promises, your Landlord has chosen to be compassionate and give you another chance to maintain your tenancy, and I hope you don't abuse their trust.

In their application, the Applicant did not seek an order for eviction. However, if the Respondent does not comply with these conditions, their tenancy is terminated, and if they do not vacate the rental premises as required under the termination order, the Applicant can return to the Rental Office for an order of eviction under paragraph 63(4)(a) of the Act, and can seek an order for payment of any further rental arrears owing.

Orders

At the hearing, I indicated that in addition to the conditional termination order it was my intention to order rental arrears up to the end of December 2025 paid. I said that this order would not include January's rent, however after further consideration, I believe that as January's rent, which was due on January 1, 2025, is already overdue, it would be reasonable to also include this amount in the order to pay rent owing.

An order will issue:

- requiring the Respondent to pay rent owing in the amount of \$12, 245 (p. 41(4)(a));
- requiring the Respondent to pay their rent on time in the future (p. 41(4)(b));
- terminating the tenancy agreement and requiring the Respondent to vacate the rental premises on:
 - ► January 31, 2025, unless rent owing for January 2025, totalling \$2,467.50 is paid in full; and
 - February 28, 2025, unless rent for February 2025, totalling \$2,467.50, is paid when due and rental arrears owing totalling \$9,877.50 are paid in full (p. 41(4)(c) and ss. 83(2)).

Janice Laycock Rental Officer