

IN THE MATTER between **HNT**, Applicant, and **JB**, 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 **Jerry Vanhantsaeme**, Rental Officer, regarding
a rental premises located within the **hamlet of Fort Providence in the Northwest
Territories**;

BETWEEN:

HNT

Applicant/Landlord

-and-

JB

Respondent/Tenant

REASONS FOR DECISION

<u>Date of the Hearing:</u>	January 16, 2024
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	MB, representing the Applicant
<u>Date of Decision:</u>	January 21, 2025

REASONS FOR DECISION

An application to a rental officer made by FPHA on behalf of HNT as the Applicant/Landlord against JB as the Respondent/Tenant was filed by the Rental Office December 3, 2024. The application was made regarding a residential tenancy agreement for a rental premises located in Fort Providence, Northwest Territories. The filed application was personally served on the Respondent December 9, 2024.

The Applicant alleged the Respondent was a former Tenant who is indebted to the Landlord for unpaid rent and damages caused to the rental premises. An order was sought for payment of arrears and damages.

A hearing was scheduled for January 16, 2025, in Yellowknife by three-way teleconference. MB appeared representing the Applicant. The Respondent did not appear at the hearing, nor did anyone appear on their behalf. The hearing proceeded in the Respondent's absence pursuant to subsection 80(2) of the *Residential Tenancies Act (Act)*. I reserved my decision for the Landlord to produce information and to review the testimony and evidence.

Tenancy Agreement

Evidence provided establishing a month-to-month tenancy agreement between the parties for subsidized public housing from November 1, 2023 until the Tenant vacated May 31, 2024. The tenancy agreement was signed by all parties. I am satisfied a valid tenancy agreement was in place in accordance with the Act.

From this point forward the Applicant/Landlord will be known as the Landlord and the Respondent/Tenant will be known as the Tenant.

Security deposit

Section 10 of the tenancy agreement the Tenant agreed to pay a security deposit. The tenancy agreement did not indicate the amount to be paid or by when. Entered into evidence were a security deposit ledger, receipt, and letter. The ledger showed on April 25, 2019 the Tenant paid a \$753.00 security deposit and at the end of the tenancy earned \$1.03 in interest for a total balance of \$754.03. The receipt indicated the security deposit was applied to the arrears.

A review of the letter date July 9, 2024, determined the Landlord's representative claimed arrears of \$6,475.00 with a balance due of \$0.00. In review of the lease balance statement, \$2,415.00 belonged to the tenancy in the application. The remaining \$4,060.00 belonged to a separate joint tenancy for which an order had been issued and should not have been referenced. Thus, making the letter confusing as to what was actually owed. The letter did not make any reference to Tenant damages.

It was also noted **the letter was sent 39 days after the tenancy ended**, which was not in alignment with paragraphs 18(7)(a) which requires the Landlord who withholds a security deposit provide within 10 days be given notice to the tenant of that intent.

Exit inspection

The Landlord entered into evidence an unsigned exit inspection report by either party. The Rental Officer questioned and the Landlord's representative testified the exit inspection occurred some time in June/July, but believed it was some time in June as the Tenant vacated on May 31, 2024 but had items in the rental premises. The Rental Officer pointed out subsection 17.1(3)(b) which stated "*without delay on the completion of an inspection, the landlord or his or her agent shall (b) sign the exit inspection report.*"

The Rental Officer also raised the concern on if the exit inspection had been provided to the Tenant or not. The Landlord's representative testified the Tenant was around, did not attend the move out inspection, but was provided a copy of the report. The Landlord's representative stated a copy of the report was mailed to the Tenant but they did not have anything in place recording when the report was sent but would attempt to gather that information. The Landlord's representative clarified on June 10, 2024 the exit inspection report was sent to the Tenant. They also acknowledged no log was maintained for outgoing mail.

Arrears

The lease balance statement entered into evidence represents the Landlord's accounting of the rent and payments received against the Tenant's rental account from the start of the tenancy. The Tenant's calculated rent at the time of the application was \$345.00. The statement also showed the Tenant failed to make any payments towards rent from the start to the end of the tenancy, resulting in the accumulation of \$2,415.00.

An updated statement was provided prior to the hearing, confirming no payments were made by the Tenant and \$1,660.97 remained owing after the security deposit was applied.

I am satisfied the updated lease balance statement accurately reflects the current status of rent account. I find the Tenant has arrears totalling \$1,660.97.

Damages

The Landlord is claiming the cost of repairs to the rental premises in the amount of \$4,670.83. Entered into evidence were an incomplete check-in/out unit condition report, work orders, invoices and photos.

Under subsection 42(1) of the *Act*, a tenant shall repair damages to the rental premises caused by their wilful or negligent conduct of the tenant or persons permitted on the premises by the tenant, and under subsection 42(3)(e) of the *Act*, where, on the application of a landlord, a rental officer determines that a tenant has breached the obligation imposed by this section, the rental officer may make an order requiring the tenant to pay any reasonable expenses directly associated with the repair or action.

I reviewed the evidence provided to determine if the Tenant is responsible for the damages, and if the costs for the work were reasonable.

The following are the amounts claimed and my findings by:

- **\$1,828.97 claimed** - Invoice #487310/Work Order #440334 (\$1,741.88) - replacement of living room window sealed units. Landlord's representative testified the building has been around since 2017. The useful life of window glass is 15-years. Based on the information provided, there would be 8-years of useful life remaining which works out to depreciated value of \$116.13 per year for labour and materials. $\$116.13 \times 8 \text{ years} = \textbf{\$929.00}$. Full value for labour is awarded as the time per window can not be determined and could vary per window. Total approved costs for labour and materials are **\$929.00. Supported by evidence and testimony.**
- **\$2,841.86 claimed** - Invoice #487307/Work Order #38190 (\$2,706.53)- replacement of exterior door, passage-set, dead bold and painting. Material cost \$1,040.85, labour cost \$1,665.68 for 47 hours, averaging \$35.44 per hour.
 - ▶ Landlord's representative testified the door is also from 2017. The useful life of an exterior door is 20 years. Based on the information provided, there would be 13 years of useful life remaining for the door, and locking system, which works out to a depreciated value of \$33.35 per year for the door. $\$33.35 \times 13 = \textbf{\$433.55}$ for the door and passage set. To remove and replace an exterior door varies from 2 - 4 hours. Depreciated value for labour is \$18.90 per hour x 4 hours = **\$75.61** for labour. Total approved costs for door replacement is **\$509.16. Supported by evidence and testimony.**

- Useful life of paint is 8 years. The rental premises is from 2017. The Landlord's representative testified the rental premises is a trailer that has panelling. There would be 1 year of useful life remaining for the paint, which works out to depreciated value of \$11.68 per year per gallon of paint. $\$11.68 \times 4 \text{ gallons} = \textbf{\$46.72}$ for paint. 40 hours labour for painting. Average time to patch and paint a room is 8 - 10 hours. The exit inspection report and photos provided show 2 rooms required painting. The Landlord testified the repair work was extensive for painting. Depreciated value for labour for patch and paint is \$4.43 per hour $\times 40 \text{ hours} = \textbf{\$177.20}$ for labour. Total approved costs for labour and materials are **\$223.92. Supported by evidence and testimony.**

The invoices did record GST and are not in line with the work order charges, which could cause confusion to a tenant when the work and charges are not in alignment.

\$ 1,662.08	Repair Costs Approved
\$ 83.10	GST
\$ 1,745.18	Total Costs Approved

Based on the evidence provided and testimony of the Landlord's representative, I find the Tenant is responsible for the cost of repairs in the amount of \$1,745.18.

Rental Officer findings

Under subsection 18(4), a landlord may retain the security deposit for arrears of rent owing, and for damages caused by the tenant or persons permitted on the premises by the tenant.

If the application was solely for damages, the Landlord would not have been able to retain the security deposit, as the exit inspection was not signed in accordance with subsection 17.1(3)(b).

Evidence provided supported the Landlord's claim for arrears. While notification and accounting were inaccurate, there are outstanding rental arrears.

An order will be issued:

- requiring the Tenant to pay to the Landlord rental arrears in the amount of \$1,660.97 (p. 41(4)(a)).
- requiring the Tenant to pay to the Landlord the cost of repairs in the amount of \$1,745.18 (p. 43(3)(e)).

Jerry Vanhantsaeme
Rental Officer