

IN THE MATTER between **HNT**, Applicant, and **SK and KD**, 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 **Jerry Vanhantsaeme**, Rental Officer, regarding a rental premises located within the **town of Inuvik in the Northwest Territories**;

BETWEEN:

HNT

Applicant/Landlord

-and-

SK AND KD

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: May 13, 2025

Place of the Hearing: Yellowknife, Northwest Territories

Appearances at Hearing: CC, representing the Applicant

Date of Decision: May 13, 2025

REASONS FOR DECISION

An application to a rental officer made by IHA on behalf of HNT as the Applicant/Landlord against SK and KD as the Respondents/Tenants was filed by the Rental Office March 19, 2025. The application was made regarding a residential tenancy agreement for a rental premises located in Inuvik, Northwest Territories. The filed application was personally served on the Respondents on April 10, 2025.

The Applicant claims the Respondents failed to pay rent in full and on time, resulting in accumulation of rental arrears, caused damages to the rental premises, caused noise and disturbances and carried out illegal activities from the rental premises. An order was sought for payment of arrears, payment damages, and for termination of the tenancy agreement and eviction.

A hearing was scheduled for May 13, 2025, by three-way teleconference. CC appeared representing the Applicant. The Respondents did not appear, nor did anyone on their behalf. The hearing proceeded in the Respondents' absence pursuant to subsection 80(2) of the *Residential Tenancies Act (Act)*. I reserved my decision for the Applicant to provide requested documentation and to review the evidence and testimony.

Tenancy agreement

Evidence presented established a residential tenancy agreement between the parties for subsidized public housing commencing February 1, 2017. The tenancy agreement was signed by all parties. I am satisfied a valid tenancy agreement is in place in accordance with the *Act*.

Previous orders

Rental Officer Order #16561, dated September 20, 2019, required the Respondents comply with their obligation not to cause disturbances, terminate the tenancy agreement on December 31, 2019, unless no further disturbances were caused by the Respondents or their guests, and should the tenancy be terminated, evict the Respondents from the rental premises on January 1, 2020.

From this point forward the Applicant will be known as the Landlord and the Respondents as the Tenants.

Rental arrears

Subsection 41(1) of the *Act* requires a Tenant to pay rent to the Landlord in accordance the terms set out in the tenancy agreement.

The Landlord's representative stated the Tenants breached their obligation to pay rent as required by the tenancy agreement.

To support the Landlord's claim, entered into evidence was a lease balance statement, a signed agreement to pay "Promissory Note", and an arrears notice letter.

The lease balance statement entered into evidence represents the Landlord's accounting of the calculated monthly rents and payments received against the Tenant's rent account. The statement indicated the Tenant's calculated rent was based on income. At the time of the application, the monthly rent charge was \$80.00 and the Tenant accumulated \$1,139.81 in rental arrears. The statement also included tenant damages and payments.

The Rental Officer question the statement as there was other damage charges and payments that were not included in the application package and as the full lease balance statement was not provided to determine payments for damages. Also, if the previous rental officer order had been satisfied.

Upon request, the Landlord provided an updated statement and proof the previous order had been satisfied. In review of the statement, the last time the Tenants were in a zero or positive balance was May 1, 2023, and the current balance due was \$2,110.06. The statement recorded \$1,541.56 in damages and \$220.00 paid towards the damages, leaving a balance of \$1,321.56 for damages. Damages are not considered arrears. After removing the damage charges, I find an arrears balance of \$788.50.

I am satisfied the lease balance statement accurately reflects the current status of the Tenant's rent account. I find the Tenant repeatedly failed to pay rent in full when due and accumulated rental arrears in the amount of \$788.50.

Damages

The Landlord claims the Tenants caused damages to the rental premises.

To support the Landlords claim is an invoice for repairs, unit inspection letter, termination notice letter recording the damages, photos, and inspection report.

The Rental Officer questioned the charges recorded on the lease balance statement and how the charges and payments were recorded. The lease balance statement noted a Tenant Damage Payment was recorded as a Rental Arrears payment on June 20, 2024 and a Tenant Damage charge of \$299.22 was recorded on August 20, 2024. The Rental Officer also noted and Landlord's representative acknowledged the lack of invoices in the application package for damages recorded on the lease balance statement. In review of the updated lease balance statement there were other identified for damage charges and payments. \$1,541.56 for damages and \$220.00 paid towards the damages.

Under subsection 42(1) of the *Act*, a tenant shall repair damages to the rental premises caused by their wilful 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 (e) requiring the tenant to pay any reasonable expenses directly associated with the repair or action.

When determining costs, I took into account the useful life of building elements to ensure the costs are to make the Landlord whole and not to profit from the repairs. As the Landlord only provided one damage claim, that amount will be the only amount reviewed. The following is the amount claimed and my findings:

- **\$810.25 claimed** - Invoice #030601 - Damaged drywall repair and painting - materials (\$500.00), Labour (\$200.00), Administration fee (\$105.00) and GST (\$5.25). To support the claim were photos and a rental premises inspection report. The photos showed damage to flooring, paint, doors, and drywall. As painting was required, the Rental Officer questioned when the premises was last painted. The Landlord's representative could not confirm when painting was done. Verification of the tenancy agreement noted the Tenants had been in the rental premise for over 8 years. The useful life of paint is 8 years. The Landlord's representative stated they have discussed charges for repairs and painting with the building owner. In review of the photo evidence, the damage to the drywall can be estimated at 3 sheets of drywall. The price of drywall in the community is \$48.99 per sheet of standard drywall and drywall compound is \$70.99. The estimated time for repairs would be 2 to 3 hours. Estimated costs for drywall repair will be the only amount approved. **The approved estimate of drywall repair is three sheets drywall at \$48.99 for a total of \$146.97, compound for \$70.99 and a labour cost of \$45.00 per hour for a total of \$135.00. Supported by photo evidence.**

\$ 352.96	Drywall repair costs
\$ 52.94	Administration cost (15%)
\$ 2.65	GST on Administration Fee
\$ 408.55	Total Approved Repair Costs

I am satisfied the Tenants are responsible for repair to Drywall for repair only on invoice #030601 in the amount of \$408.55.

Illegal activities and disturbances

Section 43 of the *Act* states: "a tenant shall not disturb the landlord's or other tenants' possession or enjoyment of the rental premises or residential complex." Section 12(c) of the written tenancy agreement refers to the Tenants obligation to not disturb the landlord and other tenants possession or enjoyment of the rental premises or residential complex.

Subsection 46(1) of the *Act* states: "a tenant shall not commit an illegal act or carry on an illegal trade, business or occupation or permit another person to do so, in the rental premises or in the residential complex." Section 20 of the written tenancy refers to the tenant or occupants not to participate in or carry out any illegal activities in the rental premises or residential complex. If illegal activities take place, there will be grounds for termination of the tenancy agreement.

The Landlord's representative testified they received notice of the Tenants being involved in illegal activities through reporting from residents of the residential complex. To support the Landlord's claim are associated notes, letters dated February 5, February 20, February 24, 2025 and an email to the Landlord. The Rental Officer questioned and the Landlord's representative testified RCMP provided information regarding activities at the rental premises and read the letter into the record. Upon request, the RCMP letter was provided.

In review of the evidence provided:

- February 1, 2024, Note - warning to Tenants for noise and disturbances;
- May 15, 2024, Note - warning to Tenants for noise and disturbances. Children running the halls and bothering residents.
- June 13, 2024, Note - complaint of occupant throwing garbage outside rental premises door and into the common area;
- November 27, 2024, Note - reference notice for garbage;
- February 5, 2025, Note and Letter - regarding illegal activities and unreported occupant residing in and dealing drugs from the rental premises;
- February 20, 2025, Note, email and Letter - regarding illegal activities, unreported occupant residing in and dealing drugs from the rental premises and noise disturbances;
- February 24, 2025, Note and Letter - regarding report of an unauthorized occupant residing in and dealing drugs from the rental premises.
- March 17, 2025, RCMP Letter - indicating between October 2024 and February 2025, the RCMP were called to the rental premises 12 times. RCMP have had 2 reports of possible drug use and/or trafficking from the rental premises.

The Act does not require the same burden of proof the Courts require for illegal activities. However, there must still be a balance of probabilities for illegal activities occurring and being the responsibility of the Tenant in the rental premises or residential complex. Based on the testimony and evidence, specifically the RCMP report, I find there is a balance of probabilities the Tenants have participated in or allowed illegal activities to occur at the rental premises.

I also find the Tenants breached their obligation not to disturb the Landlord's or other Tenant's quiet enjoyment of the rental premises and rental complex.

Termination of the tenancy agreement and eviction

The Landlord's representative presented evidence that gives the balance of probability of illegal activities occurring at the rental premises and by doing so have caused disturbances, interfering with the Landlord's and other Tenants' possession and enjoyment of the rental premises.

I am satisfied the request for termination of the tenancy agreement and eviction are justified.

Orders

An order will be issued:

- requiring the Tenants to pay the Landlord rental arrears in the amount of \$788.50 (p. 41(4)(a));
- requiring the Tenants to pay the cost of repair in the amount of \$408.55 (p. 42(3)(e));
- requiring the Tenants to comply with their obligation not to disturb the Landlord's or other tenants possession or enjoyment of the rental premises or residential complex, and must not breach that obligation again (p. 43(3)(a), p. 43(3)(b));
- requiring the Tenants comply with their obligation not to commit an illegal act or carry on an illegal trade, business, or occupation, or permit another person to do so, in the rental premises or residential complex, and the Tenants must not breach that obligation again (p. 46(2)(a), p. 46(2)(b));
- terminate the tenancy agreement on May 31, 2025 (p. 43(3)(d) , p. 46(2)(c)); and
- evicting the Tenants from the rental premises on June 1, 2025 (p. 63(4)(a)).

Jerry Vanhantsaeme
Rental Officer