IN THE MATTER between NRR, Applicant, and KM and AN, 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 city of Yellowknife in the Northwest Territories;

BETWEEN:

NRR

Applicant/Landlord

-and-

KM AND AN

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing:	June 4, 2025
Place of the Hearing:	Yellowknife, Northwest Territories
Appearances at Hearing:	SM, representing the Applicant
	KM, representing the Respondents
	LT, representing the Respondents
Date of Decision:	June 5, 2025

REASONS FOR DECISION

An application to a rental officer made by NRR as the Applicant/Landlord against KM and AN as the Respondents/Tenants was filed by the Rental Office March 28, 2025. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was served on the Respondents by email and deemed served on April 7, 2025.

The Applicant alleged the Respondents failed to pay rent on time and in full, resulting in the accumulation of arrears and non-compliance with other obligations under the tenancy agreement. An order was sought for arrears, comply with other obligations, termination of the tenancy, and eviction.

A hearing was scheduled for May 20, 2025, upon request of the Respondent was rescheduled. The rescheduled hearing was June 4, 2025 by three-way teleconference. SM appeared representing the Applicant. KM appeared on behalf of the Respondents. LT also appeared on behalf of the Respondents. I reserved my decision to review the evidence and testimony provided.

Tenancy agreement

Entered into evidence was a fixed term tenancy agreement running from September 1, 2022 to October 31, 2023. A signed fixed term renewal was completed and running until August 31, 2025. The tenancy agreement was signed by all parties. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

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

Rental arrears

Subsection 41(1) states, a tenant shall pay to the Landlord the rent when lawfully required by the tenancy agreement on the dates specified by the tenancy agreement.

The Landlord claimed the Tenants have shown a pattern of failing to pay rent in full resulting in the accumulation of rental arrears. The Tenants had proposed an arrears payment plan for the arrears but was declined by the Landlord as the plan would take an extended period to clear the arrears. The Landlord stated they continually followed-up regarding the rent account. The Landlord noted under the tenancy agreement, the Tenant was only responsible for electricity. The other utilities were covered by the Landlord, and non-payment of rent affects the administration and operations of the Landlord. The Landlord did note other organizations were willing to provide some assistance regarding arrears. The Landlord also noted there is an error in calculating late fees by the Landlord within their organization and working to address the issue.

To support the Landlord's claim, entered into evidence was a Lease Ledger, email correspondence, notices, and three 10-day notices of termination. The notices of termination were dated June 6, 2023, June 5, 2024, and October 16, 2024. The October 16, 2024 notice required the Tenants to vacated the rental premises on October 26, 2024.

The "Lease Ledger" represented the Landlord's accounting of rent and payments received against the Tenants' rent account starting August 5, 2022. The charges on the Ledger reflect the current monthly rent of \$2,725.00. It also indicates the last time the Tenants had a zero or positive balance was March 2, 2024. The Ledger shows \$100.00 in lock-out charges. Lock-out charges are not considered arrears. After removing the charges from the Ledger, the arrears balance worked out to \$10,124.00, equating to more than 3.7 months of unpaid rent at the current rent charge.

Subsection 54(1)(g) of the Act permits a landlord to give a tenant at least 10 days' written notice to terminate the tenancy agreement where the tenant has repeatedly failed to pay the rent.

In response to the Landlord's claim, the second person on the lease is only a friend who cosigned. The Rental Officer pointed to the second person as a Tenant as they signed the tenancy agreement. The Tenant advised they went from an employment to educational status, while also carrying for family members, but acknowledged their responsibility. They acknowledge they struggled previously with rent but had reached out for assistance at that time and are currently in the same position now. They also noted an immediate family member had a medical emergency, causing more stressors for them both emotionally and financially. The Tenant stated they just started new employment. The Tenant spoke to and provided evidence of them receiving assistance to help address the arrears. They acknowledged not all the payments have been sent to the Landlord at the time of the hearing. The Tenant claims the arrears would be cleared by June 6, 2025, and they would partially pay July rent and the remainder shortly into July. The Tenant also stated they are working with rental assistance providers to assist with the rent for the family members residing with them and themselves. The Tenant noted they have made significant payments towards the arrears as proof of their commitment to the tenancy.

The Rental Officer questioned the late fees. The Landlord confirmed the accounting system is standardized across their organizations and spoke to the issue. When questioned, the Landlord confirmed the charges and when it is fixed, they would be backdating the fees and changes to the actual balance. The Rental Officer pointed out and the Tenant acknowledged non-payment of June rent and the Landlord is authorized to claim late penalties. The Tenant noted June rent is included in the claimed rent.

Prior to the hearing, an updated Lease Ledger was provided to the Tenants and the Rental Officer. A review of the updated Ledger indicated three payments totalling \$10,000 have been made towards the rent account. The balance remaining was \$8,309.00 after the \$100.00 lock-out charge was removed.

I am satisfied the Ledger accurately reflects the current status of the rent account. I find the Tenant repeatedly failed to pay the rent when due and in full and accumulated rental arrears in the amount of \$8,309.00.

Other obligations and damages

Subsection 45(1) states, where in a written tenancy agreement a tenant has undertaken additional obligations, the tenant shall comply with the obligations under the tenancy agreement and with the rules of the landlord that are reasonable under the circumstances.

The Landlord requested payment for a lock-out charge at the rental premises from June 9, 2024. To support the Landlord's claim was a maintenance request and an email requesting the lock-out assistance.

I am satisfied the Tenants are responsible for the lock-out costs in the amount of \$100.00.

Termination of the tenancy agreement and eviction

Subsection 54(1)(g) of the Act provides for a landlord to give a tenant at least 10-days written notice to terminate the tenancy agreement where the tenant has repeatedly failed to pay the full amount of the rent or to pay the rent on the dates specified in the tenancy agreement. Subsection 54(4) of the Act specifies that where a notice is given under subsection 54(1) the landlord must make an application to a rental officer for an order to terminate the tenancy agreement. The termination of the tenancy under section 54 is not enforceable or binding without an order by a rental officer.

As the 10-day notice of termination ended on October 26, 2024, I found the Landlord did not file an application to a rental officer within a sufficient period of time to solidify the termination of the tenancy agreement and therefore deem the Landlord as having reinstated the tenancy.

In consideration of the Tenants' failure to pay the rent in full and the substantial amount of rental arrears, I am satisfied the Landlord's request for termination of the tenancy agreement and eviction to be justified. However, the Tenants have taken an active approach to address the rental arrears and to maintain their rent account, a conditional order for termination of the tenancy agreement and eviction will be ordered.

Orders

An order will be issued:

- requiring the Tenants to pay to the Landlord rental arrears in the amount of \$8,309.00 (p. 41(4)(a));
- requiring the Tenants to pay rent on time in the future (p. 41(4)(b));
- requiring the Tenants to pay to the Landlord the lock-out cost in the amount of \$100.00 (p. 45(4)(c));
- terminating the tenancy agreement between the parties on:

(a) June 30, 2025, unless the rental arrears are paid in full and the lock-out cost is paid in full;

(b) July 31, 2025, unless the rent for July 2025 is paid in full; or

(c) August 31, 2025, unless the rent for August 2025 is paid in full (p. 41(4)(c), ss. 83(2)); and

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- evicting the Tenant from the rental premises on:
 - (a) July 1, 2025, should the tenancy agreement be terminated on June 30, 2025;
 - (b) August 1, 2025, should the tenancy agreement be terminated on July 31, 2025; or
 - (c) September 1, 2025, should the tenancy agreement be terminated on August 31, 2025 (p. 63(4)(a), ss. 83(2)).

Jerry Vanhantsaeme Rental Office