IN THE MATTER between AM and MM, Applicants, and MPM, 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 **city of Yellowknife in the Northwest Territories**;

BETWEEN:

AM AND MM

Applicants/Tenants

-and-

MPM

Respondent/Landlord

REASONS FOR DECISION

Date of the Hearing: July 9, 2025

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

Appearances at Hearing: AM, representing the Applicants

MM, representing the Applicants

JB, representing the Respondent

LA, representing the Respondent

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

REASONS FOR DECISION

An application to a rental officer made by AM and MM as the Applicants/Tenants against MPM as the Respondent/Landlord was filed by the Rental Office May 29, 2025. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was personally served on the Respondent on June 3, 2025.

The Applicants alleged the Respondent did not address or ignored the multiple concerns brought forward to them during their tenancy. The Applicants claim the Respondent improperly withheld the security deposit, are responsible for damages to personal items due to insect infestation. An order was sought for return of the security deposit and cost for replacement of furniture due to infestation.

A hearing was scheduled for July 9, 2025, by three-way teleconference. AM and MM appeared to represent the Applicants. JB and LA appeared to represent the Respondent. I reserved my decision for the Respondent to provide requested documentation, and to review the evidence and testimony.

From this point forward the Applicants will be known as the Tenants and the Respondent as the Landlord.

Tenancy agreement

Evidence presented established a fixed term tenancy agreement from October 15, 2020 to October 31, 2021. The parties entered into a fixed term renewal for on October 31, 2024. The tenancy agreement and renewal were signed by the Tenants. The Tenants vacated the rental premises on May 1, 2025. I am satisfied a valid tenancy agreement is in place in accordance with subsection 9(4) of the *Act*.

Tenancy issues

The Tenants filed the application to express concerns about their tenancy over the last three years, which included maintenance issues, noise, and unsafe living environment. The Tenants claimed when expressing concerns, the Landlord would ignore or made to feel the request was an inconvenience. The Tenants claim they brought forward noise issues in the rental complex, and an issue where the bathroom drain would freeze in the winter.

The Rental Officer acknowledged the statement, and advised the parties these tenancy issues would not be addressed in the application, as a rental officer can only address these issues when an application is filed <u>before</u> the tenancy has ended.

Cockroaches

The Tenants stated in September 2024, they received notice of a cockroach inspection taking place over three days. The Tenants stated when they observed cockroaches, they reported to the Landlord. An exterminator attended, and determined there were no insects in the rental premises but left traps for the Tenants. The Tenants also testified after several months there was an infestation in the rental premises and residential complex common areas. They were also advised the exterminator would return. The Tenants stated they provided proof of the insect to the Landlord. The Tenants also spoke to the condition of the kitchen cabinetry, and appliances being infested. The Tenants stated they requested but was not provided a unit transfer.

The Tenant stated due to issues, the Landlord allowed the Tenants to terminate the fixed term tenancy without penalty. To support the claim was an email dated October 15, 2024. The Tenant's took up the Landlord's offer on May 1, 2025, cleaned, moved-out and placed the keys under the rental premises door. The Tenants felt due to the offer, they were not required to provide a 30-day notice. And would not reside in the infested rental premises for an additional 30-days; the move was not ideal and would have rather worked with the Landlord. The Tenants stated after moving, they found items infested with cockroaches, resulting in the disposal of two televisions, bed frame and living room seating, and other items. The incident caused them stress and loss.

The Tenants requested compensation for the replacement of the bed frame and living room seating in the amount of \$587.47 (bed frame for \$178.47 and living room seating for \$400.00). To support the claim, provided were photos of the bed frame, receipt for replacement, and a Facebook Marketplace advertisement and bank statement for the living room seating.

The Tenants also claimed the Landlord charged them for one month's rent after they vacated, while the Landlord took possession without advising the Tenants when the move-out inspection would take place. The Tenants stated, they later checked the rental premises and observed renovations being done while holding the Tenants responsible for rent. To support the claim, the Tenants provided photos of the work being done at the rental premises.

In response to the claim, the Landlord's representative testified they obtained exterminator services and did everything within their means to address the cockroach issue. The Landlord's representative stated, over the past few years, the Tenants have been unkind to staff and careful on how they would respond.

Upon request, the Landlord's representative read into record the exterminator report. The inspection report noted the unit was clean, found only a few live cockroaches, no other activity was found. The Tenants claimed the statement was incorrect.

The Landlord's representative acknowledged the Tenant's claim of ending the tenancy without penalty. The Landlord's representative stated clear proper notice to vacate is separate from lease breaking penalties. The Landlord's representative stated they do expect 30-days notice. Regarding the move-out, the Landlord stated and provided written evidence showing on the same day the Tenants advised they had moved-out, the Landlord asked when the Tenants would be able to participate in the exit inspection, and if they no response was received, they would set and advise the scheduled inspection date. The Landlord' representative also acknowledged the Tenants' observation of the renovations. The Landlord's representative stated work was required to make the space available for new occupations. This included cleaning, removal of items, painting, and replacement of flooring due to an odour.

The Rental Officer also questioned the exterminator visit. The Tenants stated when advised of the inspection, they followed inspection protocol. This was when the kitchen floor was damaged. The Tenant's also requested the exterminators return on a second date but saw no evidence of their return. In response, the Landlord stated the exterminator attends the rental complex monthly and inspects flagged rental units, and treatment for the pest has been ongoing. The Landlord's representative stated the infestation started during the 2023, evacuation and treatment had been a challenge but is an ongoing activity.

The Tenants spoke to receiving notices for the exterminator to visit the rental premises, on two specific dates, but did not see them. The Rental Officer questioned the last attendance by the exterminator. The Tenants stated, a week prior to vacating, they requested the Landlord to have the exterminator carry out treatment, but the exterminator did not attend. The Tenants stated and provided evidence where they attempted to mitigate the infestation issue themselves due to inaction by the Landlord. The Tenants felt it would be unfair for the Landlord to hold them to a 30-day notice because of the living conditions. The Tenants also spoke to the email where the Landlord would advise them of the exit inspection date, which none was provided. The Landlord's representative spoke to the email response to the Tenants regarding scheduling. The Landlord's representative stated they did not hear from the Tenants for 25-days. In review of the evidence, it was noted the move-out inspection was conducted on May 2, 2025, the day after the Tenants vacated.

The Rental Officer questioned the construction of the bed frame, and advised the frame was cloth with some torn seams. The Tenants state they saw cockroaches entered the material. The Tenants acknowledged the bedframe was not new but was functional. Regarding the living room seating, the Tenants stated after moving, they discovered cockroaches inside. The Tenants also stated it was not new but was disposed of due to the insect.

The Landlord's representative stated the cost of replacement should be addressed through the Tenant's insurance. The Landlord testified they did not put the pest into the rental premises, nor are they accusing the Tenants of do so. The Landlord stated they are saddled with the expense to treat the infestation. .../5

The Landlord felt they should not be held responsible for the replacement. They gave the example of a fire and the requirement of Tenants to have insurance.

Security deposit summary

The Tenants claims the Landlord inappropriately withheld their security deposit.

Evidence established on May 27, 2025, the Landlord provided the Tenants with a "Statement of Deposit Summary." The statement showed a security deposit of \$750.00, interest earned was \$0.34, with an adjustment of another \$0.08. The total value of the security deposit was \$750.42. The statement also included a claim for \$3,085.50.

As noted earlier by an October 15, 2024, email, the Landlord allowed the Tenants to terminate the fixed term tenancy without penalty. Also noted from an email, the Tenants vacated the rental premises on May 1, 2025; because of the offer to terminate without penalty, the Tenants felt they were not required to provide notice, and due to infestation would not remain at rental premises for an additional 30-days. The Tenants claim the Landlord charged them for rent after they vacated the rental premises, and took possession of the rental premises without advising when the move-out inspection would be conducted; and commenced renovations. To support the claim, photos of the renovations were provided.

As noted earlier, the Landlord's representative acknowledged the Tenant's claim on ending the tenancy without penalty, and reiterated providing notice is separate from release of penalties. The Landlord expected 30-days notice to allow them to find new tenants. Regarding the moveout, the Landlord stated and provided email evidence showing on the same day the Tenants advised of moving-out, they requested a date from the Tenants on when they could participate in the exit inspection, and if they did not receive a response, would schedule and advise the Tenants. The Landlord' representative acknowledged the Tenants' observation of renovations. The Landlord's representative stated work was needed to make the space available for occupation. This included cleaning, removal of items, painting and replacement of flooring due to odour.

In review of the summary, the Landlord claimed:

• \$367.50 - Cleaning cost of \$350.00 and \$17.50 for GST. The Landlord's representative explained the cost of cleaning is based on \$50.00 per hour and cleaning took 7 hours. The Landlord's representative testified much of the cleaning was related to smoking smell, stains, and removal of silicone from the cabinets. The Tenant's denied smoking in the rental premises, and were not given any notice on smoking. In response to the denial, the Landlord's representative pointed to the tenancy agreement contained a nosmoking provision. The Landlord's representative pointed to photo evidence of staining on the wall. They also removed cigarette parts from outside the window area of the rental premises. They also stated even after work was completed, deodourizers were

still required to remove odour from the rental premises. The Tenants advised the walls were washed intermittently, and an appliance left a stain under the cabinet.

- \$1,818.00 May rent of \$1,800.00 and late payment penalties of \$5.00 and \$13.00. The Tenant confirmed the charges were for May rent. All parties agreed the charge was for non-payment of May rent.
- \$150.00 Broken closet doors and linoleum. The Tenant stated the closet doors were removed due to being warped. This was supported by an August 4, 2022, email from the Tenants to the Landlord. The Landlord waived the \$150.00 repair cost.
- \$750.00 Cost for painting. The Rental Officer questioned the last painting date as the useful life of paint was 8-years. The parties agreed the rental premises was painted prior to occupancy in October 2020. The Landlord advised the actual cost to paint the rental premises was \$3,000.00, but broke down the cost based on useful life and only charged for 2-years. Based on the Landlord's testimony, the cost claimed would be accurate.

The total revised claim by the landlord was \$2,935.50.

Summations

Tenants

The Tenants stated they would not have moved if they were not in a desperate situation or if the Landlord had been willing to work with them. They felt they were not taken seriously or treated well. The Tenants stated they did not smoke in the rental premises. A transfer of units would have been preferred.

Landlord

The Landlord acknowledged the Tenants stress but they still required 30-days' notice to allow the Landlord time to re-rent the unit, spoke to not being informed of the moving out until the day Tenants vacated. The Landlord feels they are not responsible to replace the items claimed. They also spoke to trying to work with the Tenants but were unable to facilitate a transfer because there were no units available.

Rental Officer determinations

In review of the evidence and testimony, I found were three main claims within the application. The claims are broken down as follows:

Cockroaches

The Tenants claim cost for replacement for damages caused to a bed frame and living room seating due to cockroach infestation.

Cockroaches are an insect that can be difficult to eradicate as they are resilient pest that can reproduce quickly.

Section 30 of the Act obligates a landlord to maintain the rental premises or residential complex in a good state of repair.

30(1) A landlord shall:

- (a) provide and maintain the rental premises, the residential complex and all services and facilities provided by the landlord, whether or not included in a written tenancy agreement, in a good state of repair and fit for habitation during the tenancy; and
- (b) ensure that the rental premises, the residential complex and all services and facilities provided by the landlord comply with all health, safety and maintenance and occupancy standards required by law.

The question is, did the Landlord take reasonable steps to address the problem when identified? To determine this, I looked at subsections 30(5) and 30(6).

30(5) states, a tenant shall give reasonable notice to the landlord of any substantial breach of the obligation imposed by subsection (1) that comes to the attention of the tenant.

30(6) states, a landlord shall, within 10 days, remedy any breach referred to in subsection (5).

The Landlord's representative stated there has been ongoing issue with cockroaches since the evacuation in 2023. While they have taken steps by engaging exterminator services, it is obvious the treatment has not been successful, and further aggressive steps are needed, if not already put in place. It also needs to be noted that all residents within the residential complex must be participants in eradicating the pest.

Under the claim for compensation, I find the claim does not meet the threshold for compensation on two points. (1) the application was not made until after the tenancy had ended, and (2) the Tenants acknowledged the furniture was not new, and had some damage; making it easy for the cockroaches to take up residency. Further to this, there are reasonably priced over-the-counter products that can eliminate cockroaches. The Tenant's request for compensation for the bed frame and living room seating is **denied**.

Retentions of security deposit

The Tenants claim the Landlord improperly withheld the security deposit, as they allowed the Tenants to end the tenancy early due to issues at the rental premises, and did not allow them to participate in the exit inspection.

On October 15, 2024, due to issues with the tenancy, the Landlord allowed the Tenants to terminate the tenancy without penalty. On May 1, 2025, seven months later, the Tenants accepted the Landlord's offer. That same day the Tenants advised the Landlord they had cleaned, vacated the rental premises, and expected the return of the security deposit. .../8

In response to the notice, the Landlord informed the Tenants, they accepted notice for May 31, 2025. The Landlord also requested when the Tenants would be available to participate in the inspection and if they did not hear back, would schedule the inspection date. The Landlord stated they did not hear from the Tenants. There was no evidence from the Tenants to dispute the Landlords claim of no contact.

In review of the evidence, on May 2, 2025, a Landlord's representative conducted the exit inspection without the Tenants present. On May 27, 2025, the Statement of Deposit Summary was prepared.

Subsection 18(4) allows a landlord to retain the security deposit and/or a pet security deposit for arrears and for repairs or damages to the rental premises caused by the Tenants or their guests.

Subsection 18(7) requires a landlord who intends to withhold all or a portion of a security deposit, a pet deposit or both, <u>shall within 10 days</u> after the tenants vacate or abandon the rental premises (a) give written notice to the tenant of that intention.

Based on the Landlord exceeding the allowable time line to provide notice of retention to the Tenants by 15-days, I find the Landlord is required to return the security deposit to the Tenants in the amount of \$750.42.

Improper termination of the tenancy agreement and damages

On October 15, 2025, the Landlord agreed to a mutual termination without penalty of the fixed term tenancy based on the Tenants being unhappy due to disturbances earlier in the tenancy. In response to the Landlord's offer, the Tenants noted they would prefer a transfer to a quieter unit. Only on May 1, 2025, did the Tenants accept the Landlord's offer to terminate the tenancy without penalty, 7 months after the offer was made.

In review of the testimony and evidence, I find the Tenants did not accept the offer for which it was initially intended, but chose to maintain the fixed term tenancy until October 31, 2025. Therefore, in accordance with subsection 51(1) the latest the Tenants could give notice to terminate is October 1, 2025. The Tenants also did not give any indication they were looking for another place to live until they informed the Landlord of vacating the rental premises due to infestation.

Subsection 5(1) of the Act says, where a landlord or tenant is liable to the other for damages as a result of a breach of a tenancy agreement or this Act, the landlord or tenant entitled to claim damages shall mitigate his or her damages."

Subsection 5(2) of the Act requires a landlord to rent the rental premises again as soon as is practicable and at a reasonable rent in order to mitigate their losses where a tenant has terminated a tenancy agreement, or vacated or abandoned the rental premises other than in accordance with the Act or tenancy agreement. .../9

As the Landlord took steps to mitigate damages by finding new tenants, I am satisfied the Landlord's charge for May rent and fees in the amount of \$1,818.00 to be justified.

I also find the Landlords claim for cleaning and painting in the amount of \$1,117.50 to be justified.

Orders

An order will be issued:

- requiring the Landlord to return to the Tenant the security deposit and accumulated interest in the amount of \$750.42 (p. 18(1)(b));
- requiring the Tenant to pay to the Landlord rental arrears in the amount of \$1,818.00 (p. 41(4)(a)); and
- requiring the Tenants to pay to the Landlord the cost of cleaning and repairs in the amount of \$1,117.50 (p. 42(3)(e), p. 454)(d)).

Jerry Vanhantsaeme Rental Officer