

IN THE MATTER between **HNT**, Applicant, and **ED and CC**, 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 **Janice Laycock**, Rental Officer,

BETWEEN:

HNT

Applicant/Landlord

-and-

EC and CC

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: February 25, 2026
Place of the Hearing: Yellowknife, Northwest Territories
Appearances at Hearing: CK, representing the Applicant
Date of Decision: March 9, 2026

REASONS FOR DECISION

An application to a rental officer made by the IHA on behalf of HNT as the Applicant/Landlord against EC and CC as the Respondents/Tenants was filed by the Rental Office July 23, 2025. The application was made regarding a residential tenancy agreement for a rental premises located in Inuvik, Northwest Territories. The filed application was deemed served on the Respondents by registered mail on August 13, 2025.

The Applicant claimed that at the end of the tenancy the Respondents had rent owing and were responsible for damages. The applicant requested an order for payment of the rental arrears and the costs for repairing the damages.

A hearing was held on October 15, 2025, by three-way teleconference. CC and MR appeared representing the Applicant, the Respondents did not appear at the hearing and the hearing proceeded in their absence. This hearing was adjourned to December 10, 2025, to allow the Applicant time to provide further information to support their claims. The Rental Office provided notices to the parties.

The hearing on December 10, 2025, was cancelled as neither party appeared on the teleconference. A new hearing was scheduled for January 21, 2026 by three-way teleconference. CK appeared to represent the Applicant and requested the hearing to be rescheduled due to illness in their office. Although the Respondents were provided notice of the hearing, they did not appear.

The hearing resumed on February 25, 2026 by three-way teleconference. CK appeared representing the Applicant. Despite receiving sufficient notice by registered mail served on January 28, 2026, neither of the Respondents appeared at the hearing. The hearing proceeded in their absence as provided for under subsection 80(2) of the *Residential Tenancies Act* (the Act).

At the hearing I denied the claim for costs to repair damages and cleaning and reserved on my decision relating to their claim for an order to pay rent owing at the end of the tenancy, pending receipt of information on the Security Deposit. An updated lease balance statement dated February 25, 2026, and a statement of the security deposit was provided to the Rental Office on March 6, 2026, along with proof of service on the Respondents deemed served by

email on March 9, 2026. The Applicant also provided proof that the information had also been provided to the Respondents by registered mail on March 6, 2026. I accepted service by email as the Applicant confirmed that they had received permission from the Respondents to communicate with them by email.

Tenancy agreement

The Applicant provided as evidence the written tenancy agreement between the parties for subsidized public housing, commencing on November 1, 2016, and continuing month to month, until it was terminated by notice on March 4, 2025. At the end of their tenancy the assessed rent based on household income was full market rent of \$1,625.00 per month. I am satisfied there was a valid tenancy agreement in accordance with the Act, that was terminated on March 4, 2025.

Rental arrears

The lease balance statement provided as evidence represents the Landlord's accounting of monthly rents and payments received against the Respondent's account. According to the statement, dated June 6, 2025, and then updated to February 25, 2026, at the end of the tenancy the Respondents had rent owing in the amount of \$10,835.00.

At the hearing on February 25, 2026, the Applicant confirmed that no payments have been made on these arrears and the full amount is still owing.

I am satisfied the lease balance statement accurately reflects the current status of the Respondents' rent account and find that they have rental arrears owing in the amount of \$10,835.00.

Tenant damages

In the filed Application, the Applicant claimed the Respondents were responsible for cleaning and repair of damages totalling \$2,980.00, and provided a work order and estimate of costs detailing work totalling \$8,103.00. It was not clear to me what the claim for costs included considering the amount claimed and the costs detailed in the estimate. I adjourned the hearing on October 15, 2025, requiring the Applicant to provide copies of the entry and exit inspection reports, a clear breakdown of the costs for repairs being charged to the Respondents (including

labour and materials), as well as proof of service of this information on the Respondents. Although additional information was provided to the Rental Office, proof of service of this information on the Respondents was not provided. The Applicant was reminded by the Rental Office that they needed to provide proof of service on the Respondents or the information could not be accepted as evidence. When the hearing resumed on February 25, 2026, proof of service had still not been provided. As the Respondents did not appear at the hearing, service could not be confirmed with them directly.

In the absence of proof of service, information on what was included in the Applicant's claim for cleaning and repair of damages was not provided and I was not able to make a determination on what of the costs claimed were reasonable. As a result I denied the Applicant's claim for costs to repair damages and cleaning totalling \$2,980.00.

Security deposit

Part 9 of the written tenancy agreement provided as evidence sets out the security deposit as \$1,625.00, with 50% (\$812.50) to be paid at the commencement of the tenancy and the remaining 50% within three months of the commencement of the tenancy. The lease balance statement provided with the Application does not go back to the beginning of the tenancy and does not include information on the amount actually charged or paid, or claimed.

At the hearing, the Applicant testified that the security deposit was probably \$1,625.00, and this amount along with interest had been retained to cover the costs of repairs, damages and cleaning. I pointed out that under subsection 18(7) of the Act a landlord who intends to withhold all or a portion of a security deposit shall within 10 days after the day a tenant vacates the rental premises (a) give written notice to the tenant of that intention; and (b) return the balance (if there is a balance remaining). Also, under subsection 18(8) the notice must include (a) an itemized statement of account for the deposit or deposits (b) a final itemized statement of account for any arrears of rent that the landlord is claiming; and (c) a statement of repairs the landlord is claiming.

The Applicant was not aware of any statements detailing the claim against the security deposit being provided to the Respondents by the Applicant, nor was any evidence provided indicating any communication with the Respondents about their security deposit since their tenancy ended in March 2025.

The lease balance statement provided as requested dated February 25, 2026, it goes back to the beginning of the tenancy, but does not include details on the amount of security deposit charged by the Applicant or paid by the Respondents or claimed by the Applicant. The details on the security deposit, including interest earned was provided to the Rental Office on March 6, 2026. According to this statement, at the beginning of the tenancy the Respondents paid a security deposit of \$1,625.00 and the interest earned during their tenancy was \$4.14, bringing the security deposit with interest to \$1,629.14. In this statement they indicated that the security deposit is now being applied against the amount owing by the Respondents for rent totalling \$10,835.00, leaving a balance of \$9,205.86 owing.

Based on the testimony and evidence it is clear that the Applicant has breached their obligations under subsections 18(7) and 18(8) of the Act. Under subsection 18.1, where on the application of a tenant, a rental officer determines that a landlord has breached an obligation under section 18, the rental officer may make an order (b) requiring the landlord to return all or part of the security deposit. Although an application was not made by the Respondents, and they did not participate in any of the hearings, under subsection 83(1), a rental officer may make any order or decision that has been applied for, or that could have been applied for, that he or she considers justified in the circumstances.

In this situation, considering the breach of section 18 of the Act, and the amount of time that has lapsed since the Respondents vacated the rental premises, I believe it is justified to order the security deposit totalling \$1,629.14, be returned to the Respondents.

Orders

An order will issue:

- requiring the Respondents to pay rental arrears owing in the amount of \$10,835.00 (p. 41(4)(a)); and
- requiring the Applicant to return the security deposit with interest to the Respondents in the amount of \$1,629.14 (p.18.1(b)and ss. 82(1)).

Janice Laycock
Rental Officer