

IN THE MATTER between **NORTHERN PROPERTY LIMITED PARTNERSHIP**,
Applicant, and **ALLAN WATT**, 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, **HAL LOGSDON**, Rental Officer, regarding
the rental premises at **YELLOWKNIFE, NT.**

BETWEEN:

NORTHERN PROPERTY LIMITED PARTNERSHIP

Applicant/Landlord

- and -

ALLAN WATT

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondent shall pay the applicant rent arrears in the amount of one thousand one hundred eighty dollars (\$1180.00).

DATED at the City of Yellowknife, in the Northwest Territories this 8th day of July, 2008.

Hal Logsdon
Rental Officer

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BETWEEN:

NORTHERN PROPERTY LIMITED PARTNERSHIP

Applicant/Landlord

-and-

ALLAN WATT

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: **July 2, 2008**

Place of the Hearing: **Yellowknife, NT**

Appearances at Hearing: **Michelle Loyer, representing the applicant**
 Allan Watt, respondent

Date of Decision: **July 8, 2008**

REASONS FOR DECISION

The applicant alleged that the respondent had breached the tenancy agreement by failing to pay rent and sought an order requiring the respondent to pay the alleged rent arrears and terminating the tenancy agreement between the parties.

The applicant provided a statement of the rent account which indicated a balance of rent owing in the amount of \$1480. The applicant noted that the rent for the premises had been raised on December 1, 2007 from \$1340 to \$1525 but the respondent has continued to pay the old rent, resulting in the rent arrears. The notice of rent increase was provided in evidence. It should be noted that the rent increase was dependent on the term of the tenancy agreement chosen by the tenant. A one-year tenancy agreement was offered at \$1465/month, a six-month tenancy agreement offered at \$1495/month and a monthly tenancy agreement offered at \$1525. The notice indicated that if the tenant failed to notify the landlord by November 30, 2007 of their choice, the monthly tenancy agreement would come into effect.

The respondent stated that when he received the notice of rent increase it stated that the increase was negotiable. The respondent stated that he tried on several occasions to contact the Customer Service Administrator to discuss the rent increase and possibly negotiate a lower rent as he has been a long term tenant. The respondent stated that the Customer Service Administrator did not return his calls so he sent her an e-mail on January 8, 2008. The e-mail correspondence was entered in evidence. The Customer Service Administrator replied to the respondent's e-mail the

same day, apologising for not returning his calls and offered the following solution:

"Your rent increase letter went out in August and would have started in December because of the mix up if you would like to come into the office we can discuss it and start your new rate in February."

The respondent did not reply to the Customer Service Administrator until March 7, 2008 when he stated, "it was my understanding that I had agreed to a one year lease."

The landlord's August 31, 2007 notice of rent increase is in accordance with the provisions of the *Residential Tenancies Act*. There is no evidence that the parties entered into another term tenancy agreement on or before December 1, 2007 which was the effective date of the rent increase.

Therefore the tenancy agreement was automatically renewed on a monthly basis at \$1525/month.

In my opinion, the applicant's e-mail of January 8, 2008 constitutes an offer to enter into a term agreement to be effective February 1, 2008 and the reply by the respondent, albeit a week late, constitutes an acceptance of a one year term tenancy agreement. Therefore, in my opinion, the lawful rent for December, 2007 and January, 2008 and February, 2008 was \$1525 and the rent thereafter was \$1465/month. I find the rent arrears to be \$1180, calculated as follows:

Rent for December, 2007 through February, 2008	\$4575
Rent for March, April, May, June and July, 2008	7325
Payments made since December 1, 2007	<u>(10,720)</u>
Rent arrears	\$1180

An order shall issue requiring the respondent to pay the applicant rent arrears in the amount of \$1180 forthwith. As the respondent appeared to be willing to immediately pay whatever amount was deemed to be owing and the rent record indicates prompt payment in the past, I see no reason

to consider termination of the tenancy agreement.

Hal Logsdon
Rental Officer
