

IN THE MATTER between **NORTHERN PROPERTY LIMITED PARTNERSHIP**,  
Applicant, and **ALFRED STACEY**, 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 -

**ALFRED STACEY**

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 two hundred sixty four dollars and three cents (\$1264.03).
2. Pursuant to sections 41(4)(c) and 83(2) of the *Residential Tenancies Act*, the tenancy agreement between the parties for the premises known as Apartment 38, 5601 - 50th Avenue, Yellowknife, NT shall be terminated on May 31, 2009 and the respondent shall vacate the premises on that date, unless the rent arrears are paid in full.
3. Pursuant to section 41(4)(b) of the *Residential Tenancies Act*, the respondent shall pay

future rent on time.

DATED at the City of Yellowknife, in the Northwest Territories this 15th day of May,  
2009.

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Hal Logsdon  
Rental Officer

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BETWEEN:

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Applicant/Landlord

-and-

**ALFRED STACEY**

Respondent/Tenant

**REASONS FOR DECISION**

**Date of the Hearing:** May 13, 2009

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

**Appearances at Hearing:** Connie Diener, representing the applicant

**Date of Decision:** May 14, 2009

### **REASONS FOR DECISION**

The respondent was served with a Notice of Attendance sent by registered mail and confirmed delivered. The respondent failed to appear at the hearing and the hearing was held in his absence.

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 unless the arrears were paid in full.

The applicant provided a statement of the rent account in evidence which indicated a balance of rent owing in the amount of \$1400. The applicant stated that the tenant was “transferred” from Apartment 217, 490 Range Lake Road to the current premises on June 24, 2008. There were no damages to the premises and no rent arrears. The landlord transferred the security deposit principal to the current premises and charged the tenant \$100 as a “transfer fee”. An additional amount of \$540 was also charged representing the difference between the security deposit for the former premises and the new premises. There was no security deposit interest credited.

Section 18 of the *Residential Tenancies Act* obligates a landlord to return the security deposit and interest to the tenant at the end of a tenancy agreement when there are no rent arrears or repair costs.

**18.(1) Subject to this section, where a landlord holds a security deposit the landlord shall, within 10 days after the tenant vacates or abandons the rental premises,**

- (a) **return the security deposit to the tenant with interest; and**
- (b) **give the tenant an itemized statement of account for the security deposit.**

Therefore the interest on the original security deposit should have been credited to the new account. The applicant did not know when the security deposit had been paid but assumed it had been paid in full at the commencement of the tenancy agreement on October 29, 2007. I calculate the interest as \$35.97.

There is no provision in the *Residential Tenancies Act* for a “transfer fee”. The parties have obviously mutually agreed to terminate one tenancy agreement and enter into another. The fee is not compensation directly resulting from a breach by the tenant. In my opinion, the fee is only designed to recover administrative costs which are part of the landlord’s usual costs of doing business. There is no provision in the Act to recover these costs and therefore the \$100 charge is denied.

I find the respondent in breach of his obligation to pay rent and find the rent arrears to be \$1264.03, calculated as follows:

|  |                 |
|--|-----------------|
| Balance as per statement                     | \$1400.00       |
| Less uncredited interest on security deposit | (35.97)         |
| Less transfer fee                            | <u>(100.00)</u> |
| Balance owing applicant                      | \$1264.03       |

In my opinion, there are sufficient grounds to terminate the tenancy agreement unless the rent is promptly paid. An order shall issue requiring the respondent to pay the applicant rent arrears in

the amount of \$1264.03 and terminating the tenancy agreement on May 31, 2009 unless the rent arrears are paid in full.

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Hal Logsdon  
Rental Officer