

IN THE MATTER between **TULITA HOUSING ASSOCIATION**, Applicant, and  
**SHEILA KARKAGIE**, 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 **TULITA, NT.**

BETWEEN:

**TULITA HOUSING ASSOCIATION**

Applicant/Landlord

- and -

**SHEILA KARKAGIE**

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 three thousand six hundred twenty four dollars and fifty seven cents (\$3624.57).

DATED at the City of Yellowknife, in the Northwest Territories this 22nd day of January,  
2010.

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Hal Logsdon  
Rental Officer

IN THE MATTER between **TULITA HOUSING ASSOCIATION**, Applicant, and  
**SHEILA KARKAGIE**, 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.

BETWEEN:

**TULITA HOUSING ASSOCIATION**

Applicant/Landlord

-and-

**SHEILA KARKAGIE**

Respondent/Tenant

**REASONS FOR DECISION**

**Date of the Hearing:** January 14, 2010

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

**Appearances at Hearing:** Helen Squirrel, representing the applicant  
Rosa Etchinelle, witness for the applicant  
Sheila Karkagie, respondent

**Date of Decision:** January 22, 2010

**REASONS FOR DECISION**

The tenancy agreement between the parties was terminated on October 31, 2009 when the respondent vacated the premises. The applicant retained the security deposit and accrued interest (\$644.43) applying it against rent arrears (\$7477) resulting in a balance owing the applicant of \$6832.57. The applicant sought an order requiring the respondent to pay that amount.

The applicant provided a copy of the tenant ledger in evidence which indicated an amount owing of \$6832.57. The full unsubsidized rent was applied in February and March, 2009. The applicant's witness, the subsidy agent, testified that the premises had been vacant for five months and the rent subsidy could only continue for a maximum of three months with the premises being vacant. The applicant's witness stated that the time period could only be extended on the application of the tenant. She stated that the respondent had not contacted her to seek an extension. The applicant's witness provided a copy of the relevant policy of the subsidy agent in evidence.

The respondent disputed the amount of rent owing, stating that she did not believe the full unsubsidized rent should have been applied for February and March, 2009. She stated that her income was the same as it had been in previous months and she had reported it to the subsidy agent as required by the tenancy agreement.

There is no evidence that the respondent was in breach of her obligation to report the household income as required by Article 6 of the tenancy agreement. There is no evidence that the

respondent notified the landlord in writing of her absence in accordance with Article 18 of the tenancy agreement but it is likely that the applicant was aware of the fact. In any case, notwithstanding the provisions of Article 7 of the tenancy agreement, such a breach should not result in the application of the full unsubsidized rent. To do so would be tantamount to a penalty and prohibited by section 13 of the *Residential Tenancies Act*. Had the applicant considered the premises abandoned and taken possession, the tenancy agreement would have been terminated and no further rent would accrue from the date of abandonment. However, the applicant kept the tenancy agreement in place. I can not find a justification for the application of the full unsubsidized rent for the months of February and March, 2009. In my opinion, the applicant is only entitled to rents of \$32 for those months which is based on the income reported by the respondent to the subsidy agent.

I find the rent owing the applicant to be \$3624.57, calculated as follows:

Rent arrears as at Oct 31/09	
as per ledger	\$7477.00
Less Feb/09 assessment	(1636.00)
Less Mar/09 assessment	(1636.00)
Feb/09 rent	32.00
Mar/09 rent	32.00
Less security deposit and interest	<u>(644.43)</u>
Amount owing applicant	\$3624.57

An order shall issue requiring the respondent to pay the applicant rent arrears in the amount of \$3624.57.

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Hal Logsdon  
Rental Officer