

IN THE MATTER between **5655 NWT LTD.**, Applicant, and **TYLER JANZ AND BRITTANY NORRIS**, 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, **HAL LOGSDON**, Rental Officer, regarding the rental premises at **YELLOWKNIFE, NT.**

BETWEEN:

5655 NWT LTD.

Applicant/Landlord

- and -

TYLER JANZ AND BRITTANY NORRIS

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 62(2) of the *Residential Tenancies Act*, the respondents shall pay the applicant compensation for lost rent in the amount of seven hundred seventy dollars (\$770.00).

DATED at the City of Yellowknife, in the Northwest Territories this 1st day of June, 2010.

Hal Logsdon
Rental Officer

IN THE MATTER between **5655 NWT LTD.**, Applicant, and **TYLER JANZ AND BRITTANY NORRIS**, 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 **Hal Logsdon**, Rental Officer.

BETWEEN:

5655 NWT LTD.

Applicant/Landlord

-and-

TYLER JANZ AND BRITTANY NORRIS

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: May 5, 2010

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: Lynn Elkin, representing the applicant
Craig Janz, representing the respondents

Date of Decision: June 1, 2010

REASONS FOR DECISION

This hearing was held on the assumption that Ms Norris was substitutionally served by serving the application to Mr. Janz. However, when the Notice of Attendance sent to Ms Norris was returned undelivered, it became apparent that Ms Norris had not been served with either the application or the Notice of Attendance. I contacted Ms Norris, provided her with a copy of the application, and invited her to a continuation of the hearing so she could speak to the matter. She replied that she would rely on the defence put forward by Mr. Janz and declined the opportunity to participate in a continuation of the hearing. I am satisfied that Ms Norris had ample opportunity to provide a defence to the allegations contained in the application and that an order naming both parties as respondents is reasonable.

The applicant alleged that the respondents abandoned the rental premises on November 1, 2009 after giving only 4 days notice to terminate the tenancy agreement. The applicant sought compensation for costs related to the abandonment in the amount of \$1361.30.

The applicant testified that they advertised the premises and showed the property to prospective tenants after the respondents gave notice. The applicant stated that they had six inquiries about the property and were able to re-rent it on November 15, 2009. The monthly rent for the premises was \$1650. The applicant sought compensation of \$770 representing lost rent for 14 days.

The applicant also claimed compensation for the following costs:

Negotiating with tenants	\$50
Advertising	95
Answering calls	50
Showing the premises	50
Sending applications checking references	100
Preparing lease	50
Signing lease	25
Walk-through at commencement	50
Orientation of new tenant	<u>50</u>
Total	\$520

The applicant also sought costs of electricity for November, 2009 in the amount of \$71.30.

The respondent's representative acknowledged that the respondents had vacated the premises on November 1, 2009 after giving only 4 days notice, but disputed that compensation should be provided to the applicant. The respondent's representative stated that he felt the relief sought represented normal costs of doing business.

The *Residential Tenancies Act* defines rent in the following manner:

"rent" includes the amount of any consideration paid or required to be paid by a tenant to a landlord or his or her agent for the right to occupy rental premises and for any services and facilities, privilege, accommodation or thing that the landlord provides for the tenant in respect of his or her occupancy of the rental premises, whether or not a separate charge is made for the services and facilities, privilege, accommodation or thing.

Section 62 of the *Residential Tenancies Act* sets out a tenant's liability when premises are abandoned.

62.(1) Where a tenant abandons a rental premises, the tenancy agreement is terminated on the date the rental premises were abandoned but the tenant remains liable, subject to subsection 9(2), to compensate the landlord for

loss of future rent that would have been payable under the tenancy agreement.

The liability of a tenant is clearly limited to lost rent. There is no other section of the Act that permits compensation to a landlord for costs that are associated with abandonment of the premises other than lost rent. None of the items claimed by the applicant, other than the 14 days of lost rent, can be considered rent. They do not constitute consideration paid to the landlord for the right to occupy the premises. The tenants were obligated to pay for electricity during the term and paid those costs directly to the supplier. The November, 2009 electricity costs accrued after the abandonment took place.

However, the applicant did, in my opinion, take reasonable steps to mitigate the loss of those 14 days of rent and is entitled to compensation for lost rent in the amount of \$770. An order shall issue requiring the respondents to pay the applicant compensation for lost rent in the amount of \$770.

Hal Logsdon
Rental Officer