IN THE MATTER between **GBH Holdings Ltd.**, Applicant, and **Elsie Ovilok**, Respondent;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act") and amendments thereto;

AND IN THE MATTER of a Hearing before, **Adelle Guigon**, Deputy Rental Officer, regarding a rental premises within **the town of Inuvik in the Northwest Territories**.

BETWEEN:

GBH HOLDINGS LTD.

Applicant/Landlord

- and -

ELSIE OVILOK

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

- 1. Pursuant to sections 41(4)(a) and 62(2) of the *Residential Tenancies Act*, the respondent must pay to the applicant rental arrears in the amount of \$1,302.51 (one thousand three hundred two dollars fifty-one cents).
- 2. Pursuant to section 45(4)(d) of the *Residential Tenancies Act*, the respondent must compensate the applicant for cleaning costs in the amount of \$105.00 (one hundred five dollars).

DATED at the City of Yellowknife in the Northwest Territories this 6th day of June 2014.

Adelle Guigon Deputy Rental Officer IN THE MATTER between **GBH Holdings Ltd.**, Applicant, and **Elsie Ovilok**, 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 **Adelle Guigon**, Deputy Rental Officer.

BETWEEN:

GBH HOLDINGS LTD.

Applicant/Landlord

-and-

ELSIE OVILOK

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: May 22, 2014

<u>Place of the Hearing:</u> Yellowknife, Northwest Territories, by teleconference

Appearances at Hearing: Greg Murphy, representing the applicant

Elsie Ovilok, respondent

Date of Decision: May 22, 2014

REASONS FOR DECISION

An application to a rental officer made by GBH Holdings Ltd. as the applicant/landlord against Elsie Ovilok as the respondent/tenant was filed by the Rental Office March 4, 2014. The application was made regarding a residential tenancy agreement between the parties for the rental premises known as #26, 40 Tununuk Place, in Inuvik, Northwest Territories. The applicant served a copy of the filed application on the respondent by registered mail signed for March 18, 2014.

The applicant alleged in the application the respondent had accumulated rental arrears and left the rental premises in an unclean state, and requested an order for payment of rental arrears and cleaning costs. Evidence submitted is listed in Appendix A attached to this order.

A hearing was scheduled for May 22, 2014. Mr. Greg Murphy appeared representing the applicant; Ms. Elsie Ovilok appeared as the respondent.

Mr. Murphy testified at hearing that Ms. Ovilok had entered into a tenancy agreement with the applicant September 7, 2013, for the rental premises known as #26, 40 Tununuk Place, in Inuvik, Northwest Territories. A security deposit of \$1,250 was received at that time and an entry inspection report was completed and signed by Mr. Murphy and Ms. Ovilok on September 4, 2013.

During the course of the tenancy Ms. Ovilok had accumulated rental arrears for which promises to resolve had not been met. On February 26, 2014, Ms. Ovilok abandoned the rental premises and the landlord reclaimed possession. An inspection of the premises on that date found items left behind and the premises left in an unclean state.

Mr. Murphy received permission from Ms. Ovilok to sell the items found in the rental premises and was able to make \$100, which was applied against Ms. Ovilok's rental arrears. After Ms. Ovilok's departure, the landlord also received a payment from Education, Culture and Employment on Ms. Ovilok's behalf in the amount of \$100, which was also applied against Ms. Ovilok's rental arrears. The applicant applied the security deposit plus interest in the amount of \$1,252.93 against Ms. Ovilok's rental arrears.

As Ms. Ovilok did not give the landlord notice of her intention to leave the rental premises, the landlord was unable to re-rent it until April 1, 2014. Mr. Murphy is claiming lost rent for the month of March 2014 in the amount of \$1,250.

Mr. Murphy testified that the rental unit was not cleaned when Ms. Ovilok left the premises. He supported his claim for cleaning costs with the check-in inspection report indicating no defects to the rental premises when Ms. Ovilok moved in and a summary statement reflecting three hours of work to clean the premises. The total costs claimed for cleaning the premises are \$105.

Ms. Ovilok did not dispute either the rental arrears claimed or the loss of future rent for March, acknowledging that she did not in fact give notice of her intention to leave in accordance with the Act. She also acknowledged that she understood she would have to pay for cleaning the rental premises. She indicated the rental premises was not entirely clean when she moved in, with sticky cupboards and an oven she had to clean, but acknowledged both that the check-in inspection report – which she signed September 12, 2013 – did not reflect these deficiencies and that she had not reported the deficiencies to the landlord after taking occupancy of the premises.

Tenancy agreement

The residential tenancy agreement entered into evidence by the applicant is dated September 4, 2013, and reflects a periodic tenancy agreement between the parties starting September 7, 2013. Ms. Ovilok did not dispute the validity of the tenancy agreement. I am satisfied a valid tenancy agreement was in place.

Rental arrears, security deposit, loss of future rent

The tenant record sheet submitted into evidence by the applicant is the landlord's accounting of monthly rent and payments received. Ms. Ovilok did not dispute the accuracy of the payments reflected on the tenant record sheet. Although it appears, and is confirmed by Mr. Murphy, that the landlord rounded up the monthly balances owing, I am satisfied the actual payment amounts received are accurately recorded. A true calculation of the rental arrears as reflected on the tenant record sheet is \$1,505.44. Mr. Murphy testified that an additional \$200 was received since submission of the application, reducing the rental arrears to \$1,305.44.

A damage deposit refund summary was submitted into evidence by the applicant reflecting the application of Ms. Ovilok's security deposit in the amount of \$1,252.93 against her rental arrears. Ms. Ovilok did not dispute the amount of the security deposit. Application of the security deposit against Ms. Ovilok's remaining rental arrears reduces them to \$52.51. I find Ms. Ovilok has accumulated rental arrears in the amount of \$52.51.

The damage deposit refund summary also reflects the application of rent for the month of March 2014 in the amount of \$1,250. Mr. Murphy testified that, as he learned of Ms. Ovilok's departure just two days before the end of the month and the unit required cleaning before new tenants could conceivably move in, he was not able to re-rent the premises until April 1, 2014. His request for compensation for loss of future rent is appropriate and Ms. Ovilok did not dispute the request, nor did she question the landlord's efforts to mitigate their losses. I find Ms. Ovilok responsible to compensate the landlord for loss of rent for the month of March 2014 in the amount of \$1,250.

Cleaning

Mr. Murphy testified that the rental premises was left in an unclean state when Ms. Ovilok departed. Ms. Ovilok concurred that she had left the rental premises in a less-than-ordinary state of cleanliness and understood she would have to pay cleaning costs. The damage deposit refund summary included the application of \$105 for cleaning costs, representing three hours of work. I am satisfied this amount is reasonable and I find Ms. Ovilok responsible for compensating the applicant for cleaning costs in the amount of \$105.

An order will issue for Ms. Ovilok to pay rental arrears and loss of future rent in the total amount of \$1,302.51 and to pay compensation for cleaning services in the amount of \$105.

Adelle Guigon Deputy Rental Officer

APPENDIX A

Exhibits

- Exhibit 1: Residential tenancy agreement dated September 4, 2013
- Exhibit 2: Four reminder to tenant notices of rental arrears dated December 5, 2013, January 7, January 10, and February 21, 2014
- Exhibit 3: Tenant record sheet for September 11, 2013, to February 13, 2014
- Exhibit 4: Damage deposit refund summary received by Rental Office March 27, 2014