

IN THE MATTER between **NPR Limited Partnership**, Applicant, and **Mary Quitte and Tanya Quitte**, Respondents;

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 city of Yellowknife in the Northwest Territories**.

BETWEEN:

NPR LIMITED PARTNERSHIP

Applicant/Landlord

- and -

MARY QUITTE and TANYA QUITTE

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondents must pay to the applicant rental arrears in the amount of \$6,794.20 (six thousand seven hundred ninety-four dollars twenty cents).
2. Pursuant to sections 41(4)(c) and 83(2) of the *Residential Tenancies Act*, the tenancy agreement between the parties regarding the rental premises known as 5463 - 52 Street in Yellowknife, Northwest Territories, will terminate October 31, 2014, and the respondents must vacate the rental premises on or before that date, unless the rental arrears are paid in full.

DATED at the City of Yellowknife in the Northwest Territories this 23rd day of July 2014.

Adelle Guigon
Deputy Rental Officer

IN THE MATTER between **NPR Limited Partnership**, Applicant, and **Mary Quitte and Tanya Quitte**, 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 **Adelle Guigon**, Deputy Rental Officer.

BETWEEN:

NPR LIMITED PARTNERSHIP

Applicant/Landlord

-and-

MARY QUITTE and TANYA QUITTE

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	July 16, 2014
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	Aya Burshan, representing the applicant Sara Thomson, representing the applicant
<u>Date of Decision:</u>	July 16, 2014

REASONS FOR DECISION

An application to a rental officer made by NPR Limited Partnership as the applicant/landlord against Mary Quitte and Tanya Quitte as the respondents/tenants was filed by the Rental Office April 8, 2014. The application was made regarding a residential tenancy agreement for the rental premises known as 5463 - 52 Street in Yellowknife, Northwest Territories. The applicant served the filed application on the respondent by registered mail deemed served April 22, 2014, pursuant to section 71(5) of the *Residential Tenancies Act* (the Act).

The applicant alleged the respondent had accumulated rental arrears. Evidence submitted is listed in Appendix A attached to this order.

A hearing scheduled for May 14, 2014, was adjourned *sine die* due to a failure to confirm service of the notice of attendance on the respondent. A hearing scheduled for June 4, 2014, was attended by Ms. Aya Burshan representing the applicant, Ms. Mary Quitte, and Ms. Jeannette Savoie representing the respondents; that hearing was adjourned *sine die* at the applicant's request. A hearing scheduled for June 25, 2014, was attended by Ms. Aya Burshan representing the applicant; no one appeared to represent the respondents. That hearing was again adjourned *sine die* at the request of the applicant. The final hearing was scheduled for July 16, 2014. Ms. Aya Burshan and Ms. Sara Thomson appeared representing the applicant. Ms. Mary Quitte and Ms. Tanya Quitte were personally served notices of attendance June 27, 2014. Neither respondent appeared at hearing, nor did anyone appear on their behalf. The hearing proceeded in their absence pursuant to section 80(2) of the Act.

Ms. Burshan testified that the respondents have been tenants of the rental premises known as 5463 - 52 Street in Yellowknife, Northwest Territories, since November 2013. The tenancy agreement specified at section 15(d) that the tenant was responsible for paying for utilities. Throughout the tenancy the electricity account had not been transferred to the respondent's name as required and the monthly bills have been forwarded to the applicant for payment. As a result the applicant applied the electricity bill amounts plus a 15 percent administration fee to the respondent's rent account.

The respondents began accumulating rental arrears in February 2014. Up until that point payments had been received via income support for the full amount of the rent owing, including for utilities. As of February 2014, income support payments were of amounts insufficient to cover the full amount of the rent and utilities owing each month and the respondents themselves have not made any additional payments to date. The accumulated rental arrears as of July 15, 2014, total \$6,794.20, which also includes late payment penalties applied by the applicant.

Ms. Burshan expressed no real desire to terminate the respondents tenancy agreement, recognizing their low income status and difficulties; however, the rental arrears have accumulated to such an amount with no direct effort from the respondents to resolve them that it is prudent from a business perspective to ensure the necessary payments are received and to prevent further accumulation of arrears. Ms. Burshan requested an order for payment of the rental arrears and conditional termination of the tenancy agreement in the event the arrears are not paid in full.

Tenancy agreement

The residential lease between the parties was entered into evidence by the applicant. The lease was signed November 8, 2013, for a fixed-term occupancy from November 1, 2013, to October 31, 2014. I am satisfied a valid tenancy agreement was entered into between the parties in accordance with the Act.

Rental arrears

The resident ledger entered into evidence by the applicant represents the landlord's accounting of monthly rent, electricity bills, administration fees, late payment penalties, and payments received on account. I am satisfied the resident ledger accurately reflects the application of monthly rent, electricity bills received, and payments received on account.

Section 45(1) of the Act specifies a tenant's obligation to comply with any additional obligations undertaken in a written tenancy agreement. In this instance, the tenant has agreed to under section 15(d) of the residential lease to pay for all utilities as and when they become due and payable. Failing to pay the electricity bills directly to the local electricity provider puts an increased administrative burden on the landlord by requiring them to ensure the bill is paid and charging it back to the tenant. To my mind, the application of a 15 percent administration fee for each instance the landlord is required to process a utility bill which the tenant is responsible for is not unreasonable.

The calculation of late payment penalties are specified in the *Residential Tenancies Regulations* (the regulations) to an amount not exceeding \$65 for each rent not paid. The landlord's application of late payment penalties as reflected in the resident ledger falls well within the maximum penalties which could have been applied and I am allowing them.

Rent is defined under section 1(1) of the Act as including amounts paid for any services and facilities provided for the tenant in respect of the rental premises whether or not there is a separate charge for it; section 1(1) further defines services and facilities as including utilities and related services. I find the application of electricity bills towards the respondents' rent account to be in accordance with the Act.

I find the respondents have accumulated rental arrears, including associated penalties and administration fees, in the total amount of \$6,794.20.

Termination of the tenancy agreement

The respondents history of repeatedly failing to make payments to resolve their rental arrears is a relatively new occurrence in a relatively short tenancy. The accumulated arrears are now quite significant and left unchecked could become even more difficult to resolve. The applicant's expressed desire to give the respondents an opportunity to resolve the rental arrears before terminating the tenancy agreement is reasonable and I find the issuance of a conditional termination order justified.

An order will issue requiring Ms. Mary Quitte and Ms. Tanya Quitte to pay rental arrears in the amount of \$6,794.20 and terminating the tenancy agreement October 31, 2014, unless the rental arrears are paid in full.

Adelle Guigon
Deputy Rental Officer

APPENDIX A

Exhibits

Exhibit 1: Resident ledger for November 8, 2013, to April 6, 2014

Exhibit 2: Residential lease signed November 8, 2013

Exhibit 3: Resident ledger for November 8, 2013, to May 13, 2014

Exhibit 4: Resident ledger for November 8, 2013, to June 24, 2014

Exhibit 5: Resident ledger for November 8, 2013, to July 15, 2014