

IN THE MATTER between **N.W.T. Community Services Corporation**, Applicant, and
Saeed Hassan Farah, 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 city of Yellowknife in the Northwest Territories**.

BETWEEN:

N.W.T. COMMUNITY SERVICES CORPORATION

Applicant/Landlord

- and -

SAEED HASSAN FARAH

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to sections 45(a) and 45(b) of the *Residential Tenancies Act*, the respondent must comply with his obligation to obtain tenant liability insurance and keep it current and in force during his tenancy, and must not breach this obligation again.
2. Pursuant to sections 45(e) and 83(2) of the *Residential Tenancies Act*, the tenancy agreement between the parties for the rental premises known as #806, 5004 - 54 Street in Yellowknife, Northwest Territories will terminate August 31, 2014, and the respondent must vacate the rental premises on or before that date, unless the respondent has proven to the applicant prior to that date that he has obtained tenant liability insurance that is current and in force.

DATED at the City of Yellowknife in the Northwest Territories this 21st day of July
2014.

Adelle Guigon
Deputy Rental Officer

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Applicant/Landlord

-and-

SAEED HASSAN FARAH

Respondent/Tenant

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>	Gail Leonardis, representing the applicant
<u>Date of Decision:</u>	July 16, 2014

REASONS FOR DECISION

An application to a rental officer made by N.W.T. Community Services Corporation as the applicant/landlord against Saeed Hassan Farah as the respondent/landlord was filed by the Rental Office June 4, 2014. The application was made regarding a residential tenancy agreement for the rental premises known as #806, 5004 - 54 Street in Yellowknife, Northwest Territories. The applicant personally served a copy of the filed application package on the respondent June 16, 2014.

The applicant alleged the respondent failed to comply with his obligation to provide proof of current tenant liability insurance in accordance with section 13(l) of his residential tenancy agreement. Evidence submitted is listed in Appendix A attached to this order.

A hearing was scheduled for July 16, 2014. Ms. Gail Leonardis appeared representing the applicant. Mr. Saeed Hassan Farah was served a notice of attendance by registered mail signed for July 8, 2014. Mr. Farah did not appear at hearing, nor did anyone appear on his behalf. The hearing proceeded in his absence pursuant to section 80(2) of the *Residential Tenancies Act* (the Act).

Ms. Leonardis testified that Mr. Farah has been a tenant in low-income housing since March 2007. Section 13(l) of the agreement requires the tenant to have tenant liability insurance for the rental premises and to ensure it remains current and in force throughout the tenancy. The landlord annually reminds the tenant when their tenant liability insurance is about to expire and requests they provide proof of renewal of the tenant liability insurance for their records. In this case, Mr. Farah was provided a reminder notice on March 28, 2014, and two subsequent notices requesting provision of the renewed insurance documents on May 1 and May 28, 2014. Mr. Farah has not provided the requested documents to date and Ms. Leonardis has had no response from Mr. Farah in this regard. Ms. Leonardis advised that Mr. Farah has been late providing proof of his tenant liability insurance once before, in 2010; Mr. Farah did comply with his obligation then, but only after the applicant filed an application to a rental officer.

Ms. Leonardis qualified the rationale for the landlord to require tenants to have liability insurance to ensure both the tenant and the landlord are financially protected should any significant damages occur to the premises' infrastructure due to tenant negligence. The tenants in this housing unit are low-income tenants who are not likely to have any significant savings they could draw on should any infrastructure damages occur for which the tenant is liable. By paying the relatively minimal tenant liability insurance premiums the tenant is covered for the costs of these type of damages and the landlord has assurance the costs will be paid.

The applicant requested an order that the respondent immediately comply with his obligation to provide proof of tenant liability insurance or termination of the tenancy should he fail to comply.

Tenancy agreement

A residential tenancy agreement made March 2007 between the parties for the rental premises known as #806, 5004 - 54, Street in Yellowknife, Northwest Territories, was entered into evidence by the applicant. The agreement is signed by both parties. I am satisfied a valid tenancy agreement is in place between the parties in accordance with the Act.

Obligation to obtain tenant liability insurance

Section 45(1) of the Act states where a written tenancy agreement includes additional obligations the tenant must comply with those obligations. Section 13(l) of the residential tenancy agreement states the tenant must obtain tenant liability insurance and keep it current and in force during the tenancy. Ms. Leonardis has testified that the landlord's practice is to require tenants to prove they have complied with this obligation by providing a copy of their tenant liability insurance annually. She has also testified and provided evidence that the landlord annually reminds tenants prior to the expiration of their tenant liability insurance of this obligation, and she has provided a copy of the reminder given this year. Two subsequent notices were also given to the tenant requesting compliance with his obligation, to no effect. Neither has the tenant responded to the filing of an application to the rental officer. It is clear that Mr. Farah is aware of his obligation to provide proof of tenant liability insurance as he has regularly provided the document, faltering only once previously. As of this hearing date Mr. Farah has failed to prove he has renewed his tenant liability insurance for the current period. I find Mr. Farah in breach of his obligation under section 13(l) of the residential tenancy agreement to keep his tenant liability insurance current and in force.

Conditional termination of the tenancy agreement

Ms. Leonardis has requested conditional termination of the tenancy agreement if Mr. Farah fails to provide proof of current and in-force tenant liability insurance, arguing that Mr. Farah has failed to comply with this obligation previously and citing the risk of financial restitution should an unfortunate incident occur causing damage to the infrastructure of the rental premises. I am satisfied a conditional termination order is justified in this instance.

An order will issue requiring Mr. Saeed Hassan Farah to comply with his obligation to obtain tenant liability insurance and to keep it current and in force, requiring him not to breach that obligation again, and terminating his tenancy agreement August 31, 2014, unless Mr. Farah provides the applicant with proof of renewed tenant liability insurance prior to that date.

Adelle Guigon
Deputy Rental Officer

APPENDIX A

Exhibits

Exhibit 1: Residential tenancy agreement made March 2007

Exhibit 2: Applicant's tenant liability insurance memo to respondent dated March 28, 2014

Exhibit 3: Applicant's tenant liability insurance - second memo to respondent dated May 1, 2014

Exhibit 4: Applicant's tenant liability insurance - final memo to respondent dated May 28, 2014