

IN THE MATTER between **Satdeo Inc.**, Applicant, and **Vita Morin-Beaulieu**,
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,
regarding a rental premises located within the **town of Hay River in the Northwest
Territories.**

BETWEEN:

SATDEO INC.

Applicant/Landlord

- and -

VITA MORIN-BEAULIEU

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to sections 41(4)(a) and 84(2) of the *Residential Tenancies Act*, the respondent must pay to the applicant rental arrears in the amount of \$4,025.00 (four thousand twenty-five dollars) in minimum monthly installments of \$500.00 (five hundred dollars) starting in April 2016 and each month thereafter until the rental arrears are paid in full.
2. Pursuant to section 41(4)(b) of the *Residential Tenancies Act*, the respondent must pay her rent on time in the future.

3. Pursuant to sections 41(4)(c) and 83(2) of the *Residential Tenancies Act*, the tenancy agreement between the parties will terminate June 30, 2016, and the respondent must vacate the rental premises on or before that date, unless the monthly rents and minimum monthly installments for April, May, and June 2016 are paid on time.

DATED at the City of Yellowknife in the Northwest Territories this 16th day of March 2016.

Adelle Guigon
Deputy Rental Officer

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-and-

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REASONS FOR DECISION

<u>Date of the Hearing:</u>	February 25, 2016
<u>Place of the Hearing:</u>	Hay River, Northwest Territories, by teleconference
<u>Appearances at Hearing:</u>	Olly Das, representing the applicant Vita Morin-Beaulieu, respondent
<u>Date of Decision:</u>	March 14, 2016

REASONS FOR DECISION

An application to a rental officer made by Satdeo Inc. as the applicant/landlord against Vita Morin as the respondent/tenant was filed by the Rental Office December 2, 2015. The application was made regarding a residential tenancy agreement for a rental premises located in Hay River, Northwest Territories. The applicant personally served a copy of the filed application on the respondent December 9, 2016.

The applicant alleged the respondent had repeatedly failed to pay the full amount of rent when due and had accumulated rental arrears. An order was sought for payment of the rental arrears and late payment penalties, termination of the tenancy agreement, and eviction. Evidence submitted is listed in Appendix A attached to this order.

A hearing was scheduled for February 25, 2016, in Hay River, Northwest Territories. The rental officer appeared by telephone. Ms. Olly Das appeared representing the applicant. Ms. Vita Morin-Beaulieu appeared as respondent.

Preliminary matters

The application to a rental officer identified the tenant as Vita Morin. It was confirmed at hearing that the tenant's full legal name is Vita Morin-Beaulieu. The parties were in agreement that the style of cause going forward should reflect Vita Morin-Beaulieu as the respondent/tenant.

Tenancy agreement

The parties agreed at hearing that a verbal tenancy agreement had been entered into between the landlord and tenant for the rental premises identified as #905, 3 Capital Drive, in Hay River, Northwest Territories, commencing November 5, 2014. The rent was initially established at \$1,100 per month. I am satisfied a valid tenancy agreement is in place between the parties in accordance with the *Residential Tenancies Act* (the Act).

Rental arrears

The landlord's representative claimed at hearing that the respondent had accumulated rental arrears to date in the amount of \$7,475 and had made no payments against the rent account since December 2015. The tenant did not dispute that she has been late paying her rent and that rental arrears had accumulated, but she did dispute the amount of rental arrears claimed. The tenant also disputed the amount of rent claimed for each month, indicating that it was her understanding that the rent had been reduced to \$950 at least since July 2015. The landlord confirmed the monthly rent had been reduced from the initial \$1,100 to \$1,050 in February 2015. The tenant indicated she has been in constant contact with Harry Satdeo (building owner) and Blaine Maillet (building manager). She also claimed to have received a letter from Mr. Maillet confirming the monthly rent in July 2015. The landlord's representative indicated she had not been made aware of any conversations between the tenant and Mr. Satdeo and Mr. Maillet.

Neither party had provided documentary evidence to support their respective claims at hearing. The matter was adjourned *sine die* pending receipt of the alleged letter written by Mr. Maillet and proofs of rent payments and/or receipts from the tenant, and a current rent ledger and proof of payments received from the landlord. The parties were given until March 11, 2016, to submit their documentary evidence, after which I would make my findings and render a decision.

The tenant provided proofs of rent payments made from November 2014 to March 2016, inclusive. She admitted these documents were not exhaustive of all payments that have been made, but that they do represent the majority. The tenant did not provide evidence of the letter alleged to have been written by Mr. Maillet. The tenant acknowledged her responsibility for any rental arrears and requested consideration of a repayment plan to resolve the arrears. She also indicated having commenced the application process for financial assistance under the Homelessness Coalition Fund, which will be dependent on determination of the actual amount of rental arrears.

The landlord's representative provided a rent account reflecting monthly rents and payments received between November 5, 2014, and March 4, 2016. She did not provide proof of the received payments other than as detailed in the rent account. The landlord's representative also provided correspondence within which she confirmed the landlord had agreed to reduce the rent from \$1,100 to \$1,050 effective February 2015 and then to reduce it again to \$900 effective October 2015. The landlord's representative thus withdrew the landlord's request for late payment penalties and varied the request to terminate the tenancy agreement unless the monthly rent was paid on time and a payment plan to clear the rental arrears was established.

In the tenant's written submission, she alleged her rent was \$900 per month since commencement of the tenancy and provided Income Assistance Program (IAP) financial case reports to support this. This allegation contradicts the tenant's allegation made at hearing. The IAP reports do reflect a reported need for rent in the amount of \$900, but they also reflect payments made to the landlord in the amounts of \$1,100 for November 2014 rent (plus \$550 for security deposit), \$1,100 for January 2015 rent (plus \$275 for security deposit), \$1,050 for February 2015 rent, and \$1,050 for March 2015 rent. A report for December 2015 was not provided. A conversation with a representative of the Income Security Programs Division confirmed that the values detailed under "Need" reflect the subsidy provided to the tenant under the program, not necessarily the full amount of rent. The representative also confirmed that the tenant informs the IAP officer of the full monthly rent amount and the IAP officer verifies the full monthly rent amount with the landlord. In situations where the full monthly rent amount exceeds the subsidized rent amount, the tenant is usually offered the option to transfer the difference from another aspect of their income assistance in order for the IAP to pay the full amount of rent directly to the landlord on behalf of the tenant. Based on this information, I am satisfied on a balance of probabilities that the tenant in this case was aware of her monthly rent amounts and informed the IAP as the amounts changed. The IAP would not have paid the full amounts of each month's rent to the landlord if the tenant had not consented to the transaction. The amounts actually paid to the landlord by the IAP substantiate the landlord's submission that the monthly rent was \$1,100 for November 2014 to January 2015 and \$1,050 as of February 2015. The further reduction of the rent to \$900 as of October 2015 benefits the tenant. I am satisfied the monthly rents as identified in the landlord's rent account are accurate.

The landlord's rent account suggests rental arrears accumulated as of March 4, 2016, in the amount of \$6,225. However, this balance includes a credit of \$1,100 which represents the amount paid for the security deposit at commencement of the tenancy and is erroneously included in the rent account. Removing this credit, the rental arrears as of March 4, 2016, amount to \$7,325 as reported in the landlord's rent account.

The tenant's receipts and proofs of payments corroborate many of the payments reflected in the landlord's rent account, however, there are several payments which are not reflected in the landlord's rent account. The missing entries are as follows:

- a payment made by IAP in March 2015 in the amount of \$1,050
- a payment made by the tenant by money order dated April 8, 2015, in the amount of \$600
- a payment made by the tenant for which she has a receipt signed by Mr. Maillet dated April 12, 2015, in the amount of \$300
- a payment made by the tenant by money order dated December 24, 2015, in the amount of \$250
- a payment made by the tenant by money order dated March 3, 2016, in the amount of \$600
- two payments made by the tenant by money orders dated March 11, 2016, in the amounts of \$200 and \$300

These payments total \$3,300 which, as indicated, is unaccounted for in the landlord's rent account. Including these payments, I am satisfied the rent account is complete as of March 11, 2016. I find the respondent has accumulated rental arrears in the amount of \$4,025.

The parties' mutual request for a payment plan is not unreasonable and I will include in the order a requirement that the tenant make minimum monthly installments of \$500 towards the rental arrears. There will additionally be an order that future rent be paid on time. The minimum monthly installments must be paid every month starting in April 2016 until the rental arrears are paid in full. If the tenant can afford to pay more than \$500 in a given month she is encouraged to do so. A successful application to the Homelessness Coalition Fund will also make paying down the rental arrears in a timely manner more likely. I would remind the tenant the monthly rent of \$900 must be paid on or before the first of each month and that the minimum monthly installments of \$500 are in addition to the monthly rent.

Termination of the tenancy agreement

The landlord initially applied for termination of the tenancy agreement and eviction, subsequently amending that request to a conditional termination order dependent on the tenant successfully paying rent on time and having a payment plan in place to resolve her rental arrears. I accept the landlord's amended request as reasonable. In consideration of the repeatedly late payment of rent and substantial amount of rental arrears, I find termination of the tenancy agreement is justified. However, under the circumstances of this case I am satisfied termination of the tenancy agreement should be dependent on the payment of future rent and minimum monthly installments being paid on time.

Orders

An order will issue requiring the tenant to pay rental arrears in the amount of \$4,025 in minimum monthly installments of \$500 starting in April 2016; to pay future rent on time; and terminating the tenancy agreement June 30, 2016, unless the monthly rents and minimum monthly installments for April, May, and June are paid on time.

Adelle Guigon
Deputy Rental Officer

APPENDIX A

Exhibits

- Exhibit 1: Correspondence from Satdeo Inc. dated March 4, 2016
- Exhibit 2: 2016 rent account for November 5, 2014, to March 4, 2016
- Exhibit 3: Correspondence from Vita Morin-Beaulieu dated March 11, 2016
- Exhibit 4: Northwest Territories Housing Corporation correspondence to Vitaline Morin-Beaulieu dated November 24, 2015
- Exhibit 5: Handwritten note to “Vita” from “Blaine for Harry Sotado”
- Exhibit 6: Money orders signed by Vita Morin-Beaulieu payable to Satdeo Inc. dated: April 8, 2015; March 3, 2016; May 1, 2015; April 2, 2015; July 24, 2015; July 17, 2015; December 24, 2015
- Exhibit 7: Receipt for rent payment initialled by “BM” to “Vita Moran” dated April 12, 2015
- Exhibit 8: Money orders signed by Brad McAllister payable to Satdeo Inc. dated: September 10, 2015; December 16, 2015
- Exhibit 9: Receipt for rent payment initialled by “BM” to “Vita Morin” dated October 7, 2015
- Exhibit 10: Income Assistance Program financial case reports for the periods: November 2014; January 2015; February 2015; March 2015
- Exhibit 11: Two money orders signed by Vita Beaulieu payable to Satdeo Inc. dated March 11, 2016, in the amounts of \$200 and \$300.