

IN THE MATTER between **Raymond Arnault**, Applicant, and **Satdeo Inc.**,
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:

RAYMOND ARNAULT

Applicant/Tenant

- and -

SATDEO INC.

Respondent/Landlord

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 18.1 of the *Residential Tenancies Act*, the landlord must return to the tenant the security deposit in the amount of \$687.55 (six hundred eighty-seven dollars fifty-five cents).

DATED at the City of Yellowknife in the Northwest Territories this 7th day of March
2016.

Adelle Guigon
Deputy Rental Officer

IN THE MATTER between **Raymond Arnault**, Applicant, and **Satdeo Inc.**,
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AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter
R-5 (the "Act");

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BETWEEN:

RAYMOND ARNAULT

Applicant/Tenant

-and-

SATDEO INC.

Respondent/Landlord

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>	Raymond Arnault, applicant Olly Das, representing the respondent
<u>Date of Decision:</u>	March 7, 2016

REASONS FOR DECISION

An application to a rental officer made by Raymond Arnault as the applicant/tenant against Harry Satdeo as the respondent/tenant was filed by the Rental Office December 21, 2015. The application was made regarding a residential tenancy agreement for a rental premises located in Hay River, Northwest Territories. The applicant served a copy of the filed application on the respondent by registered mail signed for January 7, 2016.

The applicant/tenant alleged the respondent/landlord had failed to return the security deposit after vacating the rental premises. An order was sought for the return of the security deposit. 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. Mr. Raymond Arnault appeared as applicant. Ms. Olly Das appeared representing the respondent.

Preliminary matters

The application to a rental officer identified the landlord as Harry Satdeo. The parties agreed at hearing that the landlord is officially Satdeo Inc. It was agreed that the style of cause going forward will identify the landlord as Satdeo Inc.

Tenancy agreement

The parties agreed at hearing that a verbal residential tenancy agreement was in place between them for the rental premises identified as #1002, 3 Capital Drive, in Hay River, Northwest Territories, commencing January 1, 2015. The monthly rent was agreed to be \$1,500. The tenancy ended when the respondent vacated the rental premises November 2, 2015. I am satisfied a valid tenancy agreement was in place between the parties in accordance with the *Residential Tenancies Act* (the Act).

Security deposit

The landlord's representative testified that a security deposit of \$687.50 was received from the tenant in two installments: \$500 paid in January 2015 and \$187.50 paid in February 2015. The tenant disputed the amounts alleged by the landlord's representative, indicating he believed

\$1,500 had been paid on his behalf by Education, Culture and Employment's (ECE) Income Assistance Program (IAP), which he had been repaying to ECE in monthly installments of \$125. The tenant was given an opportunity post-hearing to provide reports from the IAP substantiating the amount of security deposit paid to the landlord. Upon receipt of those reports, the tenant acknowledged his error and that he had in fact only paid the \$687.50 security deposit as submitted by the landlord. Interest accumulated on the security deposit, calculated from January 1 to November 2, 2015, amounts to \$0.05.

To date, the tenant has not received either the security deposit payment or an itemized statement of account indicating how much was retained and what it was retained for. The landlord's representative confirmed the landlord has not returned the security deposit and that he is adamant that he will not return the security deposit because he alleges the tenant has substantial accumulated rental arrears. No evidence was submitted to substantiate the alleged rental arrears. The parties agreed that neither an entry inspection report nor an exit inspection report have been completed.

Section 18(3) of the Act requires a landlord to return the security deposit and an itemized statement of account to the tenant within 10 days after the day the tenant vacates the rental premises. I am satisfied the landlord has failed to comply with this obligation.

Section 18(4) of the Act permits a landlord to retain all or part of a security deposit against rental arrears and/or repairs of damage to the premises, but 18(5) of the Act prohibits a landlord from retaining the security deposit against repairs of damage to the premises where the landlord fails to complete both an entry inspection report and an exit inspection report. Section 18(7) of the Act requires a landlord who intends to retain all or part of a security deposit against either rental arrears or repairs of damage to the rental premises to give the tenant written notice of that intention with an itemized statement of account, and return any remaining balance of the security deposit to the tenant. I am satisfied the landlord has failed to comply with his obligation under section 18(7) of the Act.

Order

An order will issue requiring the landlord to return the security deposit of \$687.55 to the tenant.

Adelle Guigon
Deputy Rental Officer

APPENDIX A

Exhibits

Exhibit 1: Residential tenancy agreement between Northwest Territories Housing Corporation and Raymond Arnault dated November 2, 2015.

Exhibit 2: Fax from Raymond Arnault dated February 25, 2016, including: Income Security Programs rent report signed by Blaine Maillet on January 5, 2015; Income Assistance Program financial case reports for January and February 2015

Exhibit 3: Faxed correspondence from Satdeo Inc. dated March 4, 2016