
The Matt Mysak Report



WINTER 2005

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2006 Rent Increase

The provincial government set a new rent increase for 2006 at 2.1%. The new rent increase becomes effective January 1, 2006. This guideline does not apply when renting a vacant unit, when an owner can charge any rent they see fit. Once rented, the subsequent increases are governed by the guidelines.

LMR Interest

Tenants are entitled to 6% interest on LMR (last month's rent) deposit. Some landlords do not pay interest on LMR each year. If a tenant wants an order for the LMR interest, he

can apply to the Tenant Protection Act (TPA). There is however, a one year limitation for interest recovery on this application. The one year claim period can be misleading. This only applies to tenants making a claim to TPA. Of note is that a precedent was recently set in 'Ontario Ltd. V. Tirado' where a landlord was attempting to evict a tenant for being in arrears on his rent. The tenant was able to claim for years of accumulated interest and deduct this sum from the landlord's rent claim.

Balance, Balance, Balance

Although stock markets have been performing well lately, what happens to your portfolio if the bull turns into a bear? Real estate markets historically have often performed diametrically opposite to the stock markets. The GPR (Global Property Research) which is a marker for global real estate stocks moves in synch with the S&P/TSX only 40% of the time. Canadian and American investors have tended to be light on their real estate holdings. Consider looking at real estate as a way to diversify and help protect your assets.

Season's Greetings to All!

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FOR SALE



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FOR SALE



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Matt Mysak

Office: 416-767-5500 ext. 22

Fax: 416-760-7878 Email: matt@mysakrealty.com

WEBSITE: WWW.MYSAKREALTY.COM

Industry Professionals

Real Estate Lawyer

Bill Zyla, B.A., L.L.B.
Mitchell, Bardyn & Zalucky
416-234-9111 ext. 227

Complete Professional Electrical Services

A.M.H. Electrical

Contracting
Alan Hussey
416-826-3380

Accountant

Sandy M. Feld, B.Comm.
3089 Bathurst St. Suite 319
Toronto, ON M6A 2A4
416-789-4846