

The Mysak Report

WINTER 2006

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Residential Tenancies Act, 2006

The Residential Tenancies Act, 2006 (RTA), received Royal Assent on June 22, 2006. This means that it is law, but is not in effect until it is proclaimed, which is scheduled for January 31, 2007. With a few exceptions, most of the rules of the Tenant Protection Act (1997) (TPA), still apply until the RTA is proclaimed.

The 2006 rent increase of 2.1% is unchanged. The 2007 rent increase guideline will be 2.6%. Future rent increase guidelines will be based on the Ontario Consumer Price Index. Landlords can apply to the Landlord & Tenant Board for *above-guideline*

rent increases for capital work on rental buildings. Above guideline rent increases are limited to 3% per year, for a maximum of 3 years. Under the RTA, the fee for above guideline increase applications would be reduced. However, before a landlord is allowed to pass costs onto tenants, there will be a more in depth test to decide if the expenses are really necessary.

Starting rents can still be negotiated, but once established, the rent is controlled by the RTA regulations.

Buildings constructed after 1991 remain exempt from most rent controls, such as the annual rent increase guideline.

Rental Housing Market

Ontario's current vacancy rate is high. Although 32% of all homes in the province are rented, the 2005 vacancy rate was 3.7%. The highest vacancy rates are seen in the least expensive apartments. In the lowest 20% of the housing market the rate was 5.5%. The average rent in 2005 increased by 0.7%

Fair interest rates on rent deposits

Presently landlords must pay 6% interest on last month's rent deposits. Under the RTA, interest would instead be based on the Ontario Consumer Price Index. This is closer to actual interest rates.

FOR SALE



TROPHY apt. building on the beach of Cobourg. Only \$1,950,000

FOR SALE



CENTRAL WHITBY, 51 units on 2 Acres. 7.7% CAP \$3,490,000.

FOR SALE



TORONTO WEST, 30 units overlooking golf course. \$2,050,000.

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NO OBLIGATION MARKET
EVALUATION**

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Business Manager
416-789-4101

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FOOD FOR THOUGHT *from the "silver fox", Carlos Fernandez*

The 9 most terrifying words in the English language are "I'm from the government, and I'm here to help".

Ronald Reagan

I find television very educating. Every time someone turns on the set, I go into the other room and read a book"

Groucho Marx

Matt Mysak, Broker of Record

- Certified member of Industrial, Commercial & Investment Council, Director of Multiple Dwelling Standards Assoc.

Eugene Masney, Broker

- Served on many TREB committees, broker since 1976

Joe Mysak, Sales Representative

- Rookie of the year award, expert contract negotiator in investment and commercial real estate

Elizabeth Kaupe, Sales Representative

Ashley Lapier, Office Manager

FOR SALE



ETOBICOKE, 6 units, all 3-br in excellent condition. Only \$990,000.

FOR SALE



OSHAWA central, 12 units, newly renovated. 6.1%CAP Only \$999,000

FOR SALE



NORTH YORK, 81 units in excellent condition. Asking \$6,500,000

FOR SALE



ETOBICOKE, The Kingsway area. Huge duplex. Asking \$859,000.

SOLD* in FALL 2006

29 Lester Ave.	Toronto	6 units	\$ 510,000
93 Tyndall Ave.	Toronto	6 units	507,000
137 Indian Rd.	Toronto	6 units	869,450
229 Melrose St.	Etobicoke	9 units	965,000
2903 St. Clair Ave. E.	East York	12 units	779,000
2865 Lake Shore Bl. W	Etobicoke	13 units	905,000
69-73 Baldwin St.	Toronto	23 units	1,425,000
23-25 Elizabeth St.	Etobicoke	29 units	2,000,000
93 Coe Hill Dr.	Toronto	34 units	3,150,000

* Source of info RealTrack Inc.

Our Mission Statement

We are a powerfully united team, passionately committed to helping our clients achieve their real estate goals, by telling them the truth and through our proven non-traditional selling methods, specializing in investment properties.

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