



DEDICATED TO APARTMENT BUILDING SALES



2020 Rent Increase Guideline

The Ontario Government has set the rent increase guideline for 2020 at 2.2% which is the highest rent increase guideline since 2013. This amount is the most a landlord can increase the rent without first applying to the LTB.

This increase means that those currently paying \$1,000 per month will see an increase of \$22 per month or \$264 per year. The increase is meant to help Landlords cover the cost of inflation as well as annual increases to utilities and property taxes.

In most situations, the rent may first be increased 12 months after a tenant has moved into their rental unit or 12 months after the tenant's previous rent increase. A tenant must be provided a notice of an increase in rent on a Landlord and Tenant Board approved form and given at least 90 days notice before the rent increase comes in to effect.

The rent increase guideline is based on the Ontario Consumer Price Index (CPI) which measures inflation and economic conditions over a 12 month period. Landlords are able to apply to the LTB for an increase above the guideline for any of the below reasons:

1. Municipal taxes have increased more than the guideline plus 50%. For example, if a guideline is 2.2% then the taxes would have increased by more than 3.3%.
2. They took on operating costs related to security services.

At anytime, a landlord is able to increase the rent providing that the landlord and tenant agree that the landlord will add a new service or a facility which includes a parking space, storage locker or an air conditioner unit.

The landlord must pay the tenant interest on the rent deposit each year. The interest rate is equivalent to the annual rent increase guideline.

For a copy of the 2020 Rent Increase Guideline or for more information, please contact our office at reception@mysakrealty or 416-767-5500.

Written By: Maddalena Santelli



FOR SALE - COLLINGWOOD

Collingwood
31+2 Units
Asking \$5,250,000
4.1% Cap Rate

A Unique Investment Opportunity Located In The Small Waterfront, Historically Charming Town Of Collingwood. Conveniently Located In The Downtown Area Just 15-Minute Drive to Blue Mountain. Bright 31 Bachelor Units With 2 Commercial Units On Main Commercial Street. On Site Parking, Lockers And Laundry Facilities.

Joe Mysak
Owner, Broker of Record

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Please call us to learn more about our unique and proven selling methods

Our Mission Statement

We are a powerful united team dedicated to apartment building sales and passionately committed to helping our clients achieve their real estate goals, by telling them the truth and using our proven non-traditional selling methods.

What's to Come from Canada's Rental Market in 2020.

Housing professionals and experts are tuning into the reality that as urban growth continues to expand so do rental markets, particularly in Canada's major metropolitan cities. These same housing professionals and experts were consulted by Rentals.ca for the 2020 Rental Market Predictions report.

Overall, the consensus is that the market will continue to be undersupplied throughout Canada in 2020. Nationally, the average rent is expected to increase by 3% making affordability and low vacancy rates an issue for Canadians. Last year, the rental market was made up of millennials looking for an ideal location with emphasis on affordability, new immigrants coming into the Canadian rental market for the first time and baby boomers who were looking to downsize while capitalizing on their equity for retirement. However, these aren't the only groups influencing the market.

All forecasts are pointing to the fact that rent will continue to be highest in cities such as Toronto and Vancouver where vacancy rates linger around 1%. These rents are also on the rise as renters are swapping big city rents for longer commute times by moving to smaller and cheaper areas. Veteran housing analyst Ben Myers from Bullpen Research & Consulting sees these rental market trends for the next year:

- More renovations of older run-down apartments, as rent growth has been high enough to justify those investments,
- More rental apartment starts, with a greater focus on smaller units, more affordable units and more shared amenities
- More alternative rental options like laneway suites, tiny homes, co-living developments
- More buildings sold as condominiums to individual owners who agree to lease all suites in the building in a pooled rental arrangement (popular in university towns)

These ideas don't seem so far fetched as the latest Housing Market Outlook report by CMHC for the Toronto CMA has said that Toronto's metro area is expected to grow by 139,000 people this year further reinstating that demand will far exceed supply for another year.

What Will It Take to Change the Market and Rising Rents?

Tony Irwin, president of the Federation of Rental-housing Providers of Ontario (FRPO) believes that, "We are in a housing crisis. We have to do things that are extraordinary. And, we need to do things with immediate impact."

Some of his suggestions include:

- Developing "Unicorn Sites", properties with one or two towers that have room for a third or even a fourth
- Streamlining the city's development approval process
- Engaging with communities — NIMBYs and tenants' groups — sooner in the development process
- Bringing Toronto's outdated zoning codes up to date, such as considering rental-only zoning as done in Vancouver, and more as-of-right zoning

However, what works for one city might not work for another. Rich Danby, owner of Rich Ottawa Investments and ROI Construction believes that the biggest issue in Ottawa is housing affordability and suggests making changes to the stress test - the mortgage qualifying tool. "The stress test for mortgages is crushing the first-time homebuyer market and is having a negative impact on the trade-up market, as well." Currently, when a buyer closes a deal on a new construction, they must pay the Harmonized Sales Tax (HST), then apply for a rebate through the Canada Revenue Agency (CRA). The HST combines the federal goods and services tax (GST) with the provincial sales tax (PST) into a single value-added sales tax. Irwin advises that there should be a "reduced tax-rate or rolled into the price and financed as part of the transaction" as paying HST and then earn a rebate doesn't seem effective. Moving west to London, Allan Drewlo, president of Drewlo Holdings sees "three major issues hindering the rental market keeping the vacancy rate low and causing rents to increase, even if only slightly: Lack of supply; government red tape and restrictions on developers; and NIMBYism." Therefore, regardless of where you are in Ontario, issues from undersupply will be in effect.

Rental Housing Issues/Trends to Keep a Tab on in the next year:

- Secondary cities outside major metropolitan areas will experience higher prices both for homes sales and rentals
- Commute times will become longer as more people move away from city centres to afford better places to live
- Record immigration will continue to drive growth in Canada's rental market as it has in the past few years
- More co-living developments will spring up
- Experimental and innovative projects such as Sidewalk Labs in Toronto
- Rentals that include a den for an office space or apartment buildings that offer a creative, co-working space will be in high demand
- Will adjustments be coming soon for the stress test to make it easier for would-be homebuyers to qualify for a loan?

Written by: Melanie LeBlanc

Adapted from Rentals.ca 2020 Rental Market Predictions From Experts Across Canada





Who: Joe Mysak
What: Welcomed his first baby
When: May 2019
Where: Toronto

Congrats to Joe and Joanna on the arrival of their new baby girl - Sophie!



FOR SALE - LONDON

London, 8 Units
56 Beds
Asking \$3,849,000

Amazing Investment Opportunity In A 56-Bedroom Student Building. Located Minutes Away From Fanshawe College. Close To All Amenities. Well Maintained Property. Contains Two Buildings With 4 Units In Each. Offers Stable Monthly Cash Flow.



FOR SALE - TORONTO

Toronto, 3 Units
Asking \$1,370,000
3.4% Cap Rate

One Unit Recently Renovated. Short Drive To Subway. Walking Distance From Mimico Go And Close To Highways. Two Units Currently Vacant. Great Opportunity For End User Looking To Live In A Desirable Area While Renting Out Other Two Units Or Rent All Three For Cashflow.



UNDER CONTRACT - TRENTON

Trenton, 24 Units
Asking \$2,600,000
6.3 % Cap Rate

Two 12-Unit Buildings In Trenton (Quinte West). Large 1.87 Acre Lot. Tenants Pay Own Hydro (Electric Heating). Laundry Facilities On Site, Ample Parking. New Windows In 2017. Clean Phase 1 Environmental Assessment 2017. New Septic System Under Construction.



SOLD - TORONTO

Toronto, 7 Units
Asking \$1,499,000
6.0% Cap Rate

Located In Sought After High Park Area. Large House That Is Currently Divided Into 7 Units. Presently 5 Units Vacant. Easy To Convert To Single Family Or Live In One Or Two Units And Rent Out The Rest. Steps From High Park + Keele Subway Stations. Short Walk To The Cages

Join Our E-Mail Updates

Sign Up Today to Start Receiving Market Updates, Exclusive Apartment Building Listings, Recently Sold Properties and Helpful Landlord Information Directly to Your Inbox. Send us an Email to Info@MysakRealty.com



SOLD - KINGSTON

Kingston, 15 Units
Asking \$1,500,000
5.8 % Cap Rate

Revenue-generating investment opportunity in beautiful Kingston, ON. Clean phase 1 environmental. Solid concrete construction building with majority of units renovated. Opportunity to increase value by separating hydro meters. On site parking with potential to increase revenue.



SOLD - BELLEVILLE

Belleville, 12 Units
Asking \$1,600,000
5.2 % Cap Rate

Cash Flow Positive Building In Desirable Location. Seldomly Any Vacancies. New Roof Installed In 2016 And Majority Of Windows Recently Installed. Fire Compliant. Space For Additional Parking. All Electric Heating. Luxurious Interior Finishes In Units And Common Areas.



FOR SALE - WATERLOO

Waterloo, 3 Units
Asking \$1,050,000
4.5 % Cap Rate

5 Minute Walk To Laurier Campus. Large Lot With Potential To Develop. Close To Other Development Sites With Potential For Future Buyout. Well Maintained Units. Perfect For Student Renters.

Notice

If you did not see these properties for SALE when they were available, please contact our office to update your buying criteria and contact information. Please email us at Info@MysakRealty.com or call 416-767-5500

SOLD IN FALL 2019

5-7 Wilsonview Ave., Guelph	29 Units @ \$297,759/Unit	\$8,635,000
7030 Netherbrae Rd, Mississauga	46 Units @ \$293,478/Unit	\$13,500,000
113 Vaughan Rd, Toronto	12 Units @ \$268,750/Unit	\$3,225,000
3575 Bathurst St., Toronto	61 Units @ \$286,885/Unit	\$17,500,000
35-45 Fraser St., Cambridge	23 Units @ \$126,957/Unit	\$2,920,000
616 & 640 Barrydowne Rd, Sudbury	18 Units @ \$105,556/Unit	\$1,900,000
306 Honeyborne St., Almonte	24 Units @ \$214,583/Unit	\$5,150,000
1825 Russell Rd, Gloucester	104 Units @ \$221,154/Unit	\$23,000,000
324 Chapel St., Ottawa	12 Units @ \$214,583/Unit	\$2,575,000

If we can be of any assistance for your multi-residential needs please do not hesitate to call us at 416-767-5500

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