

# DOLLAR SENSE Rent control traps an unwary landlord

By

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The Ontario Rent Review Act, designed to protect tenants from exploitation by unscrupulous landlords, can also backfire on unsuspecting landlords of the non-professional variety -- an individual who owns a small duplex, or who has converted part of a private home for rental purposes.

The act, like some other regulatory legislation, has been so devoted to eliminating abuse on one side that it leaves the door open for manipulation on the other. All part-time landlords are strongly advised to study

**General financial advice by members of the Institute of Chartered Accountants of Ontario.**

the act in detail before attempting to implement rent increases, for whatever reason.

For example, if the rental premises fall vacant and you make substantial renovations expecting to recoup your cost through increased rents, on no account should you enter into an agreement with a new tenant before resolving your position with your local Rent Review Office. You must apply for permission to increase the rent more than the six per cent a year allowed under the act, and you must give at least 60 days notice of your intention.

If you fail to apply in advance, the Rent Review Office will rule that you may not increase the rent by more than six per cent -- your expensive renovations notwithstanding. And furthermore, you may not apply for an increase in rent until the new lease has run its full term.

A recent case illustrates the danger. A duplex owner made extensive improvements to an apartment, then entered into a two-year lease with a new tenant, at an increased rent calculated to return the cost of the improvements. Then, on application from the tenant, the Rent Review Office lowered the rent to an amount only six per cent higher than it had been before the renovations. At the same time, however, it held the landlord to the two-year lease.

Even though the tenant had reneged on his side of the agreement -- to pay an agreed rent -- the landlord was still bound by his side, which was to rent the apartment to the tenant for two years at an unreasonably low rent. He could not even apply to raise the rent based on the improvements until the two-year agreement expired.

Under present legislation the message is clear: before you attempt to increase the rent for any reason whatsoever, clarify your position with the Rent Review Office.

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# Century 21

## Jon Zorge Real Estate Inc.

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### HIDEAWAY HAVEN IN TOWN

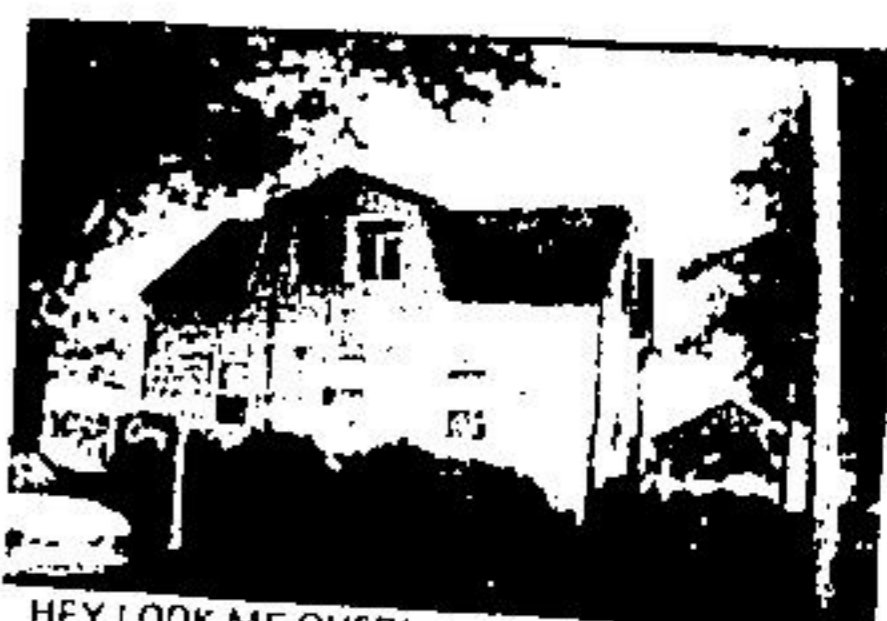
Nestled on almost 3 treeed acres on the edge of town just minutes from the GO Train and plaza. Finished and decorated to perfection and top grade broadloom. It's a must to see for those who appreciate a lovely older sophisticated property. Asking \$152,000. Call Jon for more info.



### SPECIAL OF THE WEEK

#### NEW EXCLUSIVE

Renovated older home on large treeed lot, 3 bedrooms, fireplace in livingroom, large dining room, sun porch, detached garage, paved driveway. Priced right at \$57,000. Call Anne Peto for appointment to view.



### HEY LOOK ME OVER!

I am a large older home on a lovely treeed lot in a quiet village. My interior needs some decorating but my exterior is maintenance free aluminum. My price is \$51,900. Call Audrey for a visit to see me.



### LOVE THAT SUPER DUPER

treeed hillside lot with a 4 bedroom home. Big eat-in kitchen, fireplace in a cozy panelled family room and a detached 2 car garage. Asking \$74,300. Call Jon for an appointment.



### MULLEN PLACE -- HOMES OF DISTINCTION

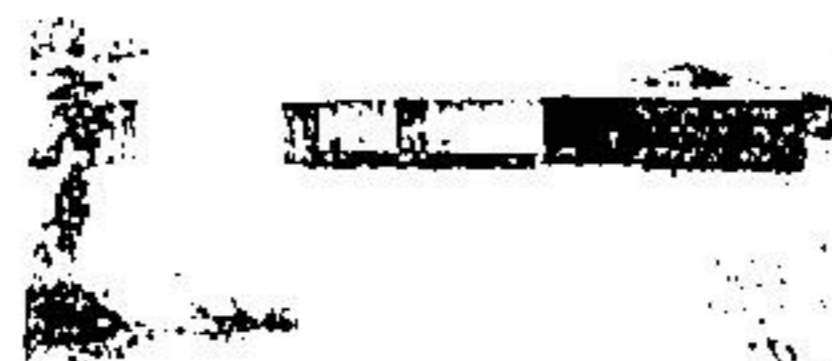
Here is just one of the models now under construction off Mountainview Road North. Call our office to check about available lots, plans and layouts. Outstanding features:

- Double Size Lots
- Paved Cul de Sac
- Town Water
- Country Atmosphere
- Top Quality Material & Workmanship
- Extra Heavy Insulation



### COUNTRY CLASSIC

1895 fieldstone house, complemented by 59 rolling acres, spring fed ponds and cedar bush. Excellent bank barn, great potential for a horse farm. Asking \$139,900. Call Arlene Shortill about this one.



### PEACE IN THE COUNTRY

A lovely home with 3 bedrooms and 2 baths. Main floor laundry room and family room with fireplace and an above ground pool. Large barn and tool shed. A must to see. Call Sally or Arlene for more details. Priced at \$97,900.



### SEEING IS BELIEVING

4 bedroom, finished rec room, family room with walkout onto a beautiful cedar deck. Immaculate shape. Let's have a look at it with Arlene. Asking \$59,900.



### READ ALL ABOUT IT

3 bedroom brick and aluminum backsplth with carport. Gorgeous large finished Tudor style rec room with fireplace, above ground pool and cedar deck. Nicely landscaped and newly decorated. What value at \$68,500. Give Audrey a call.



### SMALL TOWN LIVING

is what you will find in this quaint village setting. 1.2 acre lot, mature trees with older home. Apartment upstairs for extra income. Barn 20x30' with loft. A great place for commuters. \$74,900. Call Arlene Shortill.

### STREET TOWNHOUSE IN BRAMPTON

3 bedrooms, single car garage, new high quality broadloom, sliding glass door to patio stone deck and to top it off "no maintenance fee"! Only \$1,500. Give Coring a call.

### RELAXED COUNTRY LIVING

in this custom built beautiful executive home, built on 27 acres just North of Hwy. 24. Featuring 4 bedrooms, spacious living and dining areas, spiral staircase, family room with walkout to inground pool, all this and more only \$134,900. Call Anne Peto.

### ECONOMY LIVING

is what you will find in this 4 room mobile home. Quiet park setting with large lot and all appliances for only \$19,500. Call Sally Reed to see this "best of buys".

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