# LPMAnews



## London Property Management Association

### **President's Message**

Eight pets, three pets, five pets – London landlords, have your say!

The City of London, through the Community and Protective Services Committee (CAPS), stamped approval in June for a change to the Animal Control By-law to allow Londoners to house up to eight pets. The current by-law allows two cats per adult and a maximum of three dogs per household. The purpose of the



proposed amendment is to get more animals out of shelters and into homes. However, it could have disastrous consequences for landlords whose tenants don't look after their pets.

LPMA submitted written submissions to city council and the CAPS committee requesting that they not amend the existing by-law, or in the alternative, exempt rental units from the proposed changes.

The proposal was debated by council where Councillor Paul Van Meerbergen brought a motion to exempt multi-residential rental units. Council then referred the matter back to the CAPS committee for reconsideration. The CAPS committee recommended a limit of three pets in multi-residential units. This was a win for landlords, however, it did not end there. The proposal was forwarded to council where it was not approved and was sent back to city staff for reconsideration.

The most recent report from city staff sets out a new proposal with a limit of five pets in each multi-dwelling unit. The proposal will be reviewed and discussed at the CAPS committee meeting set for September 22. If you are concerned about the changes to the Animal Control By-law, please contact your city councillor to voice your concerns.



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### 1st Vice President's Message

I would like to remind everyone that our members' meetings will start back up in October. Information relayed at our meetings and seminars is valuable to your business as a landlord. There is so much to know and I encourage all landlords to attend. Property management companies should also send their staff to these meetings so they stay up to date on issues affecting landlords.



Our first meeting of the season is on October 21 at the Lamplighter Inn. Several London mayoral candidates have been invited to participate in a question and answer session. There is a dinner followed by a general meeting. The time of the event has been altered slightly from last season with the dinner starting at 6 pm instead of 5:45. See page 15 of the newsletter for more details.

LPMA is hosting Property Management 101 seminars on November 4 and 13. The seminars are helpful in assisting landlord members in many areas such as leases, evictions and rent increases. The seminars are very informative and worthwhile for large and small landlords. More details are on page 15.

To register for LPMA events, please download a registration form from the Calendar of Events page of our website, www.lpma.ca, or contact Brenda Davidson, LPMA's administrator, at 519-672-6999.



### **2nd Vice President's Message**

It's official, it's September, the kids are back in school and we can expect lots of great things to happen over the next few months.

Our annual golf tournament was held on September 8 with the proceeds donated to the Salvation Army Centre of Hope. The Centre of Hope assists homeless people and those who are at risk of homelessness by providing them with shelter, food, clothing and counselling.



It's London Knights hockey time! LPMA has rented a box at Budweiser Gardens and we are hosting a hockey night for our members and their friends and family. Contact Brenda Davidson at info@lpma.ca for tickets. Hurry, they will go fast!



#### **Landlords Helping Others**

#### **Building community at Blossom Gate in northeast London**

When Medallion Corporation redeveloped the corner of Adelaide Street North and Kipps Lane, they didn't just add three new high-rise apartment buildings, they also built a community.

"We have a rich mix of cultures and people from all walks of life who live here," says Medallion property manager Nancy Logger, who oversees almost 900 units spread over 11 high- and low-rise buildings at the northeast London site.

The three newest towers, completed in 2010, appeal to students from Western University and Fanshawe College, while the larger apartments in the older buildings tend to attract families and older couples.

"It's wonderful to see all the families who live here," says Logger. "We welcome a lot of newcomers to Canada who come from all corners of the world and it's nice to watch their families blossom and grow with us."

Regardless of where they come from, Medallion makes a special effort to make sure everyone feels right at home. The Toronto-based company is a family business with a strong sense of

community. "They like to hold events that bring people together so residents can make connections with each other, as well as with our staff," Logger says.

Community-building initiatives were first introduced at the complex by former Blossom Gate property

manager Kim Walker, who has since moved to Medallion's newest London development, REVO, in Old East Village. "Having seen the important benefits of maintaining good tenant relationships, I continue to seek new ways to keep community alive at Blossom Gate, while still holding many events established by Kim," says Logger.

Continued next page







#### **Blossom Gate**

#### (Continued)

Balcony-decorating contests and resident appreciation barbecues are two of the most popular and enduring spirit-boosters.

This year, more than 400 residents came out July 12 to enjoy Blossom Gate's annual summer barbecue. Activities included bouncy castles and face painting for the children, prize raffles, and visits from the Beacock branch's mobile library van and members of the London Fire Department.

"The kids loved going on the fire truck and learning about fire safety," recalls Logger.

Logger likes to invite other community members to participate. This year, BOB FM came out to play music, while companies including Kumon Learning Centre set up information tables. "We're always looking for people who would like to promote their organization in our neighbourhood," Logger says.

In the spring, Medallion supports Northbrae Public School's annual Easter egg hunt. "All of our residents are invited to participate, along with people from the Kipps Lane neighbourhood," Logger says.

Throughout the year, Logger also organizes informal meet-and-greet events with coffee, tea and muffins. "It's important for people to get to know their neighbours, as well as our staff," she says. "When you know

people by name it makes for a better atmosphere and creates a strong sense of community so we can thrive together as a whole."

Encouraging tenants to feel part of a larger community also discourages vandalism and other undesirable behaviours, she notes.

Regardless of the size of the building, it's important for landlords to establish a good relationship from the outset of each tenancy.

"Try to make a personal connection with each resident," Logger suggests. "Be there in person to greet the new tenant during the move-in inspection and show them you're available."

Providing move-in gift baskets, or sending holiday greeting cards, are other simple suggestions to show tenants their landlord cares about their well-being.

"Showing respect for one another needs to begin early and continue throughout the tenancy," Logger says. "If you can manage that, it makes for a happier living environment for all."









#### **Clean Works**

#### A commercial cleaning company builds bright futures



Brian Stickle is the operations assistant and Becky Thompson is the director of operations for Clean Works London.

Clean Works is a full-service commercial cleaning company with a dual purpose. As a division of Pathways Skill Development and Placement Centre, the business provides interior and exterior cleaning for commercial buildings while helping individuals build a better future through meaningful employment.

Launched in 2010, the company was a natural extension of the Pathways Property Maintenance Training Program, says Becky Thompson, Clean Works' director of operations. The eight-week course is one of several employment and skills training programs offered by the London-based not-for-profit, which is also a new LPMA associate member.

"Clean Works was started as a way to give back to the community, and as a way to employ some of the people who come through our Property Maintenance Training Program who may face challenges finding employment," Thompson explains.

The course provides participants with hands-on industry training, as well as certifications in Workplace Hazardous Materials Information System (WHMIS), First Aid, Cardiopulmonary Resuscitation (CPR), and Basic Fall Protection.

"There can be a stigma about cleaners, but they are a vital part of keeping the work environment clean and safe. We really promote the fact that this is a professional career that provides a needed service," Thompson notes.

"A lot of people who come through the program have never been told they can do it. We bring out strengths that they already have but may not know about. I get a lot of feedback from people who say, 'Thank you for believing in me.'"

Most graduates find employment through the program's co-op placements, but lack of previous work experience or the need for additional mentoring can be barriers to entering the traditional workforce.

That's where Clean Works steps in. "If we can facilitate it, Clean Works takes people with any of those challenges and puts them on our staff," Thompson says.

The company specializes in interior janitorial services, graffiti removal and power washing, and works with Downtown London and the City of London to keep public spaces presentable.

Since clients do not like to see turnover, there is no limit on the amount of time employees can stay with the company; some have been with Clean Works since the very beginning.

"Clean Works is never going to be a huge company, so we rely on our reputation and word-of-mouth (advertising) and being involved with other community partners," says Thompson.

With its LPMA affiliation, Thompson says Clean Works is looking forward to strengthening those community connections through participation in upcoming meetings and association events.

"We are already enjoying the benefits of having our contact information included on the LPMA website and anticipate many opportunities to network, develop relationships and play a meaningful role in LPMA's community events," Thompson says.

"People like that we aren't 'just' a cleaning company. We have a great story behind us in terms on investing in people and giving back to the community."

# **Tenant Problems?**



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#### **Pomeroy Place**

#### Luxury living goes green in southwest London

Old Oak Properties' newest apartment complex is setting new standards for energy-efficiency and urban design.

Located in the city's growing southwest, the twin towers of Pomeroy Place offer a striking blend of contemporary design, luxury amenities and green technology.

"The most common comment we've had with this project is: 'How much are they?'" says Greg Bierbaum, senior vice president with Old Oak. "The presumption is that they are condos."

Construction of the first tower began in August 2012. Tenants began moving into it in March and Bierbaum says the building is now 84 per cent leased. Construction of the second tower is well underway and it should be ready for occupancy next summer.

Prospective tenants are undoubtedly attracted by the building's designer finishes and other amenities more typically associated with upscale condominiums.



Each apartment features granite countertops and ceramic tile flooring.

The open-concept floorplans and a neutral colour palate make even the smallest unit seem spacious and welcoming.

Each apartment features nine-foot ceilings, granite countertops, laminate hardwood and

ceramic tile flooring, upgraded fixtures and abundant closet space. The open-concept floorplans include breakfast bars, oversized windows with transom panels and a neutral colour palate that makes even the smallest unit -- the 608-square-foot 'Carlton' -- seem spacious and welcoming.

The 16-storey tower also boasts a guest suite, exercise room and 15<sup>th</sup>-floor Sky Lounge and terrace with panoramic views.

"London has a lot of empty-nesters who are looking for these kinds of upgraded units," says Bierbaum, who worked closely with interior decorator Mary Arthur on the project.

Bierbaum says the first tower has been a popular choice for people who want to downsize without leaving the area. "With our emphasis on design, many people who are moving from a home they've had for 20 or 30 years see this as an upgrade. And, of course, they like the carefree lifestyle renting offers."

But it's what tenants might not see that truly sets Pomeroy Place apart.

The development features energyefficient appliances in every suite; motion sensor-controlled lighting in common areas, including the underground parking lot; energy-reclaiming braking technology on the high-speed elevators, and an advanced magnetic chiller that

just be the greenest rental buildings in London.

"Energy-efficiency is part of modern living," Bierbaum says. And, he adds, as the cost of green technology continues to come down, it makes economic sense to incorporate it into any new development.

minimizes friction in the HVAC system. With all of those elements, the towers may

"At Old Oak, we build and hold. We have buildings that we've owned and managed for 40 years, so we can justify any initial added capital expense because of the long-run returns."

Bierbaum believes other developers will join Old Oak in incorporating greener technology into their new construction projects. "Only a few years ago, the return on LED parking lights was too long and the technology was too new," he notes. "Now, the numbers work and it's almost standard."



Prospective tenants are undoubtedly attracted by the buildings' designer finishes.

Leasing is well underway at Pomeroy Place's second tower, which will be a smoke-free building.

"The other change in tower two is that we are offering three-bedroom units on each floor," Bierbaum says. "We had requests for larger units and decided to accommodate that market. It's tough to downsize from a house. People like to have the extra space."

#### The London Downtown Business Association Improvement Area

London city council intends to pass a by-law amendment that will raise taxes for landlords who own downtown properties without providing any benefit. The proposed amendment to the London Downtown Business Association Improvement Area By-law will:

- Expand the area designated well outside the "downtown"
- Amend the Board of Management
- Amend certain procedures with respect to the Board of Management
- Amend the levy procedures and, in particular, the method for calculating the special charges to be levied against the rateable property in the current and expanded London Downtown Business Association Improvement Area.

What does this mean? If this proposed by-law is passed, the funds required by the London Downtown Business Association Improvement Area Board of

Management will likely be increased by the City of London, establishing a special charge on the rateable property in the expanded area, which would then be added to the tax roll.

This will allow the city to charge the "special charge" to the entire area. The notice provided by the city suggests that there will be no special charge until 2015. However, we anticipate that in 2015 the charge will be significant. The charge will be levied in accordance with the Municipal Act, 2001.

If you own or manage properties in the expanded area, you should have received notice from the city and you are obliged to provide a copy to your tenants. The problem is that there is NO real benefit of this special tax levy for residential landlords. The tax is mainly supposed to assist in improving the retail/commercial sector's interests

and, in those sectors, most leases pass the increase on to the lessee. The same

is not true for residential landlords.

An objection notice can be filed by October 10.

As residential landlords, if your taxes increase, you would have the right to pass those taxes on to your sitting tenants as a "municipal charge" through an Above Guideline Rent Increase (AGI). The problem is that for small landlords, the application process for an AGI is costly. Rents can also be increased in excess of the annual rent increase guideline on turnover. However, there is a limit to what new tenants are willing to pay.

If you are in receipt of a notice from the city, there is an objection notice that can be filed with a deadline date of October 10. One valid ground of objection is to take the position that, as a residential landlord, you are entitled to pass the increase on to tenants as a "municipal charge." However, your tenants do not benefit from a tax that is primarily aimed at the commercial/retail sector. In addition, the scope of the "improvement area" casts too wide a net and the vast majority of multi-residential tenants caught by this area will never see a benefit from the fund. It is fundamentally unfair to require residential tenants who live close to the downtown to effectively subsidize the business/commercial sector.

If you require further information regarding the proposed amendment, or the expanded area which may now affect you and your tenants, contact the City of London at 519-661-5317.

If you have any concerns about this notice, as it relates to your property, you should obtain legal advice. This article was submitted by LPMA President Emma Sims.





amend the London Downtown

Improvement Area By-law.

**Business Association** 

#### To Meter or not to Meter?

#### Separately metering units can be financially advantageous to landlords

Small landlords who rent out apartments in converted houses are often reluctant to have separate electricity meters installed due to the cost. Instead, they divide one electricity bill among tenants based on the square footage of their apartments.

However, what many landlords don't realize is that, by trying to save money, they're setting themselves up for hefty legal bills to resolve disputes among tenants who are unhappy with the amount they're paying for their share of the electricity.

London lawyer Joe Hoffer says that apportioning electricity based on the square footage of apartments is legal under the Residential Tenancies Act (RTA) as long as a building has six or fewer units. The arrangement, which should be outlined in the lease, often occurs in a duplex or a converted house that has two or three units in it.

"Rather than break that into three separate meters, the landlord keeps the one meter, but apportions the electricity bill between more than one tenant," Hoffer says.

Although tenants may be satisfied with the arrangement at the beginning of the lease, problems often arise soon after. One tenant may believe he or she is paying too much for electricity and may want to change the formula for the apportionment. Hoffer

says the tenant may become upset with the landlord or, more frequently, with another tenant who is perceived to be using more than his or her fair share of the electricity.

"There's a lot of risk for the landlord when they implement an apportionment mechanism." Heffer says, "The

"There's a lot of risk for the landlord when they implement an apportionment mechanism," Hoffer says. "The risk is the expense of resolving the disputes between tenants."

He often sees a scenario where a tenant, such as a teacher, goes away for the summer, leaving his or her apartment vacant. The tenant still pays the usual amount apportioned to him or her for electricity, although the amount may increase because another tenant -- a stay-at-home mom or a tenant with a disability, for example -- is home all

If tenants aren't being billed

If tenants aren't being billed separately for electricity, there is no incentive for them to conserve.

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#### To Meter or Not to Meter?

#### (Continued)

day with the air-conditioning running. Other appliances, including a separate freezer and oven, may be heavily used, which also causes the bill to rise.

"For the tenant who's paying a portion of that bill, but isn't even there, it's very hard to accept," Hoffer says. "But because of rent regulation, it's difficult to amend that without the agreement of the tenants who are in place. You'll always get the agreement from the low consumer, but it's very difficult to get the agreement from the high consumer."

In the winter, if tenants aren't being billed separately for electricity, there is no incentive for them to conserve. An upstairs tenant, for example, may open a window instead of turning down the heat. Or, the upstairs tenant may be warm and keep the baseboard heating low, but the downstairs tenant may keep the heat cranked up. If the apportionment is based on floor space, it's easy to argue it's unfair that the upstairs tenant has to pay so much more.

Hoffer has seen cases where one tenant in a duplex has access to the main electricity panel and decides to shut off the electricity to another tenant's unit; the other tenant then becomes upset and calls the landlord.



Joe Hoffer is a London lawyer who specializes in landlord and tenant law.

If two tenants begin arguing with each other without being able to reach a compromise, the landlord has no choice but to apply to the Landlord and Tenant Board to evict one of the tenants because he or she is interfering with the other tenant's reasonable enjoyment of the premises, Hoffer says.

"And then the tenants show up at the hearing and they say, 'Well, the landlord's really interfering with us because he hasn't apportioned the electricity properly."

The legal remedy can be expensive for landlords due to the \$170 filing fee, in addition to the day or two spent in mediation or at the hearing, plus the amount the landlord compensates the tenant or tenants for in order to resolve the problem. That can include agreeing to let one tenant out of the tenancy because the landlord is unable to get both residents to agree to an acceptable apportionment. The landlord is then saddled with the costs of turnover, which can be quite high.

"In my experience, usually the problem arises between just two of the tenants even if there are six units in the building. It's usually just one person who's really got it in for another," Hoffer says.

To avoid problems between tenants, small landlords can arrange through their local utility company to have the units in their buildings separately metered. Larger landlords can contract with a sub-metering company to install sub-meters for all of the units. In both cases, tenants pay for their own electricity based on their actual consumption.

As new tenants come in, the landlord asks them to agree to pay for their electricity separately. There are provisions in the RTA that allow an existing tenant to switch over and pay the electricity bill separately, but they are subject to complex regulation.

"Usually, tenants will shy away from that. They don't want the change, they don't want to become involved in the administrative charge of the switchover and if they are fairly heavy users of electricity, it would not be in their interests to do it," Hoffer says.

However, if tenants are light users of electricity, it's usually advantageous for them to have their units metered since their rent will be reduced by the amount of the electricity costs based on average consumption for their type of suite in the building.

Hoffer says landlords must provide prospective tenants with the electricity consumption information for the unit they're applying for if tenants are required to pay for their own electricity and the unit is separately metered. A form on the Landlord and Tenant Board's website stipulates that the past 12 months of electricity consumption in the unit must be disclosed if the landlord has the information. If not, there is an alternative calculation if, for example, the meter has just been installed or if the unit has been vacant for a few months. Prospective tenants must also be provided with the age of the refrigerator in the unit.

Hoffer says having buildings sub-metered is becoming more common outside the Greater Toronto Area as opposed to including electricity in the rent, as is commonly done in London. The Ontario government is pushing to have apartment residences sub-metered to conform to its policy of promoting the efficient use of electricity. According to the provincial Ministry of Municipal Affairs and Housing, sub-meters can help tenants reduce their energy consumption by 12 to 23 per cent.

For landlords, there is a huge financial incentive due to the constant increase in electricity prices.

"If electricity is included in the rent, there's no incentive on the tenant to shut the lights off and to reduce their consumption," Hoffer notes.

#### **Apartment Search Trends - Mobile vs. PC**

Whether we want to embrace it or not, technology is constantly advancing. As a property manager, it's imperative for you to stay on top of the latest and greatest in trends. With each new technological innovation, a myriad of marketing opportunities present themselves to you. Apartment searches are no longer limited to the realm of the PC. Potential renters will be looking for you on the go, using their smartphones, tablets or other mobile devices. Don't fall behind the curve -- check out some of the updated stats we found so you can maximize your marketing efforts and get those apartments filled.

**Going Mobile:** According to Mashable, there will be more than five billion mobile phone users by 2017. Of those, approximately four billion will be using smartphones. When it comes time to start their apartment search, 48 per cent of smartphone users told Apartment Finder that they consider their mobile device to be an essential tool for locating their next apartment.

Even more telling, Apartment Finder also reports that 72 per cent of smartphone owners have used their mobile device to view photos, videos and other information about apartments. This means that an ever-increasing number of renters are bucking the traditional route of apartment

AND TO SE TO

There will be more than five billion mobile phone users by 2017.

searching and taking their act on the road. How can you ensure that you are capturing the attention of this burgeoning market? First, ensure that your website has a mobile-friendly version. There is nothing that will turn off potential renters more than a site that does not display properly on their phones, instead giving them a maze of broken links and strange layouts that make it difficult to find the information they need.

Second, consider investing in an app. The app should be free and packed full of useful stats about your apartments for rent, including photos, videos, prices, layouts and contact information. Apartment Finder's study showed that 36 per cent of users downloaded an apartment search app to help them on their journey. RentSeeker's new app, available for iPhone and Android, provides users with information about apartments that fit their search criteria with just a few taps.

**That's So PC:** With all of these stats in favour of mobile phones, you'd think that searching for an apartment via the "traditional" means (using a desktop or laptop computer) would be going the way of the dodo. However, a recent survey from ForRent.com found that 90 per cent of renters have utilized an ILS (Internet Listing Site) just like RentSeeker to conduct their apartment search. While it's true that an ILS can be accessed via mobile, the majority of these users viewed these apartment listings from the comfort of their own homes.

Having a well-designed website ensures that you present a professional persona to the renter. Sixty-four per cent of respondents surveyed by ForRent.com said they visited the website of a property management company to utilize its search tools and learn more about the company. This means that you cannot solely rely

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# **Apartment Search Trends** (Continued)



The majority of renters viewed apartment listings from the comfort of their own homes.

on an ILS. You need to give your own website a little TLC, too.

Another aspect of your online presence is reviews from other renters. With 76 per cent of renters surveyed by ForRent.com stating that they base their rental decisions on the ratings and reviews submitted by others online, it's important to keep on top of managing your reputation. This means monitoring comments, both good and bad, and responding to them in a timely manner. While not everything can necessarily be solved, making the effort to address concerns is a big component of the online battle.

Your adventures in PC-land don't just stop at your own website. Here are some other stats from ForRent.com that can affect your marketing strategy.

When asked how likely they would watch video in their apartment search:

- 51 per cent responded "very likely"
- 39 per cent responded "somewhat likely"
- Only 10 per cent said they were "not at all likely" to watch video in their search
- Videos have become a popular part of online life with 76 per cent of respondents having used the popular video-sharing site YouTube either often or occasionally
- YouTube was the top-used social media outlet in the survey, outnumbering Facebook at 71 per cent and Google + at 66 per cent

Other stats show that:

- 50 per cent of contemporary apartment renters start their search two to four months ahead
- 76 per cent prefer to see a video of the apartment complex
- 71 per cent use Facebook

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#### Complying with Canada's Anti-spam Legislation

#### Landlords are particularly vulnerable to liability when dealing with prospective tenants

Landlords who want to inform their tenants by email of an upcoming barbecue or rental promotion need to think twice before hitting the "send" button, now that Canada's Anti-spam Legislation (CASL) is in effect.

The purpose of the legislation, which came into force on July 1, is to deter the circulation of "spam" or the unwanted email messages that often flood inboxes. Spam refers to any Commercial Electronic Message (CEM) sent without the express consent of the recipient.

The new legislation applies to most forms of electronic messages including email, SMS text messages (including requests that tenants "like" a property management company on a website such as Facebook) and even some social media messages.

Established relationships: London lawyer Joe Hoffer says it's important for landlords to understand that the legislation treats established relationships differently from a new relationship. For example, in an established legal relationship such as a tenancy, the law assumes there is implied consent on the part of the tenant to receiving CEMs, particularly in cases where the landlord has already been sending CEMs. Implied consent will apply during the next three years as the law is being phased in, although that transitional period could be extended, Hoffer says.

Even though implied consent exists in established relationships, landlords should give the recipient an opportunity to unsubscribe. The unsubscribe option could be a link that recipients click on or a message indicating how they can contact the landlord's office to be removed from the email list.

New relationships: Hoffer says residential landlords' greatest exposure to liability arises when they come into contact with prospective tenants. When those individuals complete a rental application, they are required to provide their personal information without ever having had a prior commercial relationship with the landlord.



The new legislation applies to most forms of electronic messages including email, SMS text messages and even some social media messages.

Even where a tenant's consent is obtained, the "unsubscribe" option should be given with all CEMs, Hoffer says. However, if a tenant unsubscribes and the landlord has already shared his or her email address with third-party suppliers, the landlord needs to notify those suppliers that the tenant has asked to be unsubscribed and that the suppliers should remove that individual from their lists, too.

Third-party suppliers could include a company that owns or manages an apartment building's parking lot, a telecom company that provides Internet service to a building, or a company such as London Hydro that provides electricity to tenants. In all cases, the landlord needs to contact the suppliers and give them the new tenants' personal information so that the suppliers can follow up with those individuals and provide them with parking, Internet service or electricity.

"If they do so by email, that's a CEM and that is a relationship that's governed by the anti-spam legislation," Hoffer says.

**Consent form**: The consent form is separate from the rental application and should be tailored to the landlord's specific portfolio. As well, it should require new tenants to sign it and acknowledge that their personal information may be transferred to third-party suppliers who provide services to tenants in that building.

In the LPMA lease, applicants agree to limited disclosure of their personal information for the purpose of conducting a credit check and enforcing a tenancy agreement. But because of CASL, landlords need to ensure from now on that the consent to disclosure they obtain from every tenant is much more specific in terms of how the information will be used and to whom it will be disclosed.

"They have to take greater care and the way they do that is through a detailed consent that the tenant signs off on," Hoffer says.

Continued next page

# Anti-spam Legislation (Continued)

In addition to having a consent form, landlords need a privacy policy -- usually posted on their website -- that lists the third parties to whom tenants' personal information will be disclosed. The third parties also sign an acknowledgement that they will comply with CASL. While small landlords may not have their own websites, Hoffer says they still need to have a written privacy policy to which they can refer tenants.

**Upcoming event notices**: Another area of liability arises when landlords send out email notices about a barbecue or a rental promotion, such as one month's free rent, or even something as innocuous as a notice of a community yard sale.

"It could still be viewed as a Commercial Electronic Message because it's there to build goodwill with tenants and preserve their customer satisfaction," Hoffer says. "Not every landlord may send things by email now, but three years or five years from now they will. Everybody, with very few exceptions, has access to and uses email."

**Fines**: Although many landlords will be tempted to view CASL as one more piece of legislation in an already highly regulated industry, Hoffer says that's a mistake. Penalties can go as high as \$1 million for an individual and \$10 million for businesses. (Visit fightspam.gc.ca for more information.)

Hoffer believes the law will affect landlords more than LPMA associate members who may be third-party suppliers of services to landlords.

"It's through the average landlord that some of those other suppliers, including associate members, are likely to obtain the electronic address and other personal information that can be used for sending CEMs," Hoffer says. "Landlords are the most vulnerable and they're the easiest targets."

During the three-year transition period, the new legislation won't pose too great an inconvenience for landlords with existing tenants who have been in their buildings before July 1 of this year.

"But for everyone who you've signed up afterwards, you are subject to that legislation," Hoffer cautions. "It was a requirement that you have their consent before you send them a Commercial Electronic Message and that's part of this broader consent form at the time tenants apply for tenancy or, at a minimum, once they're accepted as tenants," he adds.





#### **CFAA's New Tax Lobbying Approach**

#### By John Dickie, CFAA President

CFAA's main government relations goal is to achieve tax reform to improve the position of the rental housing industry. Over the years we have taken several approaches to try to reach that goal, including pointing out unfairness in the treatment of rental property as opposed to other business property, and the unfairness of the tax treatment of rental property compared to owner-occupied property.

While CFAA has avoided some negative changes, and achieved one or two small wins, we have yet to succeed in gaining substantial tax reforms. Our new approach is to address first a more fundamental issue, namely identifying the problem that needs to be solved.

For decades, some housing advocates have cried that the sky is falling, that there is a crisis in rental housing that the government must solve, usually with masses of money to build new social housing. CFAA has never subscribed to the view that the sky is falling.



CFAA's main government relations goal is to achieve tax reform to improve the position of the rental housing industry.

However, except for a few locations (including London), new rental housing has gone from being a very popular form of housing to build to being a product that attracts little investment. More than 30 per cent of Canadians rent their homes but, for the last 25 years, less than 10 per cent of all new housing has been built for the rental market. This contrasts dramatically with the rental construction rates of the 1960s and even the 1970s and 1980s.

Because of the economies of scale and other savings in land, services, construction costs and professional fees, rental housing is the most affordable housing that can be built and operated. But Canada is not building enough new purpose-built rental housing.

Rental housing is the housing of choice for most workers moving to Canada or within Canada, for many newly formed households, for new Canadians, for low-income households and for many seniors.

The negative impacts of insufficient new rental housing include these:

- High-growth communities cannot attract an optimal labour force to grow as they could
- High-growth and new communities face high housing costs and difficulty attracting the young workers they
  need to provide government services such as fire, police and hospitals
- Many communities see rising rents throughout the rental market, much to the disadvantage of low-income people (and of governments that support many of them)
- Housing of all types is becoming less affordable (apart from today's low interest rates, which will not last forever)
- People lack choice in addressing their housing needs
- Shortages of rental housing interfere with labour mobility
- Rentals by landlords with no on-site staff (such as condos) are creating community problems in condo buildings and in established neighbourhoods
- Excess home-ownership rates raises unemployment

As to the last point, the U.S. National Bureau of Economic Research (NBER), a highly respected, non-political economic research institute, recently published a working paper on the relationship between home ownership and the labour market. The paper found that a doubling of the home ownership rate is associated with an increase of more than double in the unemployment rate. The study also noted that not all rental housing is equal. In public housing, labour mobility tends to be low and associated joblessness high. As a result, private rental housing is key for low unemployment.

The fact that few purpose-built rental assets constructed reflects the fact that rental owners are not making a high enough return to justify more investment. The cause of the problem is largely the current tax system and its impact on the after-tax rate of return and the incentive to invest or divest. Increasing the rate of return on purpose-built rental housing should increase the stock of rental housing that investors want to hold. That will draw out new rental housing construction in a way that will address the problems identified above.

Once CFAA has convinced policy makers of the problem to be addressed, we will be in a better position to obtain action to address it. To CFAA, tax reform to raise the rate of return in rental housing is the best solution and one which will also improve the situation for communities, renters and renters' neighbours.

LPMA is a member of the Canadian Federation of Apartment Associations, which is the sole national organization representing the interests of Canada's \$480-billion private rental housing industry, providing homes for more than eight million Canadians. Learn more at www.cfaa-fcapi.org.

#### **LPMA Golf Tournament a Huge Success**

The annual LPMA golf tournament was held on September 8 at FireRock Golf Club in Komoka.

One hundred and forty-eight golfers registered for the tournament. They enjoyed the challenging course as well as participating in the contests on the holes such as Wyse Meter Solutions' Frisbee Toss and the Union Gas Risk/Reward Challenge. The golfers also appreciated the hospitality tent hosted by The Byng Group and the ice cream truck hosted by 4Rent.ca.

The Best Foursome (lowest score - all men) was won by the team from Landlord Web Solutions, Best Mixed Foursome (lowest score - men and women) was won by the foursome comprised of a twosome from CMS Legal Services and a twosome from Property Power Corporation. A foursome from Cohen Highley took home the prize for the Most Honest Golfers (highest score).

The weather was perfect, everyone had a great day and, best of all, money was raised for a deserving charity, The Salvation Army Centre of Hope.



LPMA president Emma Sims presents a cheque to Nancy Powers,

The Centre of Hope supports about 2,000 individual men and women aged 16 and older every year. As well as providing 175 emergency beds, the centre offers 92 private rooms available for up to one year on a pay-to-stay basis. In addition, the Community and Family Services Department runs a Food Bank, Back to School Program and Summer Camp for low-income individuals and families. The department's annual Christmas Hamper initiative also helps about 5,000 households with food and toys during the holiday season.

A cheque for \$15,000 was presented to Nancy Powers, executive director of the Centre of Hope. However, we estimate the profit to be even higher once the final accounting is completed.

We couldn't run such a great tournament without the help of volunteers. Tom Bowes and Donald Bath from the Centre of Hope ran the chipping contest on Hole #16, Nancy Moran helped at registration and collected the donated items, Shirley Criger sold London Knights tickets, Fred Grossman sold WestJet raffle tickets, Bob Lake was the spotter at the hole-in-one contest on Hole #17, Mary Ongaro sold mulligans, Shane Haskell helped at registration and ran the putting contest, and Melissa Brown and Jaclyn Piscarzyk handed out the golfers' gifts and ran the chipping contest on Hole #12.

Thank you to the Golf Committee Chair, Brenda Trineer, Golf Committee members Shirley Criger, Lisa Smith, Nancy Moran, and the LPMA Administrator, Brenda Davidson, for organizing the tournament.

A big thank you to all of the sponsors who supported the tournament.

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#### **Upcoming Events**

#### October 21 - Dinner & General Meeting

Lamplighter Inn 591 Wellington Road, London

Dinner Sign In/Networking: 5:30 to 6:00 pm

**Dinner:** 6:00 to 6:45 pm

Cost for Dinner: \$25 by October 10 To Register for Dinner: www.lpma.ca.

Meeting Sign In/Networking: 6:45 to 7:00 pm

General Meeting: 7:00 to 8:30 pm

Cost for General Meeting: No charge and no pre-

registration required.

**Speakers:** London mayoral candidates have been

invited to speak.

\*Please note that this meeting was originally scheduled for October 14.

#### October 24 - Night at the Knights

Budweiser Gardens 99 Dundas Street, London - Box 205

Join us for a social night at a Knights' game. Enjoy food and beverages in box seats and cheer on the London Knights as they take on the Ottawa 67s. Invite your friends and family and network with other LPMA members.

Game Time: 7:30 pm - Doors open at 6:30 pm

Cost: \$40 per ticket

Included: One seat in Box 205, food and one alcoholic

beverage

**To Purchase Tickets:** Go to the Calendar of Events page on www.lpma.ca or contact the LPMA office at

info@lpma.ca or 519-672-6999.

**Food Sponsor:** London Hydro **Bar Sponsor:** Minto Properties

Main Event Sponsorship Available: \$500 including

four game tickets and four drink tickets. Email

info@lpma.ca for more details.

### November 4 & 13 Property Management 101 Seminars

Mocha Shrine Centre 468 Colborne Street, London

Plan to attend these two dinner seminars designed for small landlords, investors and managers of rental property. Topics covered in Seminar One include leasing, rent rules and maintenance and repair. Seminar Two covers enforcement of the lease, problem tenants, rent arrears and damages.

**Seminar One -** Tuesday, November 4 - 5:00 to 9:00 pm **Registration:** 5:00 to 5:30 pm - Dinner will be served promptly at 5:30 pm.

Seminar Two - Thursday, November 13 - 5:00 to 9:00

pm

**Registration:** 5:00 to 5:30 pm - Dinner will be served promptly at 5:30 pm.

Cost for Members: \$79 for one seminar, \$129 for both Cost for Non-members: \$99 for one seminar, \$149 for both

**Included:** Seminar, dinner and binder with course material.

**To Register:** Go to the Calendar of Events page on www.lpma.ca or contact the LPMA office at info@lpma.ca or 519-672-6999.

**Sponsorships Available:** \$300 for a full page colour ad inserted in the attendees' binders. Email the LPMA office at info@lpma.ca for details.

#### Save the Date

#### CFAA Rental Housing Conference June 10 to 12

The 2015 Canadian Federation of Apartment Associations' (CFAA) rental housing conference will be held in Toronto from June 10 to 12. The building tour will be Wednesday, June 10, with the education sessions on June 11 and 12, and the main social event during the evening of June 11.

More information and registration forms will be available soon on CFAA's website, www.cfaa-fcapi.org.

Stories	Monday		Wednesday		Friday	Salurday
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#### **LPMAnews**

LPMAnews is a quarterly publication of the London Property Management Association. All advertising enquiries should be directed to the LPMA office at (519) 672-6999.

Opinions expressed in articles are those of the authors and do not necessarily reflect the views and opinions of the LPMA board or management. LPMA accepts no liability for information contained herein.

Any comments about LPMAnews or requests to submit articles may be made by email to info@lpma.ca.

#### **LPMA Contact Information**

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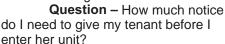
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# www.lpma.ca

#### **Landlording 101**

This feature includes answers to frequently asked questions. It is not intended as legal advice.





Answer – It depends on the reason for entry. A landlord can enter a tenant's rental unit without written notice if there is an emergency such as a fire or if the tenant agrees to let the landlord in.

Written notice is not required to enter a unit between 8 am and 8 pm if the landlord or tenant has given a notice of termination, or they have an agreement to end the tenancy, and the landlord wants to show the unit to a potential new tenant. In this case, although notice is not required, the landlord must try to tell the tenant before entering for this reason.

If a landlord wishes to enter a unit for a nonemergency reason such as to complete a repair, to show the unit to a potential purchaser or to inspect the unit, the landlord must give the tenant 24 hours' written notice and entry must be between 8 am and 8 pm.

The notice must include the reason why the landlord wants to enter the rental unit and must state what time, between 8 am and 8 pm, the landlord will enter the unit. If the landlord gives the tenant the correct notice, the landlord can enter even if the tenant is not at home.

If you have a question for Landlording 101, please email it to info@lpma.ca.

#### **Welcome New Members**

Derek Abramowicz, Silvia Trampus Adler, Adam Alexander & Ashley-Marie Osborne, Nathan Arcand, Justine Barre, Carrie Bartoch, Jean de Verteuil, Mahdizeh Entezarkheir, Amir Estulin, Wilfred Findlater, Ian Haldane, Catherine & William Miller, Nabar Contracting Inc. (Associate), Nathan Newport, Raymond Sutherland & Miguel Hurtado-Lazaro, Ali Tamba, TAS Holdings-Ajay Srivastava, Coralia Tudor Paralegal (Associate), Xinyi Wang, Eric Wilton, John Zsiros