



Spring, 2016

Message from the President

Dear Board of Directors,

With the cold and gloomy winter days behind us, our team is busy preparing for the spring.

This spring issue of our newsletter has great articles regarding items that relate to Condominium life. Please take a moment to read through some of articles.

I look forward to seeing everyone soon. In the meantime, enjoy the beautiful spring. As always, I welcome your e-mails.

Sincerely,



Liron Daniels

President R.C.M., P.P.L., B.E.S.

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Nadlan-Harris Property Management Inc. is proud to announce that we are launching our new software allowing each of our properties to have a community website. This software will allow for greater efficiency and better communication between the Board, Owners and Management. We are looking forward to launch this software in all of our properties by May, 2016.

5 Reasons Toronto House Prices Won't Crash In 2016



After the Greater Toronto Area's record year in 2015 for both the number of homes sold and the average price, the question is: when will it all come crashing down? The answer: not in 2016. Here are five reasons why this won't be the year of Toronto's housing collapse.

1. Supply and demand

It's the simplest rule of market economics and it applies to Toronto's real-estate market. The population keeps growing, and people have to live somewhere.

There's little room to build more single-family houses to increase the supply. The demand from families who want to live in the city with a patch of grass remains huge. The number of new listings on the market continues to be outstripped by the number of buyers.

As for Toronto's condo market, it's a myth that it's oversupplied: the inventory of unsold condos is shrinking, and with first-time buyers nearly priced-out of the house market, the demand for condos remains steady.

2. It's the economy

If the economy shrinks, jobs disappear and people are forced to sell their homes. Supply goes up, demand is down, so prices drop. This has happened twice in Toronto in the past 30 years: a quick dip in the 2008 recession, and a deep collapse in the early 1990s recession. There is no recession on the horizon for the GTA in 2016.

Ontario's economic growth has actually been rather sluggish the past six years, yet Toronto's house prices have just kept soaring. The average sale price in 2015 was 64% higher than in 2008. So even if the economy sputters, house prices are unlikely to tank.

3. Mortgage rates will rise, but gently

"It would take quite a significant increase in mortgage rates to trigger a crash," said Sherry Cooper, chief economist at Dominion Lending. "I don't think interest rates are going to rise dramatically."

For Toronto's housing market to crash, "you'd have to see a really large spike in interest rates or a really large drop in employment," she said. "It always could happen but that's not what us or anybody else frankly is expecting."

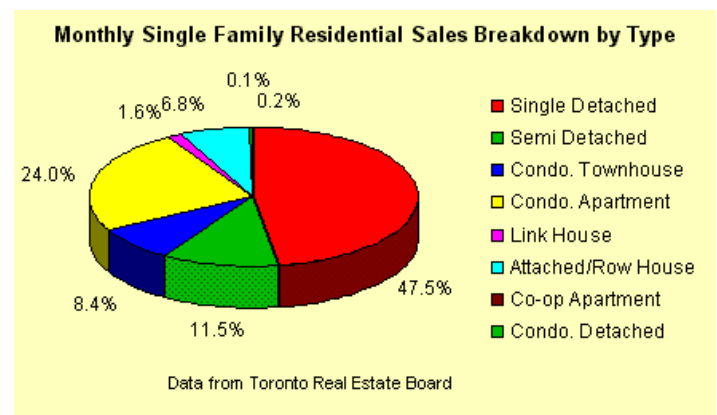
4. There is no 'bubble' to burst

You've heard it before: the bubble has got to burst. Investment expert Hilliard Macbeth predicted last spring that Canadian houses prices will crash by as much as 50%. David Madani, the Canadian chief economist of global forecasting firm Capital Economics, warned of a housing price slump back in 2011. He did it again in 2013. And he did it again last spring. Financial author Garth Turner has been predicting a crash steadily since 2009, when the market rebounded following the recession.

The time that Toronto's bubble truly burst was in the early 1990s. That followed a crazy period when the average house price doubled in just three years. GTA house prices have not risen at anywhere near that pace anytime in the past two decades.

5. Affordable housing options remain

There's no question it's getting more difficult to afford a house in Toronto, with prices rising so much faster than incomes. But the average price of a condo is roughly half that of a single-detached house. If somebody is looking for a single detached home in the old city of Toronto, it's going to be expensive, but that is not the only housing solution available.



Accommodation of Physical Disabilities, and Other Human Rights Questions Answered.

Condo board must comply with all statutes, such as the Human Rights Code, which may mean installing railings for owners or visitors with mobility issues.



**Ontario
Human Rights Commission**
**Commission ontarienne des
droits de la personne**

Q: Most of the owners of the bungalows in our condo complex have mobility problems — or have visitors who require help getting in or out of a unit. The board has advised us that a vote of the unit owners is required to allow a unit owner to install a railing. Our bylaws stipulate that any common element alteration must be approved by the board. Is that correct?

A: The Condominium Act provides that an alteration to the common elements by an owner requires the approval of the board. It also says there must be an agreement between the owner and the corporation that is registered against the owner's unit and sets out the respective responsibilities, including those for maintaining, repairing and insuring the alteration.

A condo corporation rather than unit owners can, however, alter the common elements without the agreement or board approval in certain circumstances. That includes carrying out an alteration required by a statute.

Q: Is it legal for a corporation to ban small, indoor pets — such as a cat — from the building?

A: Such pets may be prohibited in a condominium's declaration, but not in a rule. The courts have held such a rule to be unreasonable and thus unenforceable.

Q: Owners in our building are required to provide a key to their units to the corporation. But our superintendent was arrested and charged with

using such keys to steal a number of items from units. Is the corporation then responsible for repaying the value of the stolen items?

A: If the superintendent is found to be guilty and was employed by the corporation, it may be held responsible for the damages caused by its employee. If the superintendent was an employee of the management company, that company may be held responsible.

Q: The city engineer advises that I may install an interior, wooden wall that is not load-bearing in my unit, but the board says I cannot. Who is correct?

A: If there is no restriction in the declaration or rules regarding the construction of a wall in a unit, it would appear that you are entitled to have the wall built.

Q: The residents of the unit above mine are doing a major renovation to their unit by themselves and apparently with no building permit. I am worried about the potential damage to my unit and also concerned for my safety. As well, there is unbearable noise into the early morning hours. The corporation says they have no right to enter the unit or to intervene. Is that correct?

A: If the board suspects something is being done to contravene a provision in the condo's declaration or rules — including a noise or nuisance restriction — they can enter that unit. A reasonable notice of entry, at a reasonable time, must be given to the owner.

Residents vs. Board of Directors

Frequently Asked Questions by Residents

Q: I am subject to the noise of hammering and the dragging of furniture in the unit above mine between 11 p.m. and 2 a.m. A director of our condo board spent two nights in my unit and confirmed the noise. But the board refuses to act and says they are not acoustic engineers. Is there anything I can do?

A: If the board refuses to enforce provisions in the declaration or rules prohibiting such noise or nuisance, you could require mediation with the corporation in accordance with the Condominium Act. You and the board must agree on a mediator who will act as a conciliator in order to encourage the parties to solve the dispute by agreement.

If you and the condo do not agree on a mediator within 60 days of your request, or if the mediator is appointed but determines that the parties are unable to agree to a resolution, the disagreement will proceed to binding arbitration in accordance with the Arbitrations Act.

Q: We are continuously receiving second-hand smoke from the unit below. Our condo rules say that this is a non-smoking building. The board is not acting upon our complaints. What can we do?

A: The board is obligated, under the Condominium Act, to enforce the act and the declaration, bylaws and rules. Section 117 of the act specifies that no person will do anything in a unit or on the common elements that is likely to damage the property or cause injury to an individual.

There is ample scientific evidence of the injury to an individual's health caused by second-hand smoke. If the board refuses to act an owner may make a court application for a compliance order requiring the owner of the unit below to comply with the act or requiring the board to enforce compliance with the act.

Q: Can owners collect proxies to remove a director who votes against the interests of the condominium without calling an owners' meeting? Can I photocopy an old proxy, change the date and go door to door to get signatures?

A: If the documents stipulate that the proxy is to vote for the director's removal at a meeting called for that purpose, the proxies will constitute votes for removal at the owners' meeting. But there must be a meeting.

While regulations under the Condominium Act set out samples of proxies, those samples are not obligatory. Any owner can produce another form of proxy, provided it contains the necessary information.

Q: Some of us wish to nominate a new owner for election to the board at the annual meeting. Can owners who will not attend the meeting give proxy instruments, instructing the proxy to vote for this candidate? Can we distribute or post this candidate's qualifications to owners? The corporation's rules prohibit canvassing.

A: A proxy instrument may specify that the proxy will vote for a particular candidate to be nominated from the floor and may even instruct the proxy to nominate the candidate. The anti-canvassing provision can prevent door-to-door approaches to owners. But it likely cannot prevent information about the candidate being mailed. Nor is it likely to stop the distribution of the material at the start of the owners' meeting.

The corporation is required to include in the notice of the meeting the name of each individual who has notified the board in writing as of the fourth day before the notice is sent of his or her intention to be a candidate.

Ontario Budget Highlights -- Here's What You Need To Know



Finance Minister Charles Sousa delivered the 2016 Ontario budget on Thursday, February 25, 2016. Here are some of the highlights.

Education

- Free tuition for students from families earning less than \$50K
- Minimal debt for low-income students
- Non-repayable grants for more than 50 per cent of students from families making less than \$83K
- More financial support for mature and married students

Economic health

- Projected deficit of \$5.7B in 2015-16
- Province on track to beat deficit target 7th year in a row
- Balanced budgets projected between 2017 and 2019
- Ontario's real GDP growth projected at 2.5 per cent in 2015

Cap and Trade

- Goal is to reach reduction targets for 2020 and 2030
- Investments towards energy efficient homes, business
- Money towards funding innovation, infrastructure, clean technology

Infrastructure

- Increased spending to \$160B over 12 years

Health

- Increased funding of \$345M
 - \$85 million to help recruit staff for primary care teams

- \$178 million over three years to help end homelessness

Cigarettes

- Increased tobacco taxes annually at rate of inflation beginning 2017
- Will use \$5M in new tobacco tax revenue to support services that help people quit smoking

Alcohol tax

- Cost will go up in 2017, 2018 and 2019
- Ontario has lowest average wine prices in Canada

Unemployment

- Projected unemployment rate in 2019 is 6.1 per cent
- 78,000 net new jobs projected in 2016
- (900,000 new jobs over 10 years since 2009 recession)

Environment

- Financial support for homeowners who retrofit houses
- Eliminate Debt Retirement Charge (DRC) for all electricity users in April 2018
- Extending Industrial Accelerator Program (IAP) to 2020 to help businesses reduce electricity costs

Cost of Smoking & E-mail Defamation

The following is an excerpt retrieved from Principled Dispute Resolution & Consulting.



Toronto Standard Condominium Corporation No. 2032 v Boudair, et al., 2016 ONSC 509

Mr. Dong owns a unit in TSCC 2032 and he rented it to Ms Boudair and Mr. Badram beginning September 2015. The tenants agreed to follow TSCC 2032's rules and in particular not to smoke in the unit. Shortly after they moved in, the Corporation began to receive complaints about the smell of tobacco smoke coming from the unit. The Corporation in turn informed Mr. Dong, who instructed his tenants not to smoke in the unit. In November counsel for the Corporation sent a demand letter to Dong, requesting compliance. Once Mr. Dong received copies of the actual complaints from the neighbouring units, he filed an Application for Early Termination with the Landlord and Tenant Board. The earliest available hearing date was not until February 2016; Mr. Dong was able to convince the tenants to vacate in January 2016.

In the action, TSCC 2032 seeks costs of nearly \$33 000 on a substantial indemnity basis or \$25 000 on a partial indemnity basis. Mr. Dong seeks an order requiring the tenants to pay his costs on substantial indemnity basis in the amount of \$25 000, and in the alternative, asks that he not be ordered to pay the Corporation's costs. The tenants requested that they not have to pay anyone. Dong argues that he acted in a reasonable manner and put a great deal of effort into convincing the tenants to move. He also argued that, had he received the supporting documentation from the Corporation earlier, he would have been better equipped to negotiate an earlier termination of the lease. In the end, Justice Diamond ordered that the tenants pay costs of \$10 000 to the Corporation and \$10 000 to Mr. Dong.

Comment: At one point, the tenants offered to move out if Mr. Dong gave them the funds to cover first and last month's rent for a new place and their moving costs. While it is understandable that Mr. Dong would not want to reward his tenants for disregarding the no-smoking rule, this arrangement might have cost him less in the long run.

Photo Page



We would like to congratulate Paolo De Leo, one of our Property Managers, and Nancy De Leo on their most recent wedding! We wish them a wonderful life together. All the best, from all of us, at Nadlan-Harris!

Photos from our most recent team seminar, where the team had received their WHMIS training and caught up on the latest in the Condo world.





Welcome OGGI!

Nadlan-Harris Property Management Inc. is proud to announce our OGGI development has finally launched. We are looking to further expand our project and construction management division. Stay tuned for further updates in our next newsletter.



Home Decor Trends That Are Losing Their Lustre



The year is just over two months old and there's plenty of talk about what's coming in home design for 2016. From black stainless steel to built-in sous vide cookers, unusual choices abound for those who must be on trend.

But what about the flip side of the coin? The once must-haves that are now — sometimes thankfully, sometimes inexplicably — less appealing than that Christmas cake hiding in the back of your fridge.

The information was gleaned over the past few months from interviews with interior designers and home-decor retailers. Trend-spotting websites such as Houzz are also full of opinions about what's hot and what's not.

Chalkboard walls: Recently they've been everywhere — offices, wine bars, your neighbourhood latte lounge — but there's a big problem with chalkboard walls. People can erase the stuff! And anybody with a piece of chalk can, well ... express himself in any way he wants. Let's keep chalkboards where they belong: in classrooms (or at least classroom sets for movies depicting the 1950s).

Edison bulbs: They're being sold at dollar stores now. We rest our case.

Faceted shapes in furniture and home decor: Beloved by modernism-loving designers, mathematicians and fans of M.C. Escher, polyhedrons are giving way to softer, more natural-looking shapes this year.

Industrial chic: Tired of sitting on a metal stool that looks like it came from a Soviet tank-assembly plant and drinking your \$18 cocktail out of a battered Mason jar on a bar-top made out of rough-hewn concrete? So are we.

Midcentury modern ideological purity: A lot of people who pursued their midcentury modern passion to the edge of sanity have discovered it causes some vexing problems. How practical is a butterfly roof in a rainstorm? Where's the private "me" corner in an open floor plan? The look is now being blended into a

larger, more heterogeneous mosaic, befitting the average person's multiplicity of tastes.

Overdecorated rooms: If there are so many pillows on your couch that people can't sit down, then you're overdecorating. Simplicity is making a comeback, but that doesn't mean you have to resort to a naked Bauhaus box. Just choose your accessories carefully and make sure they're meaningful.

Non-colour design schemes: Though it's popular in tract-home models and spec properties (the idea being that you can't offend anyone if you don't choose a colour), the white/gray/beige/straw look gets old mighty fast if you have to live with it.

Recycled wood: This look is still popular in the restaurant and retail realms, but in the home a little goes a long way, and designers have pushed the envelope too far. Headboards made of untreated, unsanded wood? Better have some tweezers handy for all the splinters.

White kitchens: They've been hot for several years, but don't you miss the pops of color? Really, your kitchen shouldn't have to depend on spilled spaghetti sauce to alleviate the visual boredom.

Spring Maintenance Tips



Winter can certainly do a lot of damage to a home, but what sort of interior considerations should homeowners in either a new house or condo to make? With spring finally here, aside from your annual spring cleaning, there are also some important interior spring maintenance tasks which will not only help to make your home more comfortable, but can also help keep your family safer and prevent costly repairs. Here are some important interior spring maintenance tasks for house and condo owners:

- This is a great time of year to test all of the ground fault circuit interrupter (GFCI) outlets in your condo. Consult an electrician for assistance or further information.
- Check each smoke detector and carbon monoxide detector in your condo. This is a great time of year to replace the batteries in all smoke and carbon monoxide detectors throughout your condo to ensure they don't fail because of low battery life.
- Clean your carpets throughout your condo. Carpeting can harbor millions of germs, bacteria, mites, and a variety of other contaminants. Even a carpet that appears to be clean may be dirtier than you think. Perform a DIY deep cleaning or hire carpet cleaners to do it for you.
- Change filters and clean the air purifier as needed. Clean any ceiling fans throughout your condo. Reverse the blade direction to ensure it directs the air down, with the blades turning counterclockwise. Dust exhaust fans such as those in the bathroom.

Wishing you a happy Spring!

Nadlan-Harris Property Management Inc.