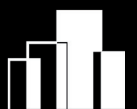


Share the Vision



FRPO Annual Report 2008



FRPO Chair David Horwood

2008 Chair's Report

While 2008 saw some unique challenges facing landlords in Ontario, FRPO continued to deliver valuable benefits to its members throughout the year. As your Chair, I am pleased to review many of the year's key issues and accomplishments.

Regulatory

For landlords in Ontario, 2008 will go down in history as one of the most challenging years on record from a regulatory perspective. Although as an industry we avoided any monumental legislative battles with the government, rental housing providers experienced the full shock of dealing with the *Residential Tenancies Act's* new rent guideline formula, which limited rent increases to an uneconomic 1.4%. This was Ontario's lowest increase limit in the history of peacetime rent controls, and indeed the lowest rent guideline of any Canadian province.

As FRPO has tirelessly reminded the Ontario government, six Canadian provinces actually have no rent controls. While the new rent guideline formula is pegged at the Ontario consumers price index inflation rate, our industry saw many building related costs that far exceeded the 1.4% guideline, such as property taxes (+3%), mortgage interest charges (+6%), energy costs (+8%) and increasing water rates in many municipalities (between +9% and +10%).

During pre-budget consultations with the province's Standing Committee on Finance, and in meetings with officials from the Ministry of Municipal Affairs and Housing, FRPO stressed that not only does restrictive rent control limit the ability of the industry to recover legitimate costs, it also fosters less choice for tenants by discouraging new investment in the industry.

2008 saw the first full year under the *Residential Tenancies Act (RTA)*, and FRPO provided valuable input to the Landlord Tenant Board on ensuring new processes, rules and forms mandated under the Act served the interests of the industry.

Although the new RTA is now law, the sections of the Act dealing with Smart Meters still remain un-proclaimed. As written, Section 137 would make it impossible for landlords to implement sub-metering, and would be entirely counter-productive from an energy conservation perspective. One of FRPO's top priorities is to ensure any new rules that foster sub-meter implementation are fair for both landlords and tenants, and properly encourage energy efficiency among residents.

Market Conditions

During much of 2008, elevated vacancy rates across most regions of Ontario kept average rents in line with inflation, while eroding home ownership affordability drove rental housing demand. Ontario's average vacancy rates remained historically high at 3.1%. The availability rate, a better indicator of rental apartment availability, also remained high at 5.4%.

The Canada Mortgage and Housing Corporation confirmed that when adjusted for inflation, overall Ontario rent levels edged lower during 2008. Affordability is improving, and rental housing consumers have choice and availability. Despite recent slight declines in Ontario vacancy rates from a year ago, provincial vacancy rates remain elevated, particularly when compared to other provinces.

Certification

FRPO's Certified Rental Building (CRB) Program was officially launched in 2008, with the first set of certified buildings unveiled in June at Minto's High Park Village in Toronto, followed by several buildings in London owned by Timbercreek Asset Management receiving the prestigious CRB designation. The CRB Program is the first quality assurance program of its kind in North America, providing tenants with an easy way to identify well-run, well-managed buildings. FRPO is making excellent progress in meeting its objective of having apartment buildings totalling over 100,000 suites certified by the end of 2009.

For landlords and managers who are FRPO members, the Certified Rental Building Program will distinguish member buildings from those of their competitors as having met the program's 38 rigorous standards of practice. The program is also helping members measure, evaluate, upgrade and improve their building operations and tenant services. The end result is a new classification of multi-residential apartment buildings across the Ontario marketplace that visibly meets a defined set of quality assurance standards.

Membership

FRPO continued its valuable program of seminars over 2008, with expert speakers educating members on topics such as the rent increase process, the Landlord Tenant Board process, sub-metering and human rights. FRPO kept members informed throughout the year with regular e-bulletins and the bi-monthly FE magazine, the official voice of Ontario's rental industry.

FRPO's 2008 Annual Golf Classic was held at the Club and Bondhead, where over 260 attendees made the day a success while helping to raise over \$11,000 for Interval House, Canada's first shelter for women and children fleeing domestic violence.

2008 saw the launch of FRPO's Appliance Replacement Program. During the first six months of the program, FRPO members replaced over 6,000 old appliances with new, efficient Energy Star units, saving on costs, electricity and providing tenants with a valuable benefit.

As we enter 2009, Ontario's rental housing industry will undoubtedly face new challenges brought on by turmoil in credit markets, economic uncertainty, and another unreasonably low rent guideline limit. In the face of these challenges, FRPO will continue to fulfill its role as an advocate for a critical private sector role in rental housing markets, while providing value to its members through beneficial programs and services. On behalf of the Board, I want to thank you, our members, for supporting your federation.



FRPO President Vince Brescia

Year-at-a-Glance

Government Relations

- Provided comprehensive year-round updates to all Members of Provincial Parliament on key rental housing policy issues
- Numerous meetings with Ministry of Municipal Affairs and Housing and Landlord Tenant Board staff on legislative, regulatory and procedural issues facing landlords
- Support of CFAA in federal tax and housing policy lobbying initiatives
- Participated in public consultations on amendments to the Ontario Building Code
- Successfully lobbied for changes to Bill 152 to reduce industry costs in real estate transactions
- Successfully lobbied to exempt most apartment buildings from Ontario Regulation 97/08 regarding use of clothes drying devices
- Successfully had rental industry positions recognized in the Human Rights Commission's landmark "Right at Home" report on housing issues
- Successfully obtained consensus from the Attorney General's office, the Landlord Tenant Board and Law Society of Upper Canada on the exempt status of most third party property managers from new paralegal licensing requirements
- Participated in Ontario Energy Board consultations on low income energy programs
- Presented key housing recommendations, including increasing the rent guideline limit, to the province's Standing Committee on Finance and Economic Affairs

Member Services

- Regular electronic FRPO Facts bulletins sent to members on key industry updates
- New insurance discount program for members
- FRPO Appliance Replacement Program officially launched, with over 6,000 old appliances replaced with new Energy Star models
- Exclusive compliance package provided to members to fulfill requirements of new asbestos management regulations
- FRPO member free legal advice service
- FRPO tenancy lease and rental applications, drafted in accordance the *Residential Tenancies Act*, exclusively available to FRPO members
- Bi-monthly FE Magazine – free for FRPO members – grows in subscribership and importance as the voice of Ontario's private rental housing industry

Events

- Record attendance at annual dinner ceremony and record number of nominations (over 110) for 2008 FRPO MAC Awards
- Record amount of money raised (\$11,000) for Interval House charity at 2008 FRPO Golf Classic
- Education seminars on rent rules, landlord tenant board procedures, human rights, sub-metering

Publications and Reports

- 2008 Ontario Pre-Budget Submission
- Submission to the Ministry of Municipal Affairs and Housing on concerns regarding mandatory fire sprinklers in multi-unit buildings
- FRPO Submission to the Ontario Energy Board regarding customer service, rate classification and non-payment risk
- Submission behalf of Ontario's Housing Industry to the Ontario government on the province's poverty reduction strategy
- Submission to the Attorney General in support of the proposed *Safer Communities and Neighbourhoods Act*
- Submission to Ontario Energy Board on consultations regarding issues relating to low-income consumers
- Joint coalition submission from private, public and non-profit housing associations, community organizations, academics, and foundations for a new housing benefit for low-income Ontarians.



Executive Committee

Chair: David Horwood, Effort Trust

Members:

Mitchell Abrahams, Malen Capital Corp;

Rob Herman, Robinwood Management;

John Stang, Minto Developments Inc;

Paul Chisholm, Berkley Property Management Corp;

Florence Minz, M&R and Park Willow.

The Executive Committee is responsible for managing activity and providing strategic direction at FRPO between Board of Directors meetings. Members have continued to make key policy decisions regarding financial statements and to monitor the activities of FRPO committees.



Finance Committee

Chair: Paul Chisholm, Berkley Property Management Corp

Members:

Robin Bookbinder, Pinedale Properties;

Tony Allen, Ozz Corporation

The Finance Committee directs FRPO's financial management, as well as makes recommendations to the Board of Directors on pertinent issues. Continuing to uphold strong financial accountability for FRPO, the Committee meets regularly and privately with the accountants, the Board of Directors, and with FRPO management, to review accounting, auditing, internal controls, financial reporting matters. FRPO's annual audit is based on an examination conducted in accordance with generally accepted accounting standards, and includes a review of the internal control structure, as well as tests of accounting procedures and records.



Political Action/New Supply and Capital Committee

Chair: Alan Greenberg, Minto Developments Inc.

Members:

Mitchell Abrahams, Malen Capital Corp;

Brent Merrill, Metcap Living Inc.

Robin Bookbinder, Pinedale Properties;

The committee developed an overall strategy for achieving government and public relations progress on key industry issues. The committee developed critical input on FRPO's plan to publicly address challenges related to property tax inequity, promoting a healthy rental market, environmental sustainability, and rent regulation. The committee continued to work to ensure our industry's message is being properly and effectively conveyed to the media and the public.



Landlord and Tenant Committee

Chair: Joe Hoffer, Cohen Highly LLP

Members:

John Andrade, Andrade Consulting Group Ltd;
Robert Doumani, Aird & Berlis LLP;
Jane L. Ferguson, Jane L. Ferguson Barrister & Solicitor;
Tom Halinski, Aird & Berlis LLP;
David Lyman, Dickie & Lyman LLP;
Joy Overtveld, Milton Geller LLP;
Neil Sigler, Parkway Realty Ltd.;
Martin Zarnett, Sandlar Gordon Barristers & Solicitors.

Paul Cappa, Cohen Highly LLP;
Eric Ferguson, O'Shanter Developments Inc;
Debra Fine, Debra Fine Barrister & Solicitor;
Jeff Hutchison, Timbercreek Asset Management;
Jim Moak, Paralegal Services Inc.;
Tyler Seaman, Oxford Properties;
Allan Weinbaum, W.J. Properties;

The Landlord and Tenant Committee addresses matters related to the security of tenure and other landlord and tenant relationship issues. The committee makes recommendations to FRPO's Board of Directors on policies related to the legislative, regulatory and legal issues that affect residential tenancy procedures, as well as the quality and fairness of the adjudication system that resolves landlord-tenant disputes. The committee played a valuable role to FRPO members through extensive consultation and input on numerous new forms, brochures, rule and guidelines of the new Landlord Tenant Board.



Rent Control Committee

Chair: John Dickie, Dickie & Lyman LLP

Members:

John Andrade, Andrade Consulting Group Ltd;
Tom Deutsch, Parkway Realty Ltd;
Tom Halinski, Aird & Berlis LLP;
Joe Hoffer, Cohen Highly LLP;
Joy Overtveld, Milton Geller LLP;
Allan Weinbaum, W.J. Properties

Paul Cappa, Cohen Highly LLP;
Robert Doumani, Aird & Berlis LLP;
Margaret Herd, Park Properties;
Jeff Hutchison, Timbercreek Asset Management;
Heather Waese, SPAR Property Consultants Ltd;

The Rent Control Committee helps FRPO develop policies that promote the benefits of free-market rental-housing for Ontario. Together with the Landlord and Tenant Committee, the Rent Control Committee provided comment and input on numerous new rules, guidelines, forms and brochures at the Landlord Tenant Board, as well as new Residential Tenancy Act provisions related to rent discounts, deposits and other rules. Over the years, this committee has worked tirelessly to advocate for rent regulation policies that promote a healthy rental market.



Legislation and Regulations Committee

Chair: Allan Weinbaum, W.J. Properties

Members:

<i>Leonard Drimmer, Transglobe Property Management Services;</i>	<i>Jane L. Ferguson, Jane L. Ferguson Barrister & Solicitor;</i>
<i>Debra Fine, Debra Fine, Barrister & Solicitor;</i>	<i>Joe Hoffer, Cohen Highley LLP;</i>
<i>Joy Overtveld, Milton, Geller LLP;</i>	<i>Steve Weinrieb, Park Property Management</i>

The Legislation and Regulations Committee proactively monitors and responds to legislative issues that impact our industry beyond the scope of residential tenancy legislation. Key issues addressed by this committee include those related to labour law and workplace safety, real estate transaction law, fire and building code regulations, crime and security and the legal liability of landlords, and responding to any provincial private members' bills that impact the rental housing sector.

Membership and Member Services

Members:

<i>Joe Accardi, 1432803 Ontario Inc;</i>	<i>Peter Altobelli, Yardi Systems Inc;</i>
<i>Robin Bookbinder, Pinedale Properties Ltd;</i>	<i>Paul Chisholm, Berkley Property Management;</i>
<i>Darlene Davis, Stratacon;</i>	<i>Christine Tonus, Mediapeach;</i>
<i>Bill Zigomanis, TD Canada Trust;</i>	<i>Sonia Michelle-DeSouza, Metcap Living</i>

The Membership and Member Services Committee pursues and develops additional member programs and services to help property owners and managers improve their buildings and businesses. These benefits include an ongoing program of education seminars, social events, and affinity programs. Especially successful were the 2008 FRPO Golf Classic, which raised over \$11,000 for the Interval House shelter, and the Annual Dinner and Awards Ceremony, which last year attracted a record number of award nominations and attendees.

With the assistance and support of our current members, FRPO looks forward to the continued growth of the membership in years to come. This allows us to continue to positively impact our industry to the benefit of landlords and tenants.



Regional Committee

Chair: Arun Pathak, Hamilton and District Apartment Association

Members:

Brad Butt, Greater Toronto Apartment Association;

John Dickie, Eastern Ontario Landlord Organization;

Anthony Koziol, Hirsch Habitats Ltd. (North Bay);

Steven Manders, Kingston Rental Property Owners;

Larry Smith, Waterloo Regional Apartment Managers' Association;

Glenn Trachsel, Waterloo Regional Apartment Managers' Association

Richard Iszawa, London Property Management Association;

Bruce Henderson, Dawson Properties Ltd. (Thunder Bay);

Charles Lumley, Quinte District Landlords' Association;

Doug Simmons, Sudbury District Landlords' Association;

The Regional Associations Committee continued to meet regularly to exchange information from the various regions of the province. As a province-wide organization, FRPO is committed to providing up-to-date information to local members across Ontario on the priorities and activities of our association. In addition, the Regional Committee creates an open forum for associations to provide the Committee with feedback and updates at a local level. The information exchange through the Committee assists FRPO in developing its policy positions and responses to issues as they arise throughout the year. The meetings also provide opportunities for local associations to offer advice, support and assistance to one another in addressing common concerns and challenges in the industry.



Utilities Committee

Chair: David Horwood, Effort Trust

Members:

Tony Allen, Ozz Corporation;

Paul Chisholm, Berkley Property Management;

Haroon Gafur, M&R Property Management;

Peter Mills, Stratacon;

Dan Pastoric, ECNG Limited Partnership;

John Sirilas, Timbercreek Asset Management;

Robin Bookbinder, Pinedale Properties Ltd;

Jason Craig, ECNG Limited Partnership;

Mike McGee, Energy Profiles;

Wendy Mortson, Enbridge Electric Connections;

Andrew Pride, Minto Management Ltd.

The Utilities Committee assists FRPO in addressing the increasing importance of issues related to electricity, gas, water, waste management services and any other matter impacting energy conservation and environmental sustainability in our industry. In 2008, the Committee was focused on advocating for workable smart meter legislation, practical Ontario Energy Board policies, and an energy conservation program for rental housing. During 2008 the committee also developed and launched the FRPO appliance replacement program, which has helped members replace over 6,000 old appliances with new Energy Star models over the program's first six months.



Certification Committee

Chair: Martin Tovey, Transglobe Property Management Services

Members:

George Cottage, Gotorent.com;

Yehudi Hendler, Y. L. Hendler Ltd;

Rob Herman, Robinwood Management;

Justin Taylor, Bank of Nova Scotia;

Kevin Gorrie, Oxford Properties;

Jeff Hutchison, Timbercreek Asset Management;

Amin Rahim, Vertica Ltd;

Geoffery Younghusband, Osgoode Properties;

The Certified Rental Building Program was officially launched to members on November 26th, 2007 and to the Ontario Public on June 26th in Toronto, and again in London on October 23rd. The only multi-residential quality assurance Program of its type in North America, it has received increasing interest and enrolment from members across Ontario. Members who have chosen to enrol in the Program see the opportunity to competitively distinguish their buildings in the marketplace while benchmarking their building operations/tenant servicing against the Program's Standards of Practice and rigorous audit routines. At the time of the writing of this report, enrolment in the Program exceeded 65,000+ suites and 700+ buildings distributed across most major cities in Ontario. The Program's training component has been well received with over 550 individuals successfully completing the one-day training course.

The Committee members have ensured the appropriate practices are in place to ensure an easy transition through the "building certification" process for members. As well, plans are now in place to aggressively market the Program to rental-housing consumers in early 2009. During the past year, we added two new members, Amin Rahim and George Cottage to enhance our marketing expertise on the committee. I would like to acknowledge the work and effort of Rob Herman, who is leaving the committee, for his many contributions to the development of the Program.

The Committee also established the roles/responsibilities for the Program's Governance Committee which approves all buildings submitted for certification, manages the dispute resolution process and oversees all stakeholders' interests. In early September, the Governance Committee approved the first Certified Rental Buildings in Ontario. This committee is chaired by Marv Sadowski, and consists of Heather Waese, Justin Taylor, Tony Allen, and John Andrade.

FRPO

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housing Providers of Ontario



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Board of Directors

Chair **David Horwood,**
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Treasurer **Paul Chisholm,**
Berkley Property Management

Mitchell Abrahams,	<i>Malen Capital</i>
Daniel Argiros,	<i>Conundrum Capital Corporation</i>
Robin Bookbinder,	<i>Pinedale Properties Ltd</i>
Jean Denis,	<i>Boardwalk Rental Communities</i>
John W. Dickie,	<i>Dickie & Lyman Lawyers LLP</i>
Larry Dinally,	<i>Morguard Residential Inc</i>
Leonard Drimmer,	<i>Transglobe Property Management Services</i>
Kevin Green,	<i>Greenwin Property Management</i>
Margaret Herd,	<i>Park Property Management Inc</i>
Rob Herman,	<i>Robinwood Management</i>
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Tyler Seaman,	<i>Oxford Properties Group</i>
John Stang,	<i>Minto Management Ltd</i>
Glenn Trachsel,	<i>Waterloo Regional Apartment Managers Association</i>
Allan Weinbaum,	<i>WJ Properties</i>

The Federation of Rental-housing Providers of Ontario

Profile

The Federation of Rental-housing Providers of Ontario (FRPO) is the province's leading advocate for quality rental housing. We represent a wide range of multi-residential housing providers, from the smallest landlords to the largest property management firms, as well as related industry suppliers and professionals from across Ontario. FRPO represents over 800 members who supply and manage homes for over 250,000 households.

We are promoting a healthy and competitive rental housing industry by ensuring the impact of legislative and regulatory changes serve the best interests of landlords and tenants.

Our Mission

Our mission is to provide the highest quality services to our members through education, policy development and advocacy. We will do this through:

- Upholding public policies that support the availability of quality housing
- Protecting the rights of private sector landlords and property managers while helping them profit from their investment in multi-residential real estate
- Informative and educational training sessions on regulatory issues and industry best practices
- Promoting industry best practices, fair conduct and professional standards of our members
- Fostering better communication and information sharing among members
- Educating government, the media and general public on the critical role of the private sector in the supply of well-managed and maintained rental accommodation.

Our Objective

A balanced and healthy housing market with a vital rental-housing industry, choice for consumers, adequate government assistance for low-income households and private sector solutions to rental-housing needs.

