

SUMMER/FALL 2003

In this issue

- ◆ Market Statistics and Value Update
- ◆ Spinoza
- ◆ Deductible Expenses
- ◆ Illegal Activities
- ◆ Mortgage Rates
- ◆ Bible

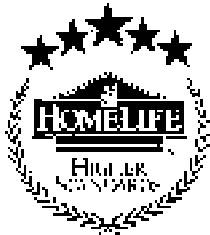
Food for thought ...

“Peace is not an absence of war it is a virtue, a state of mind, a disposition for benevolence, confidence, justice.”

... Spinoza

Courtesy of:

ROB DRYSDALE



**Homelife Benchmark
Realty Corp**

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RENTAL PROPERTIES

ARE YOU CLAIMING ALL AVAILABLE DEDUCTIONS?

It is important that you claim all available deductions against your rental income. For every \$1.00 of expenses that are deducted, an individual at the top personal tax bracket can save up to 43.7 cents. (Even at the lowest tax bracket, about 22 cents per dollar spent can be saved).

In general terms, the more properties you own, the more “latitude” you have in claiming a greater variety of deductions. The reason for this is that Canada Customs and Revenue Agency (“CCRA”) may consider you to be operating a “business” when you own several properties and greater involvement with the rental activity is required on your part.

To assist you in identifying all potential deductions, here is a list of commonly missed items:

- Do you use a cell phone for your rental operations?
- Have you paid your children to do minor repairs, etc.?
- Do you pay a family member to help with record keeping?
- Do you need a home office?
- Can you claim automobile costs for travelling to/from your properties?
- Have you given gifts to your tenants, property manager, accountant or realtor?
- Are you keeping track of miscellaneous office supplies used in the rental activity?

If only 1 or 2 properties are owned, CCRA may not consider all the above expenses to be “reasonable”. We suggest that you consult with your advisor to ensure that your claims are “on side”.

Contributed by Kathryn Edwards, CA

Pagnanini Edwards Lam, Chartered Accountants

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**Disclaimer: Not intended to solicit properties already listed*

RENTAL/INVESTMENT — PROPERTIES —

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**ROB'S
UPDATE**

SUMMER/FALL 2003

MARKET STATISTICS

The Fraser Valley real estate market in June enjoyed a staggering 30% sales increase over June of last year with 1,777 sales reported on the Multiple Listing System. Year to date sales are up slightly at 8,977 sales compared to 8,909 at the halfway point in 2002.

Obviously the very low interest rates have been an important factor in the real estate market lately. When you add to that the relatively low inventory available to home buyers in the Fraser Valley, you have a competitive and very active market. These factors have contributed to an average price in the Fraser Valley of \$295,503, an increase of 6% from June 2002.

In the city of Surrey the average price of a detached home is up 6.7% (to \$292,999) over last year to date. North Delta has seen a 12.9% increase to an average sale price of \$287,033. Needless to say the market is very strong. In some areas the prices are at their highest peak ever.

If you want to participate as a seller or a buyer call me, Rob Drysdale at 604-597-7292.



Residential Mortgage Rates

Best residential rates as of July 18, 2003

Term	Our Best	Posted Rates
1 Year Closed	3.85%	4.95%
2 Year Closed	4.20%	5.20%
3 Year Closed	4.50%	5.60%
4 Year Closed	4.75%	5.90%
5 Year Closed	4.85%	6.00%
7 Year Closed	5.45%	6.80%
10 Year Closed	5.80%	7.40%

Courtesy: Jared Dreyer,
INVIS: 604-649-5991

RENTAL MANAGEMENT SERVICES

To have your rental property operate carefree, have it looked after by Cathy Mantel @ HOMELIFE PROPERTY MANAGEMENT.

Cathy offers a very competitive service with a low monthly fee with **no start up charge.**

*For more information call:
(604) 590-2037*

Thought of the Month:

"Faith is the substance of things hoped for, the evidence of things not seen."

... Bible - Hebrews 11:1

Including Terms in the Tenancy Agreement Barring Illegal Activities

Landlords are permitted to include terms in the tenancy agreement that are designed to promote the safety of every person working or residing on the property and to protect the property from abuse.

There are several clauses for ending a tenancy when illegal activities are taking place. Landlord can issue one month notices to end the tenancy under any of these grounds. It is the responsibility of the landlord to issue the proper notice to the tenant, setting out the grounds on which the notice is being issued. If the tenant disputes the notice, landlord must provide evidence that supports the reasons given to end the tenancy.

Continued next issue.

Courtesy of Cathy Mantel: Homelife Property Management.

MARKET EVALUATION

Whether you are considering selling your rental property in order to take out your equity, take advantage of your capital gains tax exemption reservation made in 1994 or **planning to sell your principal residence** I will be pleased to do an up to date market evaluation at no cost or obligation to you. Please call **604-597-7292.**

EXPERIENCE — TO SERVE YOU BEST



Rob Drysdale

For more than 19 years Rob has been working as a professional Realtor in the Fraser Valley. Specializing in residential and investment property sales, his knowledge of the market and community is impressive, and has served his clients exceptionally well over the past years.



Company Profile

Benchmark Realty was established in Langley in 1983 with seven salespeople. Within one year additional branches were added in White Rock and Surrey and boasted 75 salespeople. In 1986 a long search for a franchise partner ended by hooking up with Homelife Realty Services. Homelife Realty with 9 offices and 300 salespeople is a major force in the Fraser Valley Real Estate market.