



SkyViews

Apartment Report - Winter 2013

DANNY'S CORNER



A very joyous holiday greetings to you and yours; hopefully you enjoyed the season with your loved ones! In lieu of holiday cards, our team donated toys to Holland Bloorview Kids Rehabilitation Hospital.

We are looking forward to a great 2013 in the multi-unit residential industry! Financing rates remain low and we continue to see these rates fueling significant increases in sales values – especially in the GTA - both on a price per suite basis and lower CAP rates. At the time of publishing this newsletter, 5 year financing terms were around 2.4% and 10 year terms were around 3.0%.

I would like to take the opportunity to personally welcome the newest member of our sales team, Anne Meinschenk, as Skyview Realty's Associate Vice President. As you may know, Anne has been actively involved in our industry for over 10 years and will be a great resource to you, our valued clients. You can learn more about Anne's background later in this newsletter.

Over the past while we have had several transactions where Belanger Engineering has been involved. They are known for their expertise in the field of structural engineering. To this end, I have asked them to provide some valuable insight into what apartment building owners should be aware of from an engineer's perspective.

As we enter this new year, I want to reiterate Skyview's on-going commitment to your furthered success in the apartment building sector. If there is anything we can assist you with - whether buying or selling properties - please do not hesitate in contacting myself or one of our Skyview team members. All the best to you in 2013!

■ Danny Iannuzziello

Got Leaks? What you Need to Know from an Engineer's Perspective by Belanger Engineering

Belanger Engineering carries out Condition Assessments and Repair Planning for buildings and individual building components. Our reports include detailed explanations of existing conditions, recommended repair philosophies/strategies, repair/replacement cost estimates and any other pertinent information that will aid the owner in the decision making process.

There have been a number of occurrences of reported water leakage at properties. We have extensive experience in this area. While each project is evaluated on its unique conditions we have established a protocol that serves us and our clients well in achieving a high rate of success while minimizing related costs.

Our work typically begins with a visual review of the suite interiors or common element areas at the reported leak locations. An initial assessment is made, and the point of water evidence is recorded. From our perspective, we gain greater knowledge from the owners and staff as they are able to provide valuable details that will help with our initial assessment.

The pattern of leakage is often instrumental in solving leakage issues. By way of example, valuable information can be gleaned based on the history of the leakage. Leakage that suddenly develops is often the result of changes in material conditions and we focus initially on sealants, waterproofing membranes or other components such as roofing materials that may have been damaged/deteriorated resulting in the leakage events.

Terraced properties often experience persistent leakage at the terraced areas simply due to the interruption of the exterior building walls at each such terrace. Water that penetrates into the wall assembly above a terrace can flow downward through the wall

assembly until it is obstructed by the terrace floor slab. In these cases addressing the point(s) of water entry can provide immediate relief to the leakage; however, subsequent sealant or material failures can be expected to once again cause leakage into these suites.

In many cases, flashing changes can be done to minimize or prevent such persistent damages to the interior and the related inconvenience and disruption to the residents.

Minor leaks can go unnoticed by owners for long periods of time until they manifest in visible damage into the interior finishes, such as stained hardwood, stained carpets and drywall damage. Minor leaks are often the most difficult to detect. In our experience water testing is not often the most cost effective way to handle minor leaks as the water penetration is not readily detectable unless the interior finishes are removed.

We try to provide owners with knowledge on how to prevent certain types of leakage. For example one common mistake owners make is leaving their exterior sliding windows open while closing the interior slider only. Doing that during a rainfall allows the water to directly penetrate the sliding window tracks and enter the wall systems.

Many owners believe that shutting the interior sliding window is ok; however, most are not aware that the two sliding window tracks are designed differently. The exterior window tracks are fitted with drains so that water is directed to the exterior of the building. The interior sliding window tracks are not fitted with drains, therefore allowing the water to be trapped and accumulate.

...Continued on Page 2

IF YOU ARE THINKING OF BUYING OR SELLING, PLEASE CALL (416) 444-6545 FAX (416) 444-6997

Email: info@skyviewrealty.com

Website: www.SkyviewRealty.com

NOT INTENDED TO SOLICIT PROPERTIES ALREADY FOR SALE. NOT INTENDED TO INTERFERE WITH BUYER-AGENCY AGREEMENTS.



We Don't Just List Apartment Buildings...WE SELL THEM!

If you are considering selling your multi-unit residential property, our sales team would be happy to assist you in the process...

Give them a call at 416-444-6545!



Skyview Welcomes Anne Meinschenk!

Anne is a graduate from the University of Guelph with an Honours B.A. It was at University that Anne first began her professional sales career working for a direct sales organization and finding clients by personal referral. Realizing her passion lay in building lasting relationships Anne set out to make professional sales her permanent career. Anne has spent the past 11 years working directly with owners of multi-family investments developing an extensive network of clients and contacts.

Anne has been a member of the Federation of Rental Housing Providers of Ontario (FRPO), the Multiple Dwelling Standards Association (MDSA) and the Hamilton District Apartment Association (HDAA) for 11 years. These organizations work directly to support owners of rental apartment assets.

Anne is ecstatic to join the Skyview Team in her role as Associate Vice President and Sales Representative.

TORONTO

29 Suites - Sold for \$2,500,000

This building was sold by Dani Pizzoferrato of Skyview Realty Ltd, Brokerage. The property is located in York near Dufferin and Rogers. Close to TTC, shopping, and schools the property was easy to rent to potential tenants. The building experienced little vacancy. Within the past 5 years, three of the 1 Bedroom suites were converted to 2 Bedrooms. Many other units in the building had been updated and/or renovated in flooring and kitchens.

Got Leaks?

(Continued from Page 1)

This condition can result in an overflow of rainwater at the window track resulting in damage to the interior. In addition, over time the serviceable lifespan of the internal window seals are reduced due to prolonged exposure to moisture. The seals deteriorate and breakdown which results in leakage and ultimately leads to replacement of windows being required.

Condensation and condensation damage is also a major concern for most owners. Some condensation is expected in units and is considered normal.

Most typical hi-rise residential buildings are equipped with makeup air units located on the rooftops. These units supply conditioned air to the corridors. This air is normally a few degrees cooler than the interior air of the building. This supply of cool/dry air absorbs moisture as it passes through the units and dispels the moisture to the exterior by bypassing the seals at the sliding windows. Moisture is also exhausted through the kitchen, bathroom and dryer vents.

A few tips to alleviate excessive condensation are as follows:

- Don't install seals around the perimeter of the suite entry doors as this restricts the supply of makeup air into the suite resulting in excessive buildup of humidity;
- Ensure the exterior and interior sliding windows are fully closed and engaged at the interlocks;
- Operate the dryer exhaust fan while doing laundry;
- Ensure the dryer lint trap is clean and maintained in a clear condition;
- Ensure the lint trap in the duct work is maintained in a clear condition;
- Operate the exhaust fans in the washrooms while in use and for at least one half hour after bathing;

- Operate the kitchen exhaust fans while cooking (if so equipped);
- Minimize the use of humidifiers, steamers, rice cookers, etc. and at times when excessive condensation issues are present.

Belanger Engineering takes great pride in helping to address our clients' needs and providing safe living conditions for all owners. We focus on expanding our value to our clients and their agents by providing holistic building science solutions.

We promote and ensure the superior delivery of consulting services so our customers experience excellence every time.

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NIAGARA FALLS

SOLD FIRM



Principals Only Please

35 Suites

- Asking \$2,650,000
- Asking \$75,714 per Suite
- Individual Hydro Meters
- Thermo Windows & Patio Doors
- Upgraded Balconies with Water Protection Layer
- Good Suite Sizes and Layouts
- Good Tenant Profile
- 7 x One Bedrooms
- 16 x Two Bedrooms
- 12 x Three Bedrooms
- Fire Retrofit Completed
- 6.2% CAP Rate
- 19.2% R.O.I.
- Ex. 1st Mortgage @ 2.85% due in 10 years, to be Assumed
- VTB Available to Buyer

NIAGARA FALLS

VTB AVAILABLE

10 MINUTES FROM FALLS



Principals Only Please

36 Suites

- Asking \$2,800,000
- Asking \$77,778 per suite
- Located in the Suburb of Chippawa, only a ten minute drive to Tourism Area
- Recent Improvements include Thermo Windows, Patio Doors, Balcony Waterproofing
- Heat and Hydro Paid by Tenants
- Some Units Upgraded with Laminate Flooring
- Ample Surface Parking
- 1 x Bachelors
- 7 x One Bedrooms
- 16 x Two Bedrooms
- 12 x Three Bedrooms
- Good Tenant Profile in a Quiet Neighbourhood
- 6.2% CAP Rate
- 14.5% R.O.I.
- Ex. 1st Mortgage for approx. \$1,740,000 @ 3.61% due April 2016 to be Assumed
- VTB Available to Buyer

ETOBICOKE

UPSIDE ON RENTS

SOUTH ETOBICOKE



Principals Only Please

27 Suites

- Asking \$3,360,000
- Asking \$124,444 per Suite
- Located in South Etobicoke close to all amenities
- Surface Parking + Garages
- Thermal Windows
- Roof in Good Condition
- Hydro paid by Tenants
- Some units have been renovated with new flooring and kitchens
- 4 x Jr 1 Bedrooms
- 7 x One Bedrooms
- 16 x Two Bedrooms
- Good Tenant Profile in a Quiet Neighbourhood
- Good Superintendent Couple on Site
- 5.1% CAP Rate
- Potential Upside on Rents
- Existing 1st Mortgage of approx. \$1,700,000 @ 3.43% due January 2021 to be Assumed

TORONTO (EAST YORK)

13.39% DOWN!
22.9% R.O.I.

NOT SUBJECT TO RENT CONTROL



Principals Only Please

12 Suites + 6 Commercial Units

- Asking \$3,650,000
- Property contains 12-2 Bedroom Duplex Apartments each with 2 washrooms
- 6 Commercial Units on the Ground Floor
- Built in the 1990's
- Potential Upside on Rents
- Located just North of Danforth on Favourable Intersection, close to Subway
- 12 x Two Bedrooms
- 6 x Commercial
- Residential Tenants pay for own Heat & Hydro, Commercial Units Pay Own Utilities
- 5.7% CAP Rate
- 22.9% R.O.I.
- Existing First Mortgage for 80% @ 3% due Jan 2021 + 5 year option @ 4%
- \$250,000 VTB Available @ 4%

TORONTO

UPSIDE POTENTIAL



Principals Only Please

29 Suites

- Asking \$2,465,000
- Asking \$85,000 per Suite
- Well Maintained and Landscaped Property Located in the Heart of Toronto (York)
- Located Close to Transit, Shopping, and Residential Neighbourhood
- Possibility to Convert Tenants to Individual Meters
- 18 x One Bedrooms
- 11 x Two Bedrooms
- Double Membrane Roof New in 2008
- Thermo Windows
- Terrazzo Flooring in Hallways
- 6.7% CAP Rate
- 27.4% R.O.I.
- Treat Financing as Clear
- Seller May Consider VTB to Sell

NORTH YORK

LOCATED NEAR NEW HOSPITAL

POTENTIAL UPSIDE



Principals Only Please

10 Suites

- Asking \$1,298,000
- Asking \$129,800 per Suite
- Located near Jane and Wilson close to the New Humber River Hospital being Built
- Upgraded to Thermo Windows less than 2 Years Ago
- Tenants Pay Own Hydro - Individually Metered
- 2 x One Bedrooms
- 8 x Two Bedrooms
- Capital Items in Good Condition
- Potential Upside on Rents and Potential to Add Additional Bachelor Unit in Basement
- TTC Bus Stop at Doorstep
- 18.8% R.O.I.
- Treat Financing as Clear

COLLINGWOOD

PRICE REDUCED!

REDEVELOPMENT POTENTIAL



Principals Only Please

Sixplex, Duplex, & 2 Commercial

- Asking \$799,000
- Asking \$79,900 per Suite including the two Commercial units.
- Nicely kept Apartments
- Very close to new Shopper's Drug Mart, Pizza Hut, McDonalds and Tim Hortons
- Tenants pay own utilities (except 1 unit) including Heat, Hydro and Water
- Corner Property on Main Thoroughfare
- 2 x Commercial Units
- 8 x 1 Bedrooms
- Property is already severed into two (2) parcels.
- 6.9% CAP
- 20.6% R.O.I.
- Treat property financing as clear
- Seller willing to hold a second mortgage for 10% of the purchase price for qualified buyer.

NIAGARA FALLS

8.5% CAP RATE!



Principals Only Please

11 Suites

- Asking \$705,000
- Asking \$64,091 per Suite
- Located Five Minutes from Casinos/ Tourism Area, in a Quiet Residential Neighbourhood
- Vinyl Thermo Windows (2006)
- New Roof Shingles in 2009
- Property consists of Two Four-Plexes and One Triplex
- 1 x Bachelor
- 2 x One Bedrooms
- 6 x Two Bedrooms
- 2 x Three Bedrooms
- Apartments are Spacious and Feature Laminate Hardwood
- 8.5% CAP Rate
- 30.4% R.O.I.
- Treat Financing as Clear*
- Seller May Consider VTB to Qualified Buyer

TRENTON

UPSIDE POTENTIAL

8.3% CAP RATE



Principals Only Please

14 Suites

- Asking \$799,000
- Asking \$55,643 per suite
- Property Contains Four Semi-Detached Bungalows & One Six-Plex
- Under New Management with Many Improvements Being Done
- Some Rents are Below Market, Potential Upside
- New Tenants Paying All their Own Utilities on Turnover
- 5 x One Bedrooms
- 9 x Two Bedrooms
- Quiet Community with Good Tenant Profile
- Waterfront Property on Bay of Quinte with Boat Launch
- Good Amount of Excess Land at Rear of Property
- 8.3% CAP Rate
- 30.4% R.O.I.
- Treat Financing as Clear!

industry report

trends and services

SKYVIEW'S
RECOMMENDED
SERVICES

WEEKLY E-MAIL BLASTS

Sign-up and begin receiving:

- Weekly Multi-Residential Property Listings
- Industry Related Articles
- News, Resources, and Valuable Links
- Updates on Sold Properties in Your Area



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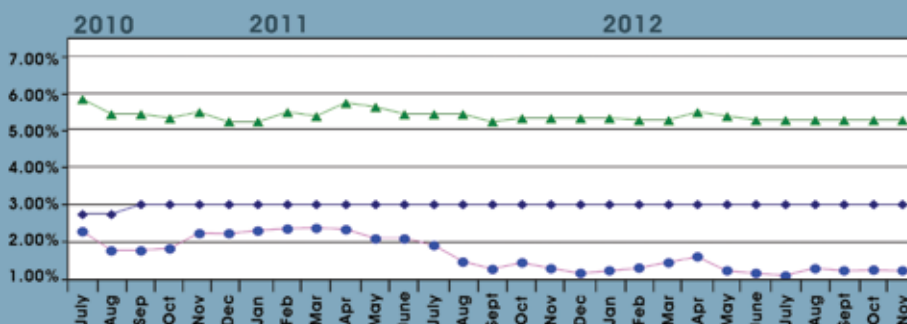
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MULTI-UNIT RESIDENTIAL - RECENT TRANSACTIONS

2362 ISLINGTON AVE Etobicoke	Sep. 17, 2012	13 Units @ \$126,538	\$ 1,645,000
1580 BATHURST ST Toronto	Sep. 28, 2012	24 Units @ \$100,000	\$ 2,400,000
188 JAMESON AVE Toronto	Oct. 02, 2012	47 Units @ \$95,745	\$ 4,500,000
399 VODDEN ST E Brampton	Oct. 03, 2012	76 Units @ \$190,282	\$14,461,400
140 SPRINGHURST AVE Toronto	Oct. 04, 2012	20 Units @ \$146,250	\$ 2,925,000
604 - 606 CHEAPSIDE ST London	Oct. 11, 2012	32 Units @ \$59,375	\$ 1,900,000
25 WESTWOOD CT Lindsay	Oct. 17, 2012	108 Units @ \$81,481	\$ 8,800,000
599 ST CLAIR AVE W Toronto	Oct. 19, 2012	16 Units @ \$106,250	\$ 1,700,000
127 BROADWAY AVE Toronto	Oct. 22, 2012	60 Units @ \$116,667	\$ 7,000,000
197 VAUGHAN RD Toronto	Oct. 26, 2012	42 Units @ \$121,429	\$ 5,100,000
340 THE EAST MALL Etobicoke	Oct. 31, 2012	77 Units @ \$140,260	\$10,800,000
350 THE EAST MALL Etobicoke	Oct. 31, 2012	77 Units @ \$141,558	\$10,900,000
7110 DARCEL AVE Mississauga	Oct. 31, 2012	116 Units @ \$94,397	\$10,950,000
1315 SILVER SPEAR RD Mississauga	Oct. 31, 2012	90 Units @ \$151,111	\$13,600,000
297 QUEENS AVE Oakville	Oct. 31, 2012	78 Units @ \$185,256	\$14,150,000
110 COTTONWOOD DR North York	Nov. 01, 2012	22 Units @ \$140,909	\$ 6,200,000
996 OCONNOR DR East York	Nov. 02, 2012	18 Units @ \$86,667	\$ 1,560,000
255 BOLD ST Hamilton	Nov. 07, 2012	82 Units @ \$85,976	\$ 7,050,000
1594 VICTORIA PARK AVE North York	Nov. 08, 2012	28 Units @ \$100,000	\$ 2,800,000
245 LENA CRES Cambridge	Nov. 08, 2012	272 Units @ \$227,206	v\$61,800,000

SOURCE: RealTrack Inc. www.realtrack.com 1-877-962-9033

WATCH ON
INTEREST RATES



◆ Canadian Prime Rate (5 Year)
● Canadian Bond Rate (5 Year)
▲ Residential Mortgage Rate (5 Year)

SkyViews

Winter 2013

PUBLICATION:

Our newsletter is published quarterly: (January, March, June, and September).

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