



SKYVIEW  
REALTY LTD.

# SkyViews

DISTRIBUTION TO OWNERS OF OVER 11,000 APARTMENT BUILDINGS

## APARTMENT REPORT FALL 2002

### DANNY'S CORNER



**Danny Iannuzziello**  
Broker

I hope everyone has had an enjoyable summer and is geared up again to trade in apartment buildings.

From our perspective, it seems like prices have reached a threshold although, at the time of writing, interest rates continue to be at respectable levels (approx. 6.5%

5 year term). The demand is still strong and good supply is still limited. There continues to be uncertainty with respect to vacancy rates. An informal poll we conducted in June confirmed FRPO's (Fair Rental Policy Organization) finding of increased vacancy rates. The same poll conducted in mid-August has indicated that, although vacancies have not reached the levels indicated by CMHC at the year end 2001, they have somewhat decreased since our poll in June.

In the event of change in government, look for vacancy de-control to be a hot issue as it may be eliminated (unable to rent vacant apartments at market rents). We will attempt to give some insight into this in our next issue of SkyViews.

In this issue I would also like to acknowledge Ms. Dolly Dossa for her outstanding efforts by going above and beyond the call of duty in facilitating the turnaround at 65 Thorncliff Park Drive, Toronto, thereby raising the quality of life for its tenant families. She not only received a Certificate from the Toronto Police Services, but also a Golden Jubilee Medal from the Canadian Government. Congratulations Dolly!!

In this issue of SkyViews, I've asked Mohamed Jagani from AiMS Consulting to provide some insight into PHASE II Environmental Site assessments. ■

DANNY IANNUZZIELLO

### PHASE II ENVIRONMENTAL SITE ASSESSMENTS:

#### Getting the Low Down on Real Estate!

By Mohamed M. Jagani, P. Eng. Senior Environmental Consultant

Most stakeholders involved in real estate transactions are familiar with a Phase I Environmental Site Assessment (ESA), a study routinely undertaken as due diligence associated with property transfer and financing. Briefly, a Phase I ESA is a documentary review of a property's historical land uses and a visual inspection of the premises to identify any actual or potential sources of environmental contamination.

Fewer people are familiar with a Phase II ESA, which is undertaken as a follow-up *intrusive* study when a Phase I ESA reveals sources of contamination. Perhaps this is because, statistically, fewer than 30% of Canadian properties have historically revealed potential problems that would warrant further investigation. However, for those properties that do, investment in a Phase II ESA is well worth the cost incurred, for it could reveal gremlins in the subsurface you wouldn't otherwise have a clue about, which could directly affect the market price of a property!

*What is a Phase II ESA?* Simply put, a Phase II ESA is a soils and/or groundwater investigation, or a "down and dirty" way of getting "the dope" on real estate. It involves sampling and analyses of soils and groundwater. This could range from a number of drilled boreholes or test pits advanced around an underground storage tank (UST), to an extensive investigation over large tracts of the site to map contaminated soils or groundwater.

*Which Properties Would Warrant a Phase II ESA?* Obvious examples include sites with USTs, such as gasoline service stations, apartment building properties or automotive services garages; filling or dumping sites; sites with heavy industrial land uses; sites used by degreasing operations or dry cleaning facilities; and waste management facilities or transfer stations.

*Why Would You Conduct a Phase II ESA?* As a Realtor or Vendor of a property, it behooves you to know if your site is contaminated, so that you

have a chance to cleanup the contamination prior to putting the property up for sale. As a prospective Purchaser, you want assurances that the property has clear title prior to doing the deal, to preserve its market value.

As a property Developer, you could be looking at re-zoning the property for a higher use (e.g. commercial to residential), and want to ensure compliance with Ministry of the Environment's (MOE) guidelines for a specific use to facilitate a building permit application. As a Mortgage Lender, you obviously want your collateral to hold its value.



Drilling for Phase II ESA in Progress

*Who Should Be Engaged to Conduct a Phase II ESA?* Generally, any Environmental Consultant with a geosciences background can conduct a Phase II ESA. However, you would be well advised to use a licensed professional, such as an Engineer or Hydrogeologist, as your Assessor. Such persons are obliged by legislation to maintain a duty of care and to follow established standards, such as the

*Continued on Page 3*

### 2003 RENT INCREASE GUIDELINE SET AT 2.9%

The Ministry of Municipal Affairs & Housing recently announced that the rent increase guideline for the Year 2003 will be 2.9%. The effective date is January 1, 2003.

WE SPECIALIZE IN THE SALE OF APARTMENT BUILDINGS

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

For future mailing, please inform us if there is a change of address

E-mail: [info@skyviewrealty.com](mailto:info@skyviewrealty.com)

Website: [www.skyviewrealty.com](http://www.skyviewrealty.com)



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

# PROPERTIES CURRENTLY OFFERED FOR SALE

**ASKING  
\$46,583/SUITE**



## AVAILABLE IN HAMILTON *60 Unit Apartment Building*

- Asking \$2,795,000
- Building in excellent condition
- Potential for 3 additional apartments
- Across street from Henderson Hospital & Hamilton Regional Cancer Centre
- Built 1960
- 8 x bachelors
- 23 x 1 bedrooms
- 29 x 2 bedrooms
- 15% downpayment
- 21.6% R.O.I.
- Treat mortgages as clear
- VTB to sell

**GREAT  
LOCATION**



## FOR SALE IN NIAGARA FALLS *36 Unit Apartment Building*

- Asking \$2,052,000
- 15% downpayment
- 9.5% CAP Rate
- 27.5% R.O.I.
- VTB mortgage to sell
- Close to Falls / Casino
- 2 x one bedrooms
- 23 x two bedrooms
- 11 x three bedrooms
- Good tenant profile
- Hot water gas heating
- Rents below market

**FULLY  
OCCUPIED**



## AVAILABLE IN SCARBOROUGH *42 Maisonettes*

- Asking \$4,300,000
- Tenant pays heat and hydro
- Good tenant profile
- Built 1962
- 3.393 acres
- Outdoor swimming pool
- 28 x two bedrooms
- 14 x three bedrooms
- 16% downpayment
- 8.5% CAP Rate
- 18.4% R.O.I.
- Small VTB to sell

**CONDO  
STATUS**



## DOWNTOWN HAMILTON (HESS VILLAGE) *24 Apartment Units*

- Asking 1,300,000
- Building recently approved for Condo Status
- Bank to consider individual mortgages for each unit
- Tax rate would be reduced by 37%
- 16 x one bedrooms
- 8 x two bedrooms
- 17.4% R.O.I.
- Vendor Take Mortgage to sell
- Rents well below market
- Cash required - \$195,000

**MOTIVATED  
VENDOR**



## AVAILABLE IN NEWMARKET *18 Unit Apartment Complex*

- Asking \$1,475,000
- Pleasure to show
- Tenants pay own hydro
- Fire Retrofit complete
- 3 x bachelor
- 15 x one bedroom
- Fully occupied
- 15% downpayment
- 17.3% R.O.I.
- VTB Mortgage to sell
- Many upgrades to building and in very good condition
- Environmental / Structural Reports available

**MOTIVATED  
VENDOR**



## FOR SALE - TORONTO *12 Plex in Beaches Area*

- Asking \$935,000
- Fully occupied
- Some rents below market
- Upgrades include: roof 2001 boiler 1996
- 11 x one bedrooms
- 1 x bachelor
- 15% downpayment
- 20.7% R.O.I.
- Vendor motivated to sell, may consider VTB 2nd mortgage

# PROPERTIES FOR SALE INTENDED FOR PRINCIPALS ONLY



**SKYVIEW**  
REALTY LTD.



For these and other buildings we have for sale please call (416) 444-6545 Fax (416) 444-6997

**Danny Iannuzziello, Broker**

**Alex Maksymec, Associate Broker**

**220 Duncan Mill Rd. Suite 419, Toronto, ON M3B 3J5**

**E-mail [info@skyviewrealty.com](mailto:info@skyviewrealty.com)**

**[www.skyviewrealty.com](http://www.skyviewrealty.com)**

Not intended to solicit properties already for sale. Not intended to interfere with Purchaser-Agency Agreements.



Continued from Page 1

## PHASE II ENVIRONMENTAL SITE ASSESSMENTS: Getting the Low Down on Real Estate!

Canadian Standards Association (CSA) protocol Z769-00 *Phase II Environmental Site Assessment* (CSA, March 2000). As an added bonus, most Assessors carry professional liability insurance that can cover inadvertent errors and omissions.

**What if Contamination is Identified?** Follow-up studies are then undertaken to confirm and delineate the nature and extent of the contamination. Practical and cost-effective response actions can then be selected for cleanup or on-site management of the contamination.

**Is There an Obligation to Report to the MOE?** Normally, findings of contamination are kept confidential under a privileged Consultant-Client relationship, and your professional is not obliged to act as a

"whistle blower" to any authority, except in cases of imminent danger

To public health and safety, such as a noxious release into the atmosphere, or a toxin into a water supply aquifer.

For additional information, please contact:

**Mohamed M. Jagani, P.Eng.,**  
PE, Senior Environmental Consultant,  
**AiMS Consulting Environmental,**  
*Mmjagani@aimsconsulting.com* Tel: (905) 474-0058

**AiMS** is an environmental engineering firm specializing in due diligence Phase I and II ESAs for property transfer, financing and development.



### AVAILABLE IN BRANTFORD 34 Unit Apartment Building

- Asking \$1,450,000
- 15% downpayment
- 9.7% CAP Rate
- Existing 1st Mortgage 6.9% to January 2007
- Some rents below market
- Located in heart of Brantford close to Casino
- 2 adjoining buildings
- 10 x one bedrooms
- 24 x two bedrooms
- Structural / Environmental Reports available



### TORONTO (GUILDWOOD VILLAGE) 6 Plex on Large Lot

- Asking \$630,000
- 15% downpayment
- 17.7% R.O.I.
- VTB to sell
- New forced air gas heating
- Steps to Lake Ontario and Scarborough Bluffs
- 2 x two bedrooms
- 4 x three bedrooms
- Very spacious apartment units



### AVAILABLE IN ST. CATHARINES 34 Units in Two Buildings

- One building - 13 years old second building totally renovated 12 years ago
- Fire Retrofit complete
- Spacious units
- 15% downpayment
- 20.6% Cash Return
- 28.5% Return on Investment
- Hot water gas and electric heating
- Rents below market



### FOR SALE IN ETOBICOKE 6 Plex Close to Lake Ontario

- Asking \$399,000
- Fully occupied
- Rents below market
- Copper plumbing throughout
- VTB Mortgage to sell
- Individual hydro meters
- Build circa 1965
- 15% downpayment
- \$60,000 downpayment



### 610 Dundas Street West, Whitby

This 13 Unit Building in Whitby was listed and sold by Skyview Realty Ltd. for \$630,000. Financing was arranged by Skyview Realty Ltd. Closed: July 2002



### 37 Wellington Street North, Hamilton

This 22 Unit Apartment Building was listed and sold by Skyview Realty Ltd. for \$840,000. Financing was arranged at 75% of purchase price at 6.51% for a 5 year term. A VTB mortgage facilitated the sale 6%-2yrs 10% of purchase price. The Purchaser was required to totally upgrade one unit in the building. Closed: August 2002

**VISIT OUR WEBSITE AT:** [www.skyviewrealty.com](http://www.skyviewrealty.com)

# COMPANIES WE'VE DONE BUSINESS WITH AND SERVICES WE WOULD RECOMMEND



THE  
EQUITABLE  
TRUST COMPANY

## David R. Downie

MANAGER, COMMERCIAL MORTGAGES

- Specializing in conventional investment property loans
- Quick turnaround, competitive terms
- Multi-Residential •Store & Apartments •Commercial
- Call or e-mail ddownie@equitabletrust.com to discuss your situation

30 St. Clair Avenue West, Suite 700, Toronto, Canada M4V 3A1  
Tel.: 416-515-7000 Fax 416-515-7001 Cell: 416-885-9847



www.gscrentals.com

Canada's Premier Apartment  
Rental Web Site

Renters from in town and around the world  
1-888-966-4966

## ARE YOU THINKING OF SELLING . . . . . RECENT SALES OF APARTMENT BUILDINGS

Address	City	Closing Date	No. of Units	Sold Price	Price/Suite	Address	City	Closing Date	No. of Units	Sold Price	Price/Suite
68 Mary St	Barrie	Mar-02	39	\$2,000,000	\$51,282	99 Mattson Rd	North York	May-02	30	\$2,110,000	\$70,333
291 Brant St.	Brantford	Feb-02	68	\$2,720,000	\$40,000	1229 Marlborough Ct	Oakville	May-02	226	\$27,000,000	\$119,469
193-197 Mohawk St	Brantford	Mar-02	31	\$1,520,000	\$49,032	7 Fittons Rd E	Orillia	Jun-02	20	\$1,222,500	\$61,125
494 West St.	Brantford	Dec-01	17	\$635,000	\$37,353	945-949 Simcoe St N	Oshawa	Feb-02	40	\$811,271	\$20,282
498 West St.	Brantford	Dec-01	17	\$655,000	\$38,529	296 Grenfell St	Oshawa	Feb-02	38	\$712,500	\$18,750
443 Pearl St	Burlington	May-02	24	\$1,620,000	\$67,500	30 Colborne St E	Oshawa	May-02	21	\$1,165,000	\$55,476
649-665 Francis Rd	Burlington	May-02	20	\$1,375,000	\$68,750	97 Nonquon Rd	Oshawa	Jul-02	21	\$1,450,000	\$69,048
514 Dawes Rd	East York	Apr-02	34	\$1,550,000	\$45,588	111 Nonquon Rd	Oshawa	Jun-02	18	\$1,400,000	\$77,778
1741 Bayview Ave	East York	Jul-02	26	\$2,225,000	\$85,577	5 Brockley Dr	Scarborough	May-02	254	\$20,380,000	\$80,236
24 Margaret St	Essa	May-02	15	\$964,000	\$64,267	567 Scarborough Golf Club Rd	Scarborough	Jun-02	224	\$18,500,000	\$82,589
345 The East Mall	Etobicoke	Jul-02	34	\$4,216,000	\$124,000	15 Rosemount Dr	Scarborough	Jan-02	72	\$4,928,000	\$68,444
2667 Lakeshore Blvd W	Etobicoke	Feb-02	17	\$1,150,000	\$67,647	815 Kennedy Rd	Scarborough	Mar-02	32	\$2,162,500	\$67,578
2666 Lakeshore Blvd W	Etobicoke	Mar-02	16	\$1,085,000	\$67,813	64 Roehampton Ave	St. Catharines	May-02	130	\$6,650,000	\$51,154
2520 Barton St E, 45 Barlake	Hamilton	May-02	294	\$11,800,000	\$40,136	87-97 Rockwood Ave, 100 Woodrow St	St. Catharines	Jun-02	124	\$6,321,000	\$50,976
125 Wellington St, 50 North Cathart St	Hamilton	Mar-02	268	\$8,200,000	\$30,597	76 Roehampton Ave, Var. Suites	St. Catharines	May-02	94	\$7,250,032	\$77,128
35 Brock St	Hamilton	Mar-02	123	\$7,200,000	\$58,537	232-236 Oakdale Ave, 16 Capner St	St. Catharines	Jun-02	52	\$2,548,000	\$49,000
540 King St E	Hamilton	Feb-02	36	\$1,200,000	\$33,333	417-419 Linwell Rd	St. Catharines	May-02	34	\$1,800,000	\$52,941
76 Aikman Ave	Hamilton	Mar-02	34	\$1,395,000	\$41,029	17-19 Collier St	St. Catharines	Mar-02	32	\$1,582,000	\$49,438
514 King St E, 6 Tisdale Ave S	Hamilton	Feb-02	31	\$850,000	\$27,419	19 Tasker St	St. Catharines	Feb-02	26	\$1,106,000	\$42,538
710 Lawrence Rd	Hamilton	Feb-02	24	\$1,110,000	\$46,250	245 Niagara St	St. Catharines	May-02	24	\$1,237,500	\$51,563
416 East 42nd St	Hamilton	Apr-02	22	\$1,045,000	\$47,500	3 Church St, 45-47 William St.	St. Catharines	Feb-02	21	\$500,000	\$23,810
821 & 827 Main St E	Hamilton	Jul-02	20	\$500,000	\$25,000	50 Rosehill Ave	Toronto	May-02	245	\$13,250,000	\$54,082
468-476 Main St E	Hamilton	Feb-02	16	\$523,000	\$32,688	91 Jameson Ave	Toronto	Jan-02	76	\$4,675,000	\$61,513
109 Balsam Ave S	Hamilton	May-02	16	\$530,000	\$33,125	2731-2751 Danforth Ave	Toronto	Mar-02	45	\$2,500,000	\$55,556
781-785 King St E	Hamilton	May-02	16	\$540,000	\$33,750	25 Wellesley St E	Toronto	May-02	45	\$5,458,022	\$121,289
674 Fennell Ave E	Hamilton	Apr-02	16	\$670,000	\$41,875	849 Broadview Ave	Toronto	Mar-02	32	\$1,760,000	\$55,000
6509-6521 Glen Erin Dr	Mississauga	Apr-02	326	\$34,500,000	\$105,828	2327 Queen St. E.	Toronto	Aug-02	27	\$2,675,000	\$99,074
30 Elm Dr E	Mississauga	Jun-02	322	\$40,700,000	\$126,398	130 MacPherson Ave	Toronto	Aug-02	27	\$2,175,000	\$80,556
2100 Sherboe Rd W	Mississauga	May-02	199	\$29,000,000	\$145,729	225 Gladstone Ave	Toronto	May-02	26	\$1,505,000	\$57,885
1560 Bloor St E	Mississauga	Apr-02	141	\$14,000,000	\$99,291	775 Petman Ave	Toronto	Feb-02	26	\$2,400,000	\$92,308
1000 Cedarglen Gate	Mississauga	Aug-02	101	\$11,500,000	\$113,861	10 Kindale Blvd	Toronto	May-02	23	\$1,630,000	\$70,870
345 Lakeshore Rd W	Mississauga	Apr-02	84	\$7,375,000	\$87,798	2 Blackthorn Ave	Toronto	Jul-02	22	\$2,195,000	\$99,773
333 Meadows Blvd	Mississauga	May-02	70	\$10,500,000	\$150,000	123 Huron St	Toronto	Apr-02	18	\$830,000	\$46,111
3410 Havenwood Dr	Mississauga	Jun-02	57	\$4,060,000	\$71,228	15 Hubbard Blvd	Toronto	Apr-02	17	\$1,125,000	\$66,176
151 Victoria St E	New Tecumseth	May-02	21	\$1,100,000	\$52,381	15 Gray Ave	Toronto	Feb-02	17	\$1,175,000	\$69,118
107 Queen St S	New Tecumseth	Jan-02	17	\$820,000	\$48,235	900 Dundas St E	Whitby	Jun-02	68	\$4,900,000	\$72,059
6390 & 6400 Huggins St	Niagara Falls	Apr-02	142	\$6,871,800	\$48,393	610 Dundas St. W	Whitby	Jun-02	13	\$630,000	\$48,462
40 Moccasin Trail, 50 Greenbelt Dr	North York	Jun-02	83	\$5,600,000	\$67,470	900 Jane St	York	Feb-02	37	\$2,360,000	\$63,784
101 Driftwood Ave	North York	Jul-02	30	\$1,900,000	\$63,333	54 Raglan Ave	York	Jul-02	16	\$1,135,000	\$70,938

## Watch on Interest Rates

2000 / 2001

/ 2002

