



# SkyViews

Apartment Report - Fall 2017

## DANNY'S CORNER



As we begin the busy Autumn season, I hope you and yours had an enjoyable summer! May the last remaining months of 2017 be filled with great success for all!

Our industry has lost another great leader. I was very saddened to hear of the passing of Tom Schwartz, who has been a cornerstone of the multi-unit residential through his work at CAPREIT as well as his service through landlord associations such as FRPO. I will always treasure the wisdom and insight he provided me and many others over the years. Our condolences go out to his family and the CAPREIT organization at this time.

As discussed previously, the Ontario government has been implementing many changes as it relates to our industry. It hasn't been all bad news, however. There has been a commitment to maintain a key benefit to the owners and operators of apartment buildings in the province and I have provided an article here from Jim Murphy at FRPO to share this commitment.

The Ontario market continues to grow and flourish, even with rising financing costs and additional regulations. Since the start of 2017, almost all of Skyviews listings have been receiving multiple offers and this true benefit has been seen by the Sellers who placed their trust in us. If you are looking at selling your property, I welcome the opportunity to show you what we could achieve for you.

- Danny Iannuzziello

## Government Commits to Maintaining Vacancy Decontrol

by Jim Murphy, FRPO

The government has committed to maintaining vacancy decontrol. In a recent letter to all stakeholders, including tenant organizations, the Minister of Housing, Hon. Chris Ballard, recognized the need for landlords to invest in and maintain their rental properties. To ensure that landlords are able to do this, the government is retaining vacancy decontrol.

The Minister's letter provides an overview of Bill 124, the Rental Fairness Act, 2017, and outlines the effective dates for the legislative changes. The commitment to maintaining vacancy decontrol can be found in the last paragraph of the letter (included below).

"Through the Fair Housing Plan and the Rental Fairness Act, the government is committed to protecting tenants and ensuring that Ontarians have access to affordable housing. At the same time, the government wants to ensure that landlords are able to invest in and maintain their rental properties. As such, the government is retaining vacancy decontrol, which is an important incentive for landlords to continue to invest in

rental housing. Vacancy de-control allows landlords to establish rents that reflect market conditions upon turnover. Further, landlords of newly regulated units will be able to apply to the LTB for AGIs for eligible expenses."

This is the first time the government has provided this commitment in writing. It is a positive signal that the government understands the critical importance of vacancy decontrol. However, with the approach of next year's provincial election, FRPO and its members will continue to advocate with the government and Members of Provincial Parliament about the key role rental housing and vacancy decontrol play in Ontario.

Vacancy decontrol is important to ensure the maintenance of quality rental properties, but it is also necessary to ensure a healthy and growing rental market that is able to provide sufficient affordable rental housing supply.

Jim Murphy  
President and CEO  
Federation of Rental-housing  
Providers of Ontario (FRPO)  
jmurphy@frpo.org

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



Email: [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 BUYER-AGENCY AGREEMENTS.

# Considerations When Selling an Apartment Building

When it comes to selling your apartment building, there are many things to consider. The most important, however, is which brokerage firm you will choose to represent your interests and generate the right potential buyers. The following is a general guideline for choosing the right brokerage firm for you.

## 1) Go with Experience

Real Estate markets change from year to year, even from month to month. When dealing with a brokerage, you need to find the delicate balance of experience coupled with the up-to-date understanding of today's current marketplace and trends. Experience alone will fail to provide you with strategies that will apply to current trends in the industry. On the other hand, a brokerage that lacks experience will not be able to accurately predict and prepare for upcoming trends.

## 2) Look Out for Number One

Above all else, the brokerage you choose should look after your interests and work hard knowing that they have your trust, confidence and commitment. Your brokerage should ultimately be looking to serve your needs throughout the process of selling.

## 3) Take the Right Approach

Some brokerages focus on the approach of "Bring Me an Offer". While multiple offers can be beneficial, finding the right buyer with the right offer is the most crucial element in working with a brokerage. A good brokerage will bring the right people to the table to help you sell your building.

## 4) Know Your Value

Many brokerages waste valuable time and resources hoping to pinpoint the market value for your building. The right brokerage, however, will have the knowledge and experience to provide an accurate opinion of value prior to even listing your building. Knowing what your building is worth will help you get the right return on your investment.

## 5) Exposure is Key

Marketing your property is not just a matter of using one or two forms of communication to blanket the market in hopes of finding

potential buyers. To properly market your property, the right brokerage will utilize what is called "target marketing". Having access to multiple forms of communication, your brokerage should identify the best strategy to reach all buyers in the apartment building industry directly, resulting in you getting the most efficient marketing results.

## 6) Knowing the Buyers

Your ideal brokerage is connected not only to you but also to a network of current buyers. When you are ready for your property to be listed, your brokerage should already have contacts with potential buyers and know who would be the right fit for your building.

## 7) Real Estate Networking

Along with knowledge of current buyers, a brokerage should have already established relationships with other companies in the industry - appraisers, environmental and structural inspectors, financial institutions, etc. Having an established network of industry professionals can assist you in bringing your transaction to a quicker close.

## 8) Beyond the Offer

Many real estate transactions fail at the most crucial stage... the due diligence process. Having a brokerage that engages in a thorough due diligence process ensures that your building's information is verified for the buyer and your transaction closes smoothly and promptly.

## 9) Get What You Pay For

Whether you are paying a low or high commission fee to the brokerage of your choice, you need to be confident in the level of service you received. The right brokerage will be dedicated to providing the ultimate service for the commission fees you pay.

## The Bottom Line

When all is said and done, the most important element in dealing with a brokerage is achieving top dollar for your apartment building. Finding the right brokerage - one that fulfills the above criteria - ensures that you will walk away from your transaction with the confidence that you have received exceptional service, maximum exposure, hassle-free processes, and the financial results you had planned for.

**Skyview Realty is THAT Brokerage!**

# 2018 Rental Increase Guideline: 1.8%

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

If you are considering selling your multi-unit residential property, give the Skyview Sales Team a call at 416-444-6545!



Doni Pizzaterra  
Sales Representative



Anne Meinschenk  
Associate Vice President



Danny Iannuzziello  
Broker of Record



Cliff Ford  
Director of Sales & Marketing



Pat Villani  
Associate Vice President



Arsalan Wadhwa  
Sales Representative



## PROPERTIES CURRENTLY OFFERED FOR SALE

### NIAGARA FALLS

**MANY RECENT UPGRADES** **TREAT AS CLEAR**



**Principals Only Please**

**10 Suites**

- Asking \$1,230,000
- Asking \$123,000 per Suite
- Located in Residential Neighbourhood close to the Falls and Tourism Area
- Many Recent Improvements including Complete Electrical Updating, Common Area Improvements, and Suite Renovations
- 2 x Bachelor
- 8 x Two Bedrooms
- Significant Unused Space in Basement - Potential Development
- Potential Upside in Rents on Turnover
- Large Bedrooms in All Two Bedroom Units
- 5.0% CAP Rate
- Treat Financing as Clear!

### NORTH YORK

**EXCELLENT UPSIDE** **BATHURST & WILSON**



**Principals Only Please**

**34 Suites**

- Asking \$7,250,000
- Asking \$213,235 per Suite
- Quiet Residential Neighbourhood with Excellent Proximity to 401
- Lower than Average Rents, Excellent Upside on Turnover
- Tenants Pay their Own Hydro
- Walking Distance to Many Amenities along Bathurst Corridor
- 4 x Bachelor
- 11 x One Bedrooms
- 19 x Two Bedrooms
- Bus Stop Directly Across the Street
- Good Size Units, Well Kept Building with Elevator
- Walk to Park (behind building) and to Baycrest Hospital
- Treat Financing as Clear!

### TORONTO

**TREAT AS CLEAR** **DOWNTOWN BLOOR**



**Principals Only Please**

**26 Suites**

- This Property is being Offered to the Market in a Bid Submission Process
- Due Diligence Package to be provided upon Signing of a Confidentiality Agreement in Advance of Offer
- Modern Windows installed 2005
- Efficient Boiler with Tekmar System
- Some Units Updated with New Kitchens and Flooring
- 10 x Bachelor
- 8 x One Bedrooms
- 6 x Two Bedrooms
- 2 x Non-Conforming Bachelors
- Significant Upside Potential in Rents on Turnover
- Upgrade Required to Fire Retrofit (to be Negotiated)
- Treat Financing as Clear!

### WELLAND

**MATURE TENANTS** **OWNER BUILT**



**Principals Only Please**

**12 Suites**

- Asking \$888,000
- Asking \$74,000 per Suite
- Built and Owned by Same Family Since Mid-1970's
- On-Site Superintendent
- Well Maintained Property
- Private Paved Driveway with Ample Parking
- 7 x One Bedrooms
- 5 x Two Bedrooms
- Low Average Rents - Potential Upside on Turnover
- 8 Balconies
- Treat Mortgage as Clear
- Purchaser to Arrange Own Financing

### BARRIE

**MANY RENOS/ UPGRADES** **TREAT AS CLEAR**



**Principals Only Please**

**3 Suites**

- Asking \$735,000
- Asking \$245,000 per Suite
- 3 Bedroom Units approx. 1200 Square Feet Each!
- Stainless Steel Appliances and Ensuite Laundry in Both 3 Bedroom Units
- High Efficiency Furnace & Instant Hot Water Tank (Rentals)
- Updated/Newer Windows, Roof and Driveway
- 1 x One Bedrooms
- 2 x Three Bedrooms
- Tenants Pay Hydro, Landlord Pays Gas & Water
- Excellent Location within Walking Distance to Downtown and Lakefront
- Treat Financing as Clear
- CMHC RRAP Mortgage can be Assumed or Discharged

### VICTORIA

**6.3% CAP RATE** **LARGE SUITES**



**Principals Only Please**

**9 Suites**

- Asking \$650,000
- Asking \$72,222 per Suite
- Schoolhouse Converted to Apartments in the 1980's
- Owner Managed & Well Maintained
- Quaint Small Town Feel and a Short Drive to Port Dover in Norfolk County
- 3 x One Bedrooms
- 6 x Two Bedrooms
- Tenants Pay for Own Heat and Hydro
- Approx. 1 hour South of Hamilton
- Backs onto City Park
- 6.3% CAP
- 16.3% R.O.I.
- Treat Financing as Clear

### BROCKVILLE

**MANY RECENT UPGRADES** **MARKET LEADING RENTS**



**Principals Only Please**

**48 Suites**

- Asking \$5,480,000
- Asking \$114,167 per Suite
- Located Less than 1 Hour from Ottawa and Kingston
- Property has had Many Recent Upgrades including New Efficient Windows, Toilets & Thermostats
- Over 50% of Suites have been Upgraded with Nice Finishes
- 2 x Bachelor
- 5 x One Bedrooms
- 41 x Two Bedrooms
- Significant Upside on Rents on Turnover
- 5.0% CAP Rate
- 12.3% R.O.I.
- Existing 1st Mtg to be assumed. 2nd Mtg Options Available

### TILLSONBURG

**SOLD!**



**23 Suites**

This 23 unit rental apartment building in Tillsonburg was listed and sold by Pat Villani and Anne Meinschenk of Skyview Realty Ltd. The building was well maintained and had recent improvements including a metal roof and snow guards and an improved heating system. The property is located in a quiet residential neighbourhood and had good rental upside to be achieved on turnover.

### FOREST

**SOLD!**



**28 Suites in 3 Buildings**

This apartment building complex, comprised of three buildings on one lot with a total of 28 units, was listed and sold by Skyview Realty Ltd. Located in the town of Forest between London and Sarnia, the buildings were all built in the 1990's and featured nice rental unit layouts. With excess land and upside on rents, it was an opportunity for the buyer to achieve a good return.

# industry report

SKYVIEW'S  
RECOMMENDED  
SERVICES

## Want an Offer?

Skyview Realty has a good number of active and qualified buyers who are looking for multi-unit residential buildings throughout Ontario.

If you are considering selling your property, we may be able to bring you an offer immediately.  
For more information, contact us at 416.444.6545 or [properties@skyviewrealty.com](mailto:properties@skyviewrealty.com)

## We Have Buyers!

**Michael Lombard**

Senior Vice-President  
Regional Manager, Eastern Canada



Telephone: 416.366.3266  
Facsimile: 416.366.3328  
[michael@peoplestrust.com](mailto:michael@peoplestrust.com)  
[www.peoplestrust.com](http://www.peoplestrust.com)

95 Wellington Street West  
Suite 915  
Toronto ON M5J 2N7

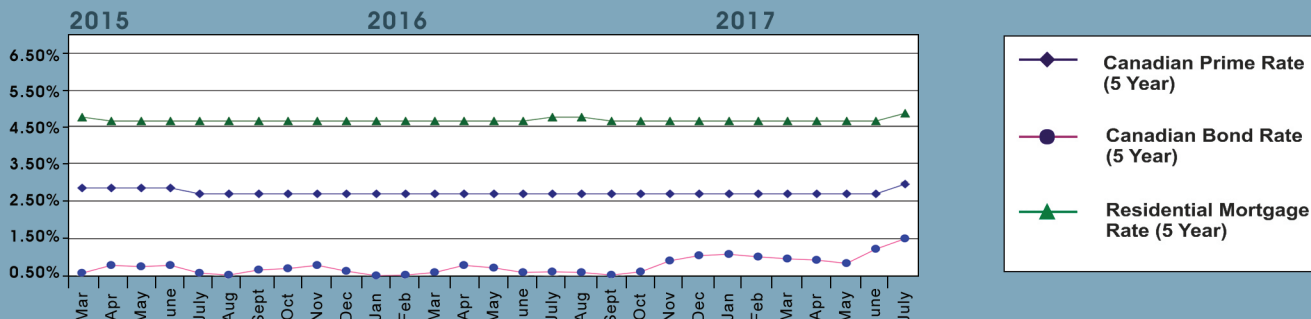
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## MULTI-UNIT RESIDENTIAL - RECENT TRANSACTIONS

813 Old Highway 2, Quinte West	Jun. 1, 2017	24 Suites @ \$68,825	\$1,651,800
2777 Kipling Ave, Etobicoke	Jun. 1, 2017	325 Suites @ \$169,231	\$55,000,000
21 Balmoral Ave S, Hamilton	Jun. 13, 2017	20 Suites @ \$140,000	\$2,800,000
135 Tracey St, Belleville	Jun. 15, 2017	56 Suites @ \$77,500	\$4,340,000
41 Church St, Forest	Jun. 16, 2017	28 Suites @ \$91,071	\$2,550,000
356-360 Pine St, Sudbury	Jun. 16, 2017	24 Suites @ \$114,583	\$2,750,000
358 Queenston St, St. Catharines	Jun. 19, 2017	35 Suites @ \$86,058	\$3,012,000
2449 Bensfort Rd, Peterborough	Jun. 21, 2017	10 Towns @ \$222,005	\$2,220,050
216 Indian Rd, Toronto	Jun. 23, 2017	5 Suites @ \$410,400	\$2,052,000
271 Clyde Rd, Cambridge	Jun. 30, 2017	18 Suites @ \$102,778	\$1,850,000
22 Robina Ave, Toronto	Jul. 6, 2017	20 Suites @ \$169,500	\$3,390,000
263 Millard St, Orillia	Jul. 12, 2017	38 Suites @ \$133,721	\$5,081,395
146 Concession St E, Tillsonburg	Jul. 14, 2017	23 Suites @ \$84,239	\$1,937,500
11 West St, Brantford	Jul. 14, 2017	26 Suites @ \$138,462	\$3,600,000
49 McMurchy Ave N, Brampton	Jul. 20, 2017	79 Suites @ \$145,570	\$11,500,000
11 Yorkville Ave, Toronto	Aug. 9, 2017	74 Suites @ \$608,108	\$45,000,000

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## WATCH ON INTEREST RATES



## SkyViews

Fall 2017

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

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## THE SKYVIEW TEAM

419-220 Duncan Mill Rd., Toronto, Ontario M3B 3J5

(416) 444-6545 Fax: (416) 444-6997

Email: [info@skyviewrealty.com](mailto:info@skyviewrealty.com)

[www.SkyviewRealty.com](http://www.SkyviewRealty.com)

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