



SKYVIEW
REALTY LTD.

SkyViews

DISTRIBUTION TO OWNERS OF OVER 11,500 APARTMENT BUILDINGS

APARTMENT REPORT SPRING 2004

DANNY'S CORNER



*Danny Iannuzziello
Broker*

In our last newsletter, I tried to create some awareness about the problems of Superintendent Fraud. Much to my surprise, this issue is bigger than I thought. Based on the number of phone calls I received, everyone has a different story.

Although it's not fair to knock an industry where the majority of Superintendents are honest, hard working and dedicated employees, there are the selected few that make life miserable for some owners. My suggestion is to check your systems, processes and procedures to make sure that it's not happening to you.

Effective January 1, 2004 the Privacy Act came into being, and if you have not already done so, you should put into place a privacy policy dealing with the personal information of your tenants or prospective tenants.

Skyview Realty has now implemented our Privacy Policy which can be found on our Web site at www.skyviewrealty.com. In brief, Skyview does collect personal information for the purpose of providing our clients and potential clients with information about the multi-residential marketplace. This newsletter is an example of the information our clients receive. If you do not wish to receive this type of information, please contact our office so that we can remove your name from our mail distribution list. When working on specific transactions the personal information we obtain is strictly for that transaction and personal information is not sold to any third party organizations.

Continued on page 4

SUB-METERING:

An Effective Energy Conservation Strategy

By Greg Drew

The energy industry in Ontario is staggering through massive changes. The aftershocks of the August blackout are still resonating and third quarter productivity reports magnify the negative financial impact of that momentous event. As the struggle continues to maintain and operate our nuclear generators, the need for conservation has become brutally apparent. Property owners are faced with impending increases to their electricity costs. An often overlooked opportunity to reduce costs is electricity sub-metering.

What is electricity sub-metering?

Sub-metering is the measurement and billing of electricity consumption for individual suites in a bulk-metered, multi-unit building.

With the installation of a sub-metering system, the landlord implements a fair user-pay billing system, and the subsidization of wasteful tenants is eliminated. In a typical apartment building, 10% of the residents use 25% of the hydro. In an individually metered building, the residents that practice conservation benefit with lower monthly expenses.

At the same time, the building owner is only exposed to the electricity expense for the common areas. Depending on the nature of the electrical loads within the building, this may represent as little as 20% of the overall electricity cost. Under this scenario, a 10% increase to electricity rates represents only a 2% cost increase to the building owner.

The consumption for common area electricity usage remains virtually static year-over-year, making budgeting significantly easier. In a bulk-metered building, the landlord is exposed to the potential for large increases in consumption which may result from changing weather patterns, an increase in

the number of air conditioned suites, or a change in the building's demographics.

Sub-metering differs from direct metering by the LDC (Local Distribution Company i.e. Toronto Hydro) as the residents can benefit by being invoiced based on the lower bulk-metered rates charged to large consumers. As well, residents may profit from the decreased administration fees levied by sub-metering companies in comparison to those of the LDCs for direct-metered buildings.

There are multiple methods available for financing a sub-metering system including (but not limited to) paying for the system outright as well as various means of on-bill financing. An owner may benefit by applying to Natural Resources Canada for financial incentives to help fund the cost of qualifying energy conservation projects through its Energy Innovators Initiative (EII) program. Access to sophisticated online reports further enhances the value of a sub-metering system.

Already reeling from the impact of a soft rental market, property owners must now face the spectre of imminent electricity price increases. With electricity representing one of the largest operating expenses for multi-residential dwellings, landlords must recognize that electricity sub-metering offers a means to limit exposure to future increases in consumption and electricity rates. ■

Greg Drew is an Account Manager with Stratacon Inc. in Woodbridge and can be reached at 905-856-4001 ext.104. Stratacon is the exclusive sub-metering services provider to Toronto Hydro Energy Services Inc.

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

Website: www.skyviewrealty.com

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

PROPERTIES CURRENTLY OFFERED FOR SALE



AVAILABLE IN BRADFORD Six Luxury Apartments

- Asking \$600,000
- Quality Building in Prestigious Area of Bradford
- Pleasure to Show
- Tenants Pay Own Hydro
- Rents Significantly Below Market
- 1 x One Bedroom
- 5 x Two Bedrooms
- Excellent Tenant Profile, Fully Occupied
- 10.6% R.O.I.
- Treat mortgages as clear
- Low Mortgage rates available
- VTB to Sell



NORTH OF LONDON 36 Unit Apartment Building

- Asking \$1,090,000
- Fully Occupied
- Good Tenant Profile
- Small Community North of London
- Located in Hensall, Ontario
- 1 x Bachelor
- 14 x One Bedroom
- 18 x Two Bedroom
- 3 x Three Bedroom
- 15% Downpayment
- 36.5% Return on Investment



AVAILABLE IN TORONTO 16 Residential + 3 Commercial

- Asking \$1,700,000
- Tenants Pay Own Hydro
- Building is Well Kept
- Some upgrades Required
- One commercial tenant is laundry mat with lease expiring 2011
- One unit Non-conforming
- 7 x Bachelors
- 7 x One Bedroom
- 2 x Two Bedrooms
- 3 x Stores
- 15% Downpayment, 24.5% Return
- 8.6% CAP Rate
- Treat Mortgages as Clear, VTB to Sell



AVAILABLE IN TORONTO 26 Unit Apartment Building

- Asking \$1,700,000
- Extensive Renovations ie. Apt. Suites, Weeping Tile, Parking Lot, Lighting, Windows, Boiler, Laundry, Hydro Meters, Intercom, etc.
- Some Rents Below Market
- Vendor Motivated
- 5 x Bachelors
- 12 x One Bedroom
- 9 x Two Bedrooms
- 15% Downpayment, 20.6% R.O.I.
- Treat Mortgages as Clear
- VTB Mortgage to Sell
- Tenants Pay Own Hydro



AVAILABLE IN TORONTO 14 Unit Apartment Building

- Asking \$850,000
- Asking \$60,714/suite
- Located in Parkdale
- Fully Occupied
- Some Rents Below Market
- 10 Outdoor Parking Spaces
- Fire Retrofit complete
- 14 Bachelor Apartments
- 15% Downpayment
- 9.2% CAP Rate
- 28.7% R.O.I.
- Upgrade to electrical system
- Treat Mortgages as Clear
- VTB Mortgage to Sell

We don't just List
APARTMENT BUILDINGS
We Sell Them!!!

**THINKING OF
SELLING?.**

*Contact the Skyview Team
about listing your property.*

(416) 444-6545

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

DANNY IANNUZZIELLO

BROKER

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

PROPERTIES FOR SALE INTENDED FOR PRINCIPALS ONLY

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



SKYVIEW REALTY LTD. RECENT SALES



35 TOBERMORY DRIVE
130 Suite Apartment Building

This 130 unit apartment was recently listed and sold by Skyview Realty Ltd. for \$8,160,000 or \$62,769 per unit. A 1st mortgage was assumed by the Buyer and the Seller facilitated with a VTB second mortgage. 27% downpayment. *Closed Feb. 2004*



101 KING STREET

24 Unit Apartment Building

This 24 Unit apartment building was listed and sold by Skyview Realty Ltd. for \$1,480,000. A 1st mortgage was arranged for 75% of the purchase price and a VTB mortgage was given for approximately 10% of the purchase price. *Closed Dec. 2003*



208 NORTH STREET
30 Townhouses

This 30 unit townhouse complex was listed and sold by Skyview Realty Ltd. for \$1,962,500 or \$65,416 per unit. A new first mortgage was assumed by the Buyer and the Seller facilitated with a VTB. The complex was built in 1989 and was in very good condition at the time of sale. *Closed Feb. 2004*



494 & 498 WEST STREET

34 Unit Apartment Building

These 34 units located in Brantford were listed and sold by Skyview Realty Ltd. for \$1,370,000 or \$40,294/suite. A 1st Mortgage was assumed by the Buyer and the Seller took back a VTB mortgage. Skyview Realty Ltd. assisted by selling the VTB mortgage to a third party. *Closed Mar. 2004*



1254 FENNELL AVENUE
9 Unit Apartment Building

This 9-plex was listed and sold by Skyview Realty Ltd. For \$450,000. A 1st Mortgage was arranged by Skyview Realty Ltd. for 75% of the purchase price and the Vendor facilitated with a 2nd mortgage at 5% for 5 years. *Closed Dec. 2003*



AVAILABLE IN BRAMPTON
14 Unit Apartment Building

- Asking \$1,200,000
- Building in very good condition
- Tenants Pay Own Hydro
- Building Fully Occupied
- Adult Building, Excellent Profile
- VTB Mortgage to Sell
- 1 x Bachelor
- 4 x One Bedroom
- 9 x Two Bedrooms
- Structural/Environment Reports Available
- 15% Downpayment
- 8.2% CAP Rate, 20.7% R.O.I.
- Many dollars spent on upgrading

MISSION STATEMENT:

At Skyview Realty Ltd., our objective is to be the leader in apartment building sales and to provide our clients the link to the network of services pertaining to apartment buildings.

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



Jim Dysart
VICE-PRESIDENT &
REGIONAL MANAGER-ONTARIO

Suite 920, 130 Adelaide Street West
Toronto, Ontario M5H 3P5
(416) 304-2078
(416) 368-3328 (Facsimile)
E-mail: jim@peopletrust.com

Incorporated under the Trust and Loan Companies Act of Canada

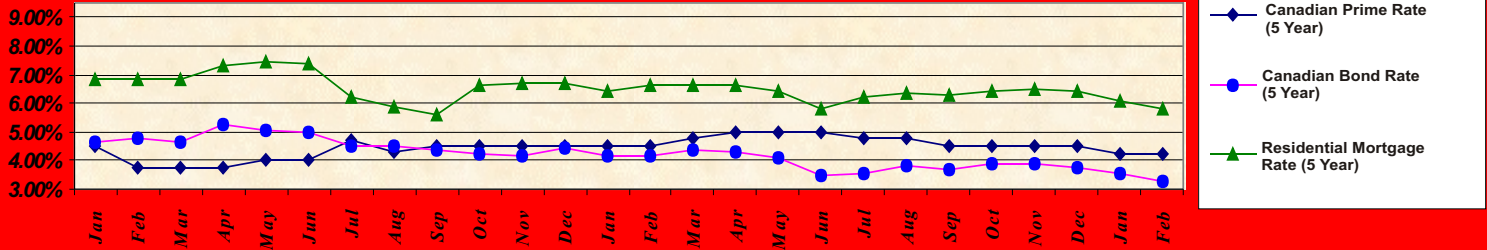


www.gsrentals.com

Canada's Premier Apartment
Rental Web Site

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

Watch on Interest Rates... 2002 /2003 / 2004



Danny's Corner continued...

While visiting our Web site you may have also have noticed that we now have a button that links you to our Mission Statement.

In this issue I would like to acknowledge my friend Jim Dysart, Vice President and Regional Manager for People's Trust. Jim and I have done a number of financing deals together on apartment buildings that we have sold, however they do also look at refinancing your apartment building at time of renewal. He or his staff can be contacted at (416) 304-2078

With the increase or potential increase in hydro costs I thought that in this issue I would address an alternative that may reduce these costs. I've asked one of my contacts, Greg Drew at Stratacon Inc to write an article on the subject of sub-metering.

Danny Iannuzziello

Recent Sales (November 2003 - February 2004)

ADDRESS	MUNICIPALITY	DATE	UNITS	PRICE	PRICE/UNIT
35 Tobermory Drive	North York	20-Feb-04	130	\$8,160,000	\$62,769.23
208-212 North Street	Clearview	12-Feb-04	30	\$1,962,500	\$65,416.67
7 Fittons Rd E.	Orillia	6-Feb-04	20	\$1,335,000	\$66,750.00
983-987 Main St. E.	City of Hamilton	30-Jan-04	18	\$640,000	\$35,555.56
600 Kingston Rd.	Toronto	30-Jan-04	68	\$5,325,200	\$78,311.76
4-6 Greenbrook Dr.	City of York	16-Jan-04	22	\$1,640,000	\$74,545.45
2980 Don Mills Rd.	North York	8-Jan-04	168	\$11,585,000	\$68,958.33
100-163 Tullamore Crt.	Brampton	7-Jan-04	64	\$5,750,000	\$89,843.75
77 Mutual St.	Toronto	22-Dec-03	24	\$1,250,000	\$52,083.33
101 King St. E.	Dundas	18-Dec-03	24	\$1,480,000	\$61,666.67
33 Richmond St. W.	Oshawa	16-Dec-03	70	\$4,250,000	\$60,714.29
111 & 117 Whitburn Cres.	Toronto	16-Dec-03	107	\$7,420,000	\$69,345.79
15 Eastwood Rd.	Toronto	5-Dec-03	24	\$1,300,000	\$54,166.67
2517 Lake Shore Blvd. W.	Etobicoke	2-Dec-03	42	\$2,950,000	\$70,238.10
780 Elm St.	Port Colborne	1-Dec-03	25	\$1,050,000	\$42,000.00
3908 Bathurst St.	North York	26-Nov-03	27	\$1,900,000	\$70,370.37
591 Oxford St.	Oshawa	25-Nov-03	20	\$1,125,000	\$56,250.00
355 Melvin Ave.	City of Hamilton	24-Nov-03	118	\$4,650,000	\$39,406.78
25 Roehampton Ave.	Toronto	20-Nov-03	30	\$2,787,000	\$92,900.00
6720 Glen Erin Dr.	Mississauga	19-Nov-03	148	\$15,550,000	\$105,067.57

Data provided courtesy of RealTrack Inc.

For more information, please visit www.realtrack.com or call 1-877-962-9033