



SKYVIEW
REALTY LTD.

SkyViews

DISTRIBUTION TO OWNERS OF OVER 11,500 APARTMENT BUILDINGS

APARTMENT REPORT SUMMER 2005

DANNY'S CORNER



*Danny Iannuzziello
Broker*

Often I am asked what makes our team at Skyview Realty Ltd. so successful in the number of rental properties we sell. Specialization and experience. By focusing our systems in one area

of real estate, we are able to employ a methodical and prescribed approach to selling the properties we list. Although each listing has its own unique characteristics and often we see various circumstances in the sale process that makes a transaction difficult, our experienced team has encountered most situations before and are able to resolve those issues and follow the transaction through to close. Our success rate in selling our listed properties is well above 90%. We attribute that to the partial list of services as described below that we offer our clients.

First, the seller is provided up front with a market evaluation of the property. The evaluation includes a financial analysis and physical inspection of the property, helping identify in advance the potential problems that may exist. This evaluation process is also an opportunity for us to familiarize ourselves with the property. At this point, we may offer some advice or recommend to the seller how to make the property more saleable, how to prepare it for best exposure or how to obtain a higher value.

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REGULATIONS ON REMOVAL OF UNDERGROUND STORAGE TANKS

It is estimated that there may be up to 20,000 underground storage tanks in the province of Ontario, with some still residing in residential rental properties. While many of these tanks provide safe and reliable fuel storage, as they age there is an increased potential for a variety of problems, such as holes or leaks in fuel lines. There are a number of tanks in the province that have been abandoned or their locations not clearly recorded. Ageing issues associated with these tanks can go undiscovered for months or years and may result in environmental contamination.

The hazards posed by these underground tanks coupled with the high costs associated with fixing them, have prompted most insurance companies to refuse to provide coverage for tanks that are more than 20 years old.

In response to the growing concerns surrounding these safety issues and the potential problems to the environment, the Technical Standards & Safety Authority (TSSA), an independent, not-for-profit company, with the responsibility for the delivery of a range of safety services in Ontario, introduced new provincial regulations in 2001 requiring all underground tanks to be registered with TSSA.

With the implementation of these new regulations distributors cannot supply fuel oil to underground tanks that have not been registered with TSSA. These regulations also call for all fuel oil heating systems to be inspected at least once every 10 years. The inspection process includes all visible components of underground and aboveground tanks, associated piping, venting, and heating appliances such as furnaces, boilers and water heaters. If repairs are needed, they must be completed before the tanks can be filled and used.

The regulations include a phased-in, multi-year program to upgrade or remove underground tanks. If the underground fuel tank was installed:

25 years ago or more The tank must be removed or upgraded by **October 1, 2006**

20 to 24 years ago The tank must be removed or upgraded by **October 1, 2007**

10 to 19 years ago The tank must be removed or upgraded by **October 1, 2008**

Less than 1 year to 9 years ago The tank must be removed or upgraded by **October 1, 2009**

Owners of buried fuel oil tanks must also upgrade these tanks with leak and spill-protection equipment or have the tanks removed.

The first step in complying with these regulations is for owners to register their tanks with TSSA. By registering the tank, TSSA will be able to keep track of the location of underground fuel oil tanks in Ontario. This will help to better protect the environment from possible fuel oil leaks by ensuring that tanks that are in danger of leaking do not receive fuel oil.

To register your tank you must complete an Underground Fuel Oil Application Form and file it with TSSA. The application forms are available at www.tssa.org or by calling the TSSA Fuels Safety Program at 1-877-682-8772. Once the initial step of registration is completed, owners of underground fuel oil storage tanks must abide by the multi-year program outlined above, for the upgrade or removal of those tanks.

Failure to comply with these regulations could result in owners of the tanks facing costs associated with the clean up of contaminated soil or groundwater, should their tank leak. As well, noncompliance with any of the provisions within the regulation would constitute a provincial offence and on conviction the tank owner could face fines or imprisonment.

TSSA is working in co-operation with tank owners to ensure these new regulations can make spills and contamination in Ontario a thing of the past. ■

*Article submitted by:
Technical Standards & Safety Authority
1 (877) 682-8772*

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



20.4%
R.O.I...

AVAILABLE IN OSHAWA 12 Unit Apartment Building

- Asking \$899,000
- Asking \$74,917/Suite
- Fully occupied, low turnover
- Good rental location
- Close to Oshawa Centre
- Corner Lot
- Many capital upgrades in recent years, including Viessmann Boiler & HWT
- 11 x 2 bedrooms
- 1 x 1 bedroom
- 15 outdoor parking spaces
- 15% Downpayment
- 7.6% CAP Rate, 20.4% R.O.I.
- Easy to manage
- Treat mortgages as clear
- Seller will consider VTB to sell



VENDOR
MOTIVATED

AVAILABLE IN TORONTO 18 Units

- Asking \$1,250,000
- Asking \$69,444/Suite
- Fully occupied, some long term tenants
- Well maintained building
- Fire Retrofit complete
- Treat mortgages as clear
- VTB mortgage available with good downpayment
- 6 x Bachelors
- 6 x One bedroom
- 6 x Two bedrooms
- 8.2% CAP Rate
- 22.3% R.O.I.
- Large apartments
- Long term superintendent
- Owner retiring



EXCLUSIVE
LISTING

NEW
ASKING
PRICE

AVAILABLE IN TORONTO 10 Units

- Asking \$800,000
- Close to Humber River Regional Hospital
- Very well maintained
- Many upgrades in 1992
- Rents below market
- Upside potential
- Possibility for one additional unit
- 4 x One bedroom
- 6 x Two bedrooms
- 16.5% R.O.I.
- Treat mortgages as clear
- Possible VTB second mortgage
- Fire Retrofit complete
- Good rental location
- Owner Retiring



\$58,383
PER SUITE

DOWNTOWN TORONTO 24 Suites

- Asking \$1,400,000
- Bloor Street locale
- Some capital expenditures include new windows on north side, painted hallways, boiler in 1998, fridges/stoves
- Fully occupied
- Rents below market
- 8 x Bachelors
- 7 x One bedroom
- 9 x Two bedrooms
- This property being sold 'as is' low price/suite, improvements required, and low CAP Rate
- Treat mortgages as clear
- Seller may consider VTB to sell



EXCLUSIVE
LISTING

AVAILABLE IN OSHAWA Legal 9-plex

- Asking \$595,000
- Asking \$66,111/Suite
- Capital Expenditures include roof, boiler, gas water heater, gas dryer, electric washer, carpets
- Fire Retrofit complete
- Potential for hydro conversion
- 9 x Two bedrooms
- 15% Downpayment
- 8.5% CAP Rate
- 21.9% Return on Investment
- Fully occupied
- Treat mortgages as clear
- Small VTB Mortgage to sell
- View www.skyviewrealty.com for additional pictures



PRICED TO
SELL

AVAILABLE IN TORONTO 11 Units

- Asking \$839,000
- Asking \$76,273/Suite
- Vendor motivated to sell
- Well maintained building
- Good rental area
- Near Gerrard Street E. / Greenwood Avenue
- Separate hydro meters
- 5 outdoor parking spaces
- 1 x Bachelor (non-conforming)
- 6 x One bedroom
- 4 x Two bedrooms
- 8% CAP Rate, 23.1% R.O.I.
- Easy to manage
- Located west of the Beaches
- Treat mortgages as clear
- Possible VTB Second Mtg. To sell



EXCLUSIVE
LISTING

NORTH OSHAWA 20 Units

- Asking \$1,325,000
- Asking \$66,250/Suite
- Well maintained
- Fully occupied
- Many capital upgrades in recent years
- Existing Environmental report available
- 1 x Bachelor
- 7 x One bedroom
- 12 x Two bedrooms
- 15% Downpayment
- 8.3% CAP Rate, 21% R.O.I.
- Existing 1st Mortgage to be assumed
- VTB Mortgage to sell



OWNER
RETIRING

DOWNTOWN WHITBY 11 Units

- Asking \$710,000
- \$64,545/Suite
- Parking lot resurfaced Summer 2004
- Some additional upgrades required
- Potential for 1 additional apartment
- Tenants pay own hydro
- 3 x One bedroom
- 8 x Two bedrooms
- 8.6% CAP Rate
- 23.2% R.O.I.
- Fully occupied
- Some rents below market
- Treat mortgages as clear
- Seller to consider VTB to sell



EXCLUSIVE
LISTING

WEST OF BARRIE Ten-plex

- Asking \$620,000
- Tenants pay own hydro/gas
- Building in good condition
- Potential 2 additional apartments
- Large lot
- For additional pictures, www.skyviewrealty.com
- 6 x One bedroom
- 4 x Two bedrooms
- 15% Downpayment
- 20.7% R.O.I.
- Fully occupied
- Treat mortgages as clear
- Seller will consider VTB to sell

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

THE SKYVIEW TEAM

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.

RECENT SALES BY SKYVIEW REALTY



941 SIMCOE STREET N.

Closed May 2005

This 20-unit apartment building was listed and sold by Skyview Realty Ltd. for \$1,200,000. The buyer assumed an existing first mortgage and facilitated with a small VTB mortgage. Building was fully occupied on closing.



101 MAIN STREET

Closed April 2005

This 46-unit townhouse complex was listed and sold by Skyview Realty Ltd. for \$2,620,000. The building was free and clear on closing. Cash Sale.



385 CONCESSION STREET

Closed April 2005

This 22-unit apartment building was listed and sold by Skyview Realty Ltd. for \$1,299,422 or \$59,064/suite. Building overlooking Hamilton escarpment. Some upgrades were required. Seller provided a VTB for \$350,000 at 5%.



500 MOHAWK ROAD E.

Closed April 2005

This 13-unit apartment building was listed and sold by Skyview Realty Ltd. for \$756,028 or \$58,156/suite. Building located on Hamilton Mountain and was fully occupied on closing. The Seller facilitated the sale with a VTB for \$170,000 at 5% due September 2006.



DOWNTOWN TORONTO

24 Suite Apartment Building

- Asking \$1,400,000
- Asking \$566/250/Suite
- Well maintained
- Fully occupied
- Many capital upgrades in recent years
- Existing Environmental report available
- 1 x Bachelor
- 7 x One bedroom
- 12 x Two bedrooms
- This property being sold 'as is' low price/suite, and low CAP Rate
- Treat mortgages as clear
- Seller may consider VTB to sell



563 QUEEN STREET

Closed January 2005

This 12-unit courtyard bungalow townhouse complex was listed and sold by Skyview Realty Ltd. for \$940,000. A new first mortgage was arranged for 75% of the purchase price and the Seller facilitated with a VTB for 15% of the purchase price at 5% for 5 years.



27 BOLD STREET

Closed February 2005

This 17-unit historical apartment building was listed and sold by Skyview Realty Ltd. for \$925,000. The Seller facilitated the transaction by investing \$25,000 into the buying corporation trading on the TSX. The Buyer assumed existing financing and paid cash to mortgage.



5666-74 TEMPERANCE AVENUE

Closed February 2005

This 11-plex was listed and sold by Skyview Realty Ltd. for \$386,000. The buyer assumed existing financing for \$225,000 at 5.963% and paid cash to mortgage. Some cosmetic improvements and unit upgrades were required.



AVAILABLE IN TORONTO

18 Unit Apartment Building

- Asking \$1,250,000
- Asking \$69,444/Suite
- Located in Parkdale
- Fully occupied, some long term tenants
- Well maintained building
- Fire Retrofit complete
- Treat mortgages as clear
- VTB mortgage available with good downpayment
- 4 x One bedroom
- 6 x Two bedrooms
- 16.5% R.O.I.
- Treat mortgages as clear
- Possible VTB second mortgage
- Fire Retrofit Complete
- Good Rental Location
- Owner Retiring

THINKING OF SELLING? CALL (416) 444-6545 TO SPEAK TO A SKYVIEW REPRESENTATIVE ABOUT LISTING YOUR PROPERTY

We don't just list Apartment Buildings, We Sell them!



COMPANIES AND SERVICES WE RECCOMEND



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

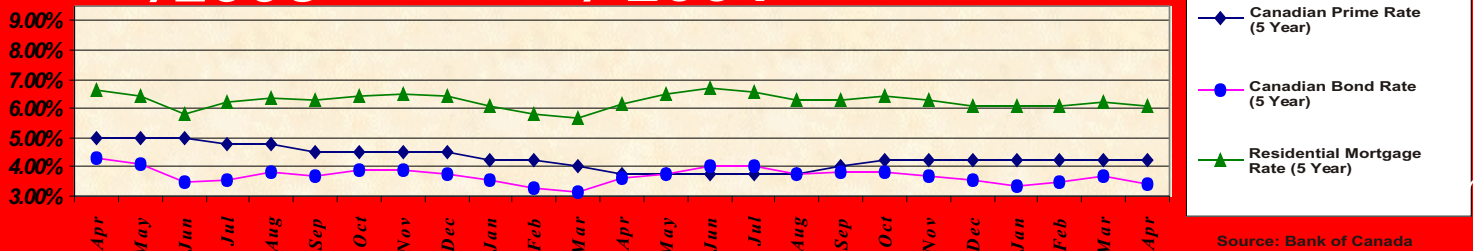
Incorporated under the Trust and Loan Companies Act of Canada

**DON'T FORGET TO CHECK OUT
OUR WEBSITE:**

WWW.SKYVIEWREALTY.COM

*For all of our current listings and the latest
news on the apartment building industry*

Watch on Interest Rates... **/2003 / 2004 / 2005**



DANNY'S CORNER

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...Based on our market evaluation we then determine an asking price which is fair in the marketplace and acceptable to the seller. Our marketing department then prepares a marketing information package to be presented to all prospective buyers in the marketplace. We use various marketing mediums to give the property the best possible exposure. We can virtually guarantee that all prospective buyers interested in this property type will be made aware of the listed property. This is done by our significant investment in our database of people involved in this unique area of real estate. Once people express interest in the listed property, our seasoned sales staff shows them the property, answers any questions they have and assists them with some of their purchasing decisions. Our approach is full disclosure of all facts including not only the good, but also the bad, if it exists.

Once the prospective buyer expresses an interest in purchasing the property, our Broker gets involved to negotiate the agreement of purchase and sale. Our methodology during this process ensures that the seller is fully aware of all details pertaining to the offer, and

that the buyer knows exactly what they are buying. The agreement should outline the process required to get to a successful closing. This process is usually complimented during the due diligence period.

Upon acceptance of the agreement of purchase and sale, our Deal Coordinator takes over to facilitate the transaction to close. This includes assembling a due diligence package, assisting with financing the property, coordinating inspections which may include: appraisers, environmental engineers, structural engineers, lenders and any other party the buyer may want to inspect the property, save and except for government type of employees. Our Broker is still involved to ensure that the transaction moves forward. Once the buyer is satisfied that their questions are answered and decides that this is the right property for them, all conditions are waived allowing the solicitors to take the transaction through to close.

In this issue of Skyviews I have invited the Technical Standards & Safety Authority to discuss the upcoming regulation on underground storage tanks. ■

Danny Iannuzziello, Broker