

DANNY'S CORNER



It's a busy season here at Skyview! We have a number of new listings which you will find in this newsletter, and I welcome you to visit our website for more details.

With the cost of operating apartment buildings ever increasing and tight restrictions on annual rent increases, some can find it difficult to protect the profit margins on their properties. Just as an example, this years' annual rent increase was 1.6% but utilities have risen by more than 5% overall. Every year the margins seem tighter and tighter, but it's not impossible to reverse the trend. Landlords are now turning to new strategies to improve the profitability on their buildings. One of the more efficient means of doing this is through audits of your property's utility consumption. We have spoken in the past about converting buildings to individual hydro meters as a benefit to your bottom line, but owners typically cannot bill individual units for other utilities such as their water usage. The article in this newsletter edition, by Water Matrix, delves into the ways that owners can see better returns through analyzing their water consumption and taking advantage of incentives to become more energy efficient in those areas.

As many of you know, over the past two decades I have been actively involved in Reena Foundation – an organization doing incredible work for individuals with developmental disabilities. Skyview Realty has recently partnered with Reena for their Appliance Replacement Campaign in their 38 group homes. Would you consider participating with us as well? Please visit skyviewrealty.com/skyview_reena.html for more details.

- Danny Iannuzziello

Tapping Into Tenant's Water Use

By David Gargaro and Jordan Edl, Water Matrix

Water costs are continuing to rise. With municipal water rates increasing by as much as 10 per cent year over year in some regions, these hard costs have become a significant concern for owners of multi-unit rental properties. The most staggering statistic is that domestic consumption accounts for 80 to 90 percent of a building's water usage.

In most cases, tenants do not pay for their water usage, and landlords must pick up the tab for the entire building's water consumption. Conservation education and reduction efforts will help to reduce water usage and associated costs, but results depend on tenants' willingness to participate in these programs. Therefore, landlords must find other ways to reduce their buildings' water usage.

Performance monitoring & benchmarking

The first step is to do some basic investigation to determine the building's actual water consumption and associated costs. Examine your building's water bills over the previous two to three years, and calculate your water expenses. Once you have a total per annum cost, divide this number by the number of suites in the building. If the average annual water bill works out to more than \$350 per unit, then it is time to conduct a water audit to determine where to reduce operating costs, as there is a significant likelihood of achieving payback in less than three years.

Make it a habit to regularly monitor and analyze your utility bills, and compare these results over the past two to three years. This will enable you to identify gradual increases or unusual spikes in water usage. New technology can provide real -time monitoring of water usage, but most municipal water meters provide enough data to identify consumption spikes. You should also ensure that staff engage in regularly scheduled maintenance of all water-using equipment.

"Regular maintenance will enable building owners to catch leaks and other prob-

lems," said Jordan Edl of Water Matrix. "Implementing a water conservation program makes good financial sense as well."

Conducting a water audit

A water audit examines a building's water consumption from a number of different perspectives. Consumption can be classified as either non-domestic or domestic. Non-domestic refers to boilers, irrigation systems, pools and water used outside the suite, such as washing underground garages, windows, and walkways. Domestic refers to in-suite water consumption from toilets, showers, dishwashers and taps. A water audit will examine a number of factors, such as current flow rate, water pressure, flush volume and flow rate on taps, and will also measure water lost through leaks and waste.

"We'll compare our findings to the average water consumption figures for similar buildings. We'll also talk to site staff, as they will know about leaks, how often the pool is emptied or topped up, and other water-related issues," said Edl.

Once a water audit has been completed, the auditor can provide recommendations on how to achieve the greatest water savings. This will often include installing lower flow water fixtures, which will reduce overall in-suite water consumption and associated costs. Water-efficient toilets (3 litres is the new standard), low-flow showerheads and sink aerators collectively offer significant opportunities to reduce in-suite water consumption.

Reducing water usage and costs

Advances in water usage technology have greatly increased the efficiency of toilets and sink and showerhead aerators. Compared to toilets and aerators that were popular just five years ago, the newest water-efficient toilets and aerators can reduce overall water consumption by up to 25 per cent. In cases where water-efficient toilets and aerators...

Continued on Page 2

Water Usage - Cont'd from Page 1

...have never been installed in units, water savings can reach 30 to 45 per cent. This means that you will see immediate returns on investment with payback in less than three years.

Municipalities and utilities providers across Canada offer different types of incentive programs to landlords who purchase and install water-efficient devices.

"Although many direct incentive programs have been phased out, some still remain, and some incentives exist as part of other more comprehensive energy savings programs," said Edl.

Conclusion

Water audits offer significant opportunities to identify and reduce the water consumption component of a building's operating expenditures.

Ensure that the auditor provides thorough, comprehensive reports on actual water usage in suites and throughout the building, and can provide recommendations on the best available water usage products post-audit.

"A water audit can help building owners to achieve significant returns on their investment," said Edl. "Working with an auditor who understands landlords' needs,

and what products will meet those needs, can help them to efficiently manage their operating costs."

Article By David Gargaro & Jordan Edl of Water Matrix
(905) 850-8080 ext 233
jordane@watermatrix.com
www.watermatrix.com

PROPERTIES CURRENTLY OFFERED FOR SALE

EAST HAMILTON (Near Stoney Creek) - 293 Suites + Commercial



- Two Buildings (148 & 147 units) with Connected Underground Parking & Approx. 42 Garages with Garage Doors
- Buildings Energy Efficiency Upgrades include New Gas Heating Systems, Gas Hot Water Systems, Separate Hydro Meters & LED Lighting
- Thermal Windows (2008)
- 78 x 1 Bedroom
- 148 x 2 Bedroom
- 62 x 3 Bedroom
- 3 x 4 Bedroom
- 2 x Commercial Unit
- Currently Fully Rented
- Ex. First Mortgage to be Assumed due November 2016
- Buyer to Arrange own Secondary Financing
- Contact Pat, Anne, or Arsalan for More Info

Asking \$31,500,000

ST. CATHARINES



71 Suites

- Asking \$8,450,000
- Asking \$119,014 per Suite
- Located in High Demand Area
- Solid Concrete Construction
- Potential to Increase Rents on Turnover]
- Potential to Reduce Utility Expenses
- All Fire Systems Updated in 2014
- 19 x One Bedrooms
- 47 x Two Bedrooms
- 5 x Three Bedrooms
- Large Apartments
- 5.7% CAP Rate
- 20.1% R.O.I
- Treat as Clear
- Contact Dani Pizzoferato for More Details

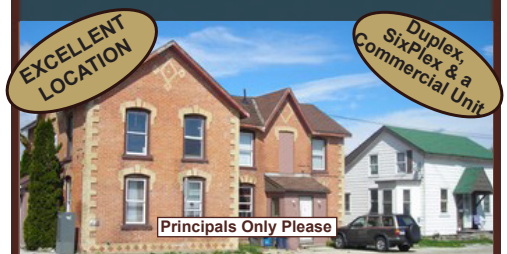
AURORA



9 Suites

- Asking \$2,150,000
- Asking \$358,333 per Suite
- Located in Downtown Aurora
- Property Fronts Onto Yonge Street
- High Efficiency Boilers Installed Approx. 5 Years Ago
- Tenants Pay Their Own Hydro
- 1 x One Bedrooms
- 5 x Two Bedrooms
- Three Commercial Units
- Large Bedrooms
- 4.9% CAP Rate
- 13.5% R.O.I
- Treat as Clear
- Seller Will Hold VTB Second Mortgage
- Contact Dani Pizzoferato For More Details

COLLINGWOOD



8 Suites

- Asking \$799,000
- Asking \$88,778 per Suite
- Located Along Main Commercial Strip Near New Shoppers Drug Mart & Other AAA Retailers
- Tenants Pay All Own Utilities
- Good Re-development Site
- 1 x Bachelor
- 6 x One Bedrooms
- 1 x Two Bedrooms
- 7.2% CAP Rate
- 17.0% R.O.I
- Treat as Clear
- VTB Small Second Available

BRAMPTON

GREAT LOCATION

UPSIDE ON RENTS



Principals Only Please

15 Suites

- Asking \$2,195,000
- Asking \$146,333 per suite
- Located in Great Neighbourhood Close to Schools, Recreation Centre etc.
- Balconies all Re-done in 2014
- Terrazo Hallways
- Tenants Pay Own Hydro
- 2 x Bachelor
- 5 x One Bedrooms
- 8 x Two Bedrooms
- Additional Income Potential Through Parking & Storage Lockers
- 5.0% CAP Rate
- Ex. 1st Mortgage to be Assumed of approx \$1,250,000 @ 3.12% due Dec. 2022

KINGSVILLE

MANY UPGRADES

7.3% CAP



Principals Only Please

27 Suites

- Asking \$3,625,000
- Main Commercial Intersection in Kingsville
- Fully Wheelchair Accessible Building with Ramps & Elevators
- 27 Residential Units Range From 406-2160 Sq. Ft.
- 9 of the Apartments are Newly Added Residential Units with Ensuite Laundry
- 2 x Bachelors
- 6 x One Bedrooms
- 17 x Two Bedrooms
- 1 x Three Bedrooms
- 1 x Four Bedrooms
- 8 Commercial Units Totalling 9,561 Sq. Ft. Approx.
- Turn Key Investment
- 7.3% CAP Rate
- 16.7% R.O.I

GRAND VALLEY

NEAR ORANGEVILLE

24 UNITS



Principals Only Please

Four Six-Plexes on Large Lot

- Asking \$2,390,000
- Asking \$99,583 per Suite
- Nicely Landscaped with Private Driveway & Large Common Parking Lot
- Some of the Units Have Upgraded Flooring, Kitchen Cabinets & Washrooms
- Good Size Units with Upper Level Private Balconies
- 8 x One Bedrooms
- 16 x Two Bedrooms
- Grand Valley is About a 10 Minute Drive West of Orangeville
- 6.5% CAP Rate
- 14.4% R.O.I.
- Ex. 1st Mortgage to be Assumed Due December 2022 Bearing Interest at 3.37% per Annum

LONDON

NEWLY RENOVATED

GOOD UPSIDE ON TURNOVER



Principals Only Please

24 Suites

- Asking \$1,895,000
- Asking \$78,958 per Suite
- Short Drive to University of Western Ontario & Fenshawe College
- Four Storey Walk-up
- Clean & Well Maintained
- Attractive Low Rate VTB to Coincide With Maturing of 1st Mortgage
- 1 x Bachelor
- 3 x One Bedrooms
- 20 x Two Bedrooms
- 5.1% CAP
- 15.0% R.O.I.
- Ex. 1st Mortgage of Appox. \$890,000 @ 5.433% due Aug 2017 to be Assumed

KITCHENER

VTB 1ST AVAILABLE

UPSIDE ON TURN



Principals Only Please

15 Suites

- Asking \$1,349,900
- Asking \$99,783 per Suite
- All Two Bedroom Units
- Possibility to Convert Hydro to Individual Meters
- No Elevator, Underground Parking or Balconies to Maintain
- Kitchener Consistently Rated As Top Investment City
- Owned by Same Family For More Than 25 Years
- 15 x Two Bedrooms
- Located in Nice, Residential Neighbourhood
- Improvements Include Low Flow Toilets & New Tiles in Bathrooms
- 4.9% CAP Rate
- 19.9% R.O.I
- Treat as Clear

ORILLIA

GREAT LOCATION

MATURE TENANTS



Principals Only Please

18 Townhouses

- Asking \$2,295,000
- Asking \$99,783 per Suite
- Great Older Superintendant Couple
- Large Apartments with Large Bedrooms
- Possibility to Convert Hydro to Individual Meters
- Solid Concrete Construction
- 3 x Bachelor
- 9 x One Bedrooms
- 11 x Two Bedrooms
- 5.25% CAP Rate
- Ex. 1st Mortgage must be Assumed.
- Second Mortgage may be Assumed by Buyer
- Seller is a Registered Real Estate Broker

CLARINGTON

A MUST SEE

PRICE REDUCED!



Principals Only Please

7 Suites + Mansion

- Asking \$1,395,000
- Gorgeous Century Mansion on 4 Acres with 7 Legal Apartments
- Cabana by the Pool
- Main house is Approx. 5,000 Sq. Ft. including a 700 Sq. Ft. Solarium
- Beautifully landscaped
- 7 x 1 Bedroom
- 1 x 5 Bedroom
- A unique investment opportunity, with future development potential.
- Town has said that this property lies within the urban boundary - Buyer to do their own Due Diligence.

LONDON

WELL MAINTAINED

FINISHED LOWER LEVELS



Principals Only Please

18 Townhouses

- Asking \$2,425,000
- Asking \$134,722 per Suite
- Tenants Pay Heat/Hydro & Possible to Charge Water
- 3 Bedroom Units Have Full Bath & 2 Powder Rooms
- 2 Bedroom Units Have Full Bath & 1 Powder Room
- Each Townhome has Wood Burning Fireplace & Patio
- 12 x Two Bedrooms
- 6 x Three Bedrooms
- Each Townhome has Own High Efficiency Furnace & Hot Water Tank
- Newer Shingled Roofs
- 12.6% R.O.I
- Treat Financing as Clear

GRIMSBY

CONDO STATUS

BUILT IN 1995



Principals Only Please

7 Townhouses

- Asking \$1,275,000
- Asking \$182,143 per Suite
- Brick Construction Which Includes Decorative Corner
- Each Townhome with Full Basement, A/C, Furnace & Hot Water Tank
- 7 x Three Bedrooms
- Parking Lot at Rear of Buildings
- In Area of Newly Developed Homes
- Currently Fully Rented
- Veranda for Each House
- 5.0% CAP Rate
- 13.2% R.O.I
- Treat Financing as Clear

industry report



SKYVIEW'S
RECOMMENDED
SERVICES

Michael Lombard
Vice-President
Regional Manager - Ontario



Telephone: 416.368.3266
Facsimile: 416.368.3328
michaell@peoplestrust.com
www.peoplestrust.com

Citigroup Place
Suite 901
123 Front Street West
Toronto ON M5J 2M2

"Innovative Financial Products with Exceptional Client 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

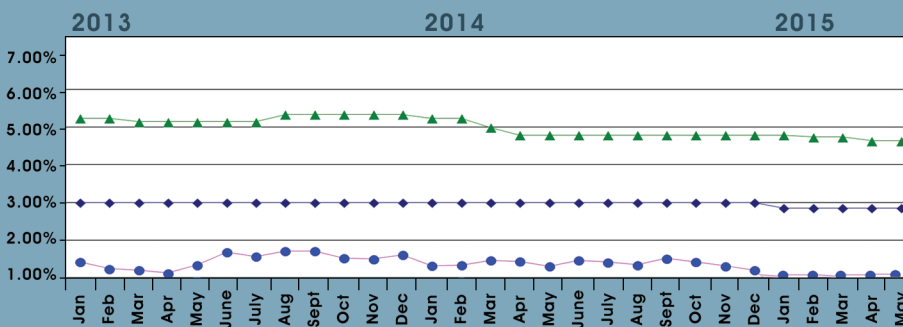
We Have Buyers!

MULTI-UNIT RESIDENTIAL - RECENT TRANSACTIONS

80 South Forester Park Dr., 288 Oakwood Cres., Oakville	May 21, 2015	31 Units @ \$179,032	\$5,550,000
5-7 Thorburn Ave., Toronto	May 14, 2015	25 Units @ \$93,600	\$2,340,000
25 Fisherville Rd., Toronto	Apr. 30, 2015	214 Units @ \$199,883	\$42,775,000
12 Bater Ave., Toronto	Apr. 21, 2015	50 Units @ \$171,000	\$8,550,000
45 Charlton Ave. W, Hamilton	Apr. 17, 2015	46 Units @ \$95,000	\$4,370,000
190 Jameson Ave., Toronto	Apr. 10, 2015	62 Units @ \$138,710	\$8,600,000
461 Maple Ave., Kitchener	Mar. 31, 2015	12 Units @ 98,792	\$1,185,000
27 Paisley Blvd E, Mississauga	Mar. 30, 2015	9 Units @ \$188,889	\$1,700,000
1809 Lawrence Ave. W, Toronto	Mar. 26, 2015	29 Units @ \$127,586	\$3,700,000
1 East 35th St., Hamilton	Mar. 26, 2015	12 Units @ \$95,000	\$1,140,000
2170 Lakeshore Rd., Burlington	Mar. 18, 2015	46 Units @ \$175,000	\$8,050,000
586 Victoria St. S, Kitchener	Mar. 17, 2015	11 Units @ \$85,591	\$941,500
98 Leuty Ave., Toronto	Mar 9, 2015	15 Units @ \$211,333	\$3,170,000
618 Evans Ave., Etobicoke	Feb. 27, 2015	25 Units @ \$116,000	\$2,900,000
10 Maynard Ave., Toronto	Feb. 27, 2015	19 Units @ \$151,316	\$2,875,000
56 Cavell Ave., Toronto	Feb. 27, 2015	6 Units @ \$193,333	\$1,160,000
124 River Rd., Bracebridge	Feb. 24, 2015	23 Units @ \$93,043	\$2,140,000

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

Summer 2015

PUBLICATION:

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

ADVERTISING:

For advertising rates and article suggestions, please contact the marketing department or email info@skyviewrealty.com

PRIVACY:

Please refer to our website for our Privacy Policy Statement. If you wish to be removed from our mailing list, kindly advise us by fax, e-mail or telephone.

THE SKYVIEW TEAM

419-220 Duncan Mill Rd., Toronto, Ontario M3B 3J5
(416) 444-6545 Fax: (416) 444-6997
Email: info@skyviewrealty.com
www.SkyviewRealty.com

All information furnished regarding this newsletter or information contained herein, including submitted articles, is from sources deemed reliable, but no warranty or representation is made as to accuracy thereof and the reader is advised to seek independent legal, accounting, or any other consulting advice as may be deemed necessary. Any property information may not be used in advertising on any third-party platforms without the written consent of Skyview Realty Ltd. Brokerage



SKYVIEW
REALTY LTD., BROKERAGE

