

# The Mysak Report

Dedicated to Apartment Building Sales

Winter 2011

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## Safety Risks in Apartment Buildings

Apartment building owners and managers are responsible for the safety and security of their residential buildings. As a result, it is a good idea that they are aware of the safety risks that are present and can impact their buildings. Some of the typical areas that should be addressed in any assessment include; common areas, hallways, stairwells, access routes, parking lots, as well as any service rooms. The most common claims that occur are when a tenant trips and falls, therefore it is important that all areas at risk for this type of accident are closely monitored and repaired immediately to prevent such an occurrence.

Fire Safety in apartment buildings is a

major responsibility for owners and managers alike. Regular testing of fire alarms, sprinklers, and fire safety equipment such as fire extinguishers are required by law. Also, making sure that both carbon monoxide detectors and smoke alarms are in good working order is a must in order to ensure the safety of all tenants. Environmental risk is another area that should be monitored and periodically reviewed. Some of the major environmental concerns consist of asbestos, underground oil tanks and soil contamination. For further information on environmental concern please refer to the article on the next page.

Energy efficiency in apartment buildings has become a greater concern to

owners. They key areas are hydro and water usage, as well as waste reduction. To reduce your hydro costs use energy efficient light bulbs in common areas and have your outside lights on timers. Low flush toilets are a fantastic investment and are well worth their cost. Save on your garbage costs by making recycling easy for your tenants. Provide them with more recycling containers and encourage them to go "green" and play their part in saving the earth.

## Are you considering selling?

We are always actively looking for new properties. If you or anyone you know is considering selling, please call us at 416-767-5500 or send us an email at [info@mysakrealty.com](mailto:info@mysakrealty.com).

## FOR SALE - Toronto West



### TORONTO, 18 Units Asking \$1,695,000

Clean and quiet low-rise, situated just west of the Heart of Downtown Toronto. Consisting of 6 - bachelors, 6 - 1 bedrooms and 6 - 2 bedrooms. Large, spacious and newly renovated bachelor units with hardwood floors throughout. Building has on-site

laundry facilities, TTC at the front door, close to all amenities with a grocery store and school located directly across the street.

## FOR SALE - Hamilton



### HAMILTON, 146 Units Asking \$7,950,000

14 storey High Rise, 7.5% Cap Rate!! Bring all offers!!! Built in the 1970's. Consisting of 13 - bachelor units, 106 - 2 bedroom units and 26 - 3 bedroom units. Windows were replaced in 2007, hydro paid by tenants, underground parking. Call our office for an Investment

Information sheet and Rent Roll or to book a walk through of the building.

**ARE YOU THINKING OF SELLING?**

**DO YOU KNOW SOMEONE WHO IS?**

**PLEASE CONTACT US**

**Joe Mysak**

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**Website: [www.MysakRealty.com](http://www.MysakRealty.com)**

## Industry Professionals

### Accountant

Sandy M. Feld, B.Comm.  
3089 Bathurst St. Suite 319  
Toronto, ON M6A 2A4  
416-789-4846

## OUR MISSION STATEMENT

We are a powerfully united team dedicated to apartment building sales and passionately committed to helping our clients achieve their real estate goals, by telling them the truth and using our proven non-traditional selling methods.

## How does an Environmental Site Assessment impact My property?

The Environmental Site Assessment (ESA) is a standard condition on all multi-family purchase and finance agreements, but many owners and even some real estate professionals do not know what they are.

An ESA is the primary due diligence tool for assessing the environmental condition of a property, and thereby protecting the parties in a transaction against environmental liability. In Ontario, ESA's are performed to guidelines set by both the Ministry of Environment and CSA Standard Z768-01 & Z769-00

The ESA answers two questions:

1. What is the "likelihood" of contamination on, in, or under the property?
2. If contaminated, can it's "location and concentration" be verified?

To answer these questions different types of ESA's are used. The "Phase 1" ESA answers the first question, while the "Phase 2" ESA answers the second.

Think of an ESA as being a CSI investigation, but instead of examining a body, the ESA examines a property and instead of looking for evidence of a crime, it looks for evidence of environmental contamination.

A Phase 1 ESA report involves:

1. **Review Records** (surveys, deeds, aerial photos, reports of spills)
2. **Conduct Interviews** (owners, neighbours, and employees)
3. **Do Site Reconnaissance** (look for physical evidence of contamination).

The evidence is then evaluated by an environmental engineer who signs the Phase 1 report. If contamination is "suspected", then a Phase 2 ESA will be recommended to test the soil, groundwater and even the indoor air at a property. If contamination is then found and it is above the legal provincial standards, then the Phase 2 report will recommend performing a Phase 3 ESA, or "Site Remediation" to clean-up the property.

In Ontario new environmental legislation regarding ESA's will become law on July 1, 2011. The new legislation is designed to both strengthen and streamline the ESA process, and will undoubtedly result in more Phase 2 investigations and more Phase 3 site clean-ups.

Industry leaders in multi-family financing, such as First National Financial LP, recognize that there could be some impact to the sector. According to Dru McAuley, Assistant Vice President of Commercial Lending

at First National, "We pay close attention to ensure a property is compliant with the new legislation that becomes effective July 1, 2011. For properties that have never been contaminated there should be minimal impact, if any. However, on contaminated sites, the potential to lengthen the remediation process is there and both borrowers and lenders should recognize this when considering new business."

Final thoughts: Although rare, environmental issues can seriously impact a property sale or refinance. Therefore, it's strongly recommended that you use only a licensed, lender-approved environmental engineering firm that has experience in preparing ESA's.

*Fisher Environmental Ltd. has provided integrated environmental solutions for the real estate industry since 1989. Services include environmental site assessments and remediation, property and building condition assessments, laboratory testing of designated substances such as asbestos and mould, and emergency response. Contact Fisher at 905-475-7755 or via e-mail [fisher@fisherenvironmental.com](mailto:fisher@fisherenvironmental.com)*

### FOR SALE - Hamilton



**HAMILTON, 14 Units**  
**Asking - \$648,000**  
 Phenomenal 8% Cap Rate!  
 Converted Victorian mansion within walking distance to downtown. 4 - 2 bedroom units, 6 - 1 bedroom units and 4 bachelor units. Large 60' x 160' lot. Parking for 12 cars. Newer furnace/boiler. Most units have been renovated. 2 basement units are not registered. Most apartments are individually metered for Gas and Hydro.

### FOR SALE - South Etobicoke



**SOUTH ETOBICOKE, 34 Units Asking \$2,800,000**  
 Fabulous opportunity to own two separately registered 3 storey walk up buildings in an excellent residential neighborhood. Close to shops, parks, Humber College and all amenities. 1 - bachelor unit, 18 - 1 bedroom units, 15 - 2 bedroom units. Most of the units have been updated, building retrofitted in 2002, tenants pay hydro, laundry facilities on site.

### Join Our E-Mail Updates

Sign up today to start receiving Market Updates, Exclusive Apartment Building Listings, Recently Sold Properties and Helpful Landlord Information directly to your inbox. Send us an E-Mail to [info@mysakrealty.com](mailto:info@mysakrealty.com) or call us at 416-767-5500 today!

*Visit our website at [www.MysakRealty.com](http://www.MysakRealty.com) for newly listed investment opportunities and Market Information*

## FOR SALE - Toronto East



**TORONTO, 68 Units, Asking \$4,900,000**

37- 1 bedroom units, 30 - 2 bedroom units and 1 - 3 bedroom unit. Same owner for over 30 years. Close to all amenities, located on a major street for excellent rental sign exposure. There's a bus stop just a few feet from the front entrance,

Laundry facilities on site, Fire retrofit complete, Huge 201' x 336' lot with Ample parking, New condominiums right across the street. Call our office for an Investment Information sheet and Rent Roll.

## FOR SALE - Toronto West



**TORONTO, 14 Units plus 3 commercial Asking \$2,100,000**

Fantastic Property with business and Restaurant with LLBO for 40 seats. Price includes chattels and goodwill worth over \$300,000. Residential consists of 1 - bachelor unit, 5 - 1 bedroom units and 8 -

2 bedroom units. Built in 1955 with older addition, Lot size 161' x 100' plus another of 30' x 80' parcel, Fire retrofit complete. Call our office today for an 8 page information package.

### SOLD in Fall 2010

166 Queens Dr., Toronto	11	11 units @ \$104,091/unit	\$1,145,001
92 Chandler Dr., Toronto	11	11 units @ \$72,000/unit	\$792,000
108 Creighton Rd., Hamilton*	18	18 units @ \$75,000/unit	\$1,350,000
12-20 Water St. S., St. Mary's	19+4	23 units @ \$62,391/unit	\$1,435,000
14-16 Anglesey Blvd., Toronto	24	24 units @ \$114,583/unit	\$2,750,000
120 Colborne St., Brantford	39+5	44 units @ \$90,909/unit	\$4,000,000
922 Glen St. Oshawa*	40	40 units @ \$56,375/unit	\$2,255,000
75-79 Dalhousie St., Brantford	42+5	47 units @ \$85,106/unit	\$4,000,000
161 Church St. E., Brampton*	61	61 units @ \$98,000/unit	\$5,978,000
2103 Prospect St., Burlington*	64	64 units @ \$111,719/unit	\$7,150,000

\* Source of Info RealTrack



- ◆ Phase I and II Environmental Site Assessments, Tank Removals
- ◆ Building Condition Assessments, Property Condition Assessments
- ◆ Designated Substances (Asbestos, Lead, Silica, Mercury, PCB's...)
- ◆ Indoor Air Quality (Mould and Asbestos)

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E-mail: fisher@fisherenvironmental.com  
www.fisherenvironmental.com**

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### SOLD - BRANTFORD



**SOLD NOV. 2010, 39 Units plus 5 stores**  
Immaculate property in Harmony Square.

### SOLD - ST. MARY'S



**SOLD JAN. 2011, 19 Units + 4 stores**  
Converted Opera House, backs onto river.

### SOLD - TORONTO



**SOLD FEB. 2011, 9 Units** Charming property in busy King West location

### FOR SALE - Toronto West



**TORONTO 14 Units, Asking \$895,000**

Licensed Rooming house in desirable King West location consisting of 11 bachelor units 3 - 1 bedroom units. Property in excellent condition. Easy rental area close to shopping, public transit and all other amenities. New roof in 2008, still under warranty.

Call or email our office for further information or to book an appointment to view the property.

### FOR SALE - Hamilton Mountain



**HAMILTON 12 Units, Asking \$635,000**

Panoramic view of Hamilton and the Lake! 11 - 1 bedroom units, 1 - bachelor unit. Structurally sound with all brick work re-done in 2010. Clean environmental report available. Corridor walls, doors and flooring recently painted and refurbished. Most rents

are below market value. Great upside potential to increase rents. Call or email our office for further information.

### Our Team ...



Joe Mysak,  
Broker of Record



Matt Mysak,  
Broker



Elizabeth Kaupe,  
Sales Representative



Tony Giniotis,  
Broker



Ashley Lapier,  
Deal Manager &  
Marketing Director



Melissa Pinto,  
Reception & Research Department

### ADVERTISING

For advertising rates or to write an article for our newsletter, please contact our office via e-mail, [info@mysakrealty.com](mailto:info@mysakrealty.com)

### PUBLICATION

Our newsletter is published Quarterly and is mailed to over 16,000 Owners, Managers and Potential Purchasers

### PRIVACY

We respect your privacy, If you wish to be removed from our mailing list, please contact our office via e-mail, regular mail or by phone.



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