

The Mysak Report

Dedicated to Apartment Building Sales

Spring 2011

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Billboard Advertising-Silent Tenant

Wall mounted, rooftop or free standing advertising billboards can provide an excellent source of income for a property owner. Having a billboard on your property is similar to having tenants living in your property without all the hassles that come with being a landlord. The billboard company will pay you a monthly fee, depending on the terms of the contract, in exchange for your space; in addition they are responsible for all maintenance. Municipal permissions and permits may be required. Potential advertisers should therefore be expected to deal with the approval

process in order to obtain the right to install the signage. Also, when considering a signage lease, a skilled commercial realtor should be able to negotiate the maximum revenue attainable over the course of the lease term. Some of the key elements to determining the amount of revenue the signage will generate depend on two main aspects which are location and exposure to traffic.

As mentioned earlier, one of the many upsides to billboard advertising may very well be the sign company's responsibility for all maintenance pertaining to the signage. For instance, when a rooftop installation is

chosen, in most cases a flat roof, the property owner is relieved of the significant expenses of the roof maintenance.

Overall, billboard advertising should be considered when purchasing main street real estate with good exposure to major highways and high traffic intersections. Billboard revenue provides a cost effective alternative to adding on to, or renovating a building in order to increase its income or resale value. It is truly a silent tenant that increases your bottom line.

FOR SALE - Oakville



OAKVILLE, 48 Units Asking \$5,300,000

PRIME location. Pride of Ownership throughout! Potential to increase income. Built in 1953. Consisting of 2 - Bachelor units, 6 - 1 bedroom units and 40 - 2 bedroom units. Environmental report available upon request.

Call our office for an Investment Information Sheet and Rent Roll or to book an appointment for viewing.

FOR SALE - Barrie



BARRIE, 27 Units Asking \$2,390,000

North part of Barrie in good rental area, seldom a vacancy. Well maintained building on a very large lot. Potential to increase income! Consisting of 11 - 1 bedroom units, and 16 - 2 bedroom units. Laundry facilities on-site. Roof redone in 2003. Environ-

mental report available. Call our office for an Investment Information Sheet and Rent Roll or to book a viewing.

ARE YOU THINKING OF SELLING?

DO YOU KNOW SOMEONE WHO IS?

PLEASE CONTACT US

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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.

2011 Market Overview

As the 2011 market begins to unfold, changing economic, political and social trends and influences continue to impact the multi-unit residential sector. Following the mass construction phase of the 1950's to early 1970's, the implementation of rent controls in the mid 1970's, the speculative run-up of the 1980's, the debt induced reckoning of the first half of the 1990's, the implementation of vacancy decontrol in 1998 and the emergence of rental market equilibrium in the early 2000's, the apartment market has matured into a new phase. As a general overview, the following commentary reviews current issues affecting the apartment market.

According to CMHC it has been projected that the rental market will stabilize in 2011 with the vacancy rate edging down to 2.0%. CMHC further projected that a continuation of relatively tight conditions and low rental mobility will push average rents up by about 1%. Over the past several years apartment investors have faced the implementation of the value based property tax system (CVA), broad variations in natural gas prices, the deregulation and reregulation of Ontario's hydro market, the amalgamation of municipal water providers, imposition of waste

removal charges as well as the imposition of HST. While volatility in utility pricing has become an accepted reality, astute operators have invested in measures and technologies to monitor and control these costs. Moreover, market participants have adopted practices that reflect a deeper understanding of these components.

With the arrival of fall 2009, a view that catastrophe had been averted and that the worst of the crisis was over appeared to have been emerging. While there was an expectation that apartment capitalization rates would succumb to broader upward pressures, deals done in the late spring, summer and fall of 2009 reflect rates that only tilt toward the upper ranges prior to the crisis. By the winter of 2010, normal trading volumes had resumed and apartment market participants seemed as confident as ever. With the arrival of fall 2010, concerns about a 'double dip' recession were gaining momentum. However, stakeholders may well take heart knowing that the fundamental strength of this sector has been tested and proven.

As the 2011 market begins to unfold, it appears that a combination of forces will continue to reshape the conventional apartment market. In the shorter-term, pessimistic investors remain

spooked and will likely linger on the sidelines. However, optimistic investors will be encouraged by the apartment market's traditional strengths and in particular, its stability. To put this in perspective, 45 year old concrete apartment buildings look very attractive at a time when the global financial system teeters on the edge of meltdown.

Looking forward, conventional apartment fundamentals including the firming of the rental market and the availability of low-rate financing are favorable. While a variety of challenges continue to arise, owners remain in an enviable position perhaps more so in the current environment.

Article provided by:
Sanford Mandel & Associates Inc
Sanford Mandel

Are you considering selling?

We are always actively looking for new properties to sell. If you or anyone you know are considering selling, please call us at 416-767-5500 or send us an email to info@mysakrealty.com.

FOR SALE - Toronto



TORONTO, 12 Units
Asking \$1,375,000
A Must See!! Completely renovated units with granite countertops. Open concept 1 bedroom units. Corner property located on a Major Street which makes for easy rental advertising. Many upgrades, very well maintained, seldom a vacancy.

Consisting of 1 - bachelor unit, and 11 - 1 bedroom units. 58' x 108' lot. Laundry facilities on-site.

FOR SALE - Hamilton



HAMILTON, 14 Units Asking \$595,000
Phenomenal 8.9% 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.

Visit our website at www.MysakRealty.com for newly listed investment opportunities and Market Information

FOR SALE - Toronto West



TORONTO, 58 Units, Asking \$4,390,000

2 - Bachelor units, 27 - 1 bedroom units, 29 - 2 bedroom units. 8.1% Best Cap Rate in the City! Units have been renovated as they have become vacant. Located across from Fairbank Memorial school. Property has 2 separate

buildings on one Deed. Master lock and key. Property needs some TLC. Call our office for an Investment Information sheet and Rent Roll.

FOR SALE - South Etobicoke



SOUTH ETOBICOKE 34 Units, Only \$2,798,000

Fabulous opportunity to own two separately registered 3 storey walk up buildings in an excellent residential neighborhood. Close to the lake, shops, parks, public transportation and all amenities. 1 - bachelor unit, 18 - 1 bedroom

units, 15 - 2 bedroom units. Most units have been updated, building retrofitted in 2002, newer windows, tenants pay hydro and laundry facilities on site. Call our office for further information.

FOR SALE - Oshawa



OSHAWA, 9 Units Asking \$925,000

A REAL GEM! Worry free for years to come. Consisting of 1 - 1 bedroom unit and 8 - 2 bedroom units. Totally updated with new windows, newer roof membrane, new wiring including cable and Internet in all units, security system, separate hydro meters, huge balconies, newer appliances in each unit. Call our office for an Investment Information Sheet and Rent Roll or to book a viewing.

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FOR SALE - Central London



LONDON, 44 Units Asking \$2,050,000

Beautiful property in London, Ontario. Located on 1.06 Acres of Land. Pride of ownership throughout. 20 - bachelor units, 24 - 1 bedroom units. Thermal windows, Close to Hospital and downtown

London. Some tenants are from Western University and Fanshawe College. 7.6% Cap Rate. Call our office for an Investment Information sheet and Rent Roll.

SOLD in Winter 2011

89 Neptune Dr, Toronto*	11	11 units @ \$109,107/unit	\$1,200,180
94 Cowan Ave., Toronto	14	14 units @ \$63,571/unit	\$890,000
1499-1501 King St. W., Toronto	14	14 units @ \$82,142/unit	\$1,150,000
8 Hector Ave., Toronto	17	17 units @ \$71,176/unit	\$1,210,000
1384-1386 King St. W., Toronto	18	18 units @ \$94,444/unit	\$1,700,000
2381 Marine Dr., Oakville*	37	37 units @ \$131,676/unit	\$4,872,000
200 Cosburn Ave., Toronto*	43	43 units @ \$87,930/unit	\$3,781,000
333 Dixon Rd., Toronto*	55	55 units @ \$99,091/unit	\$5,450,000
1255 Birchmount Rd., Toronto	68	68 units @ \$60,147/unit	\$4,089,998

* Source of Info RealTrack

The 2011 Residential Rent Increase Guideline is 0.7%

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 or call us at 416-767-5500 today!

PORTFOLIO SALE - DOWNTOWN PETERBOROUGH



PETERBOROUGH 39 Units, Asking \$4,200,000 Property consists of 3 townhouse complexes (26 units), 1 duplex and 1-11 suite apartment building. 7.1% Cap Rate. New roofs, new kitchens & baths. Ample parking, Laundry facilities on site, Good Tenant profile-mostly students

FOR SALE - Central London



LONDON 12 units, Asking \$795,000

Immaculate Condition, Turnkey Investment with Phenomenal cash flow. 7.7% Cap Rate. Great location with Pride of ownership throughout. 7 - 1 bedroom units, 5 - 2 bedroom units. Thermal windows, laundry facilities onsite, ample parking. Good Tenant profile with some tenants from Western University and Fanshawe College. Call our office for an Investment Information sheet and Rent Roll.

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FOR SALE - Central London



LONDON 38 Units, Asking \$2,595,000

Fantastic Money Maker, 7.5% Cap Rate. Pride of ownership throughout. 18 x 1 bedroom units, 20 x 2 bedroom units. 70% of units have been renovated, most units have energy efficient appliances, upgraded security system, newer furnace, Thermal windows, ample parking. Call our office for an Investment Information sheet and Rent Roll.

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Our Team ...



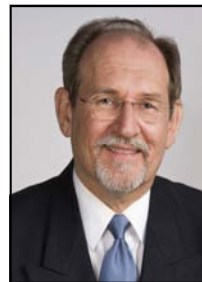
Joe Mysak,
Broker of Record



Matt Mysak,
Broker



Elizabeth Kaupe,
Sales Representative



Tony Giniotis,
Broker



Ashley Lapier,
Deal Manager &
Marketing Director



Melissa Pinto,
Reception & Re-
search Department

ADVERTISING

For advertising rates or to write an article for our newsletter, please contact our office via e-mail, 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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