

RECENT SALES 2015 - RENTAL APARTMENT BUILDINGS

<p>1477 Wilson Avenue, North York – a 42 suite building located east of Jane Street. Closed on December 14, 2015 at \$5,040,000 or \$120,000 per suite. Cap Rate of 4.4%</p>	<p>35 Greenbrae Circuit and 750 Morningside Avenue, Scarborough - 2 buildings of 165 suites located east of McCowan Road and south Hwy 401. Closed on Nov 27, 2015 at \$27,050,000 or \$115,106 per suite. Portfolio sale.</p>
<p>77 Parkwoods Village Drive, North York - a 85 suite building located south of Hwy 401 and west of Victoria Park Avenue. Closed on December 1, 2015 at \$13,400,000 or \$157,647 per suite. Cap Rate of 4.2%</p>	<p>7110 Darcel Avenue and 3045 Queen Frederica Drive, Mississauga - 2 buildings of 248 suites (116 and 132 each) located in the area of Toronto Pearson Airport. Closed on Nov 27, 2015 at \$47,993,977 or \$193,524 per suite. Two buildings.</p>
<p>3480 Havenwood Drive and 1485 Williamsport Drive, Mississauga - a 262 suite building located north of intersection of Bloor Street West and Dixie Road. Closed on Nov 27, 2015 at \$50,250,000 or \$191,794 per suite.</p>	<p>2-10 Wycombe Road and 1385-1395 Sheppard Avenue West, North York - 4 buildings of 120 suites (40 suite each) located south of Sheppard Ave W and west of Keele Street. Closed on Oct 9, 2015 at \$18,000,000 or \$150,000 per suite. Cap Rate of 4.1%</p>
<p>2292 Weston Road, Toronto - a 64 suite building located south of Hwy 401 and of west Jane Street. Closed on Nov 27, 2015 at \$10,215,000 or \$159,609 per suite.</p>	<p>141 Main Street South, Brampton - a 66 suite building located west of Hwy 410 and Hwy 407 intersection. Closed on Oct 23, 2015 at \$10,000,000 or \$151,515 per suite. Cap Rate of 4.3%</p>

Source: Marsh Report

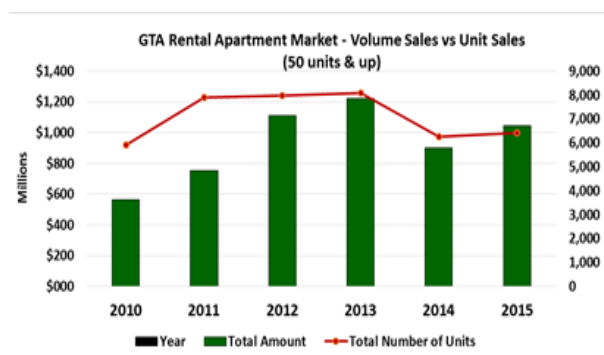


INDUSTRY COMMENTARY:

Rising Dollar Volume and Average Unit Price in GTA Rental Apartment Sector

Approximately 7,100 residential rental units in buildings of 50 units or greater, have been trading in the GTA every year since 2010 (average 7,092 units) in an average of 43 trades per year. The total capital dollars has been increasing rapidly from \$563 million in 2010 up to \$1.05 billion in 2015.

[Click here for more information](#)



Source: Marsh Report



LIFE LESSONS at PETRUS COMMERCIAL REALTY CORP - Lesson #71

Here are some beautifully simplistic quotes about life from little philosopher Winnie The Pooh who was created by English author Alan Alexander Milne. We hope they brighten your day!

"You are braver than you believe. Stronger than you seem. And smarter than you think."

"If there ever comes a day when we can't be together, keep me in your heart, I'll stay there forever."

"Some people care too much. I think it's called love."

"Weeds are flowers, too, once you get to know them."

"If the person you are talking to doesn't appear to be listening, be patient. It may simply be that he has a small piece of fluff in his ear."

"Sometimes the smallest things take the most room in your heart."

Source: A. A. Milne, English author (1882–1956)
The book "Winnie-the-Pooh"



INDUSTRY COMMENTARY:

Rising Dollar Volume and Average Unit Price in GTA Rental Apartment Sector

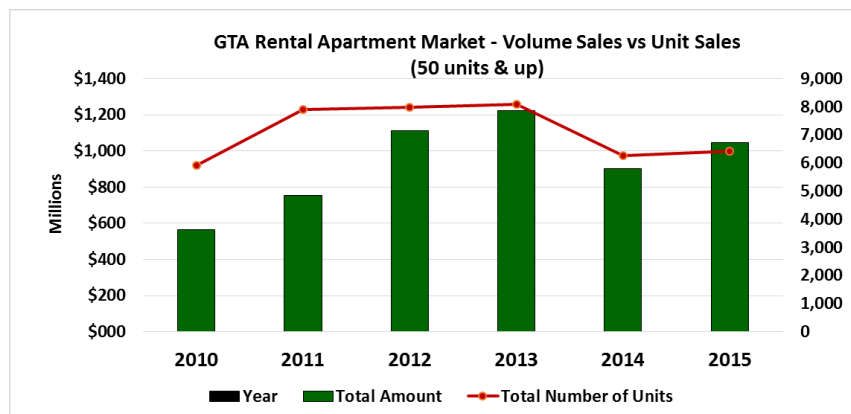
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The appeal for the asset class is obvious not only in the volume of trades but also in the rising average price per suite of \$95,161 in 2010 rising up to \$163,364 in 2015. A similar pattern is also evident in smaller buildings of 10 to 49 units. Good market fundamentals have made the asset class attractive to the investors who benefit from a strong renter demand, low vacancy and rising rental rates on new renters' rollover that are influenced in part by the rising down payment of home ownership, strong GTA economy, and local immigration.

Buyer /Demand investors see the long term benefit in the asset class and will justify pricing with the low interest rate environment and the need to constantly increase the portfolio for tax deferral reasons in addition with their ability to absorb yet one more asset at a minimal increased management cost while using the existing management platform in self-managed building.

Vendor / Supply of sale volume has mainly been for strategic reasons such as estate planning, management issues, capital cost repairs requirement but rarely for profit taking as the after tax trading costs and reinvestment challenges make a sale relatively costly in short term holding patterns. The number of mortgage defaults has been sporadic over the period.

Above 50 Units	2010	2011	2012	2013	2014	2015
Total Number of Units	5,916	7,894	7,985	8,081	6,262	6,413
Total Amount	\$562,972,895	\$754,006,762	\$1,111,411,812	\$1,224,371,670	\$901,241,456	\$1,047,654,636
Price per Suite Average	\$95,161	\$95,516	\$139,187	\$151,512	\$143,922	\$163,364
Total Number of Trades	41	46	50	52	36	31



10 to 49 units Units	2010	2011	2012	2013	2014	2015
Total Number of Units	1,357	1,292	1,568	1,080	928	983
Total Amount	\$129,624,300	\$130,520,181	\$183,086,459	\$145,468,500	\$127,461,108	\$146,358,200
Price per Suite Average	\$95,523	\$101,022	\$116,764	\$134,693	\$137,350	\$148,889
Total Number of Trades	61	56	71	57	40	45

Source: Marsh Report