

# Business Real estate

## Condo owners push for 'divorce'

By JOHN STEWART  
Times staff writer

There's a condominium "divorce," probably the first of its kind in the province, about to occur in Meadowvale West.

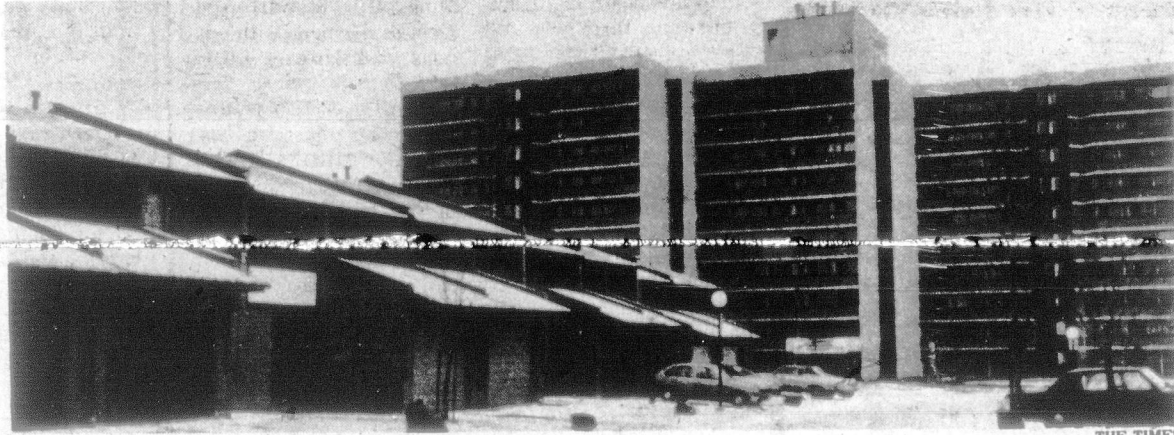
The owners of 43 townhouses in the Derryglen development, at Derry Road and Glen Erin Drive, want to separate from 142 units in a high-rise apartment that's also part of the project.

Two weeks ago at Mississauga city hall, all of the parties involved in the complicated procedure to try to terminate the condominium set up, gathered at city hall to discuss how the situation — described as a "catastrophe" by Peel Condominium Association president Ken Oakes — can be resolved.

The legal problem stems mainly from a social problem: the townhouse and apartment residents just haven't gotten along.

Joe Carroll, one of the townhouse owners, described the difficulties inherent in mixing "apples and oranges" in the form of townhouses and apartments.

People living in the apartments don't understand why people living in the townhouses have access to the building to use the recreational facilities there, which are part of the common element. "The apartment owners say if I can't go into your



Derryglen mixes apartments, townhouses

townhouse basement, why are you allowed to come into mine?" Carroll explained.

The townhouse owners will be obliged to pay the costs of repairing the apartment elevator, which they never use, because of the condominium arrangement. On the other hand, apartment-unit owners may have to pay to replace the townhouse driveway, which they never use. There have been instances where police were called to the apartment building because "townhouse children" were playing on the elevators.

Carroll noted that the spirit of co-

operation between the two elements in the project lasted for about a month. "The apartment people are friendly with apartment people and the townhouse people are friendly with townhouse people. Apartment people have a different way of thinking than townhouse people."

The townhouse owners are concerned that they are in a clearly minority voting position on the board of directors of the corporation. They have only 19 per cent of the common elements and therefore only 19 per cent of the vote.

The situation has been made even more intolerable with a decision by

the builder, Northdown Homes, to sell all but 13 of the apartment units to absentee landlords under the federal government's Multiple Unit Rental Building (MURB) tax-shelter program. The fate of the individual unit owners in the project now theoretically rests in the hands of those absentee owners who have the majority of the vote.

The Derryglen project was established under a mixed multiple-zoning concept that the city won't be using again. All of the similar condominium projects in Meadowvale West were separated into two corporations, one for the townhouses and

one for the apartments. No one seems sure how the Derryglen project got registered with the two elements together, but there's little that can be done about it now.

Lawyer Geoff Pacey, representing the townhouse owners, explained their options. They can face the "uncharted waters" of a court battle; ask for an amendment to the Condominium Act to deal with their situation; or proceed with a convoluted and expensive process to de-register and de-mortgage the townhouses, and then reregister and remortgage them. That cost has been estimated at up to \$30,000.

John Bassel, representing Durand Management Ltd., which has been caught between the two factions, favored separation and pledged full co-operation. A representative of Central Mortgage and Housing Corporation said he'd try to help in the key problem of getting first mortgage holder Canada Trust to agree to the unusual procedure contemplated.

City Solicitor Len Stewart and Councillors Larry Taylor and Ken Dear promised to help as well.

It was decided at the meeting to inform the three Mississauga MPPs on the proposed legislative amendment and prepare a legal brief for presentation to the province. Pacey will also prepare a "game plan" for deregistration of the condominium.

### Trade board survey

## 80% of firms unhappy with the postal system

By JOHN CHALLINOR  
Times staff writer

Eighty per cent of 150 Mississauga Board of Trade member-firms replying to a board survey have indicated they would prefer an alternative to the present postal system. The board has 700 member firms.

Stan Heather, general manager of the board, released the figures last week.

Most board members felt the private sector, courier services and parcel delivery services should be allowed to compete with the Post Office on an equal basis.

Others suggested, among other

things, that the right to strike, in a vital public service like the Post Office, be curbed; more training for postal management; and the formation of a postal Crown corporation.

Thirty-six per cent of those responding to the survey said they have a high dependency on the postal service; the same number indicated a normal dependency on the service; and 28 per cent said they use the service minimally to sell a product or service.

Sixty-four per cent depend greatly on the postal system to maintain their cash flow; 22 per cent use it on a nor-

mal basis; and 14 per cent do not depend on it.

However, 65 per cent of the 150 firms indicated that prolonged postal disruption would not create labor cut-backs. Thirty-five per cent indicated it would.

Postal disruption affects 72 per cent of the firms' profit margin on a daily basis, according to the survey, but 69 per cent of the firms say it doesn't affect wages or salaries. Eighty-seven per cent indicated it affects interest charges.

However, 65 per cent indicated that none of the above potential costs of the strike are passed on to the con-

sumer; thirty per cent said some of the costs were; and five per cent said all costs were passed on.

Before the strike occurred, earlier this year, 60 per cent of the firms polled were using courier services; eighty-three per cent of the firms used courier services during the strike; and 75 per cent anticipated they would use the service after the strike was settled.

Eighty-four per cent said there will be an increased use of courier services, if postal strikes continue, according to the survey.

Heather said these were some of the comments made by board members in connection with the survey:

"I never mail anything important"; "I only use it when absolutely necessary"; "I no longer use direct mail to sell my products because of high cost and poor service"; "Each post office should operate as a profit centre"; and, "There should be a central point in Mississauga to collect overseas mail and ship it to Niagara Falls and thus ensure relatively speedy delivery through the U.S. postal system."

## 'Bridge' funding eyed for centre

If negotiations with two developers in Meadowvale West fail, a fund-raising committee for the community centre there wants council to provide bridge financing to allow construction to start anyway.

Craig Stirton, chairman of the com-

## Named to posts

Councillors Larry Taylor and Steve Mahoney have been named to the task force on building deficiencies established by Mayor Hazel McCallion.

McCallion told city council of her appointments Monday. Last week she named former Peel Condominium Association president Peter Carlson as chairman of the task force. McCallion will also be a member.

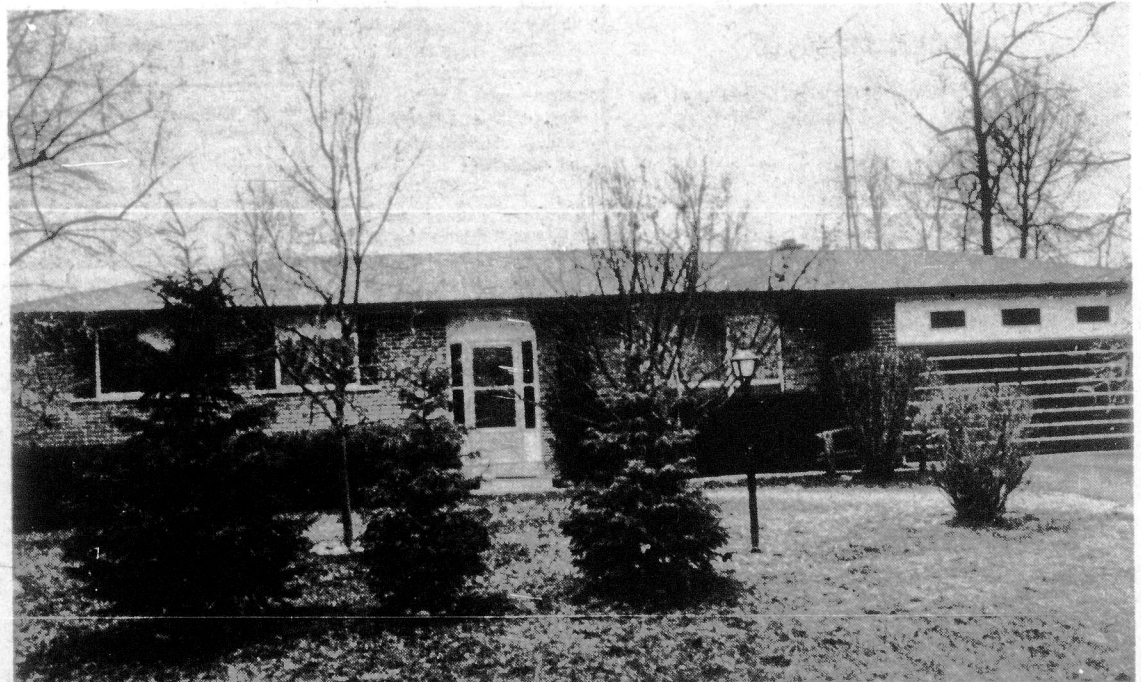
Other members of the group examining building problems in all forms of housing in the city will be named later.

munity centre organization for fund raising, told council Monday that the community has been working for three years toward its goal of building the recreational centre. The city is now negotiating with Victoria Wood and the Arcadia Group to try to get them to pay their promised contributions for the recreational centre now, rather than when building permits are issued.

Stirton stressed the importance of the matching Wintario grants to the project and the potential of losing them if delay occurs. The committee has already raised over \$6,000 and is aiming for \$50,000, which will be matched by Wintario. The community centre will cost \$3 million and take about 18 to 24 months to complete.

Ward 9 Councillor Ken Dear said Wintario "has been acting funny lately." If negotiations with the developer fail, Dear will undoubtedly recommend the city provide bridge financing for the project when it is discussed during budget talks early in the new year.

## What you get for \$78,000



This house in the Erindale-Woodlands area sold recently for \$78,000. The bungalow has a brick exterior, is located on a 56 foot-by-120 foot lot and is 12 years old.

There are three bedrooms, and the recreation room contains a customized wet bar and a fireplace. The house is located on a bus route,

is one mile from Square One Shopping Centre and two blocks from schools. The listing agent is LaBella Real Estate Ltd.