

18 Suites**4822 - 54 Street Red Deer, AB****Hawkwood Manor**

Number of Units	18	per unit
VALUE	\$ 2,300,000	\$ 127,778
Year Built	1972	
Legal	Plan 0323558, Units 1-18 (Inclusive)	
Site Area	0.46 Acres	
Parking	Paved and Energized	
Laundry	2 Washers and 2 Dryers (Leased)	

Location:

The City of Red Deer is located near the midpoint of the Calgary & Edmonton corridor and is Alberta's third largest City with a population over 90,000. Red Deer is located in central Alberta in close proximity to the world's second largest oil reserves in the oil sands. Red Deer has a growing manufacturing industry, a strong wholesale and retail service industry, agriculture, tourism, and a large number of oil & gas service companies. For more information, please visit the City's website at <http://www.reddeer.ca>.

**Description:**

This property is situated in close proximity to downtown Red Deer and very accessible to transit routes, offices, shopping and restaurants. The property boasts historically low vacancy rates, many upgrades, professional onsite management and curb appeal that make this property an excellent long-term investment. Interior and exterior improvements completed and tremendous rental upside exists. This is a 2.5 storey, wood-frame apartment complex. The property consists of all 2 bedroom units and is condo titled. The tar and gravel roof was replaced in 2005. The hot water heating system replaced in 2007 and the hot water tank replaced in 2013. More than half of the suites have new windows. Exterior siding recently replaced with vinyl and brick. Balconies have been upgraded and resurfaced. Common area hallways upgraded in 2013. Over half of the unit interiors renovated in 2012 and 2013. Professionally managed.

Suite Mix:

18, 2 Bedroom

Financing: (clear title - proposed new financing at 75% LTV)

\$ 1,725,000 CMHC insured

Monthly PI = \$ 7,146

Annual PI = \$ 85,748.30

Interest Rate 2.80%

Notes:

Excellent location, condition and long-term hold potential. Condo quality building with all 2 bedroom units and already condo titled. Well maintained, common area upgrades completed and many in-suite renovations in 2012 & 2013.

INCOME & EXPENSES**INCOME:**

18, 2 Bedroom @ \$950 to \$1,050

Gross Monthly Income \$ 17,785

Annual Income \$ 213,420

Laundry Income (leased) \$ 2,160

Gross Annual Income \$ 215,580

Vacancy Loss -3% \$ (6,467)

Effective Gross Income \$ 209,113

EXPENSES:

Management Fee 4.0% \$ 8,365

Caretaker \$ 35 /unit/mo \$ 7,560

Utilities \$ 1,100 /unit/yr \$ 19,800

Insurance \$ 200 /unit/yr \$ 3,600

Repair & Maint. \$ 700 /unit/yr \$ 12,600

Taxes 2013 actual \$ 17,068

Miscellaneous \$ 100 /unit/yr \$ 1,800

Total Expenses \$ 70,793

\$ 3,933 /unit or 33.85%

Net Operating Income \$ 138,320

Capitalization Rate 6.01%

DCR 1.61

Cash flow after debt service is: \$ 52,572

Cash on Cash ROI 9.14%

Return on Equity, incl. Principal Payment 15.66%

The information contained herein is from reliable sources and is believed to be accurate, however it is not warranted. Prestigious Properties waives all liability and recommends that the prospective purchaser verify all relevant information as condition in an offer to purchase.