

**Bi-level 4 plex – 478 8<sup>th</sup> Street East, Prince Albert**

**\$560,000 --\$140,000 per unit**



- Very well maintained bi-level 4 plex with bright & spacious suites.
- Each 1200sq ft suite has its own entry, 3 bedrooms and 1.5 baths
- Each unit has in-suite laundry, furnace, water heater, hard wired smoke detector, and a designated space in the 4 car detached garage with remote openers.
- Fridge, stove, dishwasher, washer, dryer and window coverings are included with each unit.
- Separate meters – tenants pay heat, power, and water.
- One suite has new flooring and paint.
- Yard has new fence and paint (ample yard lights).
- Built in 1988. Zoned R5 – Owned and self-managed for 9 years without one vacancy.
- Each unit is presently rented for \$900 per month with one year leases which expire in summer 2014. A reasonable increase in rent would be to \$1,000/1,100 per month.

## Year Over Year Income/Expenses

|                  | 2010     | 2011     | 2012     | 2013    |
|------------------|----------|----------|----------|---------|
| Gross income     | \$38,381 | \$38,446 | \$41,250 |         |
| Taxes            | \$6,136  | \$6,263  | \$6,537  | \$5,515 |
| Insurance        | \$1,110  |          |          | \$1,212 |
| Utilities(water) | \$2,308  | \$2,426  | \$2,874  |         |



| ACQUISITION/MORTGAGE     |  |           |
|--------------------------|--|-----------|
| Cost of property         |  | \$560,000 |
| Square footage           |  | 4,800     |
| Price per square footage |  | \$117     |
| Down payment %           |  | 20%       |
| Down payment \$          |  | \$112,000 |
| Mortgage                 |  | 448,000   |
| Rate                     |  | 4.00%     |
| Mortgage term - years    |  | 30        |
| Monthly payment          |  | \$2,130   |

| CASH FLOW ANALYSIS                  |       | Monthly | Annual |
|-------------------------------------|-------|---------|--------|
| Rent                                |       | 3,600   | 43,200 |
| Less vacancy provision              | 5.00% | 180     | 2,160  |
| Net rent                            |       | 3420    | 41,040 |
| Advertising                         |       |         |        |
| Strata                              |       | -       | -      |
| Property tax                        | 6,200 | 517     | 6,200  |
| Insurance                           |       | 100     | 1,200  |
| Repairs & maintenance               | 5.00% | 171     | 2,052  |
| Caretaker                           |       | -       | -      |
| Property manager                    |       | 300     | 3,600  |
| Other                               |       | -       | -      |
| Operating expenses                  |       | 1088    | 13,052 |
| Net Operating Income                |       | 2,332   | 27,988 |
| Mortgage Payment                    |       | 2,130   | 25,564 |
| Net Cash Flow                       |       | 202     | 2,424  |
| Net Income with Principal Reduction |       | 851     | 10,359 |

| PROPERTY APPRECIATION                     | 2% | YR 0    | YR 1    | YR 2    | YR 3    | YR 4    | YR 5    |
|-------------------------------------------|----|---------|---------|---------|---------|---------|---------|
| Property appreciation                     |    | 560,000 | 571,200 | 582,624 | 594,276 | 606,162 | 618,285 |
| Principal reduction                       |    |         | 7,935   | 16,190  | 24,779  | 33,714  | 43,011  |
| Property equity including princ reduction |    |         | 19,135  | 38,814  | 59,055  | 79,876  | 101,296 |
| RETURN ON INVESTMENT (with appreciation)  |    |         | 19.2%   | 36.8%   | 54.9%   | 73.5%   | 92.6%   |