

Property Report



233 Hector-Hotte Way OPTIMIZED

233 Hector-Hotte way
Ottawa, Ontario K1L 7Y4
Canada

Presented by:

Serge Papineau **Serge Papineau Real Estate**

610 Bronson Avenue
Ottawa, Ontario K16 4E6

Office: 613-868-6652

Mobile: 613-868-6652

Serge@sergepapineau.com

www.sergepapineau.com



SERGE PAPINEAU

REAL ESTATE

Overview

233 Hector-Hotte Way OPTIMIZED

233 Hector-Hotte way
Ottawa, Ontario K1L 7Y4
Canada



Serge Papineau

613-868-6652

Serge@sergepapineau.com

www.sergepapineau.com

Purchase Info

Total Number of Units	3
Purchase Price	\$650,000
Initial Cash Invested	\$144,000

Income Analysis

	Monthly	Annual
Net Operating Income	\$4,061	\$48,732
Cash Flow	\$1,733	\$20,799

Financial Metrics

Cap Rate (Purchase Price)	7.5%
Cash on Cash Return (Year 1)	14.4%
Internal Rate of Return (Year 10)	22.9%
Sale Price (Year 10)	\$873,546



Purchase Analysis

233 Hector-Hotte Way OPTIMIZED

233 Hector-Hotte way
Ottawa, Ontario K1L 7Y4
Canada



Serge Papineau
613-868-6652
Serge@sergepapineau.com
www.sergepapineau.com

Purchase Info	
Purchase Price	\$650,000
- First Mortgage	-\$520,000
- Second Mortgage	-\$0
= Downpayment	\$130,000
+ Buying Costs	\$14,000
+ Initial Improvements	\$0
= Initial Cash Invested	\$144,000
Total Number of Units	3
Cost per Unit	\$216,667
Average Monthly Rent per Unit	\$1,700

Mortgages	First	Second
Loan-To-Cost Ratio	80%	0%
Loan-To-Value Ratio	80%	0%
Loan Amount	\$520,000	\$0
Loan Type	Amortizing	
Term	30 Years	
Interest Rate	3.5%	
Payment	\$2,327.71	\$0.00

Financial Metrics (Year 1)	
Annual Gross Rent Multiplier	10.6
Operating Expense Ratio	18.7%
Debt Coverage Ratio	1.74
Cap Rate (Purchase Price)	7.5%
Cash on Cash Return	14.4%

Assumptions	
Appreciation Rate	3.0%
Vacancy Rate	2.0%
Income Inflation Rate	2.0%
Expense Inflation Rate	2.0%
LTV for Refinance	80.0%
Selling Costs	\$39,000

Income	Monthly	Annual
Gross Rent	\$5,100	\$61,200
Vacancy Loss	-\$102	-\$1,224
Operating Income	\$4,998	\$59,976

Expenses (% of Income)	Monthly	Annual
Insurance (5%)	-\$233	-\$2,794
Taxes (7%)	-\$327	-\$3,929
Hydro (0%)	-\$0	-\$0
Water/Sewer (3%)	-\$127	-\$1,521
Lawn / Snow (2%)	-\$83	-\$1,000
Maintenance & Repair (3%)	-\$167	-\$2,000
Operating Expenses (19%)	-\$937	-\$11,244

Net Performance	Monthly	Annual
Net Operating Income	\$4,061	\$48,732
- Mortgage Payments	-\$2,328	-\$27,933
- Year 1 Improvements	-\$0	-\$0
= Cash Flow	\$1,733	\$20,799

Buy and Hold Projection

233 Hector-Hotte Way OPTIMIZED
 233 Hector-Hotte way
 Ottawa, Ontario K1L 7Y4
 Canada



Serge Papineau
 613-868-6652
 Serge@sergepapineau.com
 www.sergepapineau.com

Income	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Gross Rent	\$61,200	\$62,424	\$63,672	\$66,245	\$73,140	\$89,157	\$108,682
Vacancy Loss	-\$1,224	-\$1,248	-\$1,273	-\$1,325	-\$1,463	-\$1,783	-\$2,174
Operating Income	\$59,976	\$61,176	\$62,399	\$64,920	\$71,677	\$87,374	\$106,508

Expenses	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Insurance	-\$2,794	-\$2,850	-\$2,907	-\$3,024	-\$3,339	-\$4,070	-\$4,962
Taxes	-\$3,929	-\$4,008	-\$4,088	-\$4,253	-\$4,696	-\$5,724	-\$6,977
Hydro	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
Water/Sewer	-\$1,521	-\$1,551	-\$1,582	-\$1,646	-\$1,818	-\$2,216	-\$2,701
Lawn / Snow	-\$1,000	-\$1,020	-\$1,040	-\$1,082	-\$1,195	-\$1,457	-\$1,776
Maintenance & Repair	-\$2,000	-\$2,040	-\$2,081	-\$2,165	-\$2,390	-\$2,914	-\$3,552
Operating Expenses	-\$11,244	-\$11,469	-\$11,698	-\$12,171	-\$13,438	-\$16,380	-\$19,968

Income Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Net Operating Income	\$48,732	\$49,707	\$50,701	\$52,749	\$58,239	\$70,993	\$86,540
- Mortgage Payments	-\$27,933	-\$27,933	-\$27,933	-\$27,933	-\$27,933	-\$27,933	-\$27,932
- Improvements	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0	-\$0
= Cash Flow	\$20,799	\$21,774	\$22,768	\$24,817	\$30,307	\$43,061	\$58,609
Cap Rate (Purchase Price)	7.5%	7.6%	7.8%	8.1%	9.0%	10.9%	13.3%
Cap Rate (Market Value)	7.3%	7.2%	7.1%	7.0%	6.7%	6.0%	5.5%
Cash on Cash Return	14.4%	15.1%	15.8%	17.2%	21.0%	29.9%	40.7%
Return on Equity	13.0%	11.5%	10.3%	8.6%	6.4%	4.6%	3.7%

Loan Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Market Value	\$669,500	\$689,585	\$710,273	\$753,528	\$873,546	\$1,173,972	\$1,577,721
- Loan Balance	-\$509,978	-\$499,601	-\$488,859	-\$466,222	-\$402,256	-\$235,675	-\$0
= Equity	\$159,522	\$189,984	\$221,414	\$287,306	\$471,289	\$938,297	\$1,577,721
Loan-to-Value Ratio	76.2%	72.4%	68.8%	61.9%	46.0%	20.1%	0.0%
Potential Cash-Out Refi	\$25,622	\$52,067	\$79,359	\$136,600	\$296,580	\$703,503	\$1,262,176

Sale Analysis	Year 1	Year 2	Year 3	Year 5	Year 10	Year 20	Year 30
Equity	\$159,522	\$189,984	\$221,414	\$287,306	\$471,289	\$938,297	\$1,577,721
- Selling Costs	-\$40,170	-\$41,375	-\$42,616	-\$45,212	-\$52,413	-\$70,438	-\$94,663
= Proceeds After Sale	\$119,352	\$148,609	\$178,798	\$242,094	\$418,877	\$867,859	\$1,483,057
+ Cumulative Cash Flow	\$20,799	\$42,574	\$65,342	\$113,941	\$254,277	\$625,409	\$1,138,989
- Initial Cash Invested	-\$144,000	-\$144,000	-\$144,000	-\$144,000	-\$144,000	-\$144,000	-\$144,000
= Net Profit	-\$3,848	\$47,182	\$100,139	\$212,035	\$529,153	\$1,349,268	\$2,478,046
Internal Rate of Return	-2.7%	16.2%	21.6%	24.0%	22.9%	20.3%	19.2%
Return on Investment	-3%	33%	70%	147%	367%	937%	1,721%

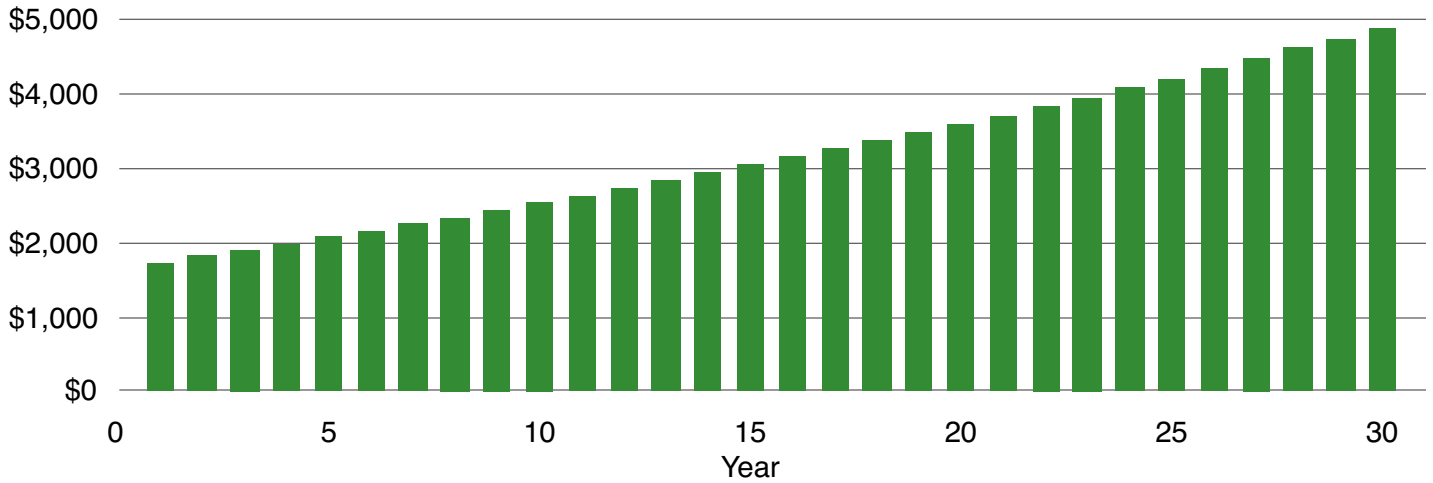
Graphs

233 Hector-Hotte Way OPTIMIZED
 233 Hector-Hotte way
 Ottawa, Ontario K1L 7Y4
 Canada

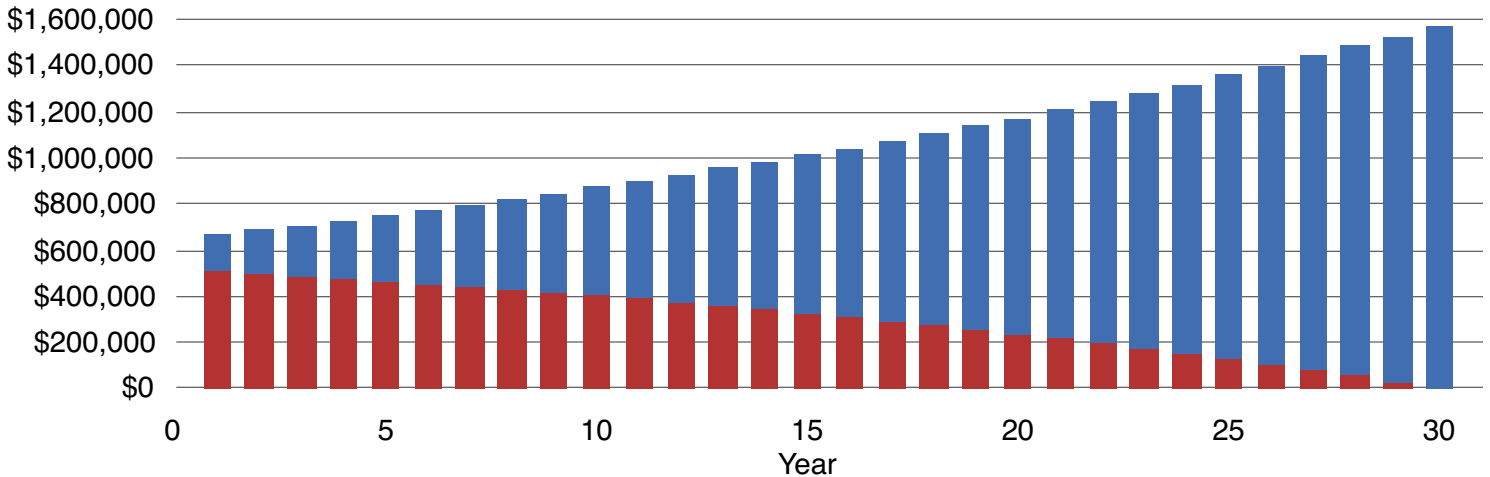


Serge Papineau
 613-868-6652
 Serge@sergepapineau.com
 www.sergepapineau.com

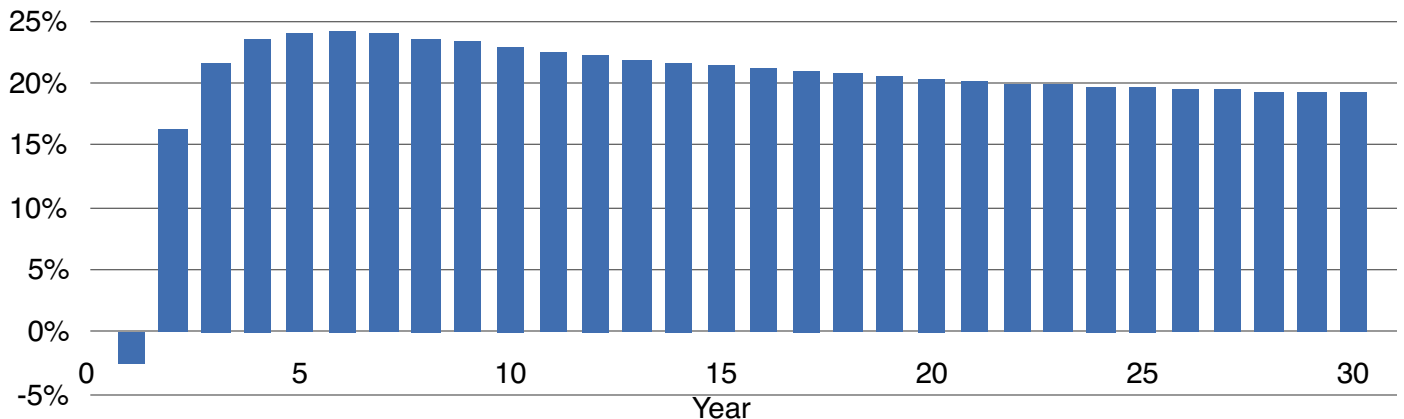
Monthly Cash Flow



■ Loan Balance + ■ Equity = Market Value



Internal Rate of Return (IRR)



Rent Roll

233 Hector-Hotte Way OPTIMIZED

233 Hector-Hotte way
Ottawa, Ontario K1L 7Y4
Canada



Serge Papineau

613-868-6652

Serge@sergepapineau.com

www.sergepapineau.com

Unit Description	Square Feet	Units of This Type	Rent (Per Unit)
Unit 1 - Basement 2 Bedroom	0	1	\$1,400 Per Month
Unit 2 - Main Floor 2 Bedroom	0	1	\$1,850 Per Month
Unit 3 - Top Floor 3 Bedroom	0	1	\$1,850 Per Month
Totals for Year 1			
Total Number of Units			3
Total Area (Sum of Units)			0 Square Feet
Total Rent (Sum of Units)			\$5,100 Per Month, \$61,200 Per Year