

Custom Designed Home with 2 Basement Suites

Investment Property - Buy & Hold

8211 81a St, Fort St. John, BC V1J 0P6

Multi-Family · 3 Units · 2,550 Sq.Ft.

\$ 749,900 Purchase Price · \$ 749,900 ARV

\$ 165,398 Cash Needed · \$ 1,345/mo Cash Flow · 6.9% Cap Rate · 9.8% COC

Prepared by:



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Fort St John, BC



Property Description

ADDRESS

8211 81a St
Fort St. John, BC V1J 0P6

DESCRIPTION

Property Type:	Multi-Family
Year Built:	2021
Zoning:	R2

UNIT INFORMATION

Total Units/Spaces:	3
Total Square Footage:	2,550

UNITS & RENT ROLL

1 Unit - Residential (Main Unit - 3 Bdrm / 2 Bath)

3 Beds / 2 Baths / 1,350 Sq.Ft.

Gross Rent: \$ 2,795 Per Month

2 Units - Residential (Lower Suite)

1 Beds / 1 Baths / 600 Sq.Ft.

Gross Rent: \$ 1,575 Per Month



Purchase Analysis & Returns

PURCHASE & REHAB

Purchase Price:		\$ 749,900
Amount Financed:	-	\$ 599,920
Down Payment:	=	\$ 149,980
Purchase Costs:	+	\$ 15,418
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 165,398
After Repair Value:		\$ 749,900
ARV Per Square Foot:		\$ 294.1
Price Per Square Foot:		\$ 294.1
Price Per Unit:		\$ 249,967

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	6.9% / 6.9%
Cash on Cash Return:	9.8%
Return on Equity:	8.2%
Return on Investment:	10.2%
Internal Rate of Return:	10.2%
Rent to Value:	0.8%
Gross Rent Multiplier:	10.51
Equity Multiple:	1.1
Break Even Ratio:	74.4%
Debt Coverage Ratio:	1.46
Debt Yield:	8.6%

FINANCING (PURCHASE)

Loan 1 - First Mortgage

Loan Type:	Amortizing, 30 Year
Interest Rate:	4.25%
Financing Of:	Price (80%)
Loan Amount:	\$ 599,920
LTC / LTV:	80% / 80%
Loan Payment:	\$ 2,951 Per Month
	\$ 35,415 Per Year

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy Rate:	3%
Appreciation:	5% Per Year
Income Increase:	5% Per Year
Expense Increase:	3% Per Year
Selling Costs:	4% of Sales Price

PURCHASE COSTS

Appraisal:	\$ 300
Home Inspection:	\$ 500
Property Transfer Taxes:	\$ 12,998
Legal Fees:	\$ 1,300
Title Insurance:	\$ 320
Total:	\$ 15,418

Rehab Costs

Exterior:	\$ 0
Interior:	\$ 0
Electrical:	\$ 0
Plumbing:	\$ 0
Appliances:	\$ 0
Landscaping:	\$ 0
Cost Overrun (0%):	\$ 0
<hr/>	
Total:	\$ 0
Total Per Square Foot:	\$ 0

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 5,945	\$ 71,340
Vacancy (3%):	-	\$ 178	\$ 2,140
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 5,767	\$ 69,200
Operating Expenses (25.5%):	-	\$ 1,471	\$ 17,650
Net Operating Income:	=	\$ 4,296	\$ 51,550
Loan Payments:	-	\$ 2,951	\$ 35,415
Cash Flow:	=	\$ 1,345	\$ 16,135
Cash Flow Per Unit:		\$ 448	\$ 5,378

		Monthly	Yearly
OTHER INCOME			
Parking:		\$ 0	\$ 0
Laundry:		\$ 0	\$ 0
Storage Rental:		\$ 0	\$ 0
Total:		\$ 0	\$ 0

		Monthly	Yearly
OPERATING EXPENSES			
Property Taxes:		\$ 475	\$ 5,700
Insurance:		\$ 146	\$ 1,750
Landscaping:		\$ 0	\$ 0
Property Management:		\$ 500	\$ 6,000
Power:		\$ 150	\$ 1,800
Natural Gas:		\$ 0	\$ 0
Water / Sewer:		\$ 150	\$ 1,800
Repairs And Maintenance:		\$ 50	\$ 600
Cable / Internet:		\$ 0	\$ 0
Suite Cleaning:		\$ 0	\$ 0
Snow Removal:		\$ 0	\$ 0

Total:

\$ 1,471

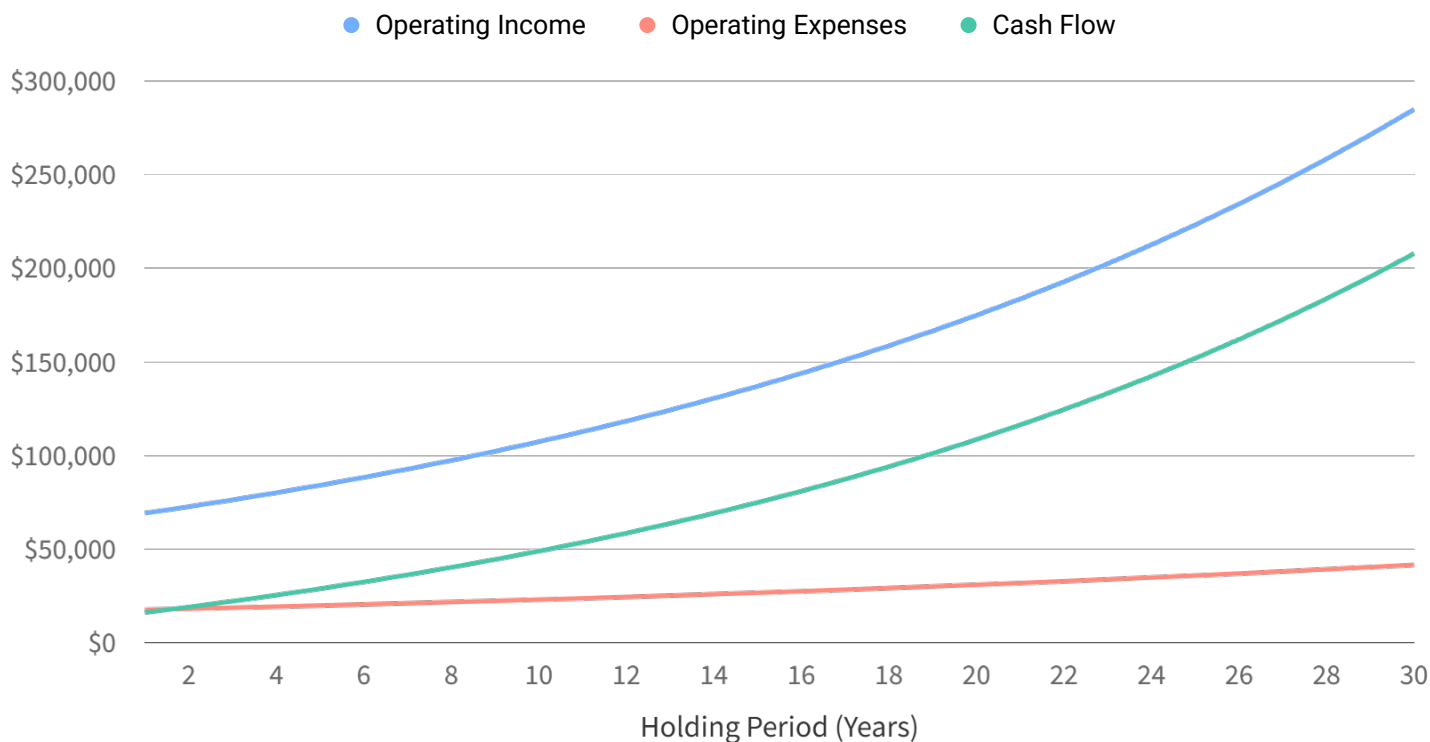
\$ 17,650

Buy & Hold Projections

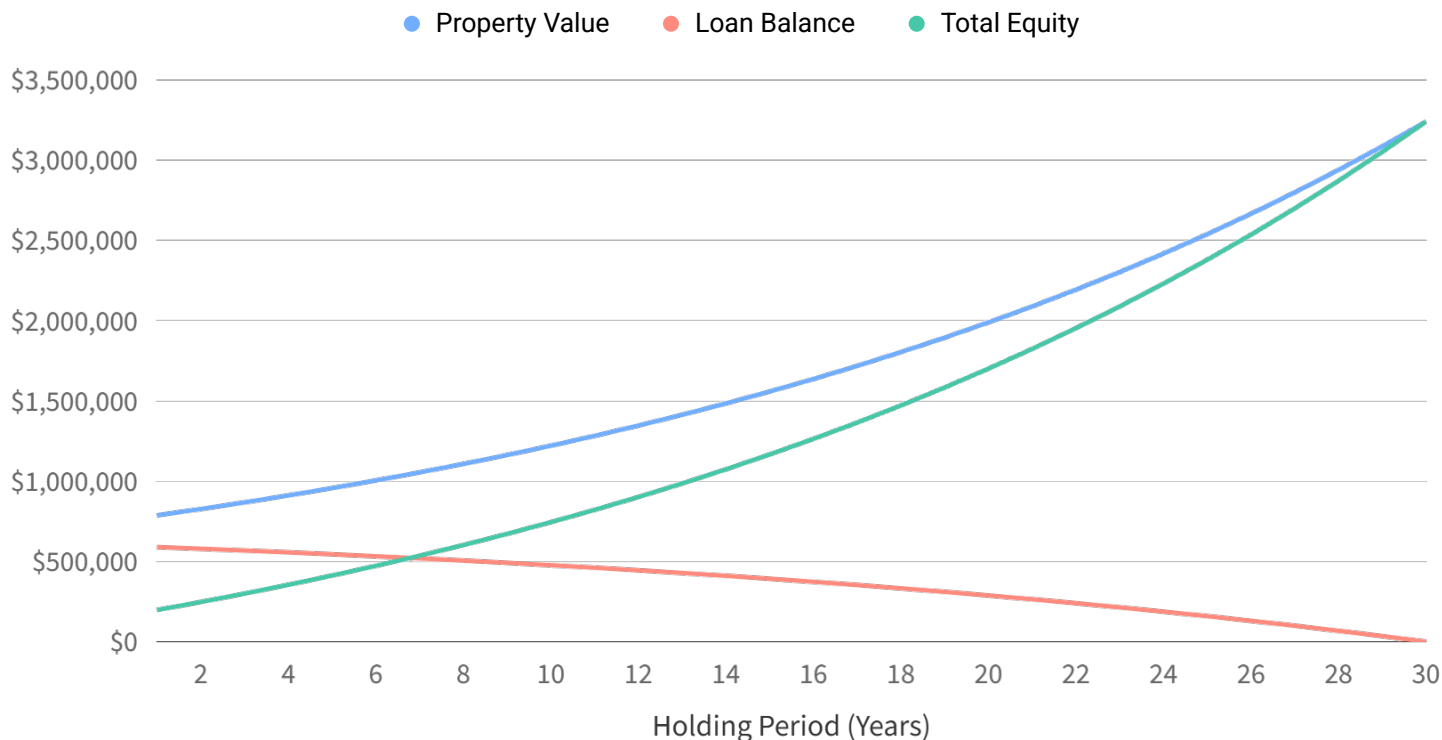
	APPRECIATION 5% Per Year	INCOME INCREASE 5% Per Year	EXPENSE INCREASES 3% Per Year	SELLING COSTS 4% of Price		
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
RENTAL INCOME						
Gross Rent:	\$ 71,340	\$ 78,652	\$ 86,714	\$ 110,672	\$ 180,273	\$ 293,645
Vacancy:	- \$ 2,140	- \$ 2,360	- \$ 2,601	- \$ 3,320	- \$ 5,408	- \$ 8,809
Vacancy Rate:	3%	3%	3%	3%	3%	3%
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Income:	= \$ 69,200	= \$ 76,292	= \$ 84,113	= \$ 107,352	= \$ 174,865	= \$ 284,836
Income Increase:	5%	5%	5%	5%	5%	5%
OPERATING EXPENSES						
Property Taxes:	\$ 5,700	\$ 6,047	\$ 6,415	\$ 7,437	\$ 9,995	\$ 13,432
Insurance:	+ \$ 1,750	+ \$ 1,857	+ \$ 1,970	+ \$ 2,283	+ \$ 3,069	+ \$ 4,124
Landscaping:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Property Management:	+ \$ 6,000	+ \$ 6,365	+ \$ 6,753	+ \$ 7,829	+ \$ 10,521	+ \$ 14,139
Power:	+ \$ 1,800	+ \$ 1,910	+ \$ 2,026	+ \$ 2,349	+ \$ 3,156	+ \$ 4,242
Natural Gas:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Water / Sewer:	+ \$ 1,800	+ \$ 1,910	+ \$ 2,026	+ \$ 2,349	+ \$ 3,156	+ \$ 4,242
Repairs And Maintenance:	+ \$ 600	+ \$ 637	+ \$ 675	+ \$ 783	+ \$ 1,052	+ \$ 1,414
Cable / Internet:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Suite Cleaning:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Snow Removal:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Expenses:	= \$ 17,650	= \$ 18,726	= \$ 19,865	= \$ 23,030	= \$ 30,949	= \$ 41,593
Expense Increase:	3%	3%	3%	3%	3%	3%
CASH FLOW						
Operating Income:	\$ 69,200	\$ 76,292	\$ 84,113	\$ 107,352	\$ 174,865	\$ 284,836
Operating Expenses:	- \$ 17,650	- \$ 18,726	- \$ 19,865	- \$ 23,030	- \$ 30,949	- \$ 41,593
Expense Ratio:	25.5%	24.5%	23.6%	21.5%	17.7%	14.6%
Net Operating Income:	= \$ 51,550	= \$ 57,566	= \$ 64,248	= \$ 84,322	= \$ 143,916	= \$ 243,243
Loan Payments:	- \$ 35,415	- \$ 35,415	- \$ 35,415	- \$ 35,415	- \$ 35,415	- \$ 35,415
Cash Flow:	= \$ 16,135	= \$ 22,151	= \$ 28,833	= \$ 48,907	= \$ 108,501	= \$ 207,828
Cash Flow Per Unit:	\$ 5,378	\$ 7,384	\$ 9,611	\$ 16,302	\$ 36,167	\$ 69,276
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	\$ 17,650	\$ 18,726	\$ 19,865	\$ 23,030	\$ 30,949	\$ 41,593
Loan Interest:	+ \$ 25,301	+ \$ 24,405	+ \$ 23,431	+ \$ 20,599	+ \$ 12,769	+ \$ 802
Total Deductions:	= \$ 42,951	= \$ 43,131	= \$ 43,296	= \$ 43,629	= \$ 43,718	= \$ 42,395

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
EQUITY ACCUMULATION						
Property Value:	\$ 787,395	\$ 868,103	\$ 957,084	\$ 1,221,508	\$ 1,989,708	\$ 3,241,025
Appreciation:	5%	5%	5%	5%	5%	5%
Loan Balance:	- \$ 589,806	- \$ 568,245	- \$ 544,774	- \$ 476,596	- \$ 288,102	- \$ 0
LTV Ratio:	74.9%	65.5%	56.9%	39%	14.5%	-
Total Equity:	= \$ 197,589	= \$ 299,858	= \$ 412,310	= \$ 744,912	= \$ 1,701,606	= \$ 3,241,025
SALE ANALYSIS						
Equity:	\$ 197,589	\$ 299,858	\$ 412,310	\$ 744,912	\$ 1,701,606	\$ 3,241,025
Selling Costs (4%):	- \$ 31,496	- \$ 34,724	- \$ 38,283	- \$ 48,860	- \$ 79,588	- \$ 129,641
Sale Proceeds:	= \$ 166,093	= \$ 265,134	= \$ 374,027	= \$ 696,052	= \$ 1,622,018	= \$ 3,111,384
Cumulative Cash Flow:	+ \$ 16,135	+ \$ 57,351	+ \$ 111,589	+ \$ 313,897	+ \$ 1,105,598	+ \$ 2,695,399
Total Cash Invested:	- \$ 165,398	- \$ 165,398	- \$ 165,398	- \$ 165,398	- \$ 165,398	- \$ 165,398
Total Profit:	= \$ 16,830	= \$ 157,087	= \$ 320,218	= \$ 844,551	= \$ 2,562,218	= \$ 5,641,385
INVESTMENT RETURNS						
Cap Rate (Purchase Price):	6.9%	7.7%	8.6%	11.2%	19.2%	32.4%
Cap Rate (Market Value):	6.5%	6.6%	6.7%	6.9%	7.2%	7.5%
Cash on Cash Return:	9.8%	13.4%	17.4%	29.6%	65.6%	125.7%
Return on Equity:	8.2%	7.4%	7%	6.6%	6.4%	6.4%
Return on Investment:	10.2%	95%	193.6%	510.6%	1,549.1%	3,410.8%
Internal Rate of Return:	10.2%	26.8%	27.3%	25%	22.3%	21.4%
FINANCIAL RATIOS						
Rent to Value:	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Gross Rent Multiplier:	11.04	11.04	11.04	11.04	11.04	11.04
Equity Multiple:	1.1	1.95	2.94	6.11	16.49	35.11
Break Even Ratio:	74.4%	68.8%	63.7%	52.8%	36.8%	26.2%
Debt Coverage Ratio:	1.46	1.63	1.81	2.38	4.06	6.87
Debt Yield:	8.7%	10.1%	11.8%	17.7%	50%	-

Cash Flow Over Time



Equity Over Time



Property Photos



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