

10536, 40 & 44 - 103 Street, Westlock, AB.

Building Name	Westlock Estates		
Number of Units	14		
Asking Price	\$1,499,900	\$107,136	per unit
Year Built	1971		
Legal	Plan: 4035NY Blk: 6A Lot: 11,12,13		
Zoning	R-3 - Multi-Family Residential		
Site Area	10,175 sq ft (more or less)		
Parking	22 energized surface stalls + 2		
Chattels	14 fridges & stoves		
Laundry	9 sets washer/dryers, owned		



Location:

Westlock is located a short approximately 70 kilometers North of Edmonton. With a population of over 5000 (from 2006 census), the town's primary industries are agricultural, some oil and gas activity, small manufacturing, and a Lafarge cement plant. It is a center for grain trade with CN rail as well.

Exterior:	Stucco / Vinyl
Intercom:	No (6plex), Townhouses have doorbells
Balconies:	No

Description:

Great opportunity is provided with these properties. The townhouse units are highly desirable for attracting and keeping quality tenants in the town, and easy to manage with tenants paying their own utilities. The 6 plex has apartment style units that are well laid out, and a good size. With large windows they let in lots of light, even in the lower level units, and a view to the large and open courtyard area. A very well trained caretaker is available to assume making it even easier to manage in the future. Over \$200,000 spent since 2005 on capital improvements, so no big expenses in the near future.

Suite Mix:

0	Bachelors	
0	One Bedrooms	
6	Two Bedrooms	(Apartments)
8	Three Bedrooms	(Townhouses)
14	Total Suites	

Financing: (Existing) Interest Rate

\$ 712,000	1st financing	4.79%
\$ 315,000	2nd financing	5.50%

Down Payment:	\$ 472,900
Monthly PI-1st =	\$ 3,477 1.64 DCR
Monthly PI-2nd =	\$ 2,156 2.03 DCR
Annual PI =	\$ 67,600

Existing financing details: \$712k is \$356k on each townhouse 4 plex at 35 yr amort. & fixed rate of 4.79% for 5 year term (due Jan 31/14). \$315k is 5.5% variable rate, 20 yr. amort.

Notes:

Rents were last increased and took effect June 1/09. The increase was only an average of \$50/unit/month (from \$795/mo) in the townhouse units, and the 6 plex apartment units purely was a uniformity on rental rates increasing a few to match what other similar units were renting for. Note on expenses - Utilities landlord only pays on 6 plex.

INCOME & EXPENSES

Projected

		INCOME & EXPENSES		Projected
INCOME: (Actuals as of June 1st/09)				
Bachelors	\$0		\$0	
One Bedrooms	\$0		\$0	
Two Bedrooms	\$775	(Apartments)	\$4,650	
Three Bedrooms	\$845	(Townhouses)	\$6,760	
Gross Monthly Income			\$ 11,410	
Annual Income			\$ 136,920	
Laundry Income	\$7	(per unit/mo.)	\$ 1,200	
Gross Annual Income			\$ 138,120	
Vacancy Loss	-1.0%		\$ (1,381)	
Effective Gross Annual Income			\$ 136,739	
EXPENSES:				
Management Fee		4%	\$ 5,470	
Caretaker	\$ 50	/unit/mo	\$ 8,400	
Utilities	\$ 645	/unit/yr	\$ 9,030	
Insurance	\$ 200	/unit/yr	\$ 2,800	
Repair & Maint.	\$ 500	/unit/yr	\$ 7,000	
Miscellaneous	\$ 50	/unit/yr	\$ 700	
Taxes		2008 actual	\$ 9,205	
Total Annual Expenses			\$ 42,605	
	\$ 3,043	/unit or 31.16%		
Net Annual Operating Income			\$ 94,134	

Returns:

Capitalization Rate is:	6.28%
Cash required is:	\$ 472,900
Cash flow after debt service is:	\$ 26,534
Cash on cash return is:	5.61%
Return on equity is:	9.03%
Return with apprec. of:	5% 24.89%

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