

## PREPARED FOR Dan Desilets, REALTOR®

JUSTIN  HAVRE  
& ASSOCIATES



RE/MAX FIRST



“Will This Property Make a  
Good Rental/Investment  
Property?”

NEIGHBORHOOD



TRANSPORTATION



AMENITIES



SCHOOL



RENTABILITY



PREPARED BY



REAL PROPERTY MANAGEMENT ACE

403.816.2308 ace@realpropertymgt.ca www.rpmace.ca

## Property Investment Analysis

Purchase Price	\$ 200,000	\$ 220,000	\$ 240,000	\$ 250,000	\$ 260,000
Down Payment (25%)	50,000	55,000	60,000	62,500	65,000
Mortgage	\$ 150,000	\$ 165,000	\$ 180,000	\$ 187,500	\$ 195,000
<b>Estimated Monthly Expenses</b>					
Mortgage Payment (Based on 3% interest rate) \$	700 \$	750 \$	850 \$	850 \$	900
Property Tax	160	160	160	160	160
Rental Insurance	80	80	80	80	80
Condo Fee	300	300	300	300	300
Property Management Fee (10%)	160	160	160	160	160
	<b>\$ 1,400</b>	<b>\$ 1,450</b>	<b>\$ 1,550</b>	<b>\$ 1,550</b>	<b>\$ 1,600</b>
<b>Estimated Monthly Rent</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>
<b>Estimated Monthly Income/(Loss)</b>	<b>\$ 200</b>	<b>\$ 150</b>	<b>\$ 50</b>	<b>\$ 50</b>	<b>\$ -</b>

### LENDING

The low interest rate environment is expected to continue to support sales activity this year, but the pace of improvement is expected to slow by the end of 2021.

### INVENTORY

Supply levels are expected to rise, keeping the market relatively balanced. However, the supply gains are expected to slow the pace of price growth in the market.

### ECONOMY

There is considerable risk regarding the pace of recovery and the longer-term impacts of the economic fallout from the pandemic.

### INDUSTRY

Consolidation in the energy sector is expected to continue, which could impact employment and housing activity, especially in the higher price ranges.

## RENTAL MARKET STATS

CITY	STUDIO	1 BED	2 BEDS
Calgary Rentals	\$1,001	\$1,147 ↑	\$1,492 ↑



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	LISTINGS		STUDIO
Apartment	2,500		\$981 ↓
Condo	1,485		\$1,285 ↑
House	421		\$949 ↑
Main Floor	282		\$850 ↑
Basement	555		\$770 ↓
Duplex	168		N/A
Townhouse	457		\$650 ←

	LISTINGS	STUDIO	1 BED	2 BEDS
Apartment	2,500	\$981 ↓	\$1,149 ↑	\$1,478 ↑
Condo	1,485	\$1,285 ↑	\$1,415 ↑	\$1,741 ↑
House	421	\$949 ↑	\$1,256 ↑	\$1,660 ↓
Main Floor	282	\$850 ↑	\$1,202 ↑	\$1,233 ↑
Basement	555	\$770 ↓	\$931 ↓	\$1,035 ↑
Duplex	168	N/A	\$905 ↓	\$1,278 ↑
Townhouse	457	\$650 ←	\$1,376 ↑	\$1,527 ↑
	353			



**CALGARY AREA AVERAGE RENTS**  
**1 BEDROOM APARTMENTS**

**ACCOUNTABLE. COMMITTED. EXPERIENCED.**

**Average Rent in Calgary, AB**

1 Beds ▾

Neighborhood	Median Rent		
		Crescent Heights	\$1,088
Beltline	\$1,213	Bankview	\$950
Downtown Calgary	\$1,208	Hillurst	\$1,300
Mission	\$1,100	Sunalta	\$990
Skyview Ranch	\$1,297	Thornccliffe	\$1,129
Varsity	\$1,057	Mount royal	\$1,000
Bridgeland	\$1,195	Bowness	\$925
Kingsland	\$1,035	Haysboro	\$1,200
Capital Hill	\$1,065	Windsor Park	\$1,500
Altadore	\$1,400	Forest Heights	\$875
Acadia	\$1,000	West Hillhurst	\$1,212
Sunnyside	\$925	South Calgary	\$925
Banff Trail	\$972	Auburn Bay	\$1,325
Inglewood	\$1,340	Glenbrook	\$1,049
Palliser	\$1,156	Lakeview	\$1,045
Glenmorgan	\$1,145	Cedarbrae	\$1,075
Killarney	\$695	University Heights	\$1,063
Rosscarrock	\$1,050	Quarry Park	\$1,359
Radisson Heights	\$1,131	Spruce Cliff	\$1,239
Mayland Heights	\$1,279	Lincoln Park	\$1,150
Applewood Park	\$1,050	Wildwood	\$1,304

SOURCE: ZUMPER/RENTFASTER



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**CALGARY AREA AVERAGE RENTS**  
**2 BEDROOM APARTMENTS**

**ACCOUNTABLE. COMMITTED. EXPERIENCED.**

Average Rent in Calgary, AB		2 Beds ▾		
Neighborhood		Median Rent		
West Springs		\$1,650	Saddle Ridge	\$1,554
Elboya		\$1,250	Montgomery	\$1,150
Cougar Ridge		\$1,500	Inglewood	\$1,620
Spruce Cliff		\$1,750	Haysboro	\$1,512
Braeside		\$1,300	Tuxedo Park	\$1,585
Wildwood		\$1,554	Brentwood	\$1,412
Richmond Hill		\$1,945	Windsor Park	\$2,225
Crescent Heights		\$1,275	Forest Heights	\$1,125
Bankview		\$1,200	South Calgary	\$1,325
Sunalta		\$1,320	Panorama Hills	\$1,250
Thornccliffe		\$1,289	Auburn Bay	\$1,500
Mount royal		\$1,288	Glenbrook	\$1,295
Huntington Hills		\$1,250	Woodlands	\$1,089
Bowness		\$1,195	Palliser	\$1,588
Kingsland		\$1,211	Glenmorgan	\$1,215
Capital Hill		\$1,275	Albert Park	\$945
Altadore		\$1,800	Somerset	\$1,386
Acadia		\$1,100	Sage Hill	\$1,295
Sunnyside		\$1,495	Rosscarrock	\$1,199
Banff Trail		\$1,399	Ogden	\$1,199
			Radisson Heights	\$1,364



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# WHAT IF I NEED TO HIRE PROPERTY MANAGEMENT? LEASING & PROPERTY MANAGEMENT FEES

## UNFURNISHED RENTAL PLAN

**1 Month Leasing Fee**

**1/2 + 10% Management Fee**

### RPM Services

- ✓ Marketing & Leasing
- ✓ Move-In/Out Inspections
- ✓ Rent collection
- ✓ Maintenance Coordination
- ✓ Online Portal Access
- ✓ 24/7 Emergency Response
- ✓ Bookkeeping & Property Accounting
- ✓ Year-End Income / Expense Reports

Owner shall pay a management fee equal to 10% of gross rents collection (minimum of \$125.00 per month)

**Leasing Fee:** ~~1~~ Month's Rent **1/2**  
(per new tenant based on minimum one year lease term, otherwise, will be prorated by lease term)

## FURNISHED RENTAL PLAN

**No Leasing Fee**

**18% + 15% Management Fee**

### RPM Services

- ✓ Marketing & Leasing
- ✓ Move-In/Out Inspections
- ✓ Rent collection
- ✓ Maintenance Coordination
- ✓ Online Portal Access
- ✓ 24/7 Emergency Response
- ✓ Bookkeeping & Property Accounting
- ✓ Year-End Income / Expense Reports

- 19% of monthly gross rent
- Laundry linens and towels after each move out
- Monthly report and monthly payout
- Restocking all supplies as needed with receipts and update to owners

## Preferred Partnership Rate

**Clients of Justin Havre & Associates**

**UNFURNISHED: Leasing Fee 1/2 Month's Rent**

**FURNISHED: No Leasing Fee 18% Management Fee**

- ✓ Initial Set-Up Fee: \$500 **WAIVED**
- ✓ Advertising Fee: \$50 **WAIVED**
- ✓ Credit Check: \$15
- ✓ Periodic Inspection Fee: \$80 **WAIVED**
- ✓ Lease Renewal Fees: \$295
- ✓ Property Manager / Maintenance Call out Fee: \$45 per hour
- ✓ Property Manager Emergency Service Call: \$75 per hour
- ✓ 50% of late fees collected if the tenant pays rent late. Late fees are set by regulations.
- ✓ General Maintenance: Vendor Costs + 10%
- ✓ Major Renovation or Special Projects: to be discussed on a case by case basis



# Property Management vs Asset Management

## PROPERTY MANAGEMENT



Day to Day Operation



Reactive and Short-Term Preventative Maintenance



Small repairs and renovations



Rent Collection



Expense Payment

## ASSET MANAGEMENT



Cost Monitoring




Preventative Planning Long-Term Maintenance



Overseeing Performance



Overall Process Management



Portfolio Enhancement



Acquisition and Disposition timing

Fully furnished short-term leases based on the demand of professionals with shorter and month-month length of stays (**Most under 1 year lease term**)



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### UNFURNISHED VS. FURNISHED FEE STRUCTURE COMPARISON \$600-1400 RENTAL SCENARIO

#### 1/2 MONTH'S RENT + 10% MONTHLY MANAGEMENT FEE

Monthly Rent Scenario	600	700	800	900	1000	1100	1200	1300	1400
Leasing Fee for Each New Tenant (1 Month's Rent)	300	350	400	450	500	550	600	650	700
10% Monthly Management Fee (Minimum \$125 per month)	60	70	80	90	100	110	120	130	140
TOTAL Annual Fee	\$1,020	\$1,190	\$1,360	\$1,530	\$1,700	\$1,870	\$2,040	\$2,210	\$2,380
Annual Amount After Fee Deduction*	\$6,180	\$7,210	\$8,240	\$9,270	\$10,300	\$11,330	\$12,360	\$13,390	\$14,420
Monthly Amount After Fee Deduction*	\$515	\$601	\$687	\$773	\$858	\$944	\$1,030	\$1,116	\$1,202

\*Owner's Carry Costs such as Property Taxes, Utilities, Condo Fees & Other Owner Expenses not included in the Monthly Rental Scenario comparison.

#### FURNISHED: 19% MONTHLY MANAGEMENT FEE (NO LEASING FEE)

Monthly Rent Scenario	600	700	800	900	1000	1100	1200	1300	1400
Leasing Fee for Each New Tenant									
19% Monthly Management Fee. (Minimum \$125 per month)	114	133	152	171	190	209	228	247	266
TOTAL Annual Fee	\$1,368	\$1,596	\$1,824	\$2,052	\$2,280	\$2,508	\$2,736	\$2,964	\$3,192
Annual Amount After Fee Deduction*	\$5,832	\$6,804	\$7,776	\$8,748	\$9,720	\$10,692	\$11,664	\$12,636	\$13,608
Monthly Amount After Fee Deduction*	\$486	\$567	\$648	\$729	\$810	\$891	\$972	\$1,053	\$1,134

\*Owner's Carry Costs such as Property Taxes, Utilities, Condo Fees & Other Owner Expenses not included in the rental scenario comparison.



# FURNISH OR UNFURNISHED?

EXCLUSIVELY PRESENTED BY



**REAL  
PROPERTY  
MANAGEMENT®**

*ACE*

## PRICING

AT REAL PROPERTY MANAGEMENT, WE PRICE OUR PROPERTIES USING HISTORICAL DATA AND TRENDS IN THE AREA. WE WANT TO MAKE SURE THE PRICING IS FAIR FOR THE OWNER AND THE TENANT!



## ADVERTISING

ALL THE PROPERTIES WE MANAGE ARE ADVERTISED ON A VARIETY OF PLATFORMS TO ENSURE LOW VACANCY RATES!



## SCREENING

WE SCREEN ALL OUR POTENTIAL TENANTS TO MAKE SURE THEY ARE THE RIGHT FIT! WE WANT TO MAKE SURE WE GET THE RIGHT PERSON IN THE RIGHT PROPERTY!



## SHOWING

WE SHOW ALL THE PROPERTIES WE MANAGE SO THE OWNER DOESN'T HAVE TOO! WE WANT OUR TENANTS TO BE HAPPY AND IT IS A GREAT OPPORTUNITY TO GET TO KNOW THEM BETTER!



## INSPECTING

ALL THE PROPERTIES WE MANAGE ARE INSPECTED TO MAKE SURE THEY ARE KEPT IN GREAT CONDITION AND TO BE PROACTIVE WITH ANY MAINTENANCE ISSUES!



## ACCOUNTING

SOME PEOPLE DON'T LOVE NUMBERS BUT WE ON THE OTHER HAND, REALLY DO! WE HANDLE ALL THE ACCOUNTING AND PROVIDE OUR PROPERTY OWNERS WITH MONTHLY RENT DEPOSITS AND ACCURATE FINANCIALS!



**HOME AWAY FROM HOME  
LIFE HAPPENS. SHORT TERM. LONG TERM. YOUR TERM.**

**IT'S ALL ABOUT LIFESTYLE  
HOME AWAY FROM HOME**



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# REAL PROPERTY MANAGEMENT ACE



300 OFFICES IN NORTH AMERICA



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