

MULTI FAMILY INVESTMENT

LANDLORD REPORT

WATERLOO REGION

SPRING 2021



Kyle Church
Broker

kyle.church@royallepagecommercial.com



Andrew Macallum
Sales Representative

andrewmacallum@royallepage.ca



Top 2% in Canada



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Contact us: 519.745.7000

Royal LePage Grand Valley Realty, Brokerage
15C-370 Highland Road West, Kitchener, N2M 5J9
www.principalinterest.ca


PRINCIPAL INTEREST
MULTI FAMILY INVESTMENTS



RECENT TRANSACTIONS 2021

Address	Sale Date	Sale Price	# of Units	Price per Unit
Hilltop Drive, Cambridge	January	\$1,374,000	9	\$152,667
Kraft Avenue, Kitchener	January	\$1,153,000	6	\$192,167
Woolley Street, Cambridge	February	\$7,000,000	39	\$179,487
Sunnydale Place, Waterloo	February	\$11,300,000	51	\$221,569
Montrose Avenue, Kitchener	February	\$1,035,000	9	\$115,000
Howe Drive, Kitchener	March	\$5,750,000	24	\$239,583
Margaret Avenue, Kitchener	March	\$1,935,000	12	\$161,250
Kipling Avenue, Kitchener	March	\$2,100,000	16	\$131,250
Avalon Place, Waterloo	March	\$2,805,000	12	\$233,750

Greetings Landlords,

We are now one year into the pandemic, and while we are all exhausted with the impact this is having on our lives, I am hopeful there is light at the end of the tunnel as we see the rollout of vaccines across the province.

It is no secret that the real estate market has been hot in recent months. While the media focuses primarily on single family housing - the same remains true in the multi family market as well.

As is always the case in multi family investing - our business is largely driven by interest rates. As interest rates dropped in response to the pandemic, things really heated up and we were fortunate to help several Buyers and Sellers transact over 150 apartment units in the first quarter of 2021.

The pandemic has resulted in many changes to our business to ensure we are selling apartment buildings as safely as possible. We are relying on virtual tours as a way to allow prospective buyers to view a building without having to disturb tenants on multiple occasions. We are limiting the number of times we enter the building, and also limiting the number of people entering the building, when it is necessary. Anyone entering the building is screened for covid symptoms, while masks and hand sanitizer are also being used. This may create some extra work - however it is imperative we keep all parties safe and comfortable during the process.

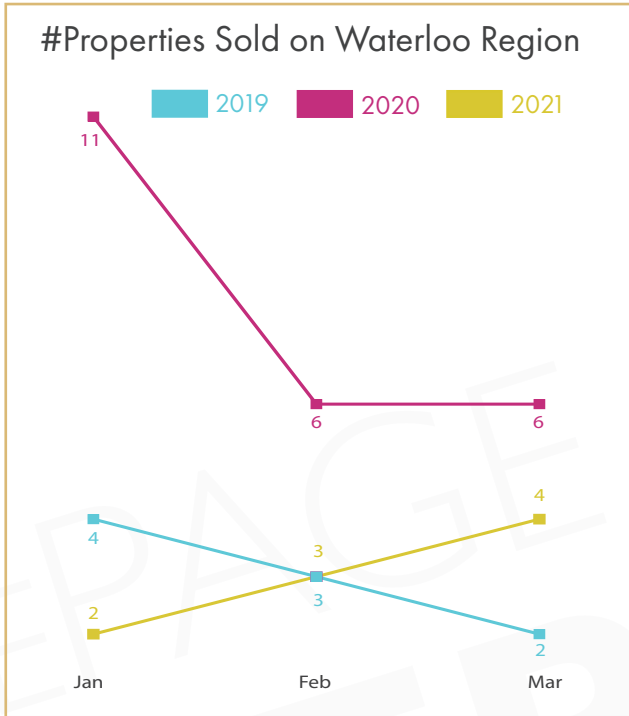
While owners are delighted to hear of rising apartment values - they are not without their own challenges. Owners are experiencing rising costs. Insurance premiums have risen significantly, while landlords are also seeing rising utility costs with tenants spending more time at home. Even with these rising costs for landlords - the province has mandated a rent increase freeze for 2021 - adding even more pressure on the bottom line. Additionally, leasing activity is not as strong as it was prior to the pandemic due to lower immigration rates and the service sector having limited employment opportunities. The eviction process also remains time consuming and costly for landlords to navigate.

Despite all of these challenges - multi family remains a highly sought after investment. Many of these challenges are viewed as temporary and investors are confident that when the pandemic is behind us we will see strong economic growth in our Region again.

As always, my goal is to be your source for insights and intelligence into the ever changing market, so if you have any questions, don't hesitate to reach out.

Regards, Kyle

2021 JANUARY TO MARCH MULTI FAMILY MARKET



\$34M+
SALES VOLUME
WATERLOO REGION

\$3.8M
AVERAGE
SALE PRICE

9 TRANSACTIONS

\$180K
AVERAGE PRICE
PER UNIT

SALES VOLUME
Kitchener 14M+
Waterloo 11M+
Cambridge 8M+

Source: Realnet, does not include Students Housing and Seniors Housing.

2021 TRANSACTIONS BY PRINCIPAL INTEREST



Kitchener
22 Unit Apartment Building
Sale Price \$3,520,000



Kitchener
15 Unit Apartment Building
Sale Price \$2,100,00



Kitchener
12 Unit Apartment Building
Sale Price \$1,935,000



Waterloo
8 Unit Apartment Building
Sale Price \$1,600,000



Waterloo
8 Unit Apartment Building
Sale Price \$1,600,000



Waterloo
9 Unit Apartment Building
Sale Price \$1,500,000



Kitchener
16 Unit Apartment Building
Sale Price \$2,850,000



Palmerston
6 Unit Apartment Building
Sale Price \$855,000



Waterloo
11 Unit Apartment Building
Sale Price \$2,400,000



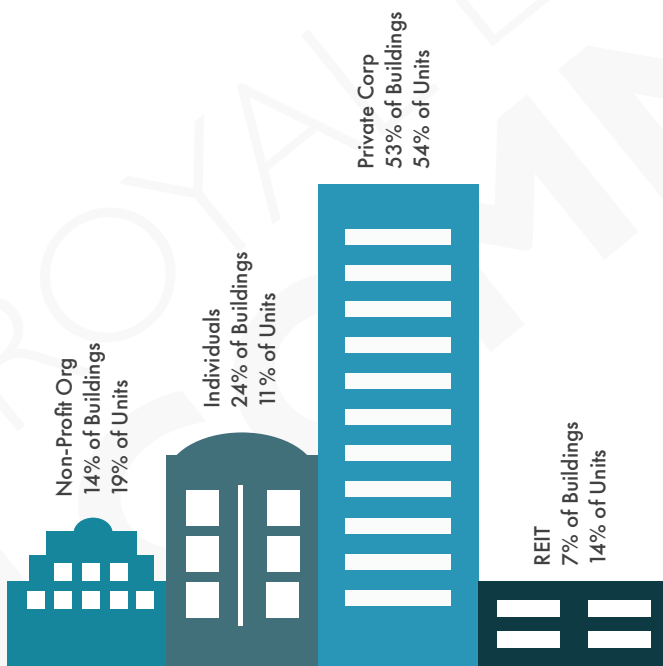
Cambridge
10 Townhomes
Sale Price \$4,000,000

WATERLOO REGION & GUELPH MARKET INSIGHTS

1,076 APARTMENT BUILDINGS IN KWCG

41,161 APARTMENT UNITS

62% OF PROPERTIES OWNED BY LOCALS



APARTMENT BUILDING TYPES

FOURPLEX TO 20 UNITS

48%

21 TO 50 UNITS

28%

51 TO 100 UNITS

16%

MORE THAN 100 UNITS

8%



Welcome!

Andrew Macallum
Sales Representative

We are growing to serve you better! I am proud to add Andrew Macallum as Sales Representative to our team. Andrew joins us with 17 years experience as a landlord, and was previously the President of the Waterloo Regional Apartment Management Association (WRAMA). I first met Andrew when I sold him an apartment building in Kitchener a couple years ago. I was impressed with Andrew's professionalism, courtesy towards others (including tenants), and his knowledge of apartment buildings. With past careers in education and property management I know he has the skills and desire to learn to be a highly valuable member of our team.

FOR SALE EXCLUSIVE LISTINGS



716/722 Glen Forrest Blvd, Waterloo
34 Apartment Suites,
One Property, Two Buildings
Asking Price \$9,975,000



60 Centreville St, Kitchener
29 Unit Townhouse Complex
Nearly Complete Condo Conversion
Asking Price \$10,500,000



30 Ontario St S, Kitchener
Main Floor Commercial Restaurant,
9 Residential Apartment
Asking Price \$2,350,000



142 Queen St N, Kitchener
Fiveplex
Central Downtown Location
Asking Price \$1,295,000