



MULTI FAMILY  
INVESTMENTS  
Q1 2022

# LANDLORD REPORT

## WATERLOO REGION

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**PRINCIPAL INTEREST**  
MULTI FAMILY INVESTMENTS

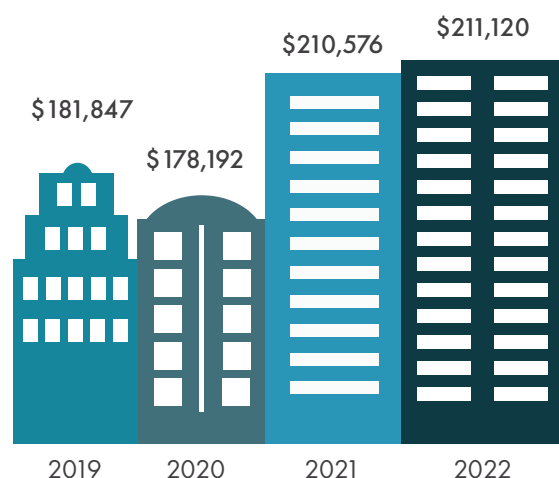
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# RECENT TRANSACTIONS 2022

| Address                          | Sale Month | Sale Price  | # of Units | Price per Unit |
|----------------------------------|------------|-------------|------------|----------------|
| Clover Place, Kitchener          | January    | \$3,225,000 | 15         | \$215,00       |
| Second Avenue, Kitchener         | January    | \$3,000,000 | 16         | \$187,500      |
| MacGregor Court, Waterloo        | January    | \$2,355,000 | 11         | \$214,090      |
| Dixon Street, Kitchener          | January    | \$1,501,000 | 6          | \$250,167      |
| Gildner Street, Kitchener        | February   | \$1,175,000 | 6          | \$195,833      |
| Prospect Avenue, Kitchener       | February   | \$1,675,000 | 8          | \$209,375      |
| Stirling Avenue South, Kitchener | February   | \$1,250,000 | 6          | \$208,333      |
| East Avenue, Kitchener           | March      | \$1,350,000 | 8          | \$168,750      |
| Oak Street, Cambridge            | March      | \$1,175,000 | 6          | \$195,833      |
| Winston Boulevard, Cambridge     | March      | \$1,350,000 | 8          | \$168,750      |
| Quiet Place, Waterloo            | March      | \$7,900,000 | 24         | \$329,167      |
| Dixon Street, Kitchener          | March      | \$1,500,000 | 6          | \$250,000      |
| Hoffman Street, Kitchener        | March      | \$1,250,000 | 8          | \$156,250      |
| Heins Avenue, Kitchener          | March      | \$1,653,000 | 8          | \$206,625      |

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

## AVERAGE PRICE PER UNIT



## AVERAGE FINANCIALS OF 11 TO 12 UNIT BUILDINGS



2021 average expenses and revenue of 5 apartment buildings located in Waterloo Region.  
Apartment Buildings size: 4 x 11 units and 1 x 12 units.

## MULTI FAMILY BUYER PROFILE IN 2021

|                         |            |                |
|-------------------------|------------|----------------|
| REIT - Public Investors | 1993 Units | \$567 Million+ |
| Private Corporation     | 898 Units  | \$197 Million+ |
| Individuals             | 168 Units  | \$33 Million+  |

Source: Realnet and personal database, does not include Students Housing and Seniors Housing

# MULTI FAMILY MARKET COMMENTARY

## Rates are going up - where do we go from here?

As we all know, the pandemic brought with it incredibly low interest rates. This low cost of borrowing was the fuel behind the multi family market being on fire for the past two years. With the Bank of Canada announcing an interest rate of 0.5% this past week - the fuel is being turned down and both Buyers and Sellers of apartment buildings are taking note and curious to see what happens next.

It's been an interesting couple weeks as a broker of multi family buildings. Deals under contract continue to proceed as planned and Buyers seem to have priced in the cost of funds into their decision making on current deals. With that being said, I have noticed an increase in the number of owners reaching out to me in recent weeks - asking me to provide them with an opinion of value on their property.

***“I believe without a doubt we will see an increased supply of opportunities in the months ahead.”***

Fundamentally, our market is a function of supply and demand. I believe without a doubt we will see an increased supply of opportunities in the months ahead. With the increasing supply of apartment buildings - it will be interesting to see if Buyers are willing to pay Q1 prices, given they are having to borrow funds at significantly higher rates.

While the supply has increased - the demand has not gone away. Buyers remain actively seeking opportunities - but will likely be more discerning in the months ahead with more properties to look at and a higher cost of funds.

Are you considering buying or selling in this current market? Please reach out as we would be happy to discuss the current market conditions, the value of your apartment building, or share some off market opportunities that may be a great fit to your portfolio. We are happy to share with you up to date market data and recent transactions to help you make the best decisions.

-- By Kyle Church

## MULTI FAMILY MARKET INSIGHTS

### WATERLOO REGION Q1-2022

#### NUMBER OF UNITS SOLD

**130**

#### SALES VOLUME 2022

**\$30M+**

#### AVERAGE PRICE PER UNIT

**\$211,120**

#### AVERAGE PRICE PER UNIT BY LOCATION

|           |                  |
|-----------|------------------|
| CAMBRIDGE | <b>\$182,292</b> |
| KITCHENER | <b>\$204,783</b> |
| WATERLOO  | <b>\$271,629</b> |

#### AVERAGE RENT (FEB 2022)

|           |               |
|-----------|---------------|
| KITCHENER | <b>\$1703</b> |
|-----------|---------------|

#### PRICE PER UNIT

|       |                               |
|-------|-------------------------------|
| RANGE | <b>\$156,250 to \$329,167</b> |
|-------|-------------------------------|

#### TRANSACTIONS VOLUME YOY

|      |                       |
|------|-----------------------|
| 2019 | <b>\$273M+</b>        |
| 2020 | <b>\$206M+</b>        |
| 2021 | <b>\$797M+</b>        |
| 2022 | <b>\$30M+ to date</b> |

## RECENTLY SOLD BY PRINCIPAL INTEREST



Kitchener  
9 Unit + Commercial Restaurant  
Sale Price \$2,000,000



Kitchener  
8 Unit Apartment Building  
Sale Price \$1,250,000



Collingwood  
12 Unit Apartment Building  
Sale Price \$2,880,000



Collingwood  
12 Unit Apartment Building  
Sale Price \$2,880,000



Cambridge  
8 Unit Apartment Building  
Sale Price \$1,350,000



Kitchener  
Fiveplex  
Sale Price \$1,186,000



Kitchener  
Sixplex  
Sale Price \$1,300,000



Kitchener  
Fiveplex  
Sale Price \$1,420,000

## CURRENT OPPORTUNITIES BY PRINCIPAL INTEREST



Kitchener  
14 Unit Townhouse Complex  
Asking Price \$4,500,000



Kitchener  
Triplex  
Asking Price \$1,200,000



Kitchener  
9 Unit Townhouses + Duplex  
Asking Price \$3,800,000



Waterloo  
6 Unit Apartment Building  
Asking Price \$1,500,000

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Agent in 2021



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