



6610 FOURTH LINE ROAD

Investment Opportunity Brief

8-Unit Multifamily Asset | Ottawa (Manotick / Kars – Rideau Township)

Prepared by Marc Papineau

REALTOR®

eXp Realty, Brokerage

613-884-8960 | marc@marcpapineau.com

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EXECUTIVE SNAPSHOT

Property Overview

- **Asking Price:** \$2,990,000
- **Asset Type:** 8-unit apartment building (6 to 12 units category)
- **Location:** 6610 Fourth Line Road, Ottawa, Ontario K0A 2T0 (Manotick / Kars – Rideau Township area)
- **Zoning:** VM7[3147] – Village Mixed-Use with medium-density residential permissions
- **Building Size:** 4,050 square feet
- **Occupancy:** Tenant-occupied, fully stabilized
- **Holding Period:** 90 days

Financial Summary

- **2025 Gross Income (Actual):** \$185,700 annually
- **2025 Operating Expenses (Actual):** \$28,060 annually
- **2025 Net Operating Income (NOI):** \$157,640 annually
- **In-Place Cap Rate (at ask):** 5.27%
- **Average Rent per Unit:** \$1,934/month
- **Expense Ratio:** 15.1% (exceptionally low for multifamily)

Financing Context

- **CMHC Mortgage Status:** Assumable CMHC-insured mortgage in place (buyer to confirm terms and assumption approval with lender)
- **Vendor Take-Back (VTB) Option:** Seller open to discussing vendor financing for qualified buyers to bridge equity gaps or facilitate creative deal structures

- **Property held in standalone corporation:** Purchase of shares may be available to reduce land transfer tax exposure (buyer to consult tax and legal advisors)

Location Highlights

- Rural Ottawa location on Fourth Line Road (Ottawa Road #5), a designated arterial road serving the Manotick, Kars, and North Gower corridor
- Walk Score: 6 (Car-Dependent) – typical for rural/suburban Ottawa markets
- Transit Score: Minimal – OC Transpo Route 305 serves area with limited frequency
- Demographics: Family-oriented, stable workforce, mix of trades, government employees, rural commuters, and **aging population seeking accessible, single-level living**—many units meet accessibility standards, catering to baby boomers and seniors downsizing from single-family homes who are not yet ready for assisted living facilities

6610 Fourth Line Road offers investors a rare combination of stabilized cash flow, exceptionally low operating expenses (15.1% expense ratio), and exposure to Ottawa's sought-after rural rental market where supply is constrained and tenant demand is driven by families and professionals seeking space, privacy, and value beyond the urban core.

INVESTMENT HIGHLIGHTS

Exceptional Cash Flow with Institutional-Quality Expense Ratio

With 2025 NOI of \$157,640 on gross income of \$185,700, the property delivers a **15.1% operating expense ratio**—significantly below the 35–45% typical for urban multifamily assets in Ottawa. This efficiency is driven by tenant-paid utilities (heat and electricity for most units), minimal common-area expenses, and rural property tax rates that are a fraction of downtown equivalents.

This expense structure enhances cash-on-cash returns, reduces operational volatility, and positions the asset for resilient performance across market cycles.

Fully Stabilized, Tenant-Paid Utility Model

All eight units are occupied with leases in place. Seven of eight units have tenants paying their own heat and electricity, with only Unit 3 retaining landlord-paid utilities. This pass-through model insulates the owner from energy cost inflation and simplifies expense management.

Average in-place rent of \$1,934/month is competitive for the Manotick/Kars corridor, where rental supply is constrained and demand is driven by families and professionals priced out of urban Ottawa or seeking larger units, outdoor space, and lower cost of living.

Rural Ottawa Supply Constraint and Defensive Demographics

The Manotick, Kars, and North Gower markets are characterized by extremely limited purpose-built rental supply, with the majority of rental inventory consisting of secondary suites, single-family homes, and small-scale multifamily assets. Purpose-built 8-unit buildings like 6610 Fourth Line Road are rare and highly sought after by investors seeking scale without the regulatory complexity of larger portfolios.

Tenant demographics skew toward stable, long-term renters: trades workers, government employees commuting to Ottawa core or Barrhaven, young families seeking space and affordability, rural lifestyle seekers, and **a growing segment of aging baby boomers and seniors seeking accessible, independent living.**

Aging Population & Accessibility Advantage:

Many units at 6610 Fourth Line Road meet accessibility standards, making the property exceptionally attractive to the area's aging demographic. The Manotick/Kars corridor has a significant and growing population of baby boomers and retirees who are:

- Selling single-family homes (downsizing from maintenance-intensive properties)
- Seeking independent, accessible living without institutional care
- Not yet ready for retirement homes or assisted living facilities
- Prioritizing single-level units, accessibility features, and community connection

This demographic represents a **highly stable, low-turnover tenant base** with strong income security (pensions, retirement savings, government benefits) and minimal risk of employment-driven relocation. Accessible rental units in rural Ottawa are exceptionally rare, which explains why vacancies at properties like 6610 Fourth Line Road fill rapidly—often within days of listing.

As Ottawa's rural communities age and housing stock remains predominantly inaccessible (stairs, multi-level layouts, poor accessibility), purpose-built multifamily assets offering accessible units will experience sustained, defensive demand from this underserved demographic.

This profile supports strong retention and low vacancy, even as urban Ottawa has experienced modest softening in 2025–2026.

CMHC-Insured Financing in Place

The property benefits from an existing CMHC-insured mortgage, which may be assumable subject to lender and CMHC approval. CMHC-insured financing provides:

- Competitive interest rates relative to conventional multifamily debt
- Extended amortization options that improve debt service coverage and cash-on-cash returns
- Lender confidence and potential refinancing flexibility over the hold period

Buyers should engage directly with the lender early in the acquisition process to confirm assumption criteria, outstanding balance, interest rate, amortization, and any required credit or net worth qualifications.

Corporate Share Purchase Option May Reduce Acquisition Costs

The property is held in a standalone corporation. Subject to buyer and seller agreement and appropriate tax and legal structuring, a share purchase (rather than asset purchase) may significantly reduce or eliminate Ontario Land Transfer Tax exposure, improving effective purchase price and return on invested capital.

Buyers should consult qualified tax advisors and legal counsel to evaluate the benefits, risks, and structuring requirements of a corporate share transaction versus a traditional asset purchase.

Proven Asset in High-Demand Rural Corridor

Fourth Line Road is a designated arterial road (Ottawa Road #5) serving the rapidly growing Manotick, Kars, and North Gower corridor. The area has experienced steady population growth over the past decade driven by:

- Affordability arbitrage relative to urban Ottawa and Barrhaven

- Family-oriented lifestyle appeal (larger lots, green space, rural character)
- Improving highway access via Highway 416, enabling <30-minute commutes to downtown Ottawa and employment hubs
- Municipal infrastructure investment supporting residential intensification in village cores

As Ottawa's urban core and inner suburbs continue to densify and price out middle-income renters, rural communities like Manotick and Kars are increasingly positioned as "next tier" rental markets offering space, value, and quality of life that urban product cannot replicate.

LOCATION & MARKET CONTEXT: THE MANOTICK / KARS

ADVANTAGE

Fourth Line Road Corridor

6610 Fourth Line Road is located on Ottawa Road #5, a designated arterial road running southeast from Richmond through North Gower and the Manotick/Kars corridor before terminating at the Rideau River. The road serves as a primary north-south route connecting rural Ottawa communities to Highway 416, which provides rapid highway access to downtown Ottawa (approximately 30–35 minutes), Barrhaven, and employment hubs in Kanata.

The property sits within the Rideau-Goulbourn ward (Ward 21), a predominantly rural and suburban area characterized by agricultural land, low-density residential development, and small village cores with limited commercial amenities. The area's walkability is minimal (Walk Score 6), reflecting the car-dependent nature of rural Ottawa living.

Demographic & Lifestyle Profile

The Manotick, Kars, and North Gower corridor attracts a distinct renter demographic seeking space, affordability, and rural/suburban lifestyle amenities unavailable in urban Ottawa:

- **Families:** Young families and couples seeking larger units, outdoor space, and lower cost of living relative to urban Ottawa or Barrhaven
- **Trades and skilled workers:** Blue-collar workforce employed in construction, transportation, agriculture, and service industries
- **Government employees:** Federal and municipal workers commuting to downtown Ottawa or suburban office complexes, often seeking value and space in exchange for longer commutes
- **Rural lifestyle seekers:** Renters prioritizing privacy, quiet, and access to outdoor recreation (Rideau River, cycling, hiking, snowmobiling)
- **Aging population & seniors:** Baby boomers and retirees downsizing from single-family homes, seeking accessible, independent living without institutional care. Many units meet accessibility standards (single-level, barrier-free design), making the property ideal for seniors not yet ready for assisted living. This demographic offers exceptional stability, low turnover, and strong income security (pensions, retirement savings).

Tenant retention in rural Ottawa markets is typically strong, driven by limited alternative rental supply, family stability, and the logistical challenges of relocating within car-dependent geographies.

Manotick / Kars Rental Market Context (2026)

The Manotick and Kars rental markets are characterized by:

- **Severely constrained supply:** Average of ~2 rental listings per month in Manotick as of 2024, with most inventory consisting of single-family homes, basement apartments, and townhouses. Purpose-built multifamily assets like 6610 Fourth Line Road are exceptionally rare.
- **Average rental estimates:** HonestDoor estimates average Manotick rental rates at approximately \$4,650/month for single-family homes (March 2026), reflecting the family-oriented, space-driven nature of demand. Multifamily units in the \$1,900–\$2,200 range (as at 6610 Fourth Line Road) represent a more affordable entry point for renters seeking the rural Ottawa lifestyle without single-family home rental premiums.
- **Vacancy:** Anecdotal evidence and limited listing activity suggest vacancy rates in rural Ottawa remain extremely low (<2%), significantly below the Ottawa-wide ~3.5–3.8% rate as of Q1 2026. Supply constraints and stable demographics insulate rural markets from the urban softness driven by new condo and purpose-built completions.

Ottawa Multifamily Investment Forecast (2026)

Ottawa's broader multifamily market entered 2026 facing headwinds from federal government job cuts (~30,000 positions over two years, mostly concentrated in Ottawa), slowing population growth, and rising vacancy as new supply entered the market. However, several factors support continued investment in stabilized, cash-flowing multifamily assets:

- **Tech sector expansion:** Ongoing growth in Kanata and urban tech hubs partially offsets federal job losses, supporting rental demand among higher-income professionals
- **Interprovincial migration:** Continued inflows from higher-cost Ontario markets (Toronto, GTA) and other provinces support baseline rental demand despite slower international immigration

- **Modest supply growth:** Rental completions expected to tick slightly higher in 2026 but remain well below historic peaks, providing a stabilizing backstop against vacancy spikes
- **Affordability improvement:** Rent-to-income ratios have improved to just below 30% for the first time in six years, expected to stimulate renewed renter demand through 2026–2027

For rural/suburban assets like 6610 Fourth Line Road, the softer urban market dynamics are largely irrelevant. The property competes in a supply-constrained, family-oriented submarket with distinct demand drivers and minimal exposure to urban condo competition or student/young professional volatility.

FINANCIAL PERFORMANCE ANALYSIS

2025 Operating Results (Actual)

The property delivered the following operating performance in 2025 based on actual financial statements provided by the seller:

Revenue & Expense Item	2025 Actual (\$)
Gross Scheduled Income	185,700.00
\quad Unit 1 (\$2,050/mo)	24,600.00
\quad Unit 2 (\$2,075/mo)	24,900.00
\quad Unit 3 (\$1,250/mo)	15,000.00
\quad Unit 4 (\$1,975/mo)	23,700.00

\quad Unit 5 (\$1,900/mo)	22,800.00
\quad Unit 6 (\$2,050/mo)	24,600.00
\quad Unit 7 (\$2,200/mo)	26,400.00
\quad Unit 8 (\$1,975/mo)	23,700.00
<i>Operating Expenses:</i>	
\quad Property Taxes	13,982.00
\quad Insurance	7,800.00
\quad Hydro (common areas only)	1,000.00
\quad Enbridge (gas, common areas)	2,400.00
\quad Rogers Internet	678.00
\quad Snow Removal	2,200.00
Total Operating Expenses	28,060.00
Net Operating Income (NOI)	157,640.00
Expense Ratio	15.1%

Table 1: 2025 In-Place Financial Performance (Actual)

Key Observations:

- **Exceptional expense ratio:** At 15.1%, operating expenses are a fraction of the 35–45% typical for urban Ottawa multifamily. This is driven by tenant-paid utilities (7 of 8 units pay heat and electricity), rural property tax rates (\$13,982 vs \$30,000+ for comparable urban assets), and minimal common-area expenses.
- **Stable, predictable cash flow:** With only \$28,060 in annual operating expenses and \$157,640 in NOI, the property offers resilient cash flow with limited exposure to utility inflation or variable expense categories.
- **No management expense:** The seller does not appear to allocate a management fee in the expense statement. Buyers should budget 3–5% of effective gross income for professional management if not self-managing, which would add approximately \$5,500–\$9,300 annually to expenses and reduce NOI to \$148,340–\$152,140 range.
- **No reserve for capital expenditures:** The expense statement does not include a capital reserve. Buyers should budget 3–5% of effective gross income (\$5,500–\$9,300 annually) for long-term capital replacement (roof, HVAC, paving, siding, appliances) to ensure sustainable operations.

Pro-Forma Analysis (Normalized Operating Assumptions)

Adjusting for professional management and capital reserves to reflect institutional underwriting standards:

Revenue & Expense Item	Normalized (\$)
Gross Scheduled Income	185,700.00
Vacancy Allowance (2%, conservative for rural)	(3,714.00)

Effective Gross Income	181,986.00
<i>Operating Expenses:</i>	
\quad Property Taxes	13,982.00
\quad Insurance	7,800.00
\quad Hydro (common areas)	1,000.00
\quad Enbridge (gas)	2,400.00
\quad Rogers Internet	678.00
\quad Snow Removal	2,200.00
\quad Management (4% of EGI, conservative)	7,279.00
\quad Repairs & Maintenance (2% of EGI)	3,640.00
\quad Capital Reserve (3% of EGI)	5,460.00
Total Operating Expenses (Normalized)	44,439.00
Net Operating Income (Normalized)	137,547.00
Normalized Expense Ratio	24.4%
Normalized Cap Rate (at \$2,990,000)	4.60%

Table 2: Pro-Forma Normalized Financial Performance

Even with normalized expenses including management and capital reserves, the property delivers a 24.4% expense ratio—still exceptional relative to urban multifamily—and a normalized NOI of \$137,547, implying a 4.60% cap rate at the \$2,990,000 asking price.

Cap Rate & Valuation Context

- **In-place cap rate (seller's NOI):** 5.27% ($\$157,640 \text{ NOI} \div \$2,990,000$)
- **Normalized cap rate (with mgmt & reserves):** 4.60% ($\$137,547 \text{ NOI} \div \$2,990,000$)

Cap rates for stabilized, well-located Ottawa multifamily assets have compressed to the 4.0–5.5% range as of Q1 2026, with core urban assets trading at the lower end (4.0–4.5%) and suburban/rural assets at the higher end (4.5–5.5%) depending on location, condition, and financing availability. At a normalized 4.60% cap rate, 6610 Fourth Line Road is competitively priced within the suburban/rural band, particularly given its exceptional expense ratio and assumable CMHC financing.

Illustrative Value-Add Opportunity (Optional)

Unit 3 is an **attached 3-bedroom, two-storey house** currently renting for \$1,250/month with landlord-paid hydro and gas—well below its potential given size and configuration. A substantive cosmetic renovation program creates two clear value-add paths:

Scenario A – Single Upgraded Unit:

Reconfigure and fully renovate Unit 3 into one high-quality 3-bedroom dwelling:

- **Renovation scope:** Cosmetic improvements including paint, flooring, kitchen refresh, bathroom updates, lighting, and potential layout optimization (\$30,000–\$50,000 estimated investment)
- **Target rent:** \$2,500/month (in line with premium 3-bedroom houses in rural Ottawa)
- **NOI impact:** Incremental \$15,000 annually (\$1,250 increase × 12 months)
- **Value creation at 4.60% cap rate:** Approximately \$326,000 of additional asset value
- **Return on investment:** \$15,000 annual NOI increase on \$30,000–\$50,000 capex = 30–50% cash-on-cost return

Scenario B – Split into Two Units:

Subject to zoning confirmation and building code compliance, demise the existing 3-bedroom house into two separate legal units:

- **Configuration:** Upper-level 2-bedroom unit + lower-level 2-bedroom unit, each with separate entrance, kitchen, bathroom
- **Renovation scope:** Substantial cosmetic and systems work including demising walls, separate utilities (hydro/gas meters), dual kitchens/bathrooms, egress compliance, flooring, paint (\$60,000–\$90,000 estimated investment, subject to building assessment)
- **Target rent:** \$2,200–\$2,300/month per unit = \$4,400–\$4,600/month combined
- **NOI impact:** Incremental \$37,800–\$40,200 annually (\$3,150–\$3,350 monthly increase × 12 months)
- **Value creation at 4.60% cap rate:** Approximately \$821,000–\$874,000 of additional asset value

- **Return on investment:** \$39,000 average annual NOI increase on \$60,000–\$90,000 capex = 43–65% cash-on-cost return
- **Buyer due diligence required:** Confirm zoning permits conversion (VM7[3147] allows medium-density residential), obtain building permits, verify egress and fire separation requirements, assess structural feasibility

Strategic Considerations:

- Both scenarios offer exceptional returns on invested capital relative to new construction or acquisition alternatives
- Scenario B (two-unit split) delivers materially higher NOI and asset value but requires zoning/building approvals, longer renovation timeline, and higher upfront capital
- Scenario A (single upgraded unit) is lower-risk, faster to execute, and may appeal to premium family renters seeking space and quality
- Either strategy positions Unit 3 at market rent with tenant-paid utilities, eliminating landlord exposure to energy cost inflation
- Renovation timelines and capital estimates are illustrative; buyers should conduct detailed scope assessment and obtain contractor quotes during due diligence

This optional upside is incremental to the stabilized, cash-flowing base case and may be executed immediately upon acquisition or deferred to future lease expiry.

FINANCING, RISK & MITIGATION

Assumable CMHC-Insured Mortgage

The property benefits from an existing CMHC-insured mortgage with Peakhill Capital (Loan #1082615) that may be assumable subject to lender approval.

Mortgage Details:

- **Loan Amount:** \$2,191,380.00
- **Interest Rate:** 4.890% fixed
- **Term:** 126 months (10.5 years)
- **Monthly Payment:** \$10,336.92 (principal & interest)
- **Annual Debt Service:** \$124,043.04
- **Maturity:** September 1, 2035
- **DSCR (in-place NOI):** 1.27
- **DSCR (normalized NOI):** 1.11

Buyer Action Items:

- Contact listing agent for Peakhill Capital contact information
- Engage directly with lender early in due diligence to confirm assumption criteria (credit score, net worth, experience, income verification)
- Obtain written confirmation of assumption approval and any required conditions prior to firm offer
- Verify outstanding balance, prepayment penalties (if applicable), and any lender conditions for assumption

CMHC mortgage assumption is a significant value-add in the current environment, where new financing may carry higher rates, require higher debt service coverage ratios, or involve longer approval timelines. The 4.890% fixed rate through September 2035 provides exceptional long-term certainty and cash flow predictability.

Vendor Take-Back (VTB) Financing Option

The seller is open to discussing **vendor take-back (VTB) financing** for qualified buyers, providing flexible deal structuring options that may include:

- **Equity gap financing:** VTB to bridge the difference between purchase price and available first mortgage + buyer equity, reducing cash-to-close requirements
- **Second mortgage structure:** Subordinated seller financing behind the CMHC first mortgage, potentially improving buyer cash-on-cash returns
- **Flexible terms:** Interest rate, amortization, and payment structure negotiable based on buyer qualifications and deal structure
- **Creative deal facilitation:** VTB can enable acquisition for buyers with strong operating experience but limited liquidity, or facilitate tax-efficient seller exit strategies

Illustrative VTB Scenario:

- Purchase Price: \$2,990,000
- CMHC First Mortgage (assume): \$2,191,380 at 4.890%
- Buyer Equity (20%): \$598,000
- **Seller VTB (second mortgage):** \$200,620 at 6.0% interest-only for 3 years, then amortized over 15 years
- Net cash-to-close: \$598,000 + closing costs (vs \$798,620 without VTB)

VTB financing is subject to negotiation between buyer and seller, and buyers should consult legal and tax advisors to structure appropriately. VTB terms (amount, rate, amortization, prepayment rights) will depend on buyer credit profile, net worth, experience, and proposed deal structure.

Buyer Action Items:

- If interested in VTB financing, engage listing agent early to discuss seller's parameters and willingness
- Prepare financial package (net worth statement, credit report, operating experience, business plan) to demonstrate creditworthiness
- Engage legal counsel to structure VTB appropriately (subordination agreements, registration, personal guarantees, covenants)
- Consult tax advisor regarding tax implications for both buyer and seller

Key Risks & Mitigation Strategies

Risk	Description	Mitigation
Geographic Concentration	Entire asset in single rural location with car-dependent demographics and limited alternative rental supply.	Exceptionally low vacancy in Manotick/Kars corridor due to severe supply constraints. Family-oriented, stable tenant base with strong retention. Location on arterial road with highway access supports commuter demand.

<p>Tenant Turnover</p>	<p>Potential for turnover-driven vacancy or rent loss, particularly in rural markets with lower renter density.</p>	<p>Strong historical retention driven by limited alternative supply, family stability, and logistical challenges of relocating in car-dependent geography. Average rent per unit competitive but not premium, reducing price sensitivity.</p>
<p>Capital Expenditures</p>	<p>Roof, HVAC, paving, siding, and other building systems will require replacement over 10–20 year hold period.</p>	<p>Recommend physical condition assessment and capital needs analysis during due diligence. Budget 3–5% of EGI annually for capital reserves (\$5,500–\$9,300/year). Factor major capex into long-term hold modeling.</p>

<p>Unit 3 Reconfiguration (if pursued)</p>	<p>If buyer pursues two-unit split of Unit 3, zoning approvals, building permits, and code compliance (egress, fire separation) required. Timeline and cost uncertainty.</p>	<p>Engage municipal planner and building department early to confirm VM7[3147] zoning permits conversion. Obtain detailed contractor quotes and architect review during due diligence. Budget contingency for unforeseen structural or systems requirements. Scenario A (single upgraded unit) offers lower-risk alternative with strong returns.</p>
<p>Interest Rate</p>	<p>Rising interest rates can compress cash flow and reduce asset valuation at exit, particularly for variable-rate debt or short-term fixed mortgages.</p>	<p>Assumable CMHC-insured mortgage provides potential hedge against rate volatility. If assuming, lock in long-term fixed rate to reduce refinancing risk. Stabilized cash flow and low expense ratio support resilient DSCR across rate scenarios.</p>

Market Softness	Ottawa-wide rental market has softened modestly in 2025–2026 due to new supply and federal job cuts, though rural markets largely insulated.	Property competes in distinct submarket with severe supply constraints and family-oriented demand drivers. Minimal exposure to urban condo competition, student volatility, or federal job concentration. Tenant-paid utilities and low expense ratio support downside resilience.
Regulatory	Potential changes to Ontario rent control, tenant protections, or municipal bylaws could impact operations or cash flow.	Property is conforming use with VM7 zoning. Rural markets typically experience less regulatory scrutiny than urban cores. Buyers should consult legal counsel regarding current and anticipated regulatory environment and budget for compliance costs.

Table 3: Risk Assessment & Mitigation Framework

Environmental & Title Considerations

Buyers are encouraged to conduct independent environmental site assessment (Phase I ESA minimum), title review, zoning confirmation, and legal due diligence as part of their acquisition process. Rural properties may have unique environmental considerations (septic systems, well water, agricultural land use history, fuel storage) that require specialized assessment.

If pursuing a corporate share purchase, additional due diligence on corporate history, tax filings, liabilities, and potential successor liability is essential.

UNIT MIX & RENT ROLL SUMMARY

The property comprises **8 residential units** with the following rent roll as of 2025:

Unit	Monthly Rent (\$)	Annual Rent (\$)	Utility Payment Structure
Unit 1	2,050	24,600	Tenant pays heat and electricity
Unit 2	2,075	24,900	Tenant pays heat and electricity
Unit 3	1,250	15,000	Landlord pays hydro and gas
Unit 4	1,975	23,700	Tenant pays heat and electricity
Unit 5	1,900	22,800	Tenant pays heat and electricity, Landlord pays Internet
Unit 6	2,050	24,600	Tenant pays electricity, Landlord pays Internet
Unit 7	2,200	26,400	Tenant pays heat and electricity

Unit 8	1,975	23,700	Tenant pays electricity
Total	15,475/mo	185,700/yr	7 of 8 units: tenant-paid utilities

Table 4: Rent Roll Summary – 6610 Fourth Line Road

Key Observations:

- **Average rent per unit:** \$1,934/month, competitive for Manotick/Kars corridor and well-positioned relative to single-family rental rates (\$3,500–\$5,000+/month)
- **Rent range:** \$1,250–\$2,200/month, with Unit 3 (a large attached 3-bedroom, two-storey house) representing a clear mark-to-market and potential reconfiguration opportunity (single upgraded unit at ~\$2,500/month or two separate units at ~\$4,500/month combined)
- **Utility structure:** 7 of 8 units have tenant-paid heat and electricity, insulating owner from energy cost inflation
- **Internet:** Units 5 and 6 include landlord-paid Rogers Internet (\$678/year total), a minor expense relative to rent premiums for connected units in rural markets

APPENDIX A: LOCATION CONTEXT

Fourth Line Road Corridor

6610 Fourth Line Road is located on Ottawa Road #5, a designated arterial road serving the Manotick, Kars, and North Gower corridor in rural Ottawa. The road provides north-south connectivity from Richmond (north) through North Gower to

the Rideau River (south), with Highway 416 access approximately 5–10 minutes west enabling rapid commutes to downtown Ottawa (30–35 minutes), Barrhaven (20 minutes), and Kanata employment hubs (40 minutes).

The property sits in a predominantly rural/low-density residential area characterized by single-family homes on large lots, agricultural land, and limited commercial development. The nearest village center is North Gower (approximately 5 km north), offering basic amenities including grocery, pharmacy, gas stations, and schools.

Demographics & Commuter Access

The Manotick/Kars/North Gower corridor serves a stable, family-oriented demographic:

- **Families:** Young families and couples seeking space, affordability, and rural lifestyle amenities
- **Trades and skilled workers:** Blue-collar workforce employed in construction, transportation, agriculture, and service industries
- **Government employees:** Federal and municipal workers commuting to Ottawa core or Barrhaven offices
- **Rural lifestyle seekers:** Renters prioritizing privacy, quiet, outdoor recreation (Rideau River, cycling, trails), and lower cost of living
- **Aging population & seniors:** Baby boomers and retirees downsizing from single-family homes who are not yet ready for retirement homes or assisted living. Many units offer accessibility features (single-level design, barrier-free access), making the property exceptionally attractive to this stable, income-secure demographic. Accessible rental units in rural Ottawa are rare, and vacancies fill rapidly—often within days—due to severe undersupply relative to aging population demand.

Highway 416 provides critical commuter connectivity to Ottawa's major employment centers:

- **Downtown Ottawa:** 30–35 minutes via Highway 416 north to Highway 417 east
- **Barrhaven (suburban office hub):** 20 minutes via Highway 416 north
- **Kanata (tech sector employment):** 40 minutes via Highway 416 north to Highway 417 west

This commuter access makes the Fourth Line Road corridor increasingly attractive to renters seeking space and value in exchange for highway-based commutes—a trade-off that has driven steady population growth in rural Ottawa over the past decade.

APPENDIX B: OTTAWA MULTIFAMILY MARKET OVERVIEW (2026)

Citywide Context

Ottawa's multifamily market entered 2026 facing several crosscurrents:

Headwinds:

- **Federal government job cuts:** Budget 2025 will shed nearly 30,000 federal jobs over two years, most concentrated in Ottawa, reducing public-sector rental demand
- **Slowing population growth:** Fewer temporary residents (international students, temporary foreign workers) due to federal policy changes, moderating net new renter formation
- **Rising vacancy:** Ottawa-wide vacancy rose to 3.5–3.8% in Q4 2025 / Q1 2026 as new purpose-built supply entered market and demand moderated

- **Rent softness:** Average asking rents declined 4.8% year-over-year to \$2,107 as of January 2026, reflecting competition from new inventory

Tailwinds:

- **Tech sector expansion:** Ongoing growth in Kanata and urban tech hubs partially offsets federal job losses, supporting demand among higher-income professionals
- **Interprovincial migration:** Continued inflows from Toronto, GTA, and other provinces drawn by relative affordability and federal employment opportunities
- **Modest new supply:** Rental completions expected to tick slightly higher in 2026 but remain below historic peaks, limiting further vacancy increases
- **Improving affordability:** Rent-to-income ratios below 30% for first time in six years, expected to stimulate renewed demand through 2026–2027

Rural/Suburban Ottawa Insulation

For rural and suburban multifamily assets like 6610 Fourth Line Road, the urban market dynamics are largely irrelevant:

- **Distinct demand drivers:** Family-oriented renters seeking space, value, and lifestyle amenities, not students or young professionals concentrated in urban cores
- **Severe supply constraints:** Virtually no new purpose-built multifamily construction in Manotick/Kars/North Gower corridor, with rental supply limited to single-family homes, basement apartments, and small legacy multifamily

- **Minimal federal job exposure:** Rural tenant base skews toward trades, private-sector workers, and commuting government employees, with minimal exposure to downtown federal office concentration
- **Defensive positioning:** Low expense ratio, tenant-paid utilities, and below-market Unit 3 provide downside resilience and upside optionality across market cycles

As urban Ottawa absorbs new supply and rebalances through 2026, well-located rural/suburban assets with stabilized cash flow and supply-constrained fundamentals are positioned to outperform on a risk-adjusted basis.

APPENDIX C: BUYER DUE DILIGENCE CHECKLIST

Prospective buyers should conduct thorough due diligence prior to submitting a firm offer. Recommended due diligence items include:

Financial & Operational

- Verify rent roll with copies of current leases (redacted tenant names acceptable)
- Confirm lease expiry dates, tenant payment history, and any rent arrears
- Review 2–3 years of historical operating statements (income, expenses, capital expenditures)
- Verify property tax assessment and annual tax amounts with City of Ottawa
- Confirm insurance coverage, premiums, and claims history
- Review utility bills (hydro, gas, internet) for past 12 months to verify expense accuracy

- Identify any outstanding tenant disputes, legal proceedings, or Landlord-Tenant Board applications

Physical Condition

- Engage licensed building inspector or engineer to assess building condition and identify capital requirements
- Review age and condition of: roof, HVAC systems, water heaters, electrical panels, plumbing, siding, windows, paving
- Identify deferred maintenance items and estimate costs for immediate repairs
- Obtain capital expenditure reserve study or create one based on inspector findings
- Review unit interiors (subject to tenant cooperation and advance notice requirements)

Legal & Title

- Retain real estate lawyer to review title, easements, encumbrances, and survey
- Confirm zoning compliance (VM7[3147]) with City of Ottawa Planning Department
- Review any registered restrictive covenants, rights-of-way, or municipal agreements
- Confirm CMHC mortgage details and assumption requirements with Peakhill Capital (Loan #1082615)

Environmental

- Obtain Phase I Environmental Site Assessment (ESA) from qualified environmental consultant
- For rural properties: assess septic system condition (if applicable), well water quality (if applicable), fuel storage history, agricultural land use history
- Review any historical environmental assessments or remediation activities
- Confirm compliance with applicable environmental regulations

Market & Comparable Analysis

- Obtain independent appraisal or broker opinion of value
- Review comparable sales and rental rates in Manotick/Kars corridor
- Analyze rental market trends, vacancy rates, and new supply pipeline
- Validate underwriting assumptions (rent growth, vacancy, expenses, cap rate, exit cap rate) against market data

IMPORTANT DISCLAIMERS

Information Sources & Verification

This Investment Opportunity Brief has been prepared by Marc Papineau, Salesperson with EXP REALTY, based on information provided by the seller, publicly available data, and third-party market research. While every effort has been made to ensure accuracy, prospective buyers are encouraged to conduct independent due diligence and verification of all information contained herein.

No Representations or Warranties

The seller and listing brokerage make no representations or warranties regarding the accuracy, completeness, or suitability of this information for any particular

purpose. Financial projections, pro-forma analyses, and market assumptions are provided for illustrative purposes only and should not be relied upon as predictions of future performance.

Buyer Responsibilities

Prospective buyers should:

- Engage qualified legal counsel to review title, zoning, environmental reports, and financing documents
- Retain licensed building inspector or engineer to assess property condition and capital requirements
- Conduct independent financial underwriting, including verification of rent roll, operating expenses, and pro-forma assumptions
- Consult with qualified tax and accounting advisors regarding acquisition structure, financing, and tax implications
- Obtain independent appraisal and market rent analysis from qualified professionals
- Review CMHC mortgage assumption criteria with Peakhill Capital and obtain written confirmation of eligibility prior to firm offer

Management & Capital Reserve Assumptions

The 2025 operating expense statement provided by the seller does not appear to include allocations for professional management or capital reserves. Buyers should budget 3–5% of effective gross income for each category to ensure sustainable, institutional-quality operations. Failure to budget for these items may result in cash flow shortfalls or deferred maintenance.

CMHC Mortgage Assumption

Assumption of the existing CMHC-insured mortgage (Peakhill Capital Loan #1082615, \$2,191,380 at 4.890% fixed through September 1, 2035) is subject to lender approval and may require satisfaction of credit, income, net worth, and experience criteria. Buyers should engage directly with Peakhill Capital early in the acquisition process to understand assumption requirements, timelines, and any conditions precedent to approval.


CONTACT INFORMATION

For additional information, property showings, or to submit an offer, please contact:

Marc Papineau

REALTOR®

eXp Realty, Brokerage

 613-884-8960

 marc@marcpapineau.com

Property Address:

6610 Fourth Line Road

Ottawa, Ontario K0A 2T0

MLS® Listing: X12767868

Listing Price: \$2,990,000

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Prepared by Marc Papineau, eXp Realty, Brokerage.