

DAPPER CAPITAL LIMITED

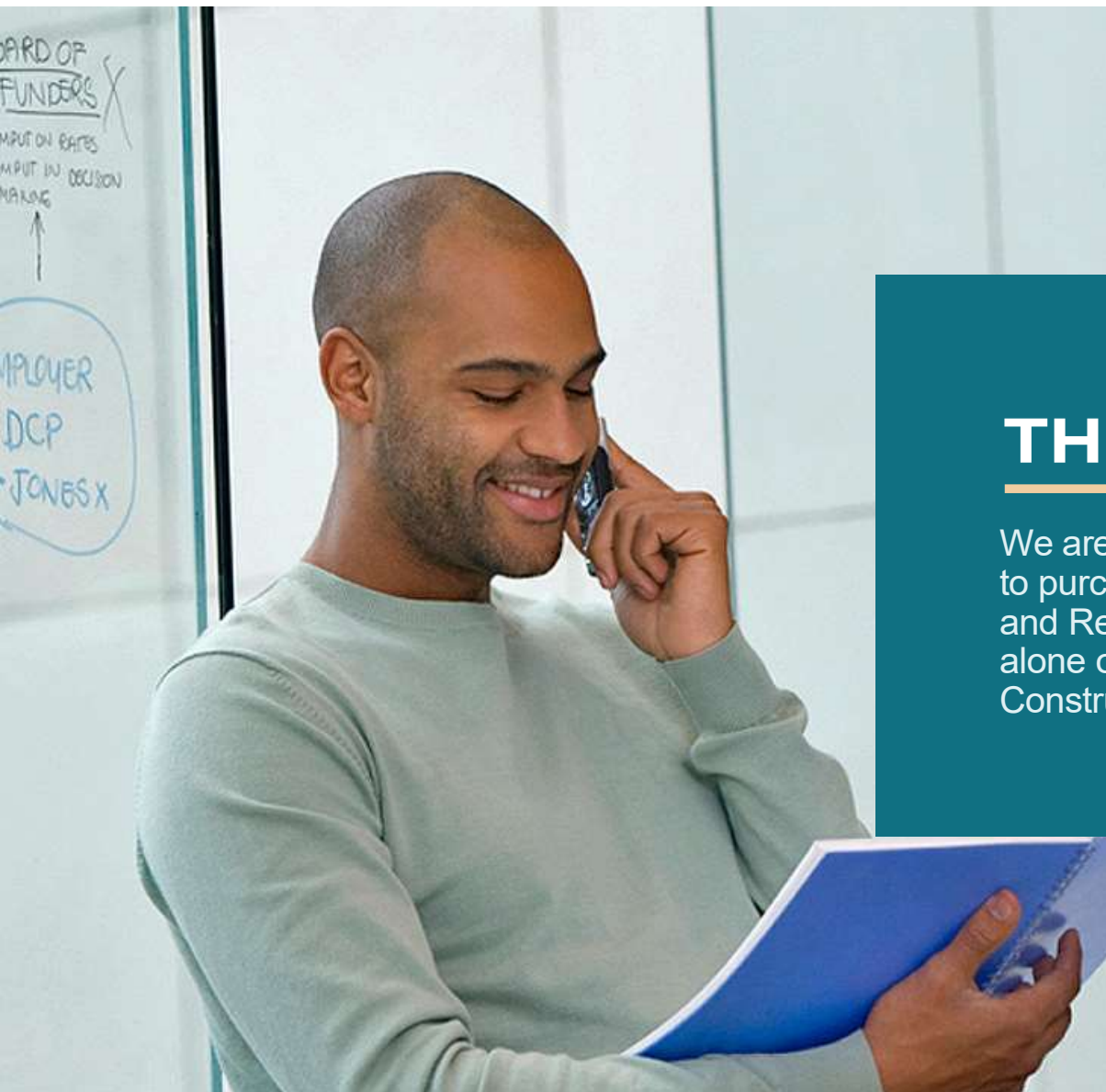
Business Purchase Opportunity

Presented by:



Merger Key

M&A ADVISORY



THE OPPORTUNITY

We are pleased to present this exciting opportunity to purchase an existing Renovation, Development and Rental Property Business to operate stand-alone or as a bolt-on to an existing Real Estate or Construction Business



Merger Key
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QUICK HIGHLIGHTS

- ✓ 17 Properties, 31 Rental Units
- ✓ \$592,000 Rental Revenue
- ✓ 2 Additional Units Under Renovation will add another \$42,000 of Revenue
- ✓ Development Pipeline of up to 38 new units on existing properties could add another \$820,000 of Revenue
- ✓ 2 experienced staff carpenters, warehouse, office, work truck, snowplow, dump trailer, tools and misc equipment





STRATEGIC ADVANTAGES

- ✓ Ideal bolt-on or business growth opportunity for existing landlord or contractor
- ✓ Turn-key operation with well-maintained properties, experienced staff, tools and equipment
- ✓ High-quality, desirable existing rentals provide increasing revenue to re-invest in the many growth opportunities
- ✓ Efficient operation with low overhead and no surplus employees allows a new owner to easily absorb the operation.

BUSINESS OVERVIEW

RENTAL PROPERTY OWNERSHIP

- 17 properties with 33 rental units, primarily in Downtown Dartmouth, with one exceptional property in Downtown Halifax.
- \$592,000 in Gross Revenue and \$372,000 in Net Operating Income.
- Leasing and tenant management outsourced to a professional property management firm with excellent terms, allowing owners to remain 'hands-off.' Management could be brought in house to increase NOI.
- Majority of units are on fixed term leases, net of Power and Heat.
- Existing leases are at 87% of full market rent, on average, creating growth opportunity of \$80,000 with regular turn-over and rental increases.
- Approximately 10% of staff carpenter time spent on maintenance, remainder available for Capital Development or Contracting Services.

CAPITAL DEVELOPMENT

- The company has invested an average of \$400,000 per year on new unit development and major upgrades, funded mostly by the Net Operating Income from existing properties.
- The portfolio has been built through acquiring high-potential, lower cost properties and renovating them to exceptional quality and design.
- This has provided significant increases in property values which should continue well into the future.
- Approximately 90% of staff carpenter time is spent on Capital Development of creating new units and upgrading older units.
- Each dollar spent has typically returned two dollars in increased property values and 10% annual increased cash flow through higher rents.

CONTRACTING SERVICES

- *The company has not, in recent years, provided contracting services for others. It has instead directed its energy towards developing and upgrading rental units.*
- *With only 10% of staff carpenter time spent on property maintenance, a new owner could decide to do contracting for others with the existing team and equipment.*
- *The company owns a ¾ ton work truck, dump trailer, snowplow, a full roster of tools and equipment, and is insured today or occasional services for others.*
- *One of the rental locations includes a warehouse and office space, ideal to use as a home-base for a construction business.*

KEY BUSINESS METRICS

Misc Business Assets

¾ Ton Work Truck

14’ Dump Trailer

Snow Plow

Tools and Equipment

Building Materials

REVENUE	Current	Synergy
Gross Rental Revenue	\$592,000	
2 Units Under Renovation		\$42,000
Near-term increases to market rent		\$40,000
Operating, Tax, Utilities	(\$176,267)	(\$176,267)
Professional Property Management	(\$47,000)	(\$53,920)
NET OPERATING INCOME	\$368,373	\$446,813

Property Breakdown



17 Properties, incl.
Office & Warehouse



Single
Family



Duplexes



Tri and
Fourplex



Development
Land

Unit Details



31 Occupied Units
2 Under Renovation

\$1,591

Average
Rent



Fixed
Leases



Tenants Pay
Heat



Tenants Pay
Power

Development Pipeline

\$820,000

Potential New
Rental
Revenue

4

New Units
Possible in
Existing Building

13

New Units able to
build on vacant or
adjacent land

21

New Units
Possible with
redevelopment

SUMMARY

17

Properties

\$592,000

Current Revenue

\$42,000

*Units Under
Renovation*

38

*New Units in
Development
Pipepline*

\$820,000

*Revenue from
Future
Developments*



*Experienced,
Efficient
Carpenters On
Staff*



*Office, Warehouse,
Materials
Inventory, Tools
and Equipment*



*Low Overhead for
ease of integration*



*New Units in
Development
Pipepline*



*Quality Tenants,
Quality Buildings,
Quality Business*

Asking Price - \$

THANK YOU

For more information and a detailed Confidential Information Memorandum on this exciting opportunity, please contact:

** Serious Inquiries Only, NDA required*



Jamie Reid,
MergerKey M&A Advisory



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