



CASH FLOW POSITIVE

Real Estate Investing In Canada

WHY REAL ESTATE? WHY NOW?

- Money supply, printing & Inflation
- Fiat currency typically gets hyper Inflated and becomes worthless every 150 years
- Pensions are no longer common for average citizens and so we all need to create our own pension.
- It doesn't matter if interest rates are up or down. There are always deals and strategies out there, as well as motivated sellers
- Rental properties and multi family real estate especially is the most stable and secure wealth creating asset over the long term. Rents go up, debt goes down, price goes up. Buy and hold, and maintain

THE MONEY SUPPLY

Summary Report on the Expansion of the Money Supply in Canada

1. Introduction

The money supply in Canada, encompassing the total currency and liquid assets available in the economy, is a fundamental component influencing economic stability, inflation, and growth. The Bank of Canada manages this supply through various monetary policy tools. This report provides an overview of the expansion of Canada's money supply over the past five years, highlighting key trends and figures.

2. Money Supply Measures

The primary measures of the money supply in Canada include:

- M0: Physical currency in circulation.
- M1: M0 plus demand deposits and other liquid assets.
- M2: M1 plus short-term time deposits in banks.
- M2++: M2 plus deposits at non-bank financial institutions and money market mutual funds.

THE MONEY SUPPLY

3. Trends Over the Last Five Years

Between 2019 and 2024, Canada's money supply experienced significant growth, particularly in M2 and M2++. This expansion was largely due to the Bank of Canada's monetary policies aimed at supporting the economy during the COVID-19 pandemic.

- M2 Growth: In November 2024, M2 stood at approximately CAD 2.625 trillion, reflecting a 5.79% increase from the previous year.

[YCharts](#)

- M2++ Growth: M2++ reached about CAD 4.827 trillion in November 2024, marking a 5.08% rise from the same period in the previous year.

[YCharts](#)

THE MONEY SUPPLY

4. Factors Influencing Money Supply Expansion

The substantial increase in the money supply over the past five years can be attributed to:

- **Monetary Policy Measures:** The Bank of Canada implemented low interest rates and quantitative easing to stimulate economic activity during the pandemic.
- **Government Stimulus Programs:** Fiscal measures, including direct financial assistance to individuals and businesses, contributed to higher liquidity in the economy.

5. Implications

While the expansion of the money supply supported economic recovery, it also raised concerns about potential inflationary pressures and financial stability. The Bank of Canada continues to monitor these developments to ensure that the money supply aligns with the broader economic objectives.

Brad Samuels - About Me



About Me - Brad Samuels (Business)

- I got my degree in finance when I was 21
- I started my first business, which was a painting company, and became an entrepreneur when I was 19. and I still am in the business today with a team of 15 and over \$1,250,000 million in operating revenue in Greater vancouver.
- I paid off my \$42,000 student loan 5 months after graduating from university using the profits from my painting company, which I started and ran while in school
- I was the founding franchise owner for a national home service franchise company called Shack Shine. That now does over \$50,000,000 in North America. This is where I learned about systemization
- I went to UBC to get my real estate license and was a real estate agent for 2 years after selling my first company.
- I bought my first investment, which was a real estate deal in 2012, when I was 22, the following year. I still own it today. (Next slides i'll show you)
- Over the years I have build a real estate portfolio of 7 units, and a buy and hold stock portfolio, which I sold 70% of it during the overvalued market of 2024 going into 2025. Highest P/E's in history.
- My Net Worth surpassed \$1,000,000 in 2023 at age 35.
- I did my first Joint Venture in Real Estate in 2024.
- I am a member of the Real Estate Investment Network of Canada (REIN)

About Me - Brad Samuels (Business)

What I have to offer:

1. Investing experience
2. Member of REIN
3. Good Researcher
4. Professional businessman and entrepreneur
5. Have Mentors
6. Good book keeper and degree in finance
7. Have a team: Realtors, Brokers, Insurance Agents, Home Inspectors, Etc....

I currently own and operate Colour Craft Painting

- a. www.colourcraft.ca
- b. Profits from Colour Craft Painting are invested into Rental Properties

More About Me - Brad Samuels

- No criminal Record
- I have good credit Report
- I have references for business and real estate relationships
- All money is held in trust prior to purchase.
- I encourage Independent legal advice

* I am looking for long term partners to build my wealth with.

Family & Freedom!

About Me - Brad Samuels (Personal)

- I am a rock climber.
- I love community building and entrepreneurship
- I love health and fitness
- I love dancing
- I am a world traveller
- I love personal and spiritual growth

* Next Page = My First Investment at age 21





Location = Alberta

Price = \$210,000

Down Pmt & Close = \$44,000

Rent = \$1300

Cash Flow = \$221 (6.02%)

Mortgage Paydown = (7.6%)

Why am I starting to invest with partners?

1. One main reason is that banks are less inclined to give me more mortgages personally. This happens to individuals when they get to about 3 or 4 properties, which I now have 4.
2. There is a ton of opportunity and stability in bigger deals throughout Canada, such as Multifamily Investing.
3. I have a lot of knowledge, time, skills, flexibility, and passion to find and make deals, but I don't have enough cash to fund these larger deal alone. I need money partners now at this stage in my journey. (which is very exciting to creating win-win partnerships).

The Main Point of a Joint Venture

A Joint Venture is when two or more parties are joining together, and each party brings something different to the relationship.

It is quite easy to 'partner' with someone in the same boat as you, yet that will get you nowhere. For instance, if you have money but need expertise, don't partner with someone with money and no expertise. Or if you are well versed in real estate, and you are requiring investment funds, don't partner with someone who is in the same position.

What is a Joint Venture Agreement & What is the Benefit?

** Joint Venture is as an agreement that outlines everything about a deal, like a shareholders agreement basically. It is a legally binding contract that gets registered by a lawyer in trust onto the title of a property after closing. It protects everyone and stipulates who is responsible for what and how profits are distributed.

1. In terms of Real Estate deals; The main benefit for investors, is that it has fully vested interest, which is unlike almost all other forms of investments, especially in the stock markets.
2. Vested interest means that the managing partner only makes money if the investors makes money.
3. The managing partner loses money, if the money investor loses money.
4. The managing partner gets nothing, until the investor has been paid back in full for their initial investment. Then the profits are shared based on the agreement.

How This Strategy of Investing Works

In simple terms, what we are doing is buying cash flow positive multi-family Real Estate in growing cities in Canada, which we are targeting to hold for at least 8 years.

The nature of this strategy is to, buy, sometimes renovate, hold for long periods, systematically raise rents, then eventually refinance tax free, to pay back all initial investments. Ideally continuing to hold the deal.

**** We are not speculators.**

**** We balance leverage and risk to get reasonable returns that outpace inflation and the total hurdle rate**

How This Strategy of Investing Works

In this business, property value is determined by rent ,and more specifically Net Operating Income, not comparables. Therefore we can take control of the appreciation of the property over time.

Example:

8 Units. Renting for \$1000 each. \$8000 a month.

Assuming that expenses stay the same, if we raise rents \$50 per month each, that would be an increase of \$400 a month or \$4,800 a year.

In multifamily real estate, there is a multiple effect, much like the stock market P/E ratio.

That ratio we use is called a cap rate. Which is usually around 5% for a good property.

The total yearly rent increase gets divided by 5%, which would be $\$4,800 / 5\% = \$96,000$. That's how much the value of the property increases approximately and in theory.

The Three Ways We Get a Return in Real Estate

1. RENTAL INCOME PROFITS. Net profits from rental income will be kept in the property bank account which will be set up prior to the closing date. Distributions of cash flow may be distributed in proportion to the Proportional Ownership, commencing on a date which the Manager deems appropriate.
2. CAPITAL APPRECIATION PROFITS. Net capital appreciation profits realized through re-sale or increased mortgaging shall be distributed in the following order: firstly in repayment of the Original Capital provided by the Investor to the Joint Venture; secondly in repayment of the Original Capital (if any) provided by the Manager; thirdly in repayment of any Additional Funds paid by the Investor; fourthly in repayment of any Additional Funds paid by the Manager; and any balance remaining in proportion to the ownership as set out in
3. MORTGAGE EQUITY PROFITS. Mortgage Pay down Profits shall be held as equity in the property, in proportion to the ownership structure, commencing on the property closing and possession date.

Three Components Requirements For A Great Deal

1. CASH DOWN PAYMENT. We are always balancing the leverage and return. We want to put the least amount down to stay leveraged and enhance return on investment (ROI) while remaining healthy in terms of cash flow and risk. Cash flow is a hedge against risk for investors and lending partners.
2. DEBT / LEVERAGE. In the real estate business we work with lending partners to put deals together. Lending partners make money in part the same way we do, which is by participating in deals with good fundamentals in good markets that have great tenants who will make sure repayment happens. Someone in finance skilled at negotiating financing and capital costs is needed. In larger deals the property itself will qualify for the mortgage along side the managing partners track record.
3. REAL ESTATE EXPERT. There are too many things to list in this slide. In the following slides there is a full outline of everything that a real estate expert must be competent in. A real estate expert is critical for long term management of deals and increasing profitability over time.

Duties of the Manager

The parties hereby appoint the Manager to conduct, supervise and in all other ways care for the required operational duties related to the Property, including banking, bookkeeping, accounting, rent collections, property management, tenant relations, payment of bills, insurance, etc. The Manager shall cause to be kept true and correct accounts, books and records, according to proper accounting practices which shall be open to inspection by any party during normal business hours. The Manager may delegate some or all of his duties to other trades, professionals, etc, and the fees of such shall be payable out of the funds of the Joint Venture as expenses of the Joint Venture. Notwithstanding any delegation, the Manager shall remain responsible to ensure that the Property is managed in good faith, on sound business principles. The Manager may be removed from his appointment in this section by the consent of all parties, or upon proof of gross negligence, bad faith, or dishonesty, and in such event the Investor shall assume the management duties under this section.

a. What The Real Estate Expert Does? (Responsibilities)

1) Property search: Searching for the right property can be exhausting and time consuming but it is critical to find the right property that fits the business model as closely as possible.

- a) Screen/filter potential investment properties using realistic rents and/or expenses.
- b) Property due diligence
- c) Macro and microeconomic trends

2) Writing Offers: The manager is responsible for writing offers and negotiating the purchase of the investment property. This includes:

- d) Write the offer on the selected property (this may involve multiple offers and multiple iterations as not all offers will be accepted)
- e) Negotiate the terms and conditions of the offer.
- f) Finalize the offer.
- g) Manage lawyers and accountants through the buying process.
- h) Sign the documents.
- i) Ensure that all the proper forms are completed and steps are taken to protect investors and deliver financial clarity.

3) Securing & Structuring Financing: This includes

- j) Applying to the banks or working with mortgage brokers to secure the right financing for the property.
- k) Continuous monitoring of the mortgage portfolio to ensure best rates and terms to manage cash flow and maximize investors returns.

b. What The Real Estate Expert Does? (Responsibilities)

4) Structuring the deal for flexibility and protection of all parties: Set up the legal structure/corporation and co-investor structure usually via a Joint Venture Agreement.

5) Complete all bookkeeping: which includes accurate records of account to be maintained in which shall be entered all matters relating to the Joint Venture, including all income, expenditures, assets, and liabilities. The manager shall prepare annual financial statements ("Financial Statements") including a balance sheet and income statement, on an cash basis, within ninety (90) days of the fiscal year end, suitable for the preparation of Investors' Canadian Income Tax Returns. The Manager will keep a record of such fixtures, repair material and/or landscaping material expenditures and/or all other expenses such as property management fees, subcontractors, onsite managers, taxes, insurance, realtor, legal, advertising and/or related expenses to market, upgrade, rent and later sell said property.

6) Record Keeping: Books and records of accounts shall be kept at all times on Google Drive. The investor or their authorized representative shall have the right ("Right of Inspection") to inspect and examine the books, records, files, securities and other documents of the Venture at reasonable times at his own expense. The calendar year will be the fiscal year of the Joint Venture.

7) Statement Preparation: Provide simple, easy-to-understand statements on an agreed upon timeline.

8) Filing Statement: File annual or quarterly statements/documents that may be required by jurisdictions.

c. What The Real Estate Expert Does? (Responsibilities)

9) Reporting: The Manager shall report in writing to the investors not less frequently than annually with respect to the operation and management of the Joint Venture and the Property.

10) Sign Off Authority: The Manager shall sign all cheques, contracts or other documents, which require signature of the Joint Venture in the ordinary course of business.

11) Annual Budgeting: It shall be the responsibility of the manager to prepare ten (10) days prior to the commencement of each fiscal year the following three budgets pertaining to the coming fiscal year for the Property:

- a) an operating budget;
- b) a capital budget; and
- c) a cash flow budget.

Upon acceptance of such budgets by the manager, the manager shall deliver said budgets to the Investor.

d. What The Real Estate Expert Does? (Responsibilities)

12) Team Management: It shall be the responsibility of the manager to manage the Joint Venture team which includes:

- a) Realtors
- b) Mortgage Brokers and Lenders
- c) Property Managers
- d) General Handyman
- e) Lawyers & Accountants
- f) Mechanics, Electricians & Plumbers
- g) General Contractor
- h) Professional Home Inspections Ltd.
- i) Tax advisors
- j) Appraisers
- k) Bankers
- l) Engineers
- m) Roof experts
- n) Boiler mechanics that may be required to inspect the property initially and operate the property on a day-to-day basis.

13) Day to Day Business: The Manager shall conduct the day-to-day business of the Venture. Funds of the Venture shall be kept in an account or accounts chosen by the manager. The Manager shall have signing authority for such accounts.

e. What The Real Estate Expert Does? (Responsibilities)

14) Managing Property Management: The Manager shall appoint, supervise and if necessary replace a property manager, leasing agent and any other professional support person or firm the Manager deems appropriate for the proper operation and management of the Property and the Joint Venture. Whether appointed or done by the manager the manger will:

- a) Secure tenants.
- b) Manage issues or complaints.
- c) Coordinate repair or improvement services.
- d) Manage rents – you will adjust rents frequently in line with market realities
- e) Will market, rent, fix up, repair, paint, landscape and/or enhance said property to standards that expert sees fit to achieve appropriate rent and/or resale value.

15) Exit Strategy: The manager will maximize the exit of the investment if needed and when appropriate based on market condition.

- f) Utilize key relationships to sell the property at market value for minimum costs.
- g) Negotiate the deal.
- h) Handle the sale through lawyers and accountants.
- i) Provide the investor with an appropriate split of the investment profit and return the initial capital invested
- j) Provide the investor with a statement of account to be used for investor's taxes.

THE DEAL I AM LOOKING FOR

With a 25% - 30% Down Payment we are able to get a 3 - 5% cash flow positive investment that yields 20%+ per years in annual ROE

What Am I Looking For in a Money Partner?

1. You have liquid money. Able to invest \$100,000 minimum for a term of at least 8 Years.
2. You do not really need the cash flow to support your life. Able to reinvest cash flow back into the property for faster growth and/or more properties/portfolio growth.
3. You are interested in a hands off investment style once a deal is purchased.
4. You are able to think long term and are interested in long term partnership and wealth creation.
5. You would like to build a portfolio of real estate and use profits over time to buy more and more properties with me

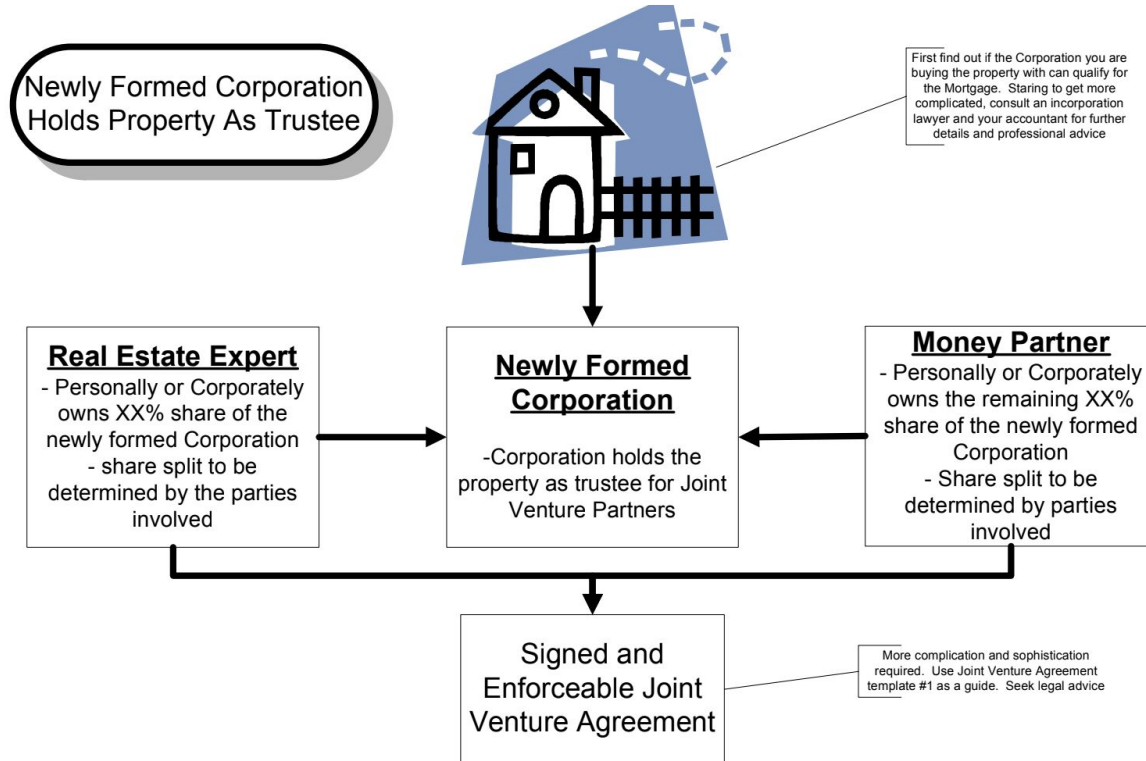


STRUCTURE

TYPES OF LEGAL OWNERSHIP

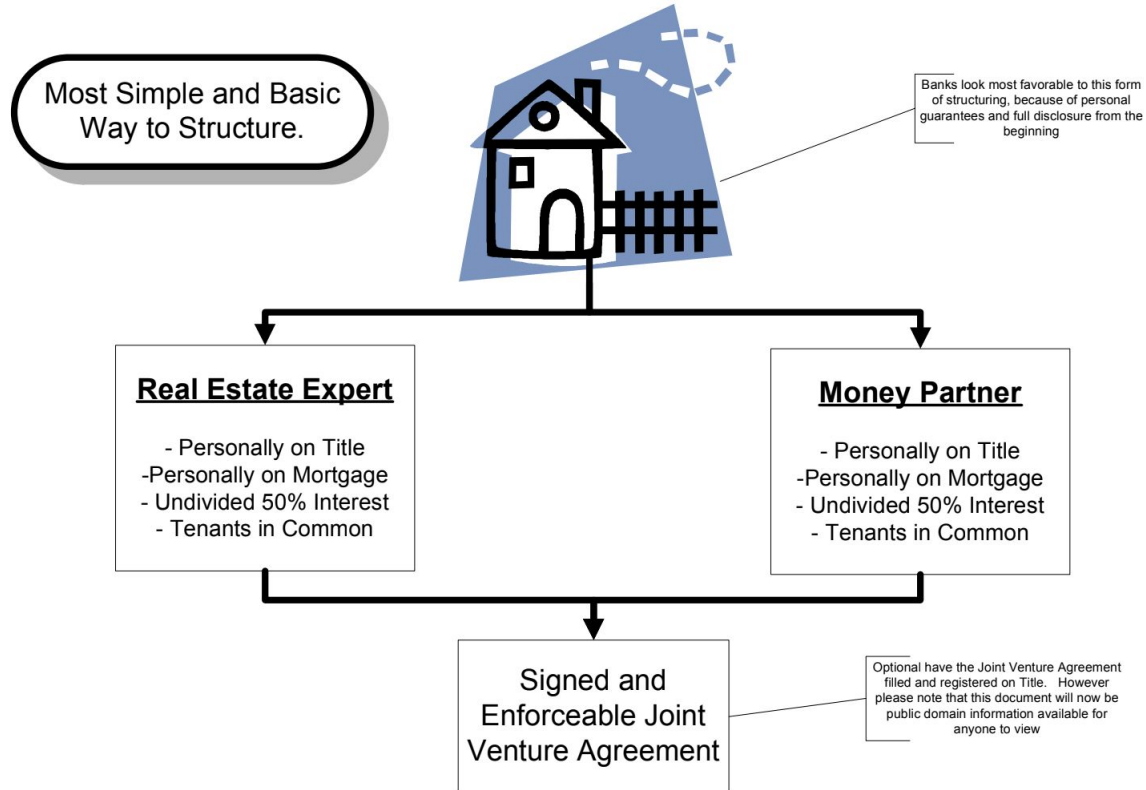
OWNERSHIP STRUCTURE

Joint Venture - Corporate Ownership



OWNERSHIP STRUCTURE

Joint Venture - Simple



OWNERSHIP STRUCTURE

Joint Venture - Corporate

Simple and Basic Way to Structure, between Personal and Corporation



Check first with your bank that you are using to qualify, sometimes lenders will not lend to Corporations. Full disclosure and pre-approval is the best course of action

Real Estate Expert

- Corporation on Title
- Corporation on Mortgage
- Undivided 50% Interest

Can also be reversed. Real Estate Expert personally and the Money Partner Corporately

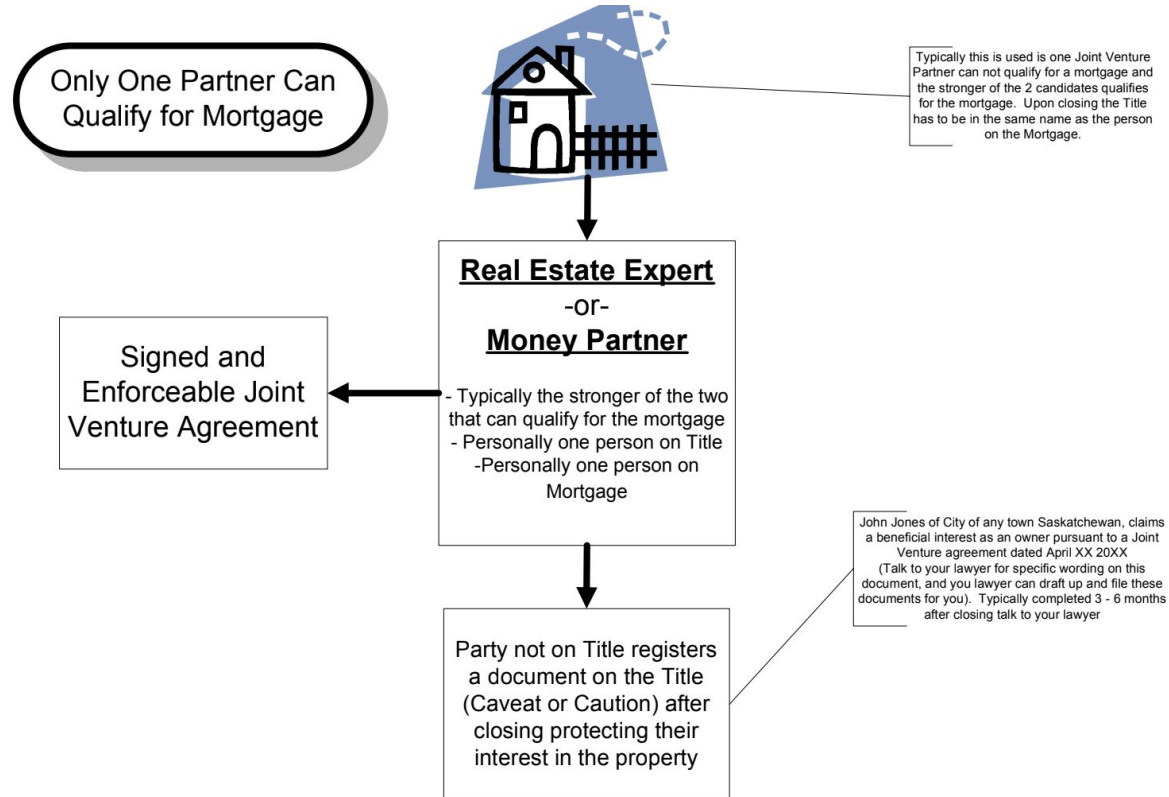
Money Partner

- Personally on Title
- Personally on Mortgage
- Undivided 50% Interest

Signed and Enforceable Joint Venture Agreement

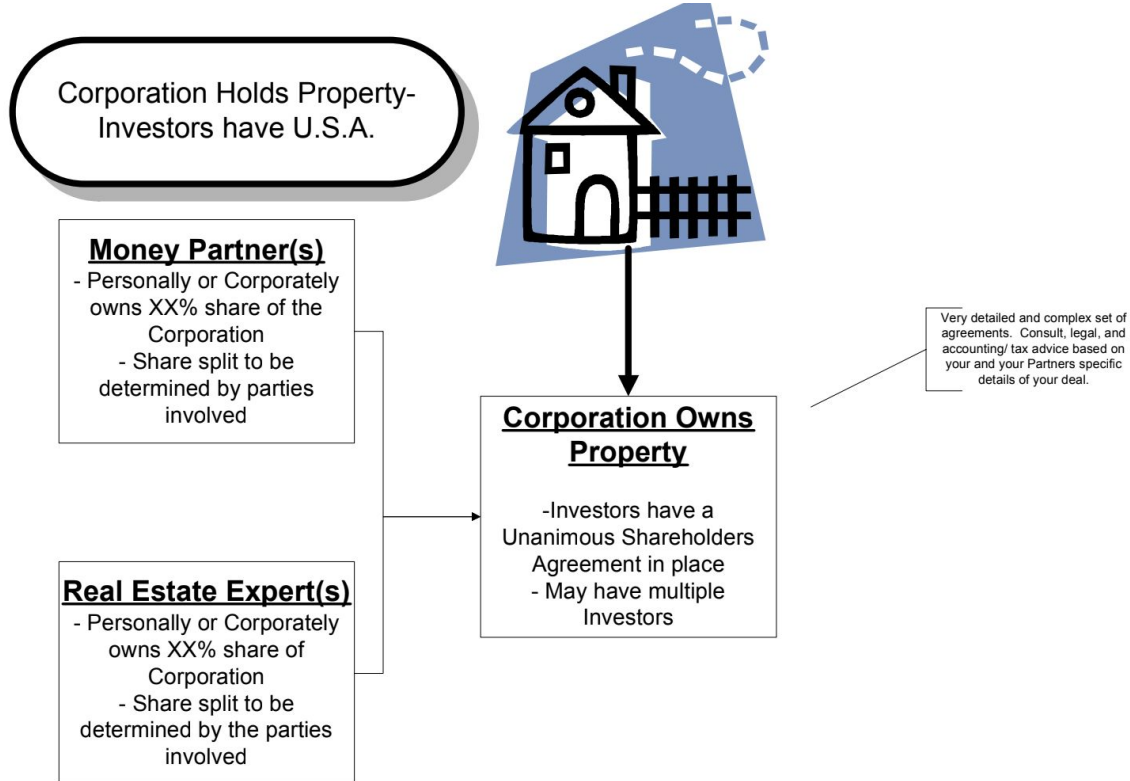
OWNERSHIP STRUCTURE

Joint Venture - One Partner Ownership



OWNERSHIP STRUCTURE

Joint Venture - Corporate Ownership USA



CLASSIC 50/50

JOINT VENTURE DEAL

Investor 1: Managing Partner

- Expertise
- Contracts & Business Plan
- Team / Contacts
- Market knowledge
- Financing
- Covers 50% of Negative Cash flow or capital contribution post closing
- On Title & Mortgage
- Signs the JV Agreement

Investor 2: Money Partner

- Minimum \$100,000 in Cash
- Covers Down Payment, Closing Costs, Reserve Fund.
- Gets independent legal council
- Signs JV Agreement at closing
- 50% Ownership of the deal

EXIT: Upon sale of the property, investor 2 gets all investment capital first then the balance is split 50% / 50%. Management costs are paid as operating expenses

GUARANTEE MORTGAGE

JOINT VENTURE DEAL

Investor 1: Managing Partner

- Real Estate Expertise
- Real Estate Team & Business Plan
- Covers all closing costs & down payment
- Research, Finds Property, negotiates the deal
- Manages the property
- Covers 100% of Negative Cash flow or capital contribution post closing
- Registers JV Agreement as a caveat
- 75% Ownership

Investor 2: Money Partner

- Minimum \$100,000 in Cash
- Covers Down Payment, Closing Costs, Reserve Fund.
- Gets independent legal council
- Signs JV Agreement at closing
- 25% Ownership of the deal

EXIT: Upon sale of the property, investor 2 gets 25% of equity appreciation and is discharged from the mortgage.

What “YOU” The Money Partner Needs to Do:

1. Fill out Investor Application Form:

From this you'll learn a bunch about your investment style and what you are really looking for. This helps both of us.

2. Take Control.

It's your money. In all cases there is no excuse for you not to complete your full due diligence. Rely upon your Joint Venture partner's expertise but always take responsibility. Make sure your relationship is detailed in a written agreement that has been reviewed by all of the partners' lawyers. Design the divorce in advance!

3. Check Out The Deal Yourself.

Take a close look at the basic details. Even if your partner is the one who is finding the deals, it is still your responsibility to make sure that all of the due diligence is completed so that you are happy with the deal. Make sure you request regular updates on how the property is performing, so there are no surprises. Quarterly is best.

4. Always Ask The Tough Questions!

ALWAYS do Due Diligence on the Other Party. This includes everyone, everytime.

5. Seek Independent Legal Advice.

So What's in it for you, “the Money Partner”?

1. Clear potential for a healthy return in a stable asset class
2. Vested interest in returns and shared risk.
3. An extra layer of peace of mind and passivity
4. A real estate expert on your team

NEXT STEPS FOR POTENTIAL PARTNERS

1. Fill out Google Forms Questionnaire [CLICK HERE](#)
2. Lets connect for an info session if you have not already done one. [BOOK INFO SESSION HERE](#)
3. Sign a letter of Intention: before I start searching for us. This is Not a legal document.

*** Finding Deals and negotiating them is a ton of work. Knowing what I am looking for and how much capital we have is super important so I don't waste my own or other people's time.*

THANK YOU

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Frequently Asked Questions

1. How do I get out of the deal if need to?

RIGHT OF FIRST REFUSAL. The Parties agree that there shall be a right of first refusal arrangement.

"First Refusal Offer" means any offer or agreement to sell, purchase, lease, transfer, assign, pledge, mortgage, hypothecate or in any other way to convey or dispose (such action being a "Disposition") either directly or indirectly, all or any portion of his Interest.

Except as herein provided, a party (the Offering Party) may not transfer, sell or otherwise dispose of any its interest in this Joint Venture to an outsider unless he first offers the other party the opportunity to acquire his interest upon identical terms. The other party shall have 14 days to either accept or refuse such an offer. In the case of acceptance by the other party, the transaction shall close within a further 14 days (failing which the Offering Party may proceed upon the same terms with the outsider). In the case of refusal by the other party, the Offering Party may proceed immediately upon the same terms with the outsider.

It is required as a condition of any First Refusal Offer that the purchaser of any Interest shall agree in writing directly with all other Parties to this Agreement to be bound by this Agreement. All Parties hereby agree that said purchaser shall not receive good title until he has first executed this Agreement and any other documents as may be reasonably required