

My Home Builders

INCOME PROPERTIES

AN ILLUSTRATIVE COMPARISON

Income property: the returns *over time*.

A six-unit Ottawa rental, built conventionally versus to a net-zero standard — what each needs to start, and what each is worth at year 5, 10 and 20.

YEAR ONE

Less to start, more from day one.

The efficient build qualifies for CMHC MLI Select financing, so it needs far less of your capital — and earns more in its first year.

	Conventional	Net-zero (ICF · geo · solar)
Equity to start	\$424,000	\$120,000
Year-one cash flow	+\$3,400	+\$17,400
Cash-on-cash return	0.8%	14.5%
Financing test (DSCR)	1.03	1.15
Annual operating cost	Baseline	≈ \$26,000 lower

THE LONG VIEW

Year 5, 10 and 20.

Cumulative cash flow, property value and total gain (cash flow plus appreciation, net of the equity invested).

Horizon	Cumulative cash flow (Conv / Net-zero)	Property value (Conv / Net-zero)	Total gain (Conv / Net-zero)
Year 5	\$54k / \$132k	\$2.55M / \$3.20M	\$511k / \$905k
Year 10	\$211k / \$386k	\$3.01M / \$3.75M	\$1.25M / \$1.77M
Year 20	\$907k / \$1.35M	—	\$3.47M / \$4.31M

Illustrative six-unit Ottawa rental (2026) — not a quote. Assumes all-inclusive rents, 3% rent growth, 2.5% expense growth, 4.75% exit cap, and the incentives below. Confirm program eligibility and current terms with your lender, quantity surveyor and an energy advisor.

VERIFIED 2026 INCENTIVES

HST. On a qualifying purpose-built rental of four or more units, the full 13% HST is rebated — 100% of the federal 5% (the federal PBRH rebate) and 100% of Ontario's 8% portion — roughly \$65,000 back on a

\$500,000 unit. Conditions: at least 90% long-term rental, construction begun after September 13, 2023 and before 2031, and substantially complete before 2036.

Zoning. Ottawa's new zoning by-law, approved by City Council in January 2026, permits up to four units as-of-right on a serviced urban or suburban lot and removes minimum parking requirements.

Financing. CMHC's MLI Select reaches up to 95% of cost and 50-year amortization for energy-efficient rentals of five or more units (best terms at 100 points; minimum 1.10 debt-service coverage).