




Oshawa: McLaughlin

At a glance

-  Population: 159,458
-  Population change: 6.6%
-  Vacancy rate: 2.8%

Oshawa doesn't have the greatest reputation among a lot of Ontarians, who refuse to see past its questionable downtown core or its reputation as a gritty manufacturing town. But the thing about manufacturing towns is that they generally provide thousands of well-paying jobs to hard-working people who want stability for their families. There are certainly worse people to be renting to.

According to Michael Dominguez, a longtime Oshawa investor and agent at Re/Max Jazz, Oshawa has evolved beyond being "a GM town."

"The downtown core still is

rougher, but going outside of the downtown, there is a lot of opportunity," he says. "It's a city that has transitioned and is booming right now. I'm excited about this community."

He highlights the city's solid healthcare and education sectors, as well as the rapid population growth throughout the Durham Region. "We'll be seeing another 8% to 10% [in population growth] in the next five years, so I think the prices and the rents are just going to skyrocket."

One of the non-core areas Dominguez is bullish on is McLaughlin, home to the enormous Oshawa Centre. The largest mall between Toronto and

Montreal, the Oshawa Centre helps McLaughlin stand out in two ways: It provides thousands of jobs and, by its very presence, improves the area's walk score. The neighbourhood is also near Oshawa Creek, Trent University's Durham campus, and UOIT, one of Canada's highest-ranking universities. Compared to much of Oshawa, McLaughlin's tenant profile is tough to beat.

Dominguez, who owns a nine-plex and six legal duplexes in Oshawa, says McLaughlin's single-family stock is ripe for investment (and a smarter cash-flow play now that per-door prices of multis have shot upward). He says straight-up buy-and-holds with properties in the \$450,000 to \$475,000 range are working for investors, but paying extra for a turn-key two-unit bungalow (or creating one through renovations) is a far better cash-flow play, as legal two-unit buildings can generate up to \$3,000 a month.



What looks good?

	Option 1	
	Single-family home	
	Benchmark price	\$450,000
	Target rent	\$2,400
	Cap rate	5.9%
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	Option 2	
	Suited single-family home	
	Benchmark price	\$560,000
	Target rent	\$3,000
	Cap rate	5.9%