



R2 CAPITAL PARTNERS

Buy Right, Manage Right, Finance Right



R2 Capital Partners Inc. is a privately held, real estate investment firm, offering investors diversified exposure to residential and commercial real estate. Utilizing a vast network of partnerships, relationships, and industry-leading technology to capitalize on emerging secondary, and tertiary markets across North America.

R2 Capital offers a full-service operating platform containing expertise in acquisitions, financing, property operations, renovations, accounting, risk management, market research, and other related support functions.

R2 Capital is led by a senior management team with over 20 years of experience, jointly holding over \$65 million in real estate assets.



R2 Capital was founded with the mission of converting undervalued residential and commercial properties in emerging markets into appealing rental options.

As of February 2024, R2 Capital holds over \$65 Million in real estate assets and raised over \$20 Million in committed capital.

R2 Capital's track record boasts an average **total net IRR exceeding 30%**.



Our approach is simple: Buy, Fix, Refinance, Repeat (BFRR)

We purchase assets below their physical replacement cost, enhance their value through strategic management, and execute plans for expense control, tenant attraction, increasing revenue and revenue diversification.

Our goal is to realize this added value by refinancing the assets, thereby returning invested capital to our partners.

Our expertise spans residential housing, multi-family apartment complexes, commercial offices, retail centres, small industrial and short-term rentals.

Acquisitions are driven by the actual in-place performance of each deal. Our focus is on acquiring properties for immediate cash flow and generating appreciation through superior management practices.



We focus on **cash flow and value-driven strategies**. Rather than banking on unpredictable market shifts and speculation, we invest in properties that generate positive cash flow from day one with strong underlying fundamental while offering clear paths for forced appreciation through strategic enhancements.

Diverging from the strategies of developers, we concentrate on underperforming properties that provide a secure margin of safety, with cash flow serving as our primary hedge against market turbulence by ensuring our rents are protected through buying well below replacement cost.

We target properties that offer a minimum entry price of 30% discount from their intrinsic value. This enables us to ideally refinance the majority, if not all, of the invested capital within three years or less, all the while generating consistent cash flow throughout the holding period.

We prioritize deal quality over convenience, refusing to force a deal solely because it's nearby. Achieving this goal demands work—rolling up our sleeves, venturing into secondary and tertiary markets, and investing time in properties that have long been mismanaged or overlooked.

Through the acquisition of undervalued assets and the implementation of targeted enhancements such as cost controls and revenue optimization, we unlock their full potential for sustained growth over the long-term.

Leveraging our agility, industry relationships, experience, technology, and data analysis, we make well-informed investment decisions and streamline management processes to optimize efficiency and deliver consistent returns.



168-176 Rothesay Ave, Saint John, NB



61-63 Union St, Saint John, NB

Our Portfolio



One of our key strengths lies in our capacity to seamlessly enter any market, whether primary, secondary, or tertiary, and swiftly establish proficient teams to manage assets with exceptional efficiency.

- Two countries,
- 10 States/Provinces,
- 15 Cities/Markets.



Brock A. Rogerson, DMS, FMA, CIM



Co-Founder and President

Brock is a seasoned real estate investor with a diverse background in finance and trading. With 18 years of experience as a Financial Planner, Investment Specialist, Options trader, Day trader, and Commodity Floor Trader, he has honed his skills across various investment avenues. Notably, Brock earned the prestigious Derivatives Market Specialist Designation, making him the 12th person in Canada to achieve this recognition.

During his tenure at CIBC Private Wealth & Investor Services Inc. spanning 16 years, Brock provided expert guidance to high net worth individuals, family offices, and corporations, assisting them in achieving their investment and estate goals. Recognizing the importance of informed decision-making, Brock has dedicated himself to empowering his clients with the knowledge needed to navigate complex financial landscapes.

Driven by a desire to help clients weather economic downturns, Brock underwent extensive training in real estate, delving into the nuances of property investment compared to traditional financial markets. This strategic move enabled him to better serve his clients' long-term financial interests.

Leading by example, Brock has built an impressive real estate portfolio comprising 148 rental units across multiple locations including Red Deer AB., Winnipeg MB., Mississauga ON., Chatham ON., Saint John NB., and Atlanta GA. His membership in The Real Estate Investment Network (REIN) for six years underscores his commitment to leveraging equity market expertise in real estate investment decisions.

Brock's dedication and expertise have not gone unnoticed. He was honored with the "Leslie Cluff Memorial Award — Top Player of the Year 2017" by The Real Estate Investment Network (REIN), along with being named "Co-Venturer of the Year 2017". Additionally, his outstanding contributions earned him multiple nominations at the Canadian Real Estate Wealth Magazine 2011 awards, where he clinched the title of "Inspirational Investor of the Year".

[Huddle](#)

[Canadian Real Estate Wealth](#)

[Andrew Hines Interview](#)

[Business Magazine](#)

[Thompson Citizen](#)

[Huddle Saint John](#)



[Digital Journal](#)

Spencer G. Riche



Co-Founder and Managing Partner

With over nine years of experience in investing and operations, Spencer is deeply entrenched in the real estate and construction management sectors. Within R2 Capital, he spearheads deal origination, transaction execution, portfolio management, and provides overall leadership.

Spanning 14 markets across two countries, Spencer boasts a rich history in real estate, adept at acquiring and managing both commercial and residential assets. He excels as a joint venture strategist, skilled in uncovering off-market opportunities, orchestrating renovations, and implementing innovative value-add strategies. Spencer's focus lies in stringent cost control, optimizing return on investment, and cultivating robust management teams.

Spencer's professional journey commenced in the specialized field of sprinkler-fitting, pipe-fitting, where he spent four years honing his craft with Vipond Fire. Progressing into the oil and gas sector with S/A Energy Group, he demonstrated prowess in trades and personnel management, overseeing fire suppression crews on various large-scale commercial and industrial construction ventures. Some notable projects include The Glass House, a \$130 million development, RBC's Convention Centre's \$180 million expansion, Manitoba Hydro's \$4.9 billion Bipole III Expansion, and S/A Energy Group's Line 3 Replacement, a \$4.3 billion endeavor.



Brock A. Rogerson
Co-Founder and Managing Partner



Spencer G. Riche
Co-Founder and Managing Partner



Lisa Lowry
Assistant Controller



Will Stapleton
Leasing & Asset Manager



Maxx Batis
Project Administration



Arlene Katchmar
Senior Property Administrator



Steve R. Will
Legal Council - Gowling WLG



Pamela Kniffen
Accounting & Bookkeeping



Dorothy Radulski
Paralegal & Office Manager



Ryan Barrett, CPA, CBV, CA
Accountant - Numeris LLP

Case Study: 75 Prince William St, Saint John, NB (office)



Value-add 35,000 sq ft office building in a tertiary market purchased during COVID, work from home trends and spiking interest rates.

Reduced annual operating expenses by \$80,000 within the first year, leased remaining vacancies to 100% occupancy and negotiated rate increases on existing lease renewals.

Market Overview:

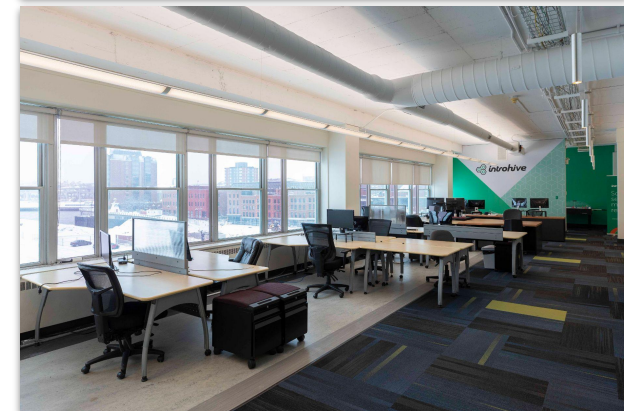
- SJ Office Vacancy Rates: Dec-2020 = 21.53% Dec-2021 = 22.17%
- SJ Office Net Rent: Dec-2020 = \$12.51 Dec-2021 = \$12.18
- SJ Office Cap Rate Change: SJ realized no change in office cap rates from 2019 to 2022

Data provided by de Stretcher Appraisals Ltd.

Acquisition Date:	April 24th, 2020	Appraisal Date:	March 2022
Purchase Price:	\$1,680,000	Last Appraisal:	\$3,670,000
Funds Invested:	\$591,250	Current NOI:	\$330,865
Purchase NOI:	\$60,584	Est. Value 2024:	\$4,125,000

Total Return (%):	732%	Forced Appreciation:	\$2,445,000
IRR (Year 5):	70%	Equity Multiple:	7.4x

[Link to full projection](#)



Case Study: 61-63 Union St, Saint John, NB (multi-family)



- Previously office space converted to 25-unit residential apartments, with 105 parking stalls.
- Sourced off-market, negotiated directly with previous owner.
- Increase rents to market. (\$150-\$400 per unit. \$30-\$45 per parking stall)
 - Verified from appraisal, CHMC, local managers and lenders.
- Rebrand building, name, signage, attractive website, short-term stays.
- Cosmetic improvements, exterior facelift, siding, paint, landscaping, common area improvements, parking lot expansion.
- Operating costs reduced.
- Tax Assessment value successfully negotiated with city.
- Implemented best in class property management.



Acquisition Date:	<i>Dec 14th, 2019</i>	Appraisal Date:	<i>March 2022</i>
Purchase Price:	<i>\$3,500,000</i>	Last Appraisal:	<i>\$6,500,000</i>
Funds Invested:	<i>\$1,268,626</i>	Current NOI:	<i>\$377,339</i>
Purchase NOI:	<i>\$224,994</i>	Est. Value 2024:	<i>\$7,546,000</i>

Total Return (%):	460%	Forced Appreciation:	<i>\$4,046,000</i>
IRR (Year 5):	46%	Equity Multiple:	<i>4.94x</i>

[Link to full projection](#)

Case Study: 168-176 Rothesay Ave, Saint John, NB (retail)



Identified considerable operational under performance by current owners of this grocery anchored leaseback sale from Loblaw's, 155,000 sq ft retail centre on 13 acres.

Submitted an offer to purchase subject to acceptable lease-back with Loblaw's Atlantic SuperStore; successfully negotiating a 20-year lease with CPI adjustments and four 5-year renewals.

Sourcing a tenant for the remaining 18% vacancy which was leased to GoodLife Fitness prior to closing, reducing overall risk.

Identified the second building on the site (Staples) is a landlease with PlazaREIT which is set to expire in 2027. Upon expiration of the landlease NOI will increase over \$130K.

Negotiated a 10-year \$24K/yr net lease with Pattison Advertising, and \$14K/yr lease with Rogers for a tower cell.



Acquisition Date:	Jan 2022	Appraisal Date:	Jan 2022
Purchase Price:	\$12,500,000	Last Appraisal:	\$17,600,000
Funds Invested:	\$3,500,000	Current NOI:	\$1,462,064
Purchase NOI:	\$944,098	Est. Value 2024:	\$20,866,000

Total Return (%):	406%	Forced Appreciation:	\$8,366,000
IRR (Year 5):	45.8%	Equity Multiple:	4.25x

[Link to full projection](#)

Case Study: 300 Mystery Lake Rd, Thompson, MB (retail)



The acquisition includes a 195,000-square-foot asset on 17 acres purchased well below replacement cost for a sale price of \$60 per square foot, continuing the firm's expansion in the necessity-based retail property sector.

Reduce significant overhead expenses such as inflated salaries to prior owners Toronto's office, appeal tax assessment, fill vacancies, implement value-add strategies such as digital billboards and self storage, convert common areas into leasable units with exterior entrances “de-mall”.

City Centre is anchored by an 80,000-square-foot Walmart and 40,000-square-foot Safeway. Tenants, since 1971, are the only two large-scale grocers within 761 KM and are the dominant grocer by market share in Northern Manitoba. The center features 23 other daily needs tenants, including Tim Hortons, TD Bank and Canada Post, serving a trade area of 50,000+ with an average household income of \$110K



Acquisition Date:	Jan 2024	Appraisal Date:	Jan 2024
Purchase Price:	\$11,826,000	Last Appraisal:	\$17,900,000
Funds Invested:	\$5,000,000	In-Place Cap Rate:	13%
Purchase NOI:	\$1,342,185		

Est. Total Return:	271%	CoC (Year 1):	19.2%
Est. IRR (Year 5):	36.6%	Est. Equity Multiple:	2.88x

[Link to full projection](#)

Case Study: 546 Martha Ave, Saint John, NB (multi-family)



- Mismanaged and underperforming 24-unit residential apartment building.
- Cosmetic improvements, exterior paint, landscaping, common area improvements.
- Increase rents to market.
 - Verified from appraisal, CHMC, local managers and lenders.
- Reduced operating expenses.
- Remodeled dated units to quality modern finishes.
- Sourced and managed local professional management.



Acquisition Date:	<i>April 2018</i>	Sale Date:	<i>August 2020</i>
Purchase Price:	<i>\$1,030,000</i>	Sale Price:	<i>\$1,830,000</i>
Funds Invested:	<i>\$251,000</i>	Stabilized NOI:	<i>\$110,048</i>
Purchase NOI	<i>\$58,144</i>		



After

Total Return (%):	<i>498%</i>	Forced Appreciation:	<i>\$800,000</i>
IRR (Year 5):	<i>48%</i>	Equity Multiple:	<i>5.4x</i>



Before

[Link to full projection](#)

Case Study: 822 Main St N, Moose Jaw (multi-family)



- Mismanaged and underperforming 24-unit residential apartment building.
- Remodeled dated units to quality modern finishes, rebranded building, name, leasing website.
- Cosmetic improvements, exterior paint, landscaping, common area improvements.
- Increase rents to market, removed troublesome guests.
- Reduced operating expenses, replaced local management, appealed taxes for 35% reduction.
- Implemented short-term rental and monthly furnished strategy for traveling workers.
- Implemented energy efficiency strategies, and internet strategy for rent upsell.



Acquisition Date:	August 2019	Appraisal Date:	March 2022
Purchase Price:	\$1,050,000	Last Appraisal:	\$1,410,000
Funds Invested:	\$266,000	Current NOI:	\$86,607
Purchase NOI	\$16,959	Est. Value 2024:	\$1,574,000

Total Return (%):	333%	Forced Appreciation:	\$497,000
IRR (Year 5):	37.7%	Equity Multiple:	3.68x

[Link to full projection](#)

Case Study: 261 Fletcher St SW, Atlanta, GA (residential)



Strategy: U.S. Single Family Home investment fund, convert to highest a best use as short-term rental (STR) throughout holding period. Attempt to achieve a resale value based on net income. Fletcher is a Duplex, where we maximize the rental income by offering three (3) rentalable units within one residential property. Purchased July 2020, our first property in this strategy.

View our Single-Family Homes here: [Link](#)



Purchase Price:	\$280,000	Gross Rent Multiple:	2.83
Funds Invested:	\$145,929	Value as Comparable:	\$438,200
Stabilized NOI:	\$56,030	Value Based on Income: (9% cap)	\$622,555
Cap Rate:	20%	Cash on Cash: (levered 6%, 70% LTV)	27%
ROI (Year 5): (levered 6%, 70% LTV)	263%	IRR (Year 5): (levered 6%, 70% LTV)	39%

Case Study: 4454 3rd Ave, Northport, AL (residential)



Strategy: U.S. Single Family Home investment fund, convert to highest a best use as short-term rental (STR) throughout holding period. Focusing on NCAA College towns in secondary and tertiary markets located in business friendly states where the cost of replacement is far apart from existing inventory creating a cap on new supply.

View our Single-Family Homes here: [Link](#)



Purchase Price:	\$199,500	Gross Rent Multiple:	2.29
Funds Invested:	\$89,288	Value as Comparable:	\$258,600
Stabilized NOI:	\$43,300	Value Based on Income: (9% cap)	\$481,111
Cap Rate:	21%	Cash on Cash: (levered 6%, 70% LTV)	37%
ROI (Year 5): (levered 6%, 70% LTV)	223%	IRR (Year 5): (levered 6%, 70% LTV)	41%

Case Study: 3501 Moss Ln, Amarillo, TX (residential)



Strategy: U.S. Single Family Home investment fund, convert to highest a best use as short-term rental (STR) throughout holding period. Attempt to achieve a resale value based on net income. Moss Ln is a Duplex, where we maximize the rental income by offering three (3) rentalable units within one residential property.

View our Single-Family Homes here: [Link](#)



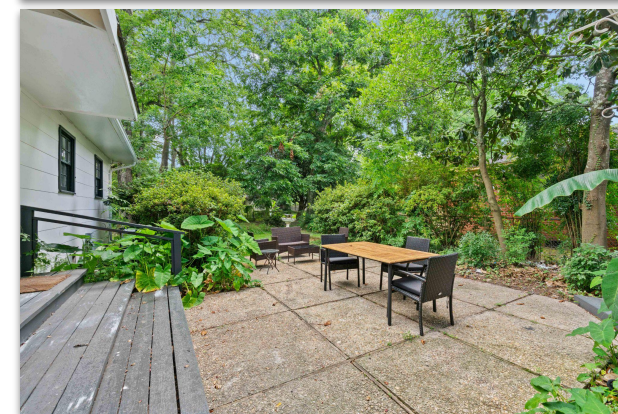
Purchase Price:	\$256,000	Gross Rent Multiple:	3.8
Funds Invested:	\$83,141	Value as Comparable:	\$270,000
Stabilized NOI:	\$34,964	Value Based on Income: (9% cap)	\$388,488
Cap Rate:	13%	Cash on Cash: (levered 6%, 70% LTV)	24%
ROI (Year 5): (levered 6%, 70% LTV)	197%	IRR (Year 5): (levered 6%, 70% LTV)	32%

Case Study: 2563 Courtney St S, Mobile, AL (residential)



Strategy: U.S. Single Family Home investment fund, convert to highest a best use as short-term rental (STR) throughout holding period. Attempt to achieve a resale value based on net income.

View our Single-Family Homes here: [Link](#)



Purchase Price:	\$155,000	Gross Rent Multiple:	2.83
Funds Invested:	\$64,445	Value as Comparable:	\$165,000
Stabilized NOI:	\$24,522	Value Based on Income: (9% cap)	\$272,446

Cap Rate:	16%	Cash on Cash: (levered 6%, 70% LTV)	29%
ROI (Year 5): (levered 6%, 70% LTV)	199%	IRR (Year 5): (levered 6%, 70% LTV)	35%

CONTACT

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