

11136 - 124 Street, Edmonton, AB.

Building Name	Hudson Manor		
Number of Units	23		
Asking Price	\$2,297,700	\$99,900	per unit
Year Built	1966		
Legal	Condo Plan #072 8332 Units 1-23		
Zoning	RA7		
Site Area	14,481 sq ft (1345.4 sq m)		
Parking	23 paved stalls		
Chattels	23 fridges & stoves		
Laundry	1 or 2 sets washer/dryer - leased (Phelps)		



Location:
Located in Inglewood, close to Westmount shopping center, downtown, and easy access to Grant MacEwan College and the University of Alberta. The area has seen much redevelopment and refurbishment in both multi-family residential, retail commercial, and single family housing in the area.

Exterior: Stucco / Vinyl
Intercom: Yes
Balconies: No

Description:
Hudson Manor is a 2.5 story walk-up building, with a good rental mix of suite types. Many long-term tenants in the building, and almost all stayed with recent rental increase (Aug. 08 took effect) to current market rents. Still some upward room on rental rates. The building has been well maintained, but is in mostly original condition. Cosmetic upgrades would return a great deal in ability to increase rents in August 2009 as well. Great holding rental property with potential to exit as individual condos when the market is right. Strata individual titles completed.

Suite Mix:

5	Bachelors
12	One Bedrooms
6	Two Bedrooms
0	Three Bedrooms
23	Total Suites

Financing:	(Proposed)	Interest Rate
\$ 1,342,995	1st financing	6.50%
\$ -	2nd financing	7.00%
Down Payment:	\$ 954,705	
Monthly PI-1st =	\$ 9,069	
Monthly PI-2nd =	\$ -	
Annual PI =	\$ 108,826	

Proposed financing is based on 1.2 debt coverage ratio, at the market interest rates above, over a 25 year amortization.

Notes:
This property is available individually or as part of a package with Windsor Manor (11143-124st, Edmonton). Average CMHC rents for this area of the city (zone 4 - west central) at Oct. 07 are: bach \$585, one bed \$743, two bed \$933. Potential to increase many suites on turnovers or in August 1st, 2009.

INCOME & EXPENSES			Projected	
			Aug. 2009	
INCOME:	(as of date)			
Bachelors	\$500-\$650	\$2,900	\$3,250	
One Bedrooms	\$700-\$750	\$8,650	\$9,000	
Two Bedrooms	\$625-\$1000	\$5,275	\$6,000	
Three Bedrooms	\$0	\$0	\$0	
Gross Monthly Income		\$ 16,825	\$ 18,250	
Annual Income		\$ 201,900	\$ 219,000	
Laundry Income	\$15 (per unit/mo.)	\$ 4,140	\$ 4,140	
Gross Annual Income		\$ 206,040	\$ 223,140	
Vacancy Loss	-1.8% CMHC zone 4	\$ (3,709)	\$ (4,017)	
Effective Gross Annual Income		\$ 202,331	\$ 219,123	
EXPENSES:	(estimated)			
Management Fee	4%	\$ 8,093	\$ 8,765	
Caretaker	\$ 25 /unit/mo	\$ 6,900	\$ 6,900	
Utilities	\$ 1,100 /unit/yr	\$ 25,300	\$ 25,300	
Insurance	\$ 130 /unit/yr	\$ 2,990	\$ 2,990	
Repair & Maint.	\$ 500 /unit/yr	\$ 11,500	\$ 11,500	
Miscellaneous	\$ 120 /unit/yr	\$ 2,760	\$ 2,760	
Taxes	2008 actual	\$ 14,197	\$ 14,197	
Total Annual Expenses		\$ 71,740	\$ 72,412	
Net Annual Operating Income	\$ 3,119 /unit or 35.46%	\$ 130,591	\$ 146,712	

Returns:			
Capitalization Rate is:		5.68%	6.39%
Cash required is:	\$ 954,705	\$ 954,705	
Cash flow after debt service is:	\$ 21,765	\$ 37,886	
Cash on cash return is:		2.28%	3.97%
Return on equity is:		4.54%	6.22%
Return with apprec. of:	6%	18.98%	20.66%

Disclaimer Notice: The information given above has been obtained from reliable sources, but is not guaranteed and is subject to change without notice. Please contact the above for current status and information.

Photos

Front view from side



Parking at rear



Entryway



Hallway

