



# KINGSWAY APARTMENTS | EDMONTON



PROJECT STATUS: Zoned, preparing Development Permit Drawings  
INVESTMENT: (50% ownership) \$3.5 million



Kingsway Apartments will be a signature conversion from office to residential. The characteristics of the building will result in a very efficient conversion from office/medical to 121 units of multi-family residential, with some main floor commercial space.

The strength of Kingsway Apartment's market position is apparent when visiting the area. Located directly across the street from Alberta's largest general hospital (the Royal Alexandra Hospital), which itself is surrounded by specialist clinics and supports including Capital Care Norwood, Glenrose Rehabilitation Hospital, Lois Hole Hospital for Women, and Hy's Obstetrics and Gynecology.

The property is located across from a Light Rail Transit station (LRT) which connects it quickly and easily to the core of the City, and points west, north and south.

Another very strong contributor is the nearby Northern Alberta Institute of Technology with a student population of over 40,000 and a staff head count of almost 3,000. Within a few hundred meters is

a major, successful urban shopping centre (Kingsway Mall) currently undergoing a renovation and expansion.

Largely due to the large medical footprint, residential multi-family development in the area is mostly limited. This has left a legacy of rental apartment shortages and no substantive way to improve the level of inventory. Our strategy is to deliver quality of rental housing at a competitive monthly rent. There is an opportunity to enhance our returns in this node by furnishing 20% of our suites for short term rental, thus addressing the lack of nearby housing for those out of town families supporting their loved one during procedures and convalescence that can last for months. The adult student population, hospital staff, retail workers and commuters will more than substantiate our marketing of rental apartments where there is little inventory.

There is a further opportunity to develop a meaningful itinerant parking business because the project has substantially more parking as a result of its legacy as a medical building.



## CONTACT

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INVESTMENT METRICS

Total Project Cost	\$33,249,406
<b>EQUITY</b>	<b>\$7,000,000</b>
Value at Completion	\$41,856,806
<b>CASH DISTRIBUTION ON TAKE OUT FINANCING</b>	<b>\$4,829,273</b>
<b>NET PROCEEDS FROM SALE</b>	<b>\$10,003,777</b>

**36**  
MONTHS TO SALE



**\$14,833,050**  
TOTAL DISTRIBUTIONS  
(AFTER SELLING COSTS)



**15.73%**  
YIELD ON EQUITY  
(ANNUALIZED)

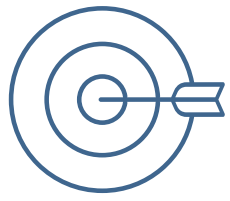


OPERATING METRICS

Residential Income	\$2,234,612
Commercial Income	\$125,500
Parking Income	\$291,000
<b>TOTAL INCOME</b>	<b>\$2,651,112</b>
Operating Costs	(\$742,456)
NOI (Net Operating Income)	\$1,908,656
Debt Service (Interest Only)	\$1,255,704
Cash Flow from Operations (interim, annualized)	\$652,252

**9.33%**  
INTERIM YIELD ON EQUITY  
(ANNUALIZED)

**30.08%**  
INTERIM YIELD ON EQUITY  
AFTER TAKE OUT  
FINANCING (ANNUALIZED)



PROJECT METRICS

**70** STUDIO UNITS

**40** ONE BEDROOM UNITS

**11** TWO BEDROOM UNITS

**121** TOTAL UNITS



**6,275**  
COMMERCIAL SPACE

**225**  
PARKING STALLS

