

Goodman:

FOR SALE

**EXTENSIVELY
RENOVATED
55-SUITE RENTAL
APARTMENT
BUILDING
OVERLOOKING
NANAIMO'S
DEPARTURE BAY**

ARBUTUS GARDENS
655 POPLAR STREET
NANAIMO, BC

Mark Goodman*
Direct 604 714 4790
mark@goodmanreport.com

Cynthia Jagger*
Direct 604 912 9018
cynthia@goodmanreport.com

Tim Sommer*
Cushman & Wakefield
Direct 250 410 3005
tim.sommer@cushwake.com

HQ

Commercial

Greater Vancouver's authority on selling apartment buildings and development sites: www.goodmanreport.com

*Personal Real Estate Corporation

ARBUTUS GARDENS

Address	655 Poplar Street, Nanaimo
PID	002-907-160
Legal description	Lot A, Newcastle Reserve, Section 1, Nanaimo District, Plan 25365
Year built	1972
Zoning	R8: Medium Density Residential
Lot size	32,827 sq. ft.
Height	4 storeys
Units	55
Net rentable area	39,790 sq. ft.
Parking	39 stalls; 14 covered

SUITE MIX

	Units	Avg. rent	Avg. size
Bachelor	6	\$663	545 SF
1 bedroom	31	\$801	670 SF
2 bedroom	18	\$935	875 SF
Total	55		

2017 PROFORMA

Gross income	\$595,677
Vacancy	(5,477)
Effective gross income	\$590,200
Operating expenses	(206,452)
Net operating income	\$383,748

Price	\$8,850,000
Price/Unit	\$160,909
Cap Rate	4.3%
GIM	15



OPPORTUNITY

To acquire an extensively renovated and well-located 55-suite apartment building in one of Vancouver Island's emerging cities – Nanaimo. With population growth, declining vacancies and increasing pressure on rents, Arbutus Manor is well-poised to capitalize on the growing demand for rental accommodation.

HIGHLIGHTS

- Constructed in 1972, Arbutus Manor is a four storey, elevator-serviced wood-frame apartment property
- Atop Brechin Hill, north facing suites (and certain end units on the east and west elevations) enjoy breathtaking, panoramic views of Departure Bay, Newcastle Island, and the dramatic peaks of the Sunshine Coast further in the distance
- 55 suites; 6 bachelors, 31 one-bedrooms and 18 two-bedrooms
- Since 2009, over \$1,600,000 has been spent in an ongoing, extensive and high-end renovation of the building
- Lower level of the east wing features four suites and multiple rooms containing storage lockers for tenants – one for each suite – that have not yet been converted to an additional income source.
- Second floor features the building entrance, more storage areas, the laundry room, as well as 11 suites
- Third and fourth floors each contain 16 suites and the upper floor of the west wing has a further 8 units
- Parking: 39 stalls in an asphalt lot at the rear of the property, 14 of which are covered underneath a portion of the building
- Building access for guests is by Enterphone, and the modernized, entirely re-decorated lobby features new mailboxes, durable flooring and new high-efficiency lighting
- Two make-up air units on the roof provide fresh-air for hallways
- Domestic hot water is provided by way of a gas-fired boiler
- Electric baseboard in-suite heat

655 POPLAR STREET, NANAIMO, BC

UPGRADES

Since 2009, over \$1,600,000 has been spent in an ongoing, extensive and high-end renovation of the building:

- Roof replaced
- Boiler converted to natural gas and replaced
- Elevator upgraded and modernized (approx. \$60k)
- Balconies entirely re-built, re-surfaced, and railings replaced
- Condominium-quality suite renovations (variations in stone counters, new kitchens with backsplashes, flooring, entirely re-built and re-appointed bathrooms, stainless steel appliances) in 43 of 55 suites
- Painted exterior
- Common area/lobby: Modernized and completely renovated, new mailboxes, high efficiency lighting
- Access: keyless FOB access system installed throughout
- Laundry room: 5 new washers and 5 new dryers



FINANCING

First mortgage on title as Mortgage CA3321680 in favour of Computershare Trust Company of Canada and insured by CMHC, with a current outstanding balance of approximately \$3,100,000 and an original loan amount of \$3,428,129. Additional terms are: an interest rate of 3.73%, 25-year amortization, and a maturity date of September 1, 2023. Monthly payments are \$17,535 per month. Preference will be given to Buyers willing to assume this existing first mortgage.



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LOCATION

Arbutus Gardens is located one block east of the Island Highway (also known as Terminal Avenue), opposite Estevan Road from Terminal Park Shopping Centre, in the triangular-shaped block formed by Estevan Road, Poplar Street and Brierley Hill. A very walkable location, Estevan Road also connects at Terminal Avenue, providing quick and convenient access to and from the property. The site sits at the top of Brechin Hill, which gently slopes toward the ocean, providing panoramic views to the north and east in particular. From this location, a full range of shopping, numerous parks and golf courses and recreational amenities are available on foot or by car. Other notable nearby destinations include the Departure Bay Ferry Terminal, the Harbour Walkway and Newcastle Island, Harbour Air Terminal, and Nanaimo General Hospital.