



BC
APARTMENT
INSIDER

FOR SALE

 DEER MEADOWS ESTATES

**Upscale 230-Unit
Modular Home Park
on a 49 Year Land Lease**
8900 Jim Balley Road, Kelowna, BC

PROPERTY HIGHLIGHTS

- Leasehold Interested in Land
- 49 Year Lease with a 49 Year Option to Renew
- CAP Rate of 5%



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Macdonald
COMMERCIAL

RE/MAX KELOWNA

230-lot New Modular Home Park

8900 Jim Balley Road, Kelowna, BC

Macdonald Commercial and Re/Max Kelowna are pleased to present the rare opportunity to acquire a major manufactured home park that is projected to be fully developed by 2025. Infrastructure is already in place with private sewer and water utility, and paving for 78 homes has already been completed.



THE LAND

Located in the highly desirable lakeside city of Kelowna, this 36.75-acre property consists of 230 home sites that will be built with high-quality and modern homes that are perfectly designed for the Okanagan lifestyle.

The Vendor will guarantee the Net Operating Income of \$1,100,000 for the first three years through a sinking fund. The development is projected to be fully built out the property after three years.

PROPERTY HIGHLIGHTS

- Leasehold Land with 45 years remaining + 49-year option to renew at \$1.00, for a total of 94 years
- Modern, high-quality modular home to be built by Woodland Crafted Homes
- \$1,100,000 Guaranteed Net Operating Income for the first 3 years
- Ferocious housing market in Central Okanagan will continue to prop up demand for manufactured home parks for years to come
- Situated right on the highly popular Okanagan Rail Trail and minutes away from major employment nodes such as UBC Okanagan and Kelowna International Airport

PROPERTY ACCESS

The Property is currently accessible via Jim Bailey Road to the east through an easement. The Vendor is currently conducting a discussion with the landowner to create a secondary access from Hwy 97.

PROPERTY DETAILS

PROPERTY TYPE

Mobile Home Park

CIVIC ADDRESS

8575 Highway 97, Kelowna, BC

LEGAL

Lot 17 and 18, Duck Lake IR No. 7, RSBC 1465

SITE AREA

36.75 Acres

HEAD LEASE

LESSOR

Her Majesty the Queen in right of Canada as represented by the Minister of Indian Affairs and Northern Development

LESSEE

Slatchinum Development Corporation

TERM

45.25± years remaining + 49-year option to renew at \$1.00

COMMENCEMENT

September 22, 2017

IMPROVEMENTS

The subject property is proposed for development with a 230-lot mobile home park and is appraised as if the improvements are complete, and fully leased

LAND USE CONTROLS

None currently applicable

DENSITY

6.3 lots per acre

PROJECTED NOI

\$1,100,000

CAP RATE

5%

ASKING PRICE

\$21,000,000.00



Appraisal Report available to qualified purchasers upon request

CAN BE PURCHASED IN 4 SEPARATE PHASES

First Phase	50 units
Second Phase	60 units
Third Phase	60 units
Fourth Phase	60 units



Image Source: NCA Commercial Inc.

KELOWNA

The Kelowna CMA (Central Metropolitan Area) is the **third-largest metropolitan area** (after Vancouver and Victoria) in the Province of British Columbia and was the **fourth fastest growing region** in Canada **at 1.9%** according to 2021 information from Statistics Canada.

Kelowna and the Central Okanagan is the **largest trading center between Greater Vancouver and Alberta**. The Okanagan has a diverse economy with prime industry sectors including agriculture, tourism, retail trade, manufacturing, forestry and construction. Key growth industries include information and high technology, film, viticulture and wine production as well as aviation and health

care. With much in the way of available business resources, the region is an ideal destination for business start-ups, expansion and relocation due to the exceptionally moderate climate, strong transportation, trained labour force and availability of diverse recreational opportunities.

The Central Okanagan region has experienced significant growth in population and construction over the past five years. Key economic drivers in the region include the **University of British Columbia Okanagan Campus (UBCO)** with an annual economic impact of **\$1 Billion** and **Kelowna International Airport** with an annual economic output of **\$610 Mil-**

lion. Kelowna General Hospital and Okanagan College are also major contributors to employment and economic impact in the region.

Housing markets across the Okanagan are seeing **an unprecedented level of activity** as the COVID-19 pandemic accelerated retirement plans and made remote working a long-term possibility.

As retirees and young workers compete for limited space throughout the Interior, the resulting surge in demand has put **significant pressure on the limited inventory** of homes for sale in the region, **driving prices higher**.

Total Population (approx.)

143,000

Population of Central Okanagan Regional District

198,344

Average Household Income

\$108,814

Quality of Life Score
(2020 Citizen Survey)

92%

Source: Kelowna.ca



THE LOCATION

The Property is located in the Duck Lake Indian Reserve No. 7, at the northern end of the City of Kelowna. The Property is bounded by Highway 97 on the east and Okanagan Rail Trail on the west. Downtown Kelowna is just 28 minutes drive to the south. UBC Okanagan Campus and Kelowna International Airport are both located within 10 minutes driving distance. Highway 97, the main transportation route running through the Okanagan Valley, provides easy and direct access to the Property from Vernon to the north and from Peachland, Summerland and Penticton to the south.

The recent COVID-19 pandemic has only heightened the ultra desirability of the City of Kelowna. With a mix of urban and suburban lifestyle that set against a dramatic backdrop of mountains and lakes, vineyards, golf courses and orchards, it is no wonder that the Association of Interior Realtors has reported a 29.9% year over year price increase in single family home through out Central Okanagan. The benchmark price for a single family home has now passed \$1 Million. Furthermore, the Zumper Canadian Rent Report in December 2021 pointed out that the City of Kelowna is now the 4th most expensive rental market with a Two-Bedroom at \$2,050 per month, which is a 14.9% increase year over year.



OKANAGAN RAIL TRAIL

A truly unique experience with a total length of 50 km starting at the north end of Kalamalka Lake and ending at the center of Okanagan Lake, downtown Kelowna.

DEER MEADOWS ESTATES

SILVERSTAR MOUNTAIN RESORT

An award winning year-round resort having been voted the Best Ski Resort and the Best Family Resort in the Okanagan region for several years

PREDATOR RIDGE RESORT & GOLF

Known as the Okanagan's best golf courses, Predator Ridge features two 18 hole championship courses, a world-class practice facility, award-winning golf academy and so much more

UBC OKANAGAN

Currently undergoing a massive expansion that will double its size by 2040 with additional 1 Million SF of space and will reach 18,000 students by 2040

GREY MONK ESTATE WINERY

The creator of an award-winning VQA wine that also features a wine and gift shop, Grapevine Restaurant and wine tours – all accompanied by the spectacular views of the beautiful Okanagan Valley

KELOWNA INTERNATIONAL AIRPORT

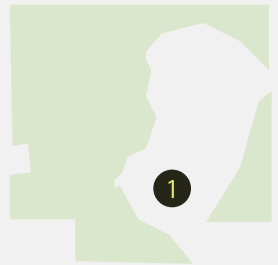
One of the Top 10 Busiest Airports in Canada Currently undergoing a \$69.9 Million expansion

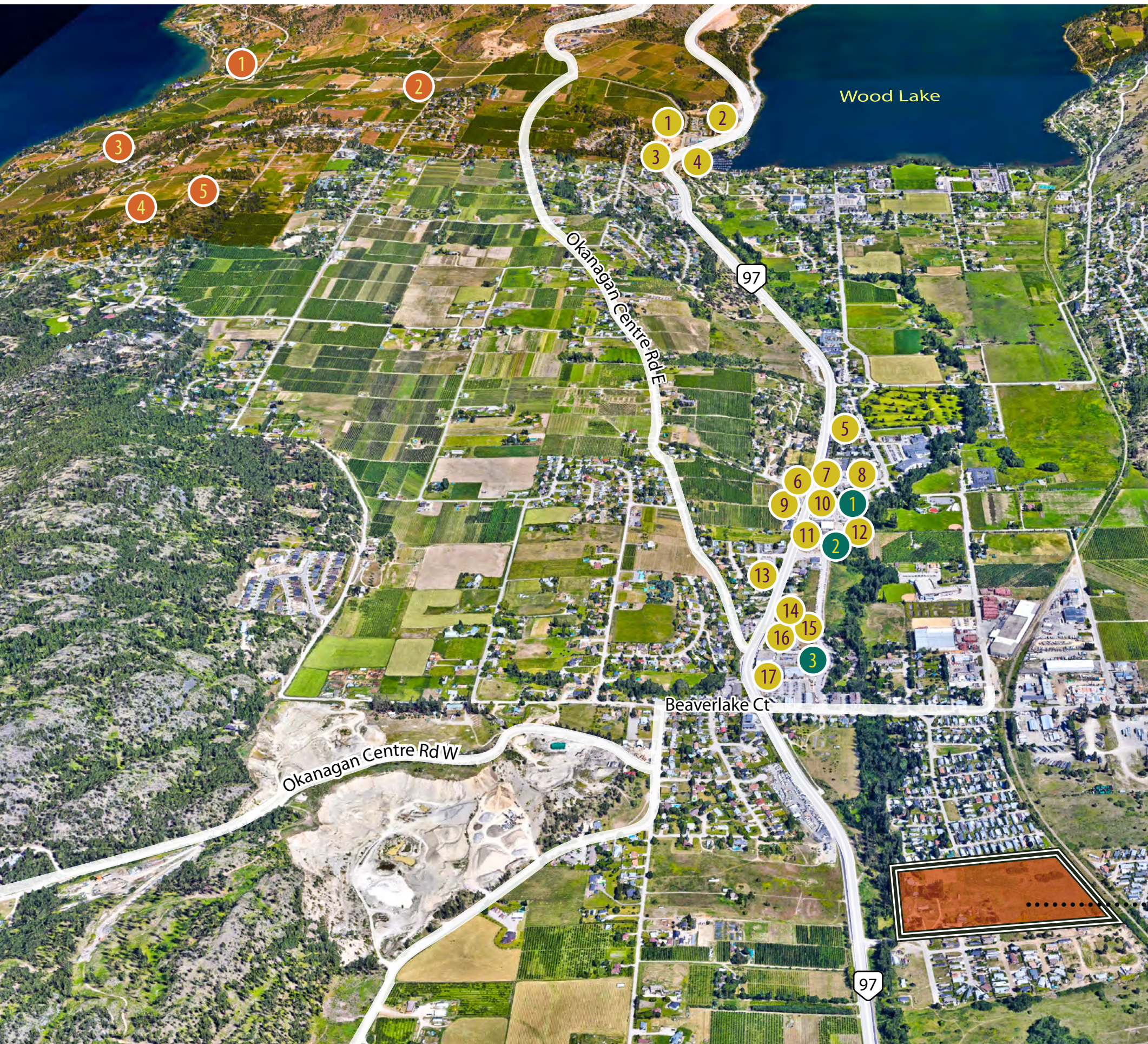
DOWNTOWN KELOWNA

The thriving cultural heart of Kelowna, featuring galleries, museums, fine dining, events and other attractions.

BIG WHITE SKI RESORT

Canada's Favourite Family Resort for skiing and snowboarding - home to 16 lifts, 119 runs and world-famous champagne powder





THE NEIGHBOURHOOD

While it is situated in Kelowna, the property is located within close proximity to many of the amenities, services, and attractions that Lake Country has to offer. Lake Country is home to a number of well known wineries as well as a number of boutique wineries, including 50th Parallel Estate Winery, Ex Nihilo Vineyards, Arrowleaf Cellars, Intrigue Wines, and arguably the most well-known one: Gray Monk Estates. The neighbourhood also offers a close-proximity grocery stores (Save-On Foods, IGA) as well as a number of pubs and restaurants. Lake Country is surrounded by a number of pristine Okanagan lakes (hence its name), and in addition to the mentioned wineries and world class golf courses, brings many tourists to the community in the summer months.

AMENITIES

GROCERIES

1. IGA
2. Shoppers Drug Mart
3. Save-On-Foods

WINERIES

1. 50th Parallel Estate Winery / BLOCK ONE Restaurant
2. Intrigue Wines
3. Gray Monk Winery
4. Ex Nihilo Vineyards
5. Arrowleaf Cellars

CAFÉS / RESTAURANTS

1. Chantana's Thai Food
2. Winfield Chinese Restaurant
3. Starbucks
4. Turtle Bay Pub
5. Lake Country Coffee House
6. Dairy Queen
7. Domino's Pizza
8. L'Isola Bella Bistro
9. Buster's Pizza & Donair
10. Wooden Nickel Cafe
11. Tim Hortons
12. Winfield Bakery
13. Woody's Pub
14. Viva Mexicana
15. Subway
16. A&W
17. McDonald's



THE COMMUNITY

The homes are specifically designed for the Okanagan lifestyle. Ranging from 2-bedroom to 3-bedroom layouts, each home will be built with high construction standards and a contemporary exterior. The homes will be outfitted with comfortable interior trimmings, modern kitchen appliances, high-efficiency air furnace and air conditioning. The park will have street parking, sidewalks, and curbs.

DEER MEADOWS ESTATES LOT LAYOUT



DELIVERING HOMES STARTING
SPRING 2022

PROFORMA RENT ROLL & INCOME STATEMENT

LOT RENTAL INCOME

Monthly Lot Rental Total Revenue	\$575
Percentage maintenance fee	30%
Monthly maintenance fee	\$172.5
Rental collection for the land	\$402.5

Rental Income Projection

Number of Lots	230
Year 1 Lot rental per month	\$402.5
Revenue per month	\$92,575
Annual appreciation and growth rate of rent	2.00%*
Years of rent collection	46
Annual Gross Profit (Year 1 completed construction)	\$1,110,900

Total Rent Collected Over 46 Years (with 2% annual increase) **\$82,574,000**

*Maximum allowable increase per Land Use Agreement is up to CPI + 2%

RENT ROLL

TOTAL

Monthly Home Site Fee
\$89,700

Monthly Community Fee
\$42,550

Monthly Fee
\$132,250

Annual Fee
\$1,587,000

% Total Avenue
100%



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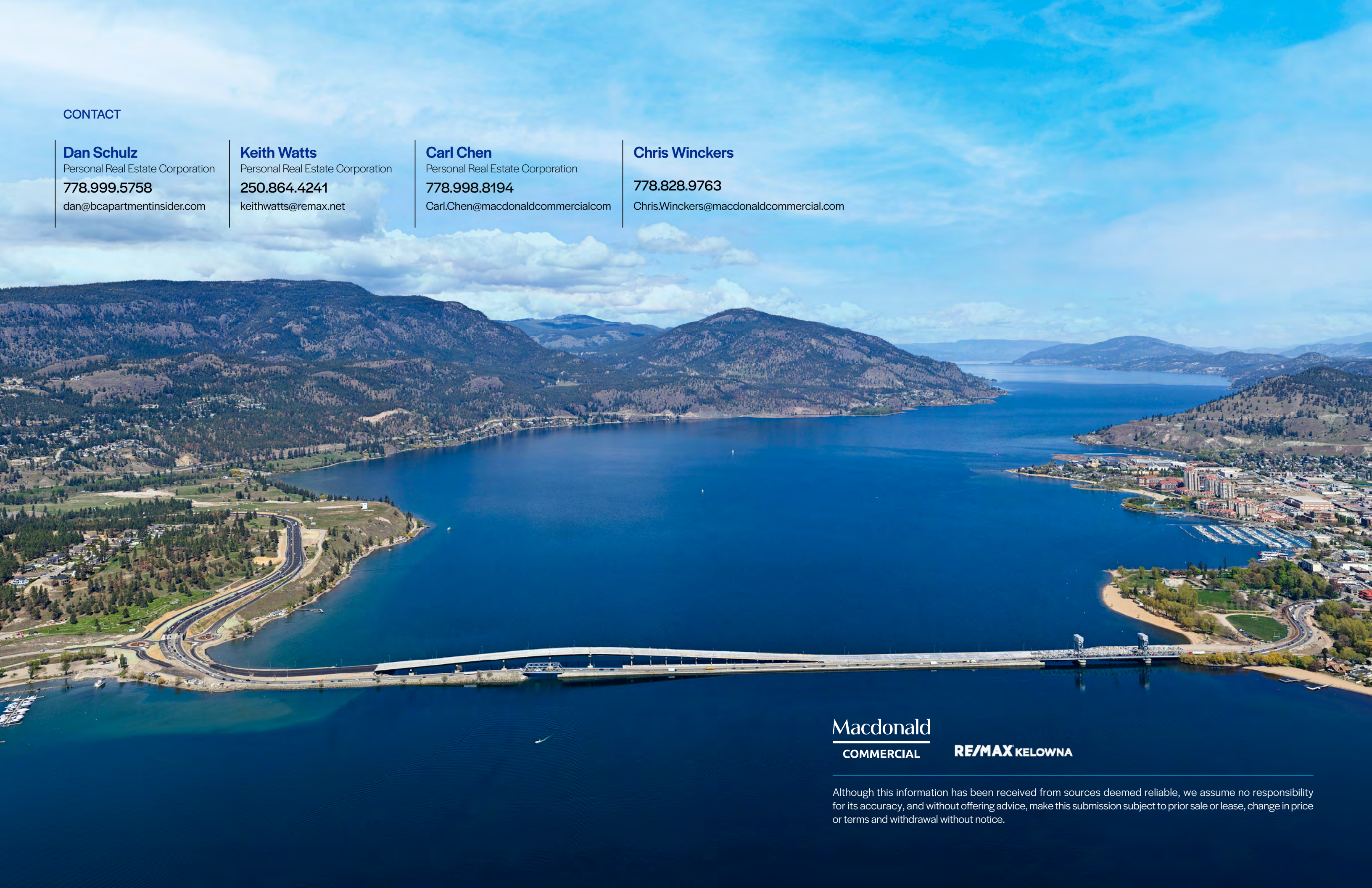
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