

Residential Business Brochure



29A & 29B Sage Brush Avenue, Taber



25A & 25B Sage Brush Avenue, Taber

Property Holdings & Quarterly Highlight

In summer 2020, a local property developer approached Black Elm with a brand new fourplex that they were constructing for their own investment portfolio. After we presented the opportunities within Black Elm, the developer chose to roll the property into the Partnership. We were able to sit with him and get a detailed breakdown of the build in the initial stages.

We worked with the developer to ensure that the cost of the build worked within the Partnership, and all to help ensured that amenities were included in the build that would increase the rentability of the units, and limit turnover.

The result of the project was a seamless roll in of a new asset. The suites have experienced 0% vacancy, and there is a wait list to rent the building should any suites become vacant. This building now grosses over \$5,000 in monthly rent, adding another strong, cash-producing asset into the Black Elm.

Current Residential Holdings as of Q3 2022

Above, you saw how one property evolved through the rolling-in process. Below you will find a chart outlining our current residential holdings as of Q3 2022.

Address	City	Units	Value	NOI	Cap Rate
Cayuga Place	Lethbridge	2	\$319,149	\$18,216	5.71%
Princeton Cres	Lethbridge	2	\$305,273	\$17,424	5.71%
Temple Blvd	Lethbridge	2 + garage	\$355,921	\$20,315	5.71%
Purdue Court	Lethbridge	2	\$298,335	\$17,424	5.84%
Chilcotin Road	Lethbridge	2 + garage	\$360,777	\$20,592	5.71%
Aberdeen Cres	Lethbridge	2 + garage	\$419,571	\$23,958	5.71%
8A Avenue	Lethbridge	2	\$286,961	\$12,870	4.48%
Sage Brush Ave	Taber	4	\$707,679	\$40,392	5.71%
21 Ave	Coaldale	1	\$233,984	\$12,870	5.50%
7 Street North	Lethbridge	4	\$570,000	\$31,284	5.49%
Lemoyne Cres West	Lethbridge	1	\$146,000	\$8,712	5.83%
54 Ave	Coldlake	12	\$1,577,117	\$104,861	6.65%
21 St	Lethbridge	9	\$990,000	\$57,024	5.76%

Future Growth

Lethbridge's rental vacancy rate is 5.6% of available suites;(2) the lowest of the 4 major cities in Alberta. Even during COVID-19, Lethbridge has shown a decline in vacancy in the rental market. Communities around Lethbridge are advertising a 0% vacancy;(2) within their rental markets and with proper protocols built in, Black Elm is also currently at 0% vacancy across the portfolio.

Looking forward, (2) Lethbridge's population is growing at 1.5% per year, exceeding both the national average of 0.54% and the provincial growth rate of 0.98%. Given the steady growth potential for Lethbridge, and its historically low vacancy rates, Black Elm is well-positioned to maintain a low vacancy across our portfolio and to continually build up our number of cash-producing assets.

Note 2, for more details on Lethbridge's potential see our Southern Alberta Investment Analysis.