

New-Build Multifamily Investment Asset with Below-Market Rents & Favourable Financing in a High Growth Western Canadian Market

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FOR SALE

MISSION FLATS APARTMENTS

1459-1469 K.L.O. ROAD
KELOWNA, BC



Property Introduction

Cushman & Wakefield ULC is pleased to present to the market, a 2018 built multifamily investment opportunity of scale located in one of Western Canada's most desirable and rapidly growing rental markets, Kelowna, British Columbia. 1459-1469 K.L.O. Road, Kelowna, BC (the "Property"), known as Mission Flats Apartments, is a 280-suite family-oriented rental community featuring a mix of large one-, two-, and three-bedroom suites averaging 917 square feet.

The Property benefits from a strategic location along K.L.O. Road providing access to nearby shopping centres, Okanagan College and multiple parks and schools. Furthermore, the in-place rent is approximately 7% below market while the in-place financing is assumable at 3.56%, making this a highly accretive asset that will benefit from substantial growth. Additionally, the Property boasts a highly amenitized profile with a fitness room, social lounge, party room, multi-functional tennis/pickleball/basketball court, community garden, off-leash dog run, bicycle storage and on-site leasing office.

Mission Flats Apartments represents an opportunity to acquire a multifamily asset of scale in a rapidly densifying market with significant upside through rent growth, tenant turnover, and below market financing.



Salient Details

Address	1459-1469 K.L.O. Road, Kelowna, BC
PID	027-424-502
Year Built	2018
Suite Mix	95 1 Bedroom 165 2 Bedroom <u>20 3 Bedroom</u> 280 Suites
NRA	256,623 sq. ft.
Average Suite Size	1 Bedroom – 659 sq. ft. 2 Bedroom – 989 sq. ft. 3 Bedroom – 1,540 sq. ft. Total - 917 sq. ft.
Average Rent PM	\$2,041
Average Rent PSF	\$2.23
Average Market Rent PM	\$2,182
Average Market Rent PSF	\$2.38
Occupancy	96.5%
Parking	180 Underground <u>189 Surface</u> 369 Stalls
Assumable Financing	1 st Mortgage at 3.22% - September 2029 Expiry 2 nd Mortgage at 3.99% - March 2034 Expiry

Investment Highlights



Modern midrise purpose-built rental construction (2018) featuring 280 high quality units with a diverse family-oriented suite mix, including one, two, and three-bedroom units averaging 917 square feet.



Below market rents with approximately 7% upside coupled with assumable below market financing at a blended rate of 3.56% and an outstanding balance of \$70,955,541 along with four years of property tax exemptions provide accretive growth and attractive yields rarely seen in the British Columbia rental marketplace.



Four years of remaining property tax exemptions provide a substantial reduction in operating expenses, directly enhancing net operating income, and boosting overall cash flow. This rare incentive allows investors to maximize returns while maintaining flexibility in rental pricing, further strengthening the property's competitive position.



A high-quality multifamily investment asset in the rapidly growing Kelowna market, Mission Flats Apartments boasts an enviable leasing profile, bolstered by its strategic location on K.L.O. Road near Okanagan College, multiple schools, grocery stores, and parks—offering an unmatched community and amenity profile for tenants.



The amenity package offered by Mission Flats Apartments is commensurate with an institutional standard featuring underground parking, on-site playground, resident lounge, tennis, basketball, and pickleball courts, shared BBQ area, and dog run.



Mission Flats features an enviable ESG scorecard highlighted by solar panels, EV chargers, family sized units, wood-frame build form, and BOMA Best certification.





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