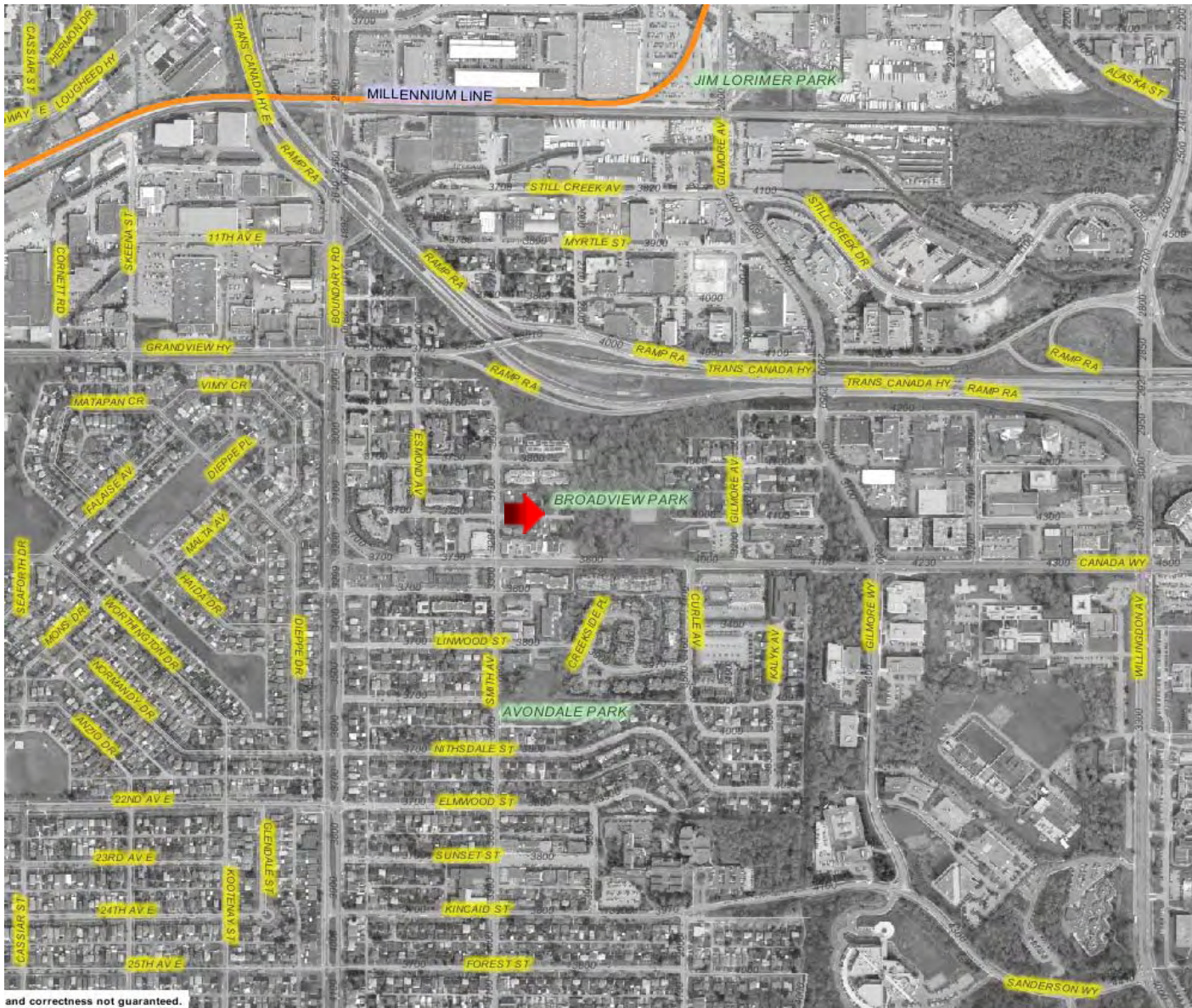


# FOR SALE

## Prime multifamily residential site for 54 stacked town homes



3888 Norfolk Street, Burnaby, BC

For further information, Please Contact

VINEET KIRPAL

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## OPPORTUNITY

This is a rare opportunity to acquire multi family designated site situated next to Broadview Park on quiet residential street. This property is located in Central Burnaby Neighborhood of North Burnaby. It is few minutes drive proximity to Vancouver, Metrotown, Brentwood, Airport and Downtown area. This site is tucked away from traffic and located next to Park to enjoy peaceful life.

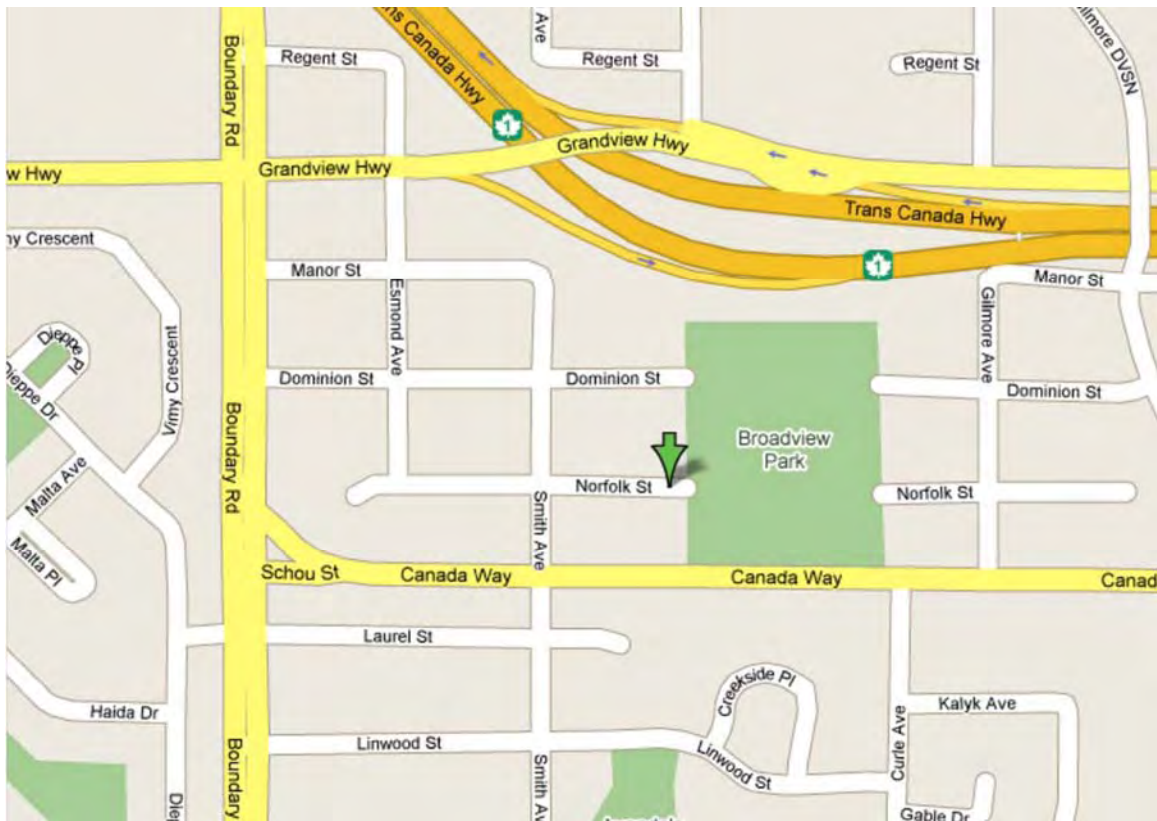
## SITE DESCRIPTION

This Development Site is comprised of five lots at civic addresses 3853, 3875, 3876, 3891 and 3892 Norfolk Street. The Property also includes a portion of Norfolk Street that will be closed. The redeveloped site will include a new cul de sac at the eastern terminus of Norfolk Street. Upon consolidation, the irregular-shaped parcel will have frontage of about 180.00 feet on Norfolk street, a depth of 141.04 feet along the northwest boundary, 203.81 feet on the north perimeter, a rear lot line of 316.77 feet (bordering Broadview Park), a southern border of 132.05 feet, and a southwest boundary of 102.59 feet, producing a total area reported at 47,440 ft<sup>2</sup>, or 1.09 acres.

The property is generally bounded by residential condominiums to the North, single family lots to the West, Broadview Park to the East and commercial/industrial buildings fronting Canada Way to the South. The subject property is located at the Eastern end of Norfolk street just North East of Boundary road and Canada Way in Central Burnaby area which is bounded by Canada way to the south, 1<sup>st</sup> Avenue/ Gravely Street to the north, Boundary Road to the west, and Lougheed Highway/Winston Street to the east.

Canada Way, located one-block to the south, is a major arterial which extends west to Vancouver and east to New Westminister and beyond. Boundary Road, situated two blocks to the west, is the border separating the City of Vancouver from the City of Burnaby, along with Willingdon Avenue, located four blocks to the east, are major north/south roadways serving the area. These arterials also provide access to the Trans Canada Highway (#1) and the Lougheed Highway which lie between one-quarter and three-quarter mile to the north.

# SUBJECT PROPERTY



# DEVELOPMENT DATA

LOCATION	3853, 3875, 3891, 3876 & 3892 Norfolk Street, Plus Lane & Road, Burnaby, BC
LEGAL DESCRIPTION	East1/2 Lot A Except the West 60 Feet of Plan 7465, Lots B & C of Plan 14265 Lots 5 & 6 of Plan 1321; all of Block 45, district Lot 69, Group 1 Plus Road.
P.I.D. NUMBER	011-232-579,002-781-026,002-496-798, 002-616-483 & 012-106-704.
REGISTERED OWNER	City of Burnaby & Tara Development Ltd
APPROXIMATE LOT SIZE	±180'X Irr'; 47,440 ft <sup>2</sup> ; 1.09 acres
ZONING	Existing: R5 Proposed: CD-RM3
PROPOSED DEVELOPMENT	54 Townhouse Units: 49.5 upa Site coverage: 14,618 ft <sup>2</sup> ; 31% Floor area; 52,166 ft <sup>2</sup> Floor/Area Ratio: 1.10 Parking Spaces: 96 Car Wash Stall: Two



## INCLUSIONS

Asking price includes cost of all the Consultants i.e. Geotechnical engineer, Landscape engineer, Acoustic engineer, Mechanical engineer, Electrical engineer, Civil engineer, Structural engineer, Envelope engineer, code consultant, Architect and Surveyor for their work up to Preliminary Plan Approval. Currently all plans have been submitted to City of Burnaby and expecting to get 4th reading done by end of June. 3853 Norfolk St, 3875 Norfolk St lane and portion of Norfolk St owned by City of Burnaby Sellers are in process to acquire this land from the City of Burnaby by June 2008 and this entire land will be delivered to Buyer as one consolidated parcel of 47,439.50 sq ft of land.

## PROJECT DATA

Rezoning No. Rezoning Reference # 06-22

Civic Address: 3888 Norfolk St, Burnaby, BC

Lot Area (Gross) 47,439.50 SQ FT

Zoning CD-RM3

54 Units, on five individual adjacent buildings.

Mix of: 4 - 1 Bedroom units

44 - 2 Bedroom units

6 - 3 Bedroom units

98 Underground parking including visitor and carwash bays

## Summary of Unit Types

Unit #	Bldg	Position	Floor	Size	Type	Baths	#
112 & 113	C	Interior & End	1	623 ft <sup>2</sup> & 581 ft <sup>2</sup>	1 Bed	1	2
116 & 117	D	Interior	1	670 ft <sup>2</sup> & 669 ft <sup>2</sup>	1 Bed	1	2
119 & 120	E	Interior	1	634 ft <sup>2</sup> & 649 ft <sup>2</sup>	1 Bed	1	2
101	A	End	1	790 ft <sup>2</sup>	1+Den	1	1
102, 103 & 104	A	Interior & End	1	803 ft <sup>2</sup> & 861 ft <sup>2</sup>	2 Bed	2	3
105 & 106	B	End	1	997 ft <sup>2</sup> & 765 ft <sup>2</sup>	2 Bed	2 & 1	2
114	C	End	1	867 ft <sup>2</sup>	2 Bed	2	1
115	D	End	1	899 ft <sup>2</sup>	2 Bed	2	1
118 & 121	E	End	1	864 ft <sup>2</sup>	2 Bed	2	2
107 - 111	C	End & Interior	1 & 2	1,024 ft <sup>2</sup> & 928 ft <sup>2</sup>	2 Bed	2	5
202 - 207	A	Interior	1 - 3	1,001 ft <sup>2</sup> - 1,017 ft <sup>2</sup>	2 Bed	2	6
210 & 211	B	Interior	1 - 3	1,164 ft <sup>2</sup> & 931 ft <sup>2</sup>	2 Bed	2½ & 2	2
220	C	Interior	1 - 3	985 ft <sup>2</sup>	2 Bed	2	1
222 - 226	D	End & Interior	1 - 3	1,129 ft <sup>2</sup> - 1,144 ft <sup>2</sup>	2 Bed	2	5
227 - 233	E	End & Interior	1 - 3	1,058 ft <sup>2</sup> - 1,081 ft <sup>2</sup>	2 Bed	2	7
201 & 208	A	End	2 & 3	976 ft <sup>2</sup>	2 Bed	2	2
209 & 212	B	End	2 & 3	1,125 ft <sup>2</sup> & 892 ft <sup>2</sup>	2 Bed	2½ & 2	2
221	C	End	2 & 3	947 ft <sup>2</sup>	2 Bed	2	1
214 - 217	C	Interior	2 - 4	1,051 ft <sup>2</sup>	2 Bed	2	4
213	C	End	2 - 4	1,081 ft <sup>2</sup>	2 Bed	2	1
218	C	Interior	2 & 3	1,291 ft <sup>2</sup>	3 Bed	2½	1
219	C	End	1 - 3	1,344 ft <sup>2</sup>	3 Bed	2½	1
<b>Average</b>				<b>966 ft<sup>2</sup></b>		<b>Units</b>	<b>54</b>

# COMPARISON DATA

## RECENT SALE OF LAND

Location	Zoning	FAR	Lot Size	Price	Date	\$/ft2	\$/Bft2
3724-3744 Laurel St	R5 CD-RM3	0.850	24,000 ft2	2,425,200	Jun/07	101.05	118.88
3718 Laurel Street			<u>4,800 ft2</u>	<u>680,000</u>	Jul/07	<u>141.67</u>	<u>166.67</u>
Total Assembly			28,800 ft2	3,105,200		107.81	126.85
5480-5516 Patterson Av	R5CD-RM3	1.100	22,484 ft2	3,600,000	Jul/07	161.11	145.56
5550 Patterson Ave		1.100	11,242 ft2	1,185,000	Feb/07	105.41	95.83
4,494 ft2 Bonus Density8			<u>n/a</u>	<u>411,205</u>	2007	<u>n/a</u>	<u>91.50</u>
Total Assembly		1,230	33,726 ft2	5,196,205		107.81	125.26
3820 Pender Street	RM3 CD-RM2	0.814	6,100 ft2	720,000	May/07	118.03	145.02
3870 Pender Street	RM3 CD-RM2	0.814	6,100 ft2	601,500	Jun/06	98.36	121.15
				955,000	Aug/07	156.56	192.35

These Data illustrate a wide range in average price paid per sq ft up to \$156.56 over past 20 months. These Properties have variety of zoning designations which allows for medium-density residential and mixed use development to maximum floor/area ratio ranging from 0.814 to 1.23 and sale prices from \$118.88 to \$192.35 per sq ft of permitted buildable.

Index #1 shows six lot assembly of 0.66 Acre site in process to rezone to CD-RM2, FSR 0.85 illustrating selling price of \$126.85 per buildable sq ft.  
Index #2 shows three lot assembly of 0.77 Acre site rezoned to CD-RM2, FSR 1.1 illustrating selling price of \$128.98 per buildable sq ft.

The subject Property will be 1.09 Acre of Land, ready to build, 1.1 FSR, 52116 sq ft buildable area with building Plans. Asking Price includes the cost of all the consultants up to PPA permits, which adds significantly value to land and saves the developer to wait 16 – 24 months and interest cost to get Building Plan approved from City of Burnaby.

Asking Price \$146.62/sq ft buildable is well within range of Market trends.

## RECENT SALE OF UNITS

Project	Type	# Units	Sample	Avg Size	Avg Price	\$/ft2
Decorus	Townhouse	48	41 Pre-Sales	834 ft2	378,500	453.84
The Harris	Low Rise	79	61 Pre-Sales	770 ft2	±332,000	±431.00
Montage	Low Rise	82	70 Pre-Sales	987 ft2	±377,000	±420.00
Royal Gardens	Townhomes	36	27 Pre-Sales 3 Pre-Sales	850 ft2	± 362,950 ±420,000	±427.00 ±476.00

Decorus located on Patterson Ave close to Central Park 48 stacked town homes development comprising three clusters has 41 Presales of average selling price of \$453,84/ sq ft.

The Harris which is being built parallel to a busy arterial, low rise residential buildings located in Brentwood, an improving, but less desirable locale has 61 Presales of average selling price of \$431.00/ sq ft.

Montage low rise residential building located in Brentwood area has 70 Presales of average selling price of \$420.00/sq ft

Royal Gardens located at Irmin St & Royal Oak Ave 36 townhouse development has 27 Presales for \$427.00/sq ft in November 2007, 3 Presales in May 2008 for \$476,00/sq ft.

Looking at these above comparables, it is strongly recommended that this development will sell in approx of \$430.00/sq ft to \$440/sq ft price range.

## **Hard Costs**

Hard costs usually relate to the fixed costs of construction, typically incorporating materials and trades. They can vary according to location, as well as quality. Hard costs include construction of the garages, site servicing, landscaping and appliances. Some examples of current construction costs include:

- a 36-unit townhouse project over a concrete parkade, to be built on the corner of Royal Oak Avenue and Irmin Street in south Burnaby, estimated a hard cost at \$156.19 per ft<sup>2</sup>, with soft costs at 34%;
- a pro forma completed in mid- 2007, by ConEcon Consultants Inc. for a stacked townhouse project with three clusters containing 48 units averaging 870 ft<sup>2</sup> to be built-over a concrete parkade on Patterson Street in the Central Park district of Burnaby, revealed a hard cost of \$160.98 per ft<sup>2</sup> and soft costs of 22%, excluding commissions and marketing costs; and
- a mixed-use project on No. 2 Road in south Richmond comprising a three-storey structure of high- quality using concrete and wood frame construction, containing 22 residential suites averaging 958 ft<sup>2</sup> and commercial modules at grade totaling 9,558 ft<sup>2</sup>, to be built over a one-level semi-in ground parkade with elevator service, is projected to be built at a hard cost of about \$170.00 per ft<sup>2</sup>, with the developer managing construction.

## **Soft Costs**

In addition to the hard costs of construction, “soft” costs add considerably to the total. These costs typically include architectural and professional fees, taxes and insurance, supervision, interest and bank fees during construction, and miscellaneous fees. They are usually expressed as a percentage of hard costs. Over the past year, the majority of soft costs we have examined have ranged between 30% and 40%.

Considering the design and scale of the complex, as well as prevailing low interest rates, balanced market condition and absorption trends for completed product, we feel a rate of 35% of hard costs would be appropriate.

## **Development Cost Charges**

Development Cost Charges (DCC'S) are levied by municipalities to offset the cost of providing infrastructure, including offsite servicing, roads, water mains and storm sewer systems and parks, as well as a levy for School Site Acquisition.

According to schedules published by the City, these charges are currently set at \$3.84 per ft<sup>2</sup> of gross floor area for Parkland Acquisition, and \$800 per unit for School Site Acquisition for a development such as the subject at a density of 49.5 units per acre. In addition, the Greater Vancouver Sewage and Drainage District (GVS&DD) implemented a regional DCC for sewerage facilities applicable to the subject area (Vancouver) at a rate of \$826 per townhouse unit. These charges produce a total of \$288,121 for the 54 units.

## BUDGET PROFORMA

TOTAL REVENUE		
BUILDABLE AREA	52166 X 435/SQ FT	\$22,692,210.00
LAND COST		\$7,649,000.00
HARD COST	\$165 SQ FT	
BUILDABLE AREA	52166 X165/SQ FT	\$8,607,390.00
SOFT COST	\$35/SQ FT	
BUILDABLE AREA	52166X35/SQ FT	\$1,825,810.00
TOTAL COST		\$18,082,200.00
PROFIT		\$4,610,010.00
PROFIT MARGIN		25.4%

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