



2930 9 Avenue N, Lethbridge, Alberta - \$8,900,000



Main Photo

Property Description

Centrally located in the Industrial Park this investment property has excellent access and exposure to North Lethbridge as well as highways AB-3 and AB-4. A 3.3-acre industrial property with multiple entrances along three sides of the property's corner profile, the site is accessible for large vehicles and accommodates logistical needs. The building itself features open warehouse space with 14'-18' ceiling heights, overhead heaters, 600-amp electrical service, and new LED lighting throughout. There are six ground level doors, three dock-height loading docks and one declining loading dock. Sections of the yard space are fenced and gated.

This investment property features a single, long-term tenant with a strong covenant. The current net income for the property is \$687,225, reflecting a capitalization (cap) rate of 7.47% based on the asking price. This net income includes a 5% administration fee. The internal rate of return (IRR) on the asking price is projected at 12.43%, incorporating a \$12,000 annual management fee, a 5% vacancy allowance starting in year three, and a 3% capital expense reserve. The financial projections also assume a rental rate increase from \$8.50 to \$9.50 per square foot in year three, followed by annual increases of 2% for the remainder of the 10-year forecast period. The projected sale price at the end of year ten is calculated

using the forecasted income at that time and a 7.5% cap rate.

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