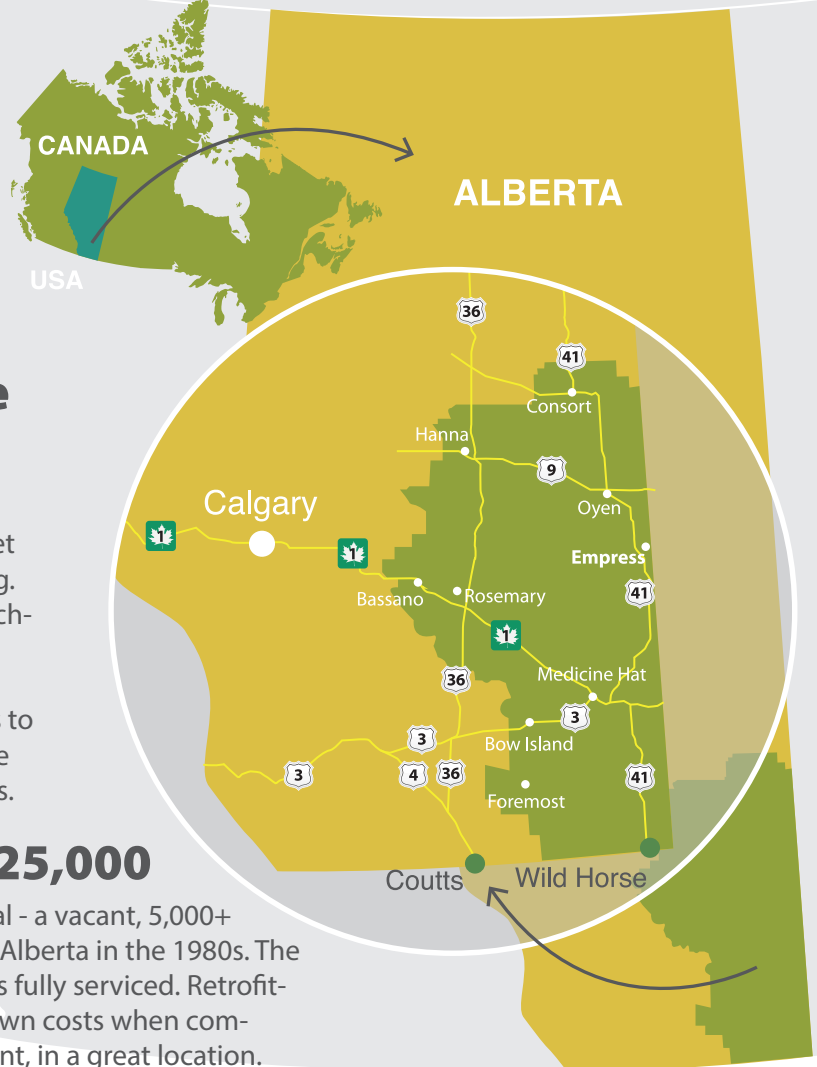


VILLAGE OF *Empress*

villageofempress.com



Start Warehousing & Storage in Empress

Alberta's Palliser region is home to some of the most under-rated scenery in the world, with excellent market access into Alberta's major cities, and excellent hunting. It is also centrally located between Alberta and Saskatchewan's major centres, along Highway 41.

A small group of local investors would have the means to bring a warehouse and storage operation to the village of Empress, serving both major markets and rural areas.

A Pre-Existing Facility for \$125,000

The Village of Empress has a unique asset at its disposal - a vacant, 5,000+ square foot facility constructed by the Government of Alberta in the 1980s. The facility has undergone engineering assessments, and is fully serviced. Retrofitting the facility for use as a warehouse would bring down costs when compared to new construction, making it a great investment, in a great location.

Growth Story



The need for off-site storage is still very much in a growth phase. Stats Canada shows there are almost **1,700** self-storage and mini-warehouse businesses and that the industry is dominated by small players.

Consolidation has been occurring steadily and is continuing. Regionalism is a regular phenomenon.

Numbers Matter

\$100,000 gross revenue

At 100% occupancy, gross revenue is calculated at \$108,000 per year.



504,000 new RVs sold

RV sales fluctuate, from 390,000 units in '06, numbers fell to 165,000 in '09 grew to the recent peak of 504,000 in '17.



Up to 2.29 Debt-Servicing Ratio

At 100% annual occupancy, the debt-servicing ratio is 2.29. At all levels of occupancy, there is sufficient cashflow to meet its financing obligations.

3 Storage Solutions

A facility in Empress could securely warehouse pallets of product self-storage, and RV storage





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Warehousing & Storage in Empress

Empress is home to some of the Palliser region's most dramatic landscapes, and is centrally located to Alberta and Saskatchewan's major centres. The Red Deer and Saskatchewan rivers meet at Empress and are two of the Canadian Badlands' famous rivers. The potential for adventure-seekers along the rugged river valleys is abundant.

The Empress Hospital facility is for sale, along with a number of other serviced and unserviced lots available for between \$3,500 and \$8,000.

The Opportunity

Small Players Dominate the Market.
Consolidation is Coming.



The need for off-site storage is still very much in a growth phase. As of May, 2021, StorageVault/Access/Sentinel was the largest by far with 221 locations nationally, then Uhaul with 95, and StorageMart at 70. The numbers fall off very quickly with the 10th largest provider only having 15. Bluebird is the largest self-storage company in Alberta as of April 2021 after they completed a purchase of five locations to bring their total to seven.

The flow of funds for a warehouse in Empress looks like this:

Source		Use	
Ownership Group	\$117,500	Purchase and renovation of building	\$125,000
Bank Financing	\$352,500	Retrofitting of Building	\$245,000
Total	\$470,000	Total	\$470,000

Warehouse Financial Picture

As a base case, if 65% financing was available, this would leave the ownership group to contribute \$165,000 and a mortgage of \$303,000 to be obtained. The amount could be repaid over 20 years.

At all levels of occupancy calculated, the project would generate sufficient cash-flow to meet its financing obligations.

A complete business analysis is available upon request.

	Occupancy		
	100%	75%	50%
Self-Storage	\$14,400	\$10,800	\$7,200
RV	\$12,500	\$9,375	\$6,250
Warehousing	\$83,125	\$62,344	\$41,563
Total	\$110,025	\$82,519	\$55,013
Free Cashflow	\$55,017	\$39,238	\$23,459
Annual Mortgage Payment	\$24,029	\$24,029	\$24,029
Debt-service Coverage	2.29 x	1.63 x	0.98 x

EMPRESS CONTACT

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