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Welcome:

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Information Session  
Investor Series  
ROI's Defined Part 1:  
Infills & Renovations



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# The Opportunity West

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**2017 Study on Infills and  
Renovations Sample Area:**

**Parkview, Laurier Heights,  
Lynwood, Sherwood,  
Britannia YT, Mayfield  
Grovenor**



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# West and South Edmonton Area Samples

- 24 Month Period
- Over 400 Trades/Transactions in each area
- Comprised of Infills and Renovations
- Established Results using Sold or Active Pricing (dependent)
- Deemed Accurate but Not Guaranteed /all Inclusive
- West End
  - 15 Examples Identified Matching criteria (same address sale under 24 months with apparent significant increase in gross resale value)
- South
- 8 Infill Examples are Predominant – Reno Results are Negligible in Period

# West Infill Results Summary

- Avg Sale / Ask \$447,800.00
- Avg Purchase \$266,666.67
- Avg Gross Margin \$181,133.33
- Gross margin is 40% of Sale /Ask Price
- Gross margin is 68% of Purchase
- Time between buy and sell
  - 4 of 5 are active
  - Holding Time TBD

# West Infill Results Summary

/2

2 examples of particular interest:

- buy house & remove
- subdivide lot, build on 1 half
- put 2nd half for sale (at 300k + price point)
- Or build 2nd home

# West Renovation Results Summary

- Avg Sale \$627,050.00
- Avg Purchase \$444,600.00
- Avg Gross Margin \$182,450.00
- Gross Margin is 29% of Sale / Asking Price
- Gross Margin is 41% of Original Purchase Price
- Time between buy and sell
  - 1 is active, 19 are sold
  - Avg Time Held 7.9 Months
  - Avg DOM 39 for Sale of Updated Property

# Special Mentions – Emulate These

Best Reno took 6.3 months!

- Buy at \$674,000
- Sold at \$1,110,000
- G margin \$436,000

Best Infill took 16.2 months

- Buy at \$630,000
- Sold at \$1,175,000
- G margin \$545,000



# Newest Special Mention

- Westmount house sold way over list
- Lot was 57 ft wide, 22 offers in hours / days 1 & 2
- Went way over list or market value based on the future upside on subdivision to 2 skinny homes (extra 3 + ft/ lot when subdividing creates increased home size made it very attractive for the investors & buyers who wanted to live in/ build on for selves as well)
- Infills are now regularly seeing multiple offers in (sometimes) hours due to location & lot... Details available on request

# Infill Gem – Closer Look

94 AVE & 142 ST NW, Crestwood

- Original Listing - [E4008327](#)
- 1,387.48 Feet
- Purchase Price \$630,000
- New Listed MLS - [E4064386](#) new Square Feet: 2,294.99
- Sold Price \$1,175,000
- Gross Margin \$545,000

# Reno Gem Closer Look

85 AVE & 139 ST NW, Laurier Heights

- Original Listing: [E4033989](#)
- 2,180.68 feet
- Purchase Price: \$674,000
- New Listing [E4063796](#) new Square feet 2,285.95
- Sold Price \$1,110,000
- Gross Margin \$436,000

# West Edmonton Renovation and Infill Detailed Pictorial Review

[Infill Presentation](#)

[Reno Presentation](#)

# The Opportunity South

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**2017 Study on Infills and  
Renovations Sample Area:**

**Mckernan, Garneau,  
Queen Alexandria,  
Strathcona, Belgravia,  
Windsor Park**

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# South Edmonton U of A Area Sample

- 24 Month Period
- Over 400 Trades/Transactions in each area
- Comprised of Infills and Renovations
- Established Results using Sold or Active Pricing (dependent)
- Deemed Accurate but Not Guaranteed / all Inclusive
- South
  - 8 Infill Examples are Predominant – Reno Results are Negligible in Period

# U of A South Edmonton Area Renovation and Infill Detailed Pictorial Review

- Focused on 5 Areas to establish an understanding of target ranges for each.
- le to establish lower cost lots/properties for infill/reno opportunities by those areas (See PDF attached)
- 402 total sales I've put together pictorial "before and after shots" of several pertinent examples for reno/infill results (24 month period)
- [South Infill Presentation](#)

# Edmonton South Study Infill Results

8 examples (many of these were still for sale at time of study)



# Considerations for Success

## **Assess & Emulate “Gems” & Lot Subdivisions reviewed**

- Areas, Marketability (Product & Presentation)
- Subdivide-able Lots (Dims determine 2 @ SF Detached vs Duplex)
- Define Relationship with Your Realtor (Consumer Relationship Guide Enclosed)

## **Critical to Margin Performance: \_**

- Agile Decision Making, Well Defined Criteria
  - Lots, Tear Downs / Reno or Infill
  - Fast Market Assessments to support decisions
- Strong Offers to Maximize Purchases;
  - Significant Down Payments
  - Little or No “Subject to’s” (Conditions)
  - Impactful Possession Times & Terms (aligned to specific to scenario)

# Decision Criteria Investment Model for Cost and Income Forecasting: Condominiums

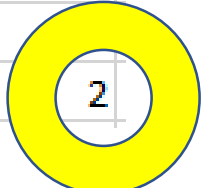
Condo fee annually as a % of investment	Investment ROI @12%	Required rent at 12% plus condo fees	Community	Price	List Price	DOM	Style	TotFlr Area	FlrArea a SF	Rooms AG	Bedrms AG
5.24%	\$ 630.00	\$ 905.00	Central Mcdougall	\$63,000	\$63,000	6	APART	51.53	554.67	1	1
4.96%	\$ 690.00	\$ 975.00	West Jasper Place	\$69,000	\$69,000	24	APART	41.6	447.78	4	1
4.89%	\$ 700.00	\$ 985.16	West Jasper Place	\$70,000	\$70,000	24	APART	41.6	447.78	4	1
4.95%	\$ 681.00	\$ 962.00	Central Mcdougall	\$68,100	\$68,100	32	APART	55.74	599.99	4	1
5.12%	\$ 600.00	\$ 856.00	Belvedere	\$60,000	\$60,000	35	APART	61.5	661.99	4	1
3.81%	\$ 749.00	\$ 987.00	Belvedere	\$74,900	\$74,900	39	APART	53.87	579.86	2	1
4.52%	\$ 650.00	\$ 895.00	Belvedere	\$65,000	\$65,000	44	APART	54.5	586.64	4	1
4.68%	\$ 700.00	\$ 973.00	Belvedere	\$70,000	\$70,000	46	APART	47.8	514.52	4	1
3.61%	\$ 599.00	\$ 779.00	Inglewood_EDMO	\$59,900	\$59,900	53	APART	37	398.27	3	1
5.14%	\$ 722.00	\$ 1,031.42	Balwin	\$72,200	\$72,200	54	APART	55.93	602.03	3	1
6.44%	\$ 668.88	\$ 1,027.88	Fraser	\$66,888	\$66,888	56	APART	71.41	768.66	5	2

# Decision Criteria Investment Model for Cost and Income Forecasting: 2ndary Suites:

Community	List Price	Tax Amount	Rent/month for 9% target Return on Investment /Year	Your Estimated Owner's Insurance / month	Your Total cost / month before mortgage costs	Estimated income before mortgage costs	<a href="#">LINK TO CIBC Calculator here for Estimated Mortgage</a>	ENTER Your Other Monthly Expense Here	Monthly Income Profit / Loss	Estimated ROI	DOM	Style
Cumberland	\$409,999	\$3,556.62	\$3,596.88	\$225.50	\$521.88	\$3,074.99	\$2,033.60	\$0	\$1,041.40	9.00%	141	ST2
Alberta Avenue	\$410,000	\$2,709.50	\$3,526.29	\$225.50	\$451.29	\$3,075.00	\$2,033.60	\$0	\$1,041.40	9.00%	117	BLEVL
Alberta Avenue	\$425,000	\$1,748.52	\$3,566.96	\$233.75	\$379.46	\$3,187.50	\$2,108.00	\$0	\$1,079.50	9.00%	27	BUNG
Eastwood	\$449,900	\$1,332.00	\$3,732.70	\$247.45	\$358.45	\$3,374.25	\$2,231.50	\$0	\$1,142.75	9.00%	52	ST2
Larkspur	\$474,800	\$3,713.00	\$4,131.56	\$261.14	\$570.56	\$3,561.00	\$2,355.01	\$0	\$1,205.99	9.00%	42	ST2
Brintnell	\$539,900	\$4,542.00	\$4,724.70	\$296.95	\$675.45	\$4,049.25	\$2,677.90	\$0	\$1,371.35	9.00%	59	ST2
Brintnell	\$539,900	\$3,993.98	\$4,679.03	\$296.95	\$629.78	\$4,049.25	\$2,677.90	\$0	\$1,371.35	9.00%	62	ST2
Britannia Youngstown	\$539,900	\$3,952.00	\$4,675.53	\$296.95	\$626.28	\$4,049.25	\$2,677.90	\$0	\$1,371.35	9.00%	3	ST2
Chambery	\$565,000	\$4,286.00	\$4,905.42	\$310.75	\$667.92	\$4,237.50	\$2,802.40	\$0	\$1,435.10	9.00%	62	ST2
Edgemont_EDMO	\$569,900	\$3,781.00	\$4,902.78	\$313.45	\$628.53	\$4,274.25	\$2,826.70	\$0	\$1,447.55	9.00%	77	ST2
Oxford	\$589,000	\$4,288.37	\$5,098.81	\$323.95	\$681.31	\$4,417.50	\$2,921.44	\$0	\$1,496.06	9.00%	142	BLEVL
Edgemont_EDMO	\$598,800	\$4,126.00	\$5,164.17	\$329.34	\$673.17	\$4,491.00	\$2,970.05	\$0	\$1,520.95	9.00%	58	ST2

# Decision Criteria Investment Model Considerations

Condo fee annually as a % of investment	Monthly Investment ROI @12%	Required rent at 12% plus condo fees	Community	Price	List Price	DOM	Style	TotFlr Area	FlrArea a SF	Rooms AG	Bedrms AG
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**[See Excel Source Data for West Study](#)**

**[See Excel Source Data for South Study](#)**



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Thank You!!

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