

CENTERTOWN APARTMENTS LONDON, ONTARIO

SUSTAINABLE URBAN LIVING FOR SENIORS



EXECUTIVE SUMMARY



IMPACT INVESTMENT

High Yield & Responsible



Centretown Apartments, London aligns with the rapidly growing global ESG investment trend, where the ESG investing market size was valued at USD 51.09 trillion in 2023 and is expected to expand at a compound annual growth rate (CAGR) of 12.5% from 2024 to 2030.

This project offers investors an opportunity to participate in a market driven by increasing awareness regarding environmental and social issues.





PROJECT CENTERTOWN APARTMENTS

A mixed model building with residential and commercial income.

Addressing the affordable senior housing market gap with rents at 50% of market rates, the project combines social impact with attractive returns, underpinned by a **\$14.76 million market valuation**.

sustainable design principles to create a community that is both accessible and environmentally responsible. By incorporating energy-efficient technologies, renewable energy sources, and green building materials, the development aims to reduce operating costs while minimizing its carbon footprint.

Residents will benefit from thoughtfully designed living spaces that promote comfort and independence, as well as a range of amenities such as communal gardens, wellness centers, and social activity rooms. These features not only enhance the quality of life for seniors but also foster a sense of community and belonging.



SORS CAPITAL

We are at the forefront of transforming real estate investment through the tokenization of property cashflows. Our innovative platform enables property owners to convert future rental income into digital tokens, offering a novel way to enhance liquidity and broaden investment opportunities. By decoupling property ownership from cashflow rights, we allow the sale of future income streams as tokenized assets, which can be traded seamlessly on blockchain platforms. This approach democratizes access to real estate investments, enabling fractional ownership and making the market more accessible to a diverse range of investors.

Our technology is built on the Ethereum blockchain, utilizing ERC-20 standard smart contracts to create 'PropTokens' that represent fractional ownership of property cashflows. We also leverage IPFS (InterPlanetary File System) for decentralized storage, ensuring secure and transparent management of property-related documents and data. With predefined maximum supply for each PropToken, our protocol guarantees transparency and immutability, recording all transactions and ownership details securely on the blockchain. This robust infrastructure facilitates efficient and compliant real estate tokenization, providing a reliable solution for managing real estate investments.

At SORS Capital, we are dedicated to supporting investors by providing a secure, transparent, and efficient investment experience. Our platform's automated processes, powered by smart contracts, ensure that transactions are seamless and trustworthy. We strive to make real estate investment more flexible and accessible, empowering investors to diversify their portfolios with ease. By offering innovative solutions and robust support, we are committed to transforming the real estate landscape for the betterment of all stakeholders involved.



LOCATION OVERVIEW

A B O U T

LONDON, ONTARIO

Is a vibrant city in southwestern Ontario, serving as a key regional hub for education, healthcare, and business. With a population of approximately 422,000, it is the 11th largest city in Canada. The city is strategically located along major transportation routes, including Highways 401 and 402, providing excellent connectivity to Toronto and Detroit.

Economic and Business Environment

London's economy is diverse, with strengths in education, medical research, manufacturing, and information technology. Major institutions like Western University and Fanshawe College contribute to a highly educated workforce. The healthcare sector is a significant economic driver, with facilities like the London Health Sciences Centre among the top employers. The city also hosts the Canadian headquarters of several multinational corporations, including 3M Canada and General Dynamics Land Systems.

Population Growth and Demographics

The city has experienced steady population growth, with a 10% increase between 2011 and 2021. London's demographic profile is diverse, with a median age slightly younger than the national average, reflecting a vibrant community.

Real Estate and Development

The real estate market in London features a mix of residential, commercial, and industrial developments. The city has seen significant investment in urban revitalization projects, particularly in areas like Old East Village. The housing market remains robust, with increasing demand for both single-family homes and multi-family developments.



WHY LONDON?

Nestled in southwestern Ontario, this lively city acts as a pivotal regional center for education, healthcare, and commerce. Boasting a population of around residents, it ranks as the largest city in Canada. Positioned strategically along major transportation arteries like Highways and, it offers superb connectivity to Toronto and Detroit.



Growing Housing Market

Home prices expected to rise 4.7% in 2024



High Rental Demand

Vacancy rate near all-time low, 1.7%



Education Hub

Home to Western University & Fanshawe College



Population Growth

Population grew by 10% from 2016 to 2021, reaching 422,324.



Rising Economy

Economic growth outpaces national average



Strategic Location

Near major urban centers like Toronto & Detroit



REVITALIZATION OF OLD EAST VILLAGE

Old East Village (OEV) in London, Ontario, has experienced a significant transformation over the past two decades, evolving into a vibrant and thriving community. This revitalization has been driven by a combination of community initiatives, strategic investments, and urban planning efforts aimed at enhancing both the residential and commercial appeal of the area.

KEY REVITALIZATION INITIATIVES

- **Community Improvement Plan (CIP):** Launched in 2005, the CIP aimed to stimulate economic growth and attract investment to Old East Village. This plan provided incentives for property improvements and supported local businesses, significantly reducing the vacancy rate from over 40% to around 10%.
- **Infrastructure and Development:** Investments in infrastructure, including streetscape improvements and enhanced public transportation, have made OEV more accessible and attractive. The introduction of the Dundas Street Corridor Secondary Plan supports mixed-use development, encouraging a blend of residential, commercial, and cultural spaces.
- **Cultural and Economic Hub:** OEV has become a cultural and economic hub, hosting a variety of local businesses, artisan shops, and community events. The Western Fair District and the redevelopment of the former Kellogg's plant into 100 Kellogg Lane, featuring entertainment venues and breweries, have contributed to the area's appeal.





PROPERTY OVERVIEW

OVERVIEW

Occupying a prime location within the heart of London's Old East Village, Centretown Seniors Apartments is a mixed-use development designed to seamlessly integrate with the neighborhood's vibrant community atmosphere. This property serves as a key transitional point between the area's historical charm and its modern revitalization efforts.

The project comprises a part three, part nine-storey building featuring 72 affordable senior apartment units and six ground-floor commercial units, totaling approximately 5,036 square feet. The residential component includes a mix of one-bedroom, one-bedroom accessible, and two-bedroom units, all equipped with essential amenities and balconies. The commercial units, facing Dundas Street, provide a diverse range of retail opportunities, enhancing the property's appeal as a community hub.

Strategically positioned along major transportation routes and well-served by public transit, the property offers excellent accessibility, making it an attractive option for both residents and businesses. The ongoing revitalization of Old East Village, supported by significant public and private investments, has transformed the area into a desirable location, contributing to the property's potential for stable and robust cash flows.



DETAILS:

Feature	Description
Location	637 Dundas Street, London, Ontario, in the Old East Village neighborhood.
Building Structure	Part three, part nine-storey mixed-use building.
Residential Units	72 affordable senior apartments: 57 one-bedroom, 7 one-bedroom accessible, 8 two-bedroom units.
Commercial Units	Six ground-floor units ranging from 635 to 1,065 sq. ft.
Amenities	Coin-operated laundry, common meeting rooms, secured entry, balconies for all units.
Parking	25 surface parking spaces.
Accessibility	Proximity to major transportation routes and public transit.
Community Context	Located in a revitalizing area with significant investment and development.
Zoning	BDC(17).B-13 - Business District Commercial Zone with Bonus.
Construction Year	Approximately 8 years old (circa 2013).
Energy Systems	Geothermal heating, supplemental boiler, solar thermal hot water system.
Market Position	High demand for affordable senior housing, ensuring stable occupancy.



AREA AND NEIGHBOURHOOD SUMMARY



The subject property is located within the central London neighbourhood of Old East Village. More specifically, the subject property is located on the south side of Dundas Street and the north side of Marshall Street. The Old East Village is a historical neighbourhood in East London, which was designated as Heritage Conservation District in 2006.

Neighbourhood Name: Old East Village

Age: 10 to 120 years

Dominant Land Use: Commercial/retail

Additional Land Uses in Area: Multi-family residential, recreational

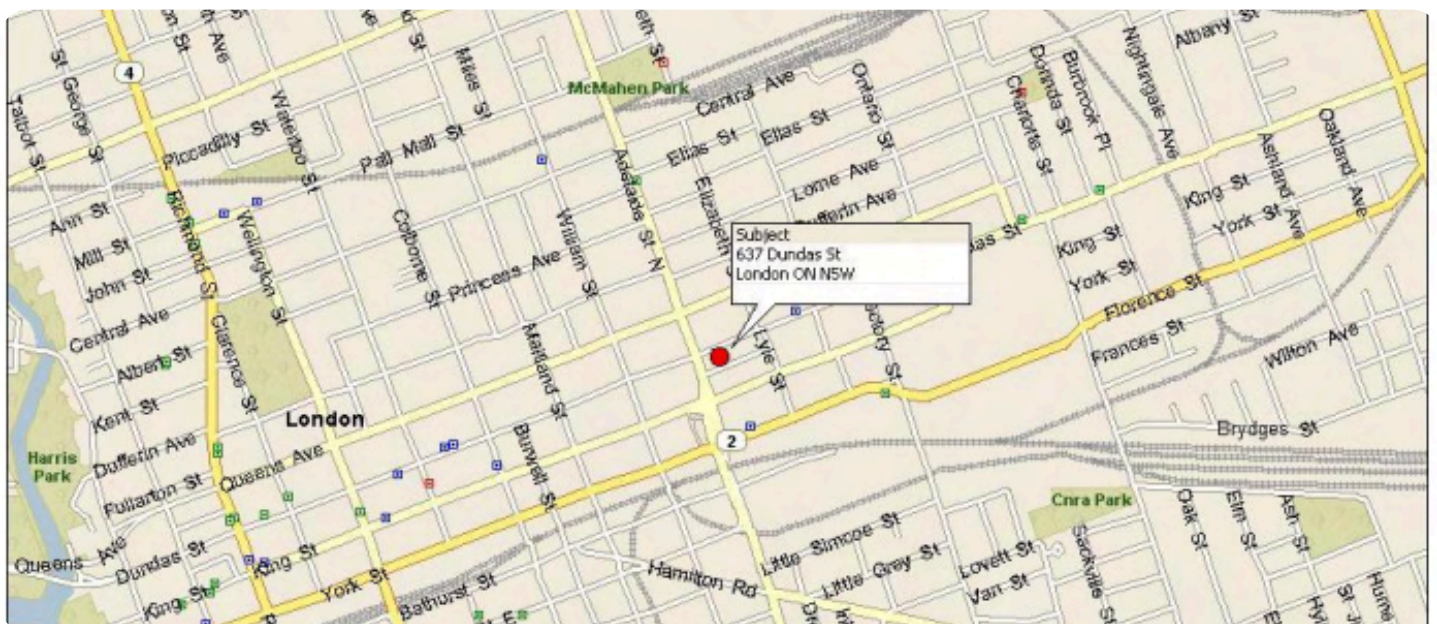
Public Transportation: Available - municipal bus service

Neighbourhood Appeal: Fair

Population Trends: Stable and growing

Development Trends: Occasionally older buildings are razed for new developments.

General Value Trends: Stable



INFLUENCE OF LOCATION ON CASH FLOW STABILITY

Revitalization and Community Initiatives

Centretown Seniors Apartments is located in the Old East Village neighborhood of London, Ontario, an area that has benefited from significant revitalization efforts. These efforts have led to over \$250 million in commercial and residential development, reducing vacancy rates from over 40% to 10%. This revitalization enhances the property's appeal, contributing to stable occupancy rates and consistent rental income, which are crucial for cash flow stability.

Accessibility and Transportation

The property's strategic location provides excellent accessibility, with proximity to major transportation routes such as Highway 401 and Highway 402. Public transportation options, including London Transit and Via Rail, further enhance connectivity, making the property more appealing to potential tenants. This accessibility supports high occupancy rates and steady cash flows.

Market Demand and Rental Potential

The Old East Village is a transitional area with increasing demand for residential and commercial spaces. The property's location in a revitalizing neighborhood contributes to its potential for rental growth. The area's cultural and historical significance, combined with ongoing development, attracts a diverse tenant base, ensuring stable cash flows.





FINANCIAL OVERVIEW

FINANCIAL OVERVIEW

Property Valuation

- **Current Market Value:** The property is appraised at \$14,760,000 as of November 2, 2021. This valuation considers both tangible assets (land and building) and intangible assets (forgivable loan agreements).

Income Generation

- **Rental Income:** The property consists of 72 affordable senior apartment units and six commercial units. The residential units are rented at below-market rates, capped at 80% of the average market rent, ensuring consistent demand and occupancy.
- **Commercial Units:** The six ground-floor commercial units, ranging from 635 to 1,065 square feet, provide additional rental income. As of the appraisal date, all units were leased, contributing to a stable cash flow.

Operating Expenses

- **Expense Management:** Operating expenses are slightly above market averages due to the nature of affordable housing, where expenses are calculated as a percentage of below-market rents. However, these are managed effectively under the terms of the Municipal Contribution Agreement.



FINANCIAL OVERVIEW

Financing and Agreements

- **Forgivable Loan:** The property benefits from a forgivable loan agreement totaling \$6,515,000, provided under the Ontario Affordable Housing Program. This agreement significantly reduces financing costs and enhances the property's cash flow stability over a 25-year term.

Market Position and Demand

- **Location and Demand:** Situated in the revitalizing Old East Village, the property benefits from strong demand for affordable senior housing. The area's ongoing development initiatives and community improvements further enhance its attractiveness and potential for value appreciation.



RENTAL INCOME

Residential Unit # (Marshall)	Amount (in CAD \$)	Residential Unit # (Marshall)	Amount (in CAD \$)
101	\$776.76	506	\$665.14
102	\$866.29	507	\$665.14
103	\$665.14	601	\$648.91
104	\$659.86	602	\$649.16
201	\$873.01	603	\$659.86
202	\$827.32	604	\$665.14
203	\$665.14	605	\$659.86
204	\$665.14	606	\$659.86
205	\$848.01	607	\$690.14
206	\$848.01	701	\$659.86
207	\$660.25	702	\$665.14
301	\$648.91	703	\$659.86
302	\$659.55	704	\$684.86
303	\$665.14	705	\$690.14
304	\$665.14	706	\$665.14
305	\$841.29	707	\$684.55
306	\$873.01	801	\$673.91
307	\$665.14	802	\$684.86
401	\$665.14	803	\$665.14
402	\$659.86	804	\$654.70
403	\$659.86	805	\$665.14
404	\$690.14	806	\$684.86
405	\$690.14	807	\$690.14
406	\$665.14	901	\$659.86
407	\$649.46	902	\$659.55
501	\$665.14	903	\$659.86
502	\$659.86	904	\$690.14
503	\$659.55	905	\$665.14
504	\$665.14	906	\$659.86
505	\$665.14	907	\$690.14

RENTAL INCOME

Residential Unit # (Dundas)	Amount (in CAD \$)
201	\$665.14
202	\$684.55
203	\$684.55
204	\$665.14
205	\$690.14
206	\$665.14
301	\$665.14
302	\$665.14
303	\$665.14
304	\$665.14
305	\$665.14
306	\$654.70

Commercial Units(HST inc.)	Businesses	Rent(HST inc.) (in CAD \$)
101	Hair	\$1,243.00
102	Thai Taste	\$1,356.00
103	London Medical Pharmacy	\$2,171.23
104	Shone	\$1,516.60
105	Tattoo	\$1,380.86
106	Vape	\$1,106.22

CAD \$57,243

MONTHLY INCOME

CAD \$686,920

ANNUAL INCOME

OPERATING STATEMENT

2204907 Ontario Inc. Operating Statement February 1, 2024 (in CAD \$)	
REVENUE	
Rental revenue	\$ 686,920.00
Laundry	\$ 18,720.00
Total Revenue	\$ 705,640.00
GROSS REVENUE	\$ 705,640.00
OPERATING EXPENSES	
Amortization of tangible assets	\$ -
Insurance	\$ 28,000.00
Interest and bank charges	\$ 988.00
Interest and Principal L/T Debt	\$ 268,368.00
Office	\$ 444.00
Professional fees	\$ 2,600.00
Repairs and maintenance	\$ 28,225.60
Property taxes	\$ 166,000.00
Affordable Housing Property Tax Credit	\$ (66,000.00)
Utilities	\$ 49,888.00
Telephone	\$ 3,544.00
Total Operating Expenses	\$ 482,057.60
Income from Operations	\$ 223,582.40
OTHER INCOME / EXPENSES	
Parking Revenue	\$ 6,000.00
GROSS INCOME	\$ 229,582.40



INVESTMENT OVERVIEW

INVESTMENT ASK

INVEST IN TOKENIZED CASH FLOWS FOR STABLE RETURNS

We invite you to participate in an innovative investment opportunity at 637 Dundas Street, London, Ontario. By tokenizing the cash flows generated by this property, we offer a modern approach to real estate investment, providing transparency, liquidity, and stable returns.

Key Financial Highlights

GROSS INCOME	INVESTMENT YIELD	INVESTMENT AMOUNT
<ul style="list-style-type: none">The property generates a substantial gross income of US \$170,092.25 annually, representing the yield on the property.	<ul style="list-style-type: none">Investors can expect a competitive return of 10% annually on their investment.	<ul style="list-style-type: none">With a total investment of US \$1.7 million, investors will benefit from the property's attractive yield and stable income stream.

US\$1.7 million

Amounts are in USD based on the exchange rate of 1 CAD = 0.743128 USD as of August 30, 2024

