

SAGEKINGSTON

PLATINUM SALES BRIEFING

Notable Building Features:

- 10 Storeys
- 325 Suites
- \$.39/ Sq. Ft. (Excluding Hydro)
- 8,000 Sq. Ft. of Commercial Space
- Rooftop Patio
- Fitness Centre
- Indoor Atrium with Glass Ceiling
- Study Rooms
- Lounge
- Spring 2019 Construction Start
- September 2021 Occupancy
- Fully-Zoned

Notable Incentives:

- 2 Year Lease Guarantee
- 2 Year Free Property Management by Sage Living
- Free Furniture Package to furnish entire suite

Deposit Structure:

- \$5,000 upon Signing
- Balance to 5% in 30 days
- 5% in 120 days
- 5% October 1st, 2019
- 5% February 1st, 2021

Pricing Notes:

- One Bedroom starting at \$319,990
- Two Bedroom starting at \$419,990
- Parking Available at \$25,000
- Locker Available at \$2,000

Location:

- 82 walk score - Very walkable
- 15-minute walking distance to Queen's University
- 15-minute walk to over 200 businesses and all essential amenities
- Princess Street is the closest non-residential street to campus
- Beautiful water views of Lake Ontario
- Kingston is situated within 3-hour drive of 33% of Canada's population
- Directly in the middle between Toronto - Montreal - Ottawa over 10 million people

Queen's University Top Reputation and High Quality Students:

- Queen's University has the largest endowment fund per student in Ontario
- #1 graduation rate with 87% graduating in 2016
- 94.8% retention rate from 1st to 2nd year students
- Highest number of A+ students of any university in Canada
- Average grade of A+ or 89.2% for incoming students
- Highest number of award-winning faculty
- Bloomberg Businessweek ranks Queen's MBA #1 in the world for teamwork
- Maclean's 2016 Rankings report ranked Queen's #1 in student satisfaction

Queen's Student Housing Situation:

Enrollment Growth

- 2016-17 student enrollment of 27,149 students
- More than 90% of students come from outside Kingston
- 53% increase in student enrollment 2000-2016
- University planning to add 1,500 more students by 2020

Wealthy Students

- Queen's International Students growing faster than any other University
- Temporary Resident Student visa permits in Kingston grew by 187% from 2015-2017
- International students pay more than twice in tuition. Come from very wealthy families and desire private luxury student housing
- Only 30% of its students received government financial assistance compared to 64% at other universities
- Top choice for Ontario's elite private school students

On-Campus Housing

- Queen's on-campus housing only has 4,500 beds for 27,149 students
- Almost entirely for 1st year students.
- Still only 85.85% of 1st year students live on-campus. Number declining every year due to lack of supply.
- Queen's has over 5,000 upper year graduate students who tend to desire more private luxury accommodations

Rental Market in Kingston:

- Kingston has the lowest vacancy rate in Ontario
- Healthy vacancy rate is considered to be 3%. Kingston has a 0.7% vacancy rate
- Among new building (built after 2005) vacancy rate is only 0.3%
- Kingston has the 3rd highest rental rates in Ontario only behind Toronto and Ottawa
- Rental rates increased 3.6% 2016-17
- Current supply of student rentals are 50-100 year old houses in poor condition, no amenities, and high maintenance costs
- 1- and 2-bedroom new purpose-built luxury accommodations are scarce and highly sought after
- Students at Queen's pay \$750-800/month for a bedroom in a 5-7 bedroom house. More than 40% more than the same type of accommodation in Waterloo or Hamilton
- Low supply has led to record low vacancy rates and very high rental rates
- In addition, wealthy students and a growing number of international students desire luxury private accommodations and they can afford higher prices

Barriers to Entry to Build in Kingston:

- Queen's University is surrounded by heritage protected 2 storey residential neighbourhoods.
- Princess Street is the closest possible street to develop a condo building.
- Altus Group construction cost guidelines show Kingston 10% more costly than Toronto
- Kingston sits on top limestone bedrock. Making any excavation very expensive for builders
- Heritage protection creates very few lots that can be developed over time. The increased cost of construction will also deter builders from entering Kingston.
- This means each new building constructed will be more valuable over the long-term due to continued shortage of supply and minimal competition

Sage Living Hands-Off Investment Solution:

- Sage Living will take care of finding a tenant, securing a lease agreement, rent collection, and maintenance service requests from your tenant.
- Sage Living specializes in student housing with a portfolio of over 2000 beds under management
- Sage Living manages 11 different condo buildings. Conducting property management specifically for individual condo owners.
- For the 4th year in a row Sage Living has maintained 0% vacancy rate across its entire portfolio
- Sage Living has consistently achieved the lease guarantee rates in years 1 and 2. In some cases, it achieves rates 10-20% higher than guaranteed rate.