

FOR SALE

135 ACRES WITH GRAVEL AND WATER RIGHTS

Strathcona County, AB



HIGHLIGHTS

- 135 acres (+/-)
- IHH, AR and AG zoning
- Extractable material = Gravel, sand, clay and sandy clay
- Water rights = 3000 cubic meters annually
- Within the Strathcona County portion of the Alberta Industrial Heartland

CONTACT

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PROPERTY DETAILS

LEGAL DESCRIPTION	Meridian 4, Range 21, Township 56, Section 28, portion of SE quarter. 118 acres
	Meridian 4, Range 21, Township 56, Section 28, portion of SW quarter. 17 acres
ZONING	IHH (Heavy Industrial (Heartland)) AG (Agriculture General) AR (Agriculture River Valley)
TOTAL SIZE	135 Acres (+/-)
BUILDING	Quonset - 40' x 100' built in 2010 - Country Side
POWER	240V 3 Phase TBC

FINANCIALS

SALE PRICE	\$1,850,000.00
PROPERTY TAXES	\$7,880.00 TBC
POWER LINE ANNUAL INCOME	\$ 4,646.00 (2023)
POSSESSION	Negotiable



- 10 MINS TO INDUSTRIAL HEARTLAND
- 20 MINS TO FORT SASKATCHEWAN
- 50 MINS TO EDMONTON CITY CENTRE
- 60 MINS TO NISKU/LEDUC



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PHOTOS





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Excerpts from TerraShift Engineering Ltd. Report

Owner Operator

An owner operator arrangement where the owner of the resource is also the operator of the pit and responsible for the extraction, processing, and selling of the resource. From historical operations with Athabasca Minerals Inc., the costs associated with an owner operator arrangement aggregate operation are as shown.

	<i>Extraction Cost (\$/t)</i>	<i>Processing Cost (\$/t)</i>	<i>Loading & Scaling (\$/t)</i>	<i>Total Cost (\$/t)</i>	<i>Standard Mark-Up</i>	<i>Sales Margin (\$/tonne)</i>	<i>Sale Price (\$/t)</i>
Aggregate	2.00	8.00	1.00	11.0	30%	3.30	14.30
Clays	2.00	0	1.00	3.0	50%	1.50	4.50

The sale price of \$14.30 and \$4.50 per tonne of finished product does not include any costs to transport the finished product and would represent the sale price of product if purchased at the pit. Based on historical pricing data from the AMI RockChain platform, the price for sand and gravel products within a 100km radius from the Property ranged in price from \$9.76 to \$48.62 per tonne. The average price for sand products were \$25.58 per tonne and \$26.73 per tonne for gravel products. The average price of low plastic clays was found to be \$12.55 per tonne with a low of \$5.40 per tonne. Based on the historical pricing information from AMI RockChain the sale price for product of \$14.30 per tonne for aggregates and \$4.50 per tonne for clays would be on the low-end of the sale price range (AMI RockChain Inc., 2021).

Royalty Agreement

A royalty agreement is an arrangement in which the landowner allows a third party to extract and sell their resources if they pay a fee for the product sold from the site. The fee charged is known as the royalty and is typically in the form of a fixed dollar amount per unit of volume or tonne. A royalty agreement is advantageous for the landowner as they are not affected by the operating costs associated with the extraction, processing, and sale of the resource; but this reduced risk is reflected in the royalty rate. Based on experience with landowners in the region as recent as 2020, the royalty for gravel and sand/clay have been \$1.68 per cubic yard and \$0.63 per cubic yard respectively. Typically, royalty agreements will also have additional requirements of minimum production quotas which the third party is required to pay to the landowner even if the product was not produced or sold. Minimum production conditions are used to protect the landowner from having the rights to their resources tied up by third parties who might be trying to control the local market.

4.3 Resource Value Comparisons

Based on the options of owner operator and royalty agreement the potential profits from the extraction and sale of the resource were calculated for the aggregate and clay resource. The breakdown between the two operational arrangements can be seen below.

	<i>Extractable Material</i>		<i>Owner Operator</i>		<i>Royalty Agreement</i>	
	<i>Volume (m3)</i>	<i>Tonnes</i>	<i>Margin (\$/t)</i>	<i>Profit (\$)</i>	<i>Rate (\$/m3)</i>	<i>Profit (\$)</i>
Gravel	48,500	79,200	3.30	261,360	2.21	107,185
Sand	170,600	231,300	3.30	763,290	0.83	141,598
Clay	1,086,684	2,064,700	1.50	3,097,050	0.83	901,948
Sandy Clay	661,421	1,256,700	1.50	1,885,050	0.83	548,979
Total	1,967,205	3,631,900		6,006,750		1,699,710

Water Rights

Pursuant to the Water Act, RS.A 2000, c.W-3, as amended, a licence is issued to the Licensee to: operate a works and to divert up to 3000 cubic metres of water annually from the source of water for the purpose(s) of Commercial (aggregate washing) subject to the attached terms and conditions.



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PHOTOS



REGIONAL MAP





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ABOUT ROYAL PARK REALTY



- We've been in business since 1975
- We service the greater Edmonton area
- Two offices - Edmonton and Nisku
- Over 10 professional associates - representing a diverse cross section of market expertise
- Commercial real estate only. We have tremendous experience with industrial, land, office and retail real estate
- We're in business for the long term - our brand and reputation are paramount to us and we serve our clients accordingly

BIOS



Marcus Schwabe joined the brokerage in 2014 with a background in management, education, home building and healthcare. His diverse experience provides him with a vast network of contacts across an array of sectors and offers him, and his clients, an advantage to help turn your lease, purchase or sale into a positive business decision.

As a Senior Associate at Royal Park Realty, Marcus Schwabe, offers expertise in the sale and leasing of retail, office, land, industrial and multi-family properties within the greater Edmonton area and throughout Alberta. Marcus understands that the business of real estate starts with developing strong relationships. Part of this process includes demystifying the sales or leasing transactions and providing customer centric service.

For multiple years, Marcus has been honoured to receive awards for the highest overall transaction volume for industrial leasing. These awards are from the Costar Group, a provider of information, analytics and marketing services to the commercial property industry in the United States, Canada, United Kingdom, France, Germany and Spain.

Marcus has lived in the Edmonton area for more than 50 years. He holds Bachelor of Science and Bachelor of Education degrees from the University of Alberta. Marcus has volunteered for many organizations, is active in his local church, and a member of the Strathcona County Community Grants Committee, Social Framework Committee and Initiatives Committee. He and his wife have been married for over 36 years have three children, two grandchildren and a dog.



Tyler Weiman joined the firm in 2017, after a successful 14-year professional hockey career which saw him have extended travels in North America, Europe and Asia. His high level of professionalism, dedication to excellence and attention to detail is top priority to his clients while helping them achieve their business goals.

As a partner of Royal Park Realty, he brings knowledge, enthusiasm and a desire to attain the best results for property owners and users. Tyler works to be a valuable asset to his clients by understanding their needs and developing long lasting relationships.

Tyler specializes in leasing and the sale or purchase of commercial and industrial properties consisting of owner/user & multi-tenant industrial buildings, expansions, build to suit, relocations, land acquisitions and development of industry property.

Tyler enjoys giving back to the community and continues to be involved in various charitable organizations. He and his wife are raising their four children in the Edmonton area.



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