



HOUSING ACQUISITION PACKAGE

Complete Portfolio Example

CEDAR GROVE APARTMENTS
Illustrative Community, British Columbia

A professional example showing how NestWise can organize the documents, analysis and decision materials needed to assess and advance a nonprofit or community housing acquisition.

Property	18-unit existing rental apartment building
Illustrative Purchase Price	\$3,150,000
Illustrative Total Project Cost	\$3,450,000
Project Stage	Acquisition assessment and funding readiness
Prepared by	NestWise Strategies

PORTFOLIO SAMPLE - ILLUSTRATIVE INFORMATION

All property names, financial figures and project assumptions in this example are fictional and are provided only to demonstrate the structure and quality of a housing acquisition package.

00 PACKAGE CONTENTS

A complete acquisition package brings the property, affordability, financing, risks and approvals into one organized decision file.

01	Executive Summary Decision snapshot and recommended next steps
02	Property Profile Building, units, location and current operating context
03	Acquisition & Eligibility Assessment Strategic fit and acquisition rationale
04	Affordability & Tenant Protection Plan Affordability commitments and resident protections
05	Acquisition Cost & Financing Summary Uses, sources and financing assumptions
06	Operating Pro Forma Illustrative stabilized operating performance
07	Funding Strategy & Readiness Matrix Potential sources and readiness status
08	Due Diligence Checklist Legal, physical, environmental and financial review
09	Risk & Mitigation Register Key project risks and management responses
10	Acquisition Timeline & Closing Checklist Critical path from approval to closing
11	Draft Board Resolution Sample authorization for acquisition activity
12	Supporting Document Index Organized evidence file for funders and lenders

01 EXECUTIVE SUMMARY

A concise decision page for board members, funders and financing partners.

Project Opportunity

Cedar Grove Apartments is an illustrative 18-unit rental property being assessed for acquisition by a nonprofit housing provider. The purpose of the acquisition is to preserve existing rental housing, support long-term affordability and create a stable community asset.

Units	18
Building Type	Existing multi-unit residential
Purchase Price	\$3,150,000
Total Project Cost	\$3,450,000
Primary Objective	Preserve and strengthen long-term affordable rental housing
Status	Conditional acquisition assessment / funding readiness

Recommended Next Steps

- Confirm board authorization to continue due diligence and financing discussions.
- Complete building condition, environmental, legal and financial reviews.
- Confirm lender terms and identify acquisition/equity funding sources.
- Finalize affordability commitments, tenant communication and closing plan.

02 PROPERTY PROFILE

A clear, funder-ready description of the asset and the community need it addresses.

Property Name	Cedar Grove Apartments
Location	Illustrative Community, BC
Property Type	Purpose-built rental apartment building
Unit Count	18
Tenure	Rental
Current Use	Occupied residential rental
Proposed Ownership	Nonprofit / community housing provider
Acquisition Purpose	Preservation of rental supply and long-term affordability

Illustrative Unit Mix

Unit Type	Units	Illustrative Avg. Monthly Rent
1 Bedroom	8	\$1,050
2 Bedroom	8	\$1,350
3 Bedroom	2	\$1,650
Total	18	-

Community Context

The acquisition would retain existing rental homes in a market where replacement costs and rising rents can make older, more affordable rental stock difficult to preserve. A nonprofit acquisition can provide stable ownership and a platform for future capital planning.

03 ACQUISITION & ELIGIBILITY ASSESSMENT

A structured review of why the property is worth pursuing and what must be confirmed before commitment.

Strategic Alignment	Strong - supports housing preservation and community stability
Property Fit	Existing rental building with manageable scale
Affordability Potential	Positive, subject to financing structure and operating costs
Funding Readiness	Moderate - requires confirmed equity/grant sources
Due Diligence Status	In progress
Overall Assessment	Proceed to detailed due diligence, subject to board approval

Key Acquisition Rationale

- Preserves existing rental housing rather than relying solely on new construction.
- Creates a long-term community-owned housing asset.
- Provides an opportunity to stabilize rents and plan capital improvements.
- Can align with nonprofit housing, acquisition and community-investment funding programs.

Conditions to Proceed

- Satisfactory building condition and environmental findings.
- Financing that supports sustainable debt service and operating reserves.
- Clear legal title, tenancy records and property documentation.

04 AFFORDABILITY & TENANT PROTECTION PLAN

A practical statement of how the acquisition will protect residents and support long-term affordability.

Proposed Principles

- Maintain existing tenancies in accordance with applicable tenancy requirements.
- Communicate ownership changes clearly and respectfully with residents.
- Avoid unnecessary displacement connected to the acquisition.
- Use a transparent rent and affordability framework aligned with funding agreements.
- Plan capital work to minimize disruption to residents.

Illustrative Affordability Framework

Existing Tenants	Current lawful rents and tenancy terms maintained
Turnover Units	Rents set under the approved affordability / operating framework
Annual Rent Changes	Subject to applicable legislation and funder requirements
Tenant Communication	Written acquisition notice, contact information and transition updates
Long-Term Objective	Preserve the property as stable community rental housing

05 ACQUISITION COST & FINANCING SUMMARY

An at-a-glance view of project uses and the financing plan that must be assembled.

USES	Illustrative Amount
Purchase price	\$3,150,000
Legal, appraisal & due diligence	\$55,000
Immediate capital / contingency allowance	\$175,000
Financing & closing costs	\$70,000
Total Project Cost	\$3,450,000

Illustrative Sources

SOURCE	Illustrative Amount
First mortgage financing	\$2,350,000
Acquisition / capital grant	\$650,000
Applicant equity / reserves	\$300,000
Other confirmed / targeted sources	\$150,000
Total Sources	\$3,450,000

06 OPERATING PRO FORMA

A simplified stabilized-year view used to test whether the property can operate sustainably after acquisition.

STABILIZED ANNUAL OPERATIONS	Illustrative Amount
Residential rent revenue	\$272,400
Other income	\$7,500
Gross operating revenue	\$279,900
Vacancy / bad debt allowance	(\$8,400)
Effective revenue	\$271,500
Operating expenses	(\$126,000)
Net operating income	\$145,500
Illustrative annual debt service	(\$118,000)
Cash flow before reserves	\$27,500

Planning Notes

- A full acquisition model would test actual rent rolls, utilities, taxes, insurance, maintenance, management, reserves and financing terms.
- Capital reserve requirements should be tied to the building condition assessment.
- Affordability commitments must be modeled against realistic operating costs and debt service.

07 FUNDING STRATEGY & READINESS MATRIX

A working tool to track what funding is needed, what evidence is ready and what remains outstanding.

Funding / Financing Component	Purpose	Readiness
First mortgage	Primary acquisition debt	Lender discussion required
Acquisition grant / equity	Reduce debt and support affordability	Target sources identified
Applicant reserves	Equity / closing contribution	Board confirmation required
Capital funding	Immediate / near-term building work	Condition assessment required
Operating support, if applicable	Support affordability / operations	Program-dependent

Core Funding Package Evidence

- Purchase and sale agreement / offer terms
- Property profile, rent roll and operating history
- Acquisition budget and financing assumptions
- Affordability and tenant protection plan
- Board authorization and organizational financial information
- Building condition, appraisal and environmental reports as required

08 DUE DILIGENCE CHECKLIST

A single checklist to coordinate the legal, financial, physical and operational review before closing.

Legal	Title search; purchase agreement; zoning/use; contracts; litigation/claims; tenancy documentation
Financial	Rent roll; arrears; operating statements; utilities; taxes; insurance; vendor contracts
Physical	Building condition assessment; roof/envelope; mechanical; electrical; plumbing; life safety; accessibility
Environmental	Phase I environmental review or other required environmental assessment
Valuation	Independent appraisal and lender valuation requirements
Tenancy	Lease/tenancy files; deposits; rent history; notices; disputes; occupancy status
Capital Planning	Immediate repairs; 5-10 year capital needs; reserve requirements
Closing	Insurance binder; lender conditions; funding agreements; adjustments; transfer documents

09 RISK & MITIGATION REGISTER

A board-friendly summary of what could affect the acquisition and how each risk can be managed.

Risk	Potential Impact	Mitigation
Financing gap	Acquisition cannot close	Maintain multiple funding paths; confirm lender and grant timing early
Unexpected capital needs	Higher costs / reserve pressure	Complete building condition review and include contingency
Operating costs exceed assumptions	Reduced cash flow	Validate utilities, insurance, maintenance and management costs
Tenant disruption	Resident concern / reputational risk	Use clear tenant communication and transition planning
Closing delays	Funding or purchase agreement risk	Maintain a detailed conditions and closing tracker

10 ACQUISITION TIMELINE & CLOSING CHECKLIST

A practical critical-path schedule that keeps board, lender, funder and due-diligence work moving together.

Week 1-2	Board direction; confirm offer conditions; establish project file and due diligence tracker
Week 2-5	Appraisal, building condition, environmental, legal and financial review
Week 3-6	Lender underwriting and funding applications / confirmations
Week 5-7	Finalize affordability plan, capital plan and acquisition budget
Week 6-8	Board final approval; satisfy financing and purchase conditions
Closing	Insurance, funding documents, adjustments, legal transfer and tenant transition communications
Post-closing	Operational handover, records transfer, capital priorities and reporting

11 DRAFT BOARD RESOLUTION

A sample resolution showing the type of authorization commonly included in a complete acquisition decision package.

SAMPLE - FOR ORGANIZATIONAL / LEGAL REVIEW

WHEREAS the Society has identified the potential acquisition of Cedar Grove Apartments as an opportunity to preserve and strengthen community rental housing;

AND WHEREAS management has presented an illustrative acquisition package outlining the property, affordability approach, project costs, financing strategy, due diligence requirements and key risks;

BE IT RESOLVED THAT the Board authorizes management to continue acquisition due diligence, funding and financing discussions, subject to final Board approval of the purchase, financing commitments and material acquisition terms;

Motion	Moved by: _____ Seconded by: _____
Decision	Carried / Defeated / Tabled
Date	_____
Authorized Signatory	_____

12 SUPPORTING DOCUMENT INDEX

A professional index that turns the acquisition into an organized, reviewable file rather than a collection of disconnected documents.

Ref	Category	Typical Documents
A	Corporate & Governance	Incorporation documents; bylaws; board list; signing authority; board resolutions
B	Property & Transaction	Purchase agreement; title; property disclosure; survey/site information; zoning
C	Tenancy & Operations	Rent roll; tenancy agreements; deposits; arrears; operating statements; contracts
D	Financial & Financing	Acquisition budget; pro forma; lender correspondence; financing term sheets; applicant financial statements
E	Due Diligence Reports	Appraisal; building condition; environmental; insurance; legal review
F	Funding & Affordability	Funding applications; commitments; affordability plan; tenant protection plan
G	Capital Planning	Immediate repair list; capital plan; reserve assumptions; quotes where available
H	Closing & Transition	Closing checklist; insurance binder; adjustments; tenant communications; operational handover

WHAT NESTWISE ADDS

A complete acquisition package does more than collect documents. It organizes the project so a board, funder, lender or partner can quickly understand the opportunity, the numbers, the risks, what has been confirmed and what still needs to happen.

NestWise Strategies

Practical Support. Stronger Communities.

nestwisestrategies.ca | nestwisestrategies@gmail.com | 250-918-0780