

1450-1600 Lebourgneuf Blvd.



GALERIES
DE LA
CAPITALE

Walmart



1450-1600 Lebourgneuf Blvd.

Québec City, Québec

Property Brochure



EXECUTIVE SUMMARY

Overview

JLL has been retained on an exclusive basis to arrange the sale of a property containing six retail buildings located immediately adjacent to Les Galeries de la Capitale, Québec City's premier retail destination and the second largest shopping complex in the province. The offering consists of a 100 percent freehold interest in 1450-1580 Lebourgneuf Boulevard and a 100 percent freehold interest in the land located at 1600 Lebourgneuf Boulevard, both situated in the Les Rivières borough of Québec City (the "Asset", the "Property", or "Les Galeries de la Capitale Côté Nord").

This investment opportunity is comprised of 124,196 square feet of prime retail space, occupied by 10 tenants. The Property is phenomenally located in close proximity to Les Galeries de la Capitale and adjacent Walmart, benefiting from excellent visibility and traffic driven by destination retailers and entertainment offerings. The Asset is fully-leased to a diverse mix of national and provincial retailers, which include The Brick, Archambault, Golf Town, Corbeil and EQ3, with national and provincial retailers making up 95.8 percent of the Property. Furthermore, the ongoing residential intensification within this node could also support intensification of the Property in the future.

With a weighted average lease term of over 9 years and 100 percent occupancy, the Property's income stream represents a secure cash flow over a long-term horizon.

Les Galeries de la Capitale is Québec City's premier shopping destination and the second largest shopping centre in the province. As a result, the Property benefits from premium exposure to 550,000 vehicles daily, generated by the adjacent destination retail and entertainment offering that includes Walmart, Simons, Hudson's Bay, Best Buy, Rona, Atmosphère / Sports Experts, along with the region's only MEC, IMAX and the Méga-Parc, the second largest indoor amusement park in Canada.

In summary, the Property represents a unique opportunity to acquire a phenomenal retail site shadow-anchored by the Galeries de la Capitale super regional mall and a Walmart centre, located in a major retail node with a resilient and stable cash flow profile which benefits from an unparalleled location in one of Canada's most stable economies.





EXECUTIVE SUMMARY



Well-Located, High-Quality Retail Asset



A Strong and Diversified Tenancy Profile



Resilient Cash Flow and Strong Financial Metrics



Phenomenal Location Near Major Accessways and a Densifying Residential Node



Irreplaceable Retail Node Location



Booming Market: Les Rivières and Québec City

INVESTMENT HIGHLIGHTS



Well-Located, High-Quality Retail Asset

The Property represents a high-quality retail asset, situated within the heart of Québec City's most important retail node. Comprising 6 buildings and totaling 124,196 square feet on a 10.6 acres of land, the Property includes ample parking, great frontage, multiple access and egress points, and seamless accessibility to the Greater Québec City market.



INVESTMENT HIGHLIGHTS

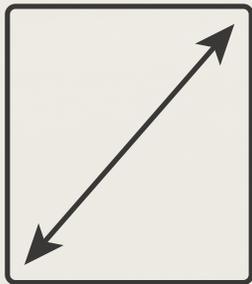


A Strong and Diversified Tenancy Profile

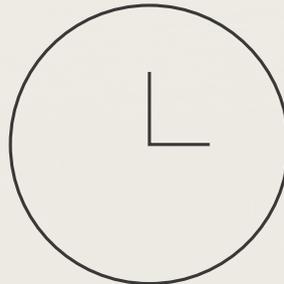
The fully-leased Property features a strong and diversified tenancy profile that is comprised predominantly of national and provincial retailers. A variety of sectors are represented, including home furnishings, entertainment, financial services and food and beverage. The tenancy includes established and successful retailers, such as The Brick, Golf Town, Corbeil, EQ3, and Archambault. Popular restaurants, Le Cochon Dingue and Krispy Kreme, and a BMO branch help round out the tenant offering. The Property features a weighted average lease term of over 9 years.

Resilient Cash Flow and Strong Financial Metrics

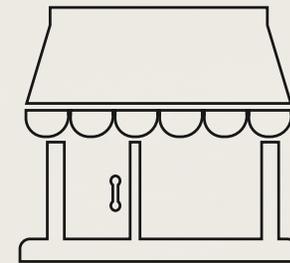
Over 95.8 percent of the Property's revenues are generated by national and provincial tenants, providing investors with a resilient cash flow and stable returns for years to come. In-place tenants have occupied their current space for an average of 8.2 years, demonstrating commitment and minimizing the risk of unforeseen vacancy in the short to medium term.



Property Size
124,196 SF

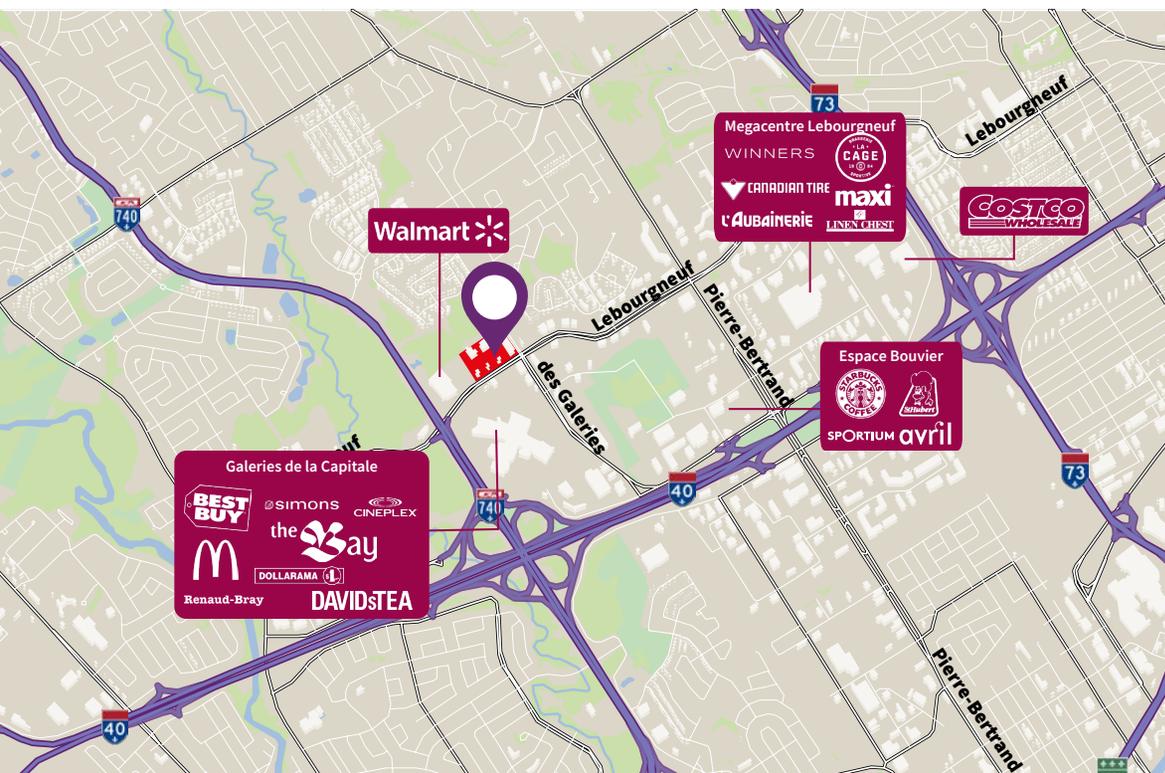


WALT
9 years



Tenants
10

INVESTMENT HIGHLIGHTS



Phenomenal Location Near Major Accessways and a Densifying Residential Node

The Property is situated on a highly visible corner location at the intersection of Boulevards Lebourgneuf and des Galeries and is well-served by important thoroughfares, most notably Highway 740, as well as public transit. Further, the well-populated residential area in which the asset is located (approximately 55,000 inhabitants within a 3-kilometer radius) is anticipated to grow by 3.65 percent over the next five years. Indeed, the area has recently welcomed three large scale residential projects – Quartier Mosaïque, S16, and Hameau Saint-Jacques – which are currently underway or have been completed. Quartier Mosaïque is located adjacent to Galeries de la Capitale and will comprise 2,200 new residential units upon completion. This activity supports the potential for intensification of the Property in the future.



Irreplaceable Retail Node Location

The site sits across from Les Galeries de la Capitale, Québec City's largest retail node and the second largest shopping complex in the province. It features 1.5 million square feet of retail space that helps drive over 10 million shoppers to the area annually and over 550,000 vehicles daily. Some of the main traffic generators include the shadow anchor, Walmart, as well as Simons, Hudson's Bay, Best Buy, Rona, Atmosphere / Sports Experts, the region's only MEC, IMAX and the Méga-Parc, the second largest indoor amusement park in Canada. Multiple nearby office buildings, home to Intact, Belair Direct, Desjardins, Industrial Alliance and National Bank, also support the Property's daytime traffic.

INVESTMENT HIGHLIGHTS

Booming Market: Les Rivières and Québec City

The Asset is located in the heart of the fastest growing borough of Québec City, Les Rivières, which is characterized by excellent economic metrics and a strong demographic profile. Québec City is one of Canada's most stable and dynamic markets, with a record-low unemployment rate, a diversified economy and a strong entrepreneurial character. In 2018, the capital region's GDP growth increased by 2.4 percent, reaching \$35.8 billion. The city further boasts one of the lowest unemployment rates in the country (3 percent). Investors stand to benefit from both the market's long-term macroeconomic stability and favourable near-term demographic and economic growth trends.



OFFERING GUIDELINES

1450-1580, 1550, 1560 and 1600 Lebourgneuf Boulevard, Québec City, Québec

Les Galeries de la Capitale Holdings Inc. on behalf of itself, its affiliates or associates (collectively, the “Owner”) have agreed to provide (the “Recipient”) with certain confidential information regarding the real property located at 1450-1600 Lebourgneuf Boulevard, Quebec City, Quebec (the “Property”) for the sole purpose of assisting the Recipient in its consideration and evaluation of a possible acquisition of an ownership interest in the Property (the “Potential Transaction”). The Owner has retained the brokerage services of Jones Lange Lasalle Real Estate Services, Inc. (its “Agent”) in connection with the Potential Transaction. This letter agreement (the “Agreement”) sets out the terms and conditions upon which the Owner, through its Agent, is willing to disclose to the Recipient, on a confidential basis, such information.

In consideration of the provision of the information by or on behalf of Owner or its Agent and other good and valuable consideration (the receipt and sufficiency of which are specifically acknowledged by the Recipient), by signing and returning a copy of this Agreement, the Recipient covenants and agrees with the Owner as follows:

1. For the purposes of this Agreement:

(a) “Confidential Information” means all information concerning the Owner, its business and affairs and the Property in connection with the Potential Transaction furnished by or on behalf of the Owner or its Agent on or after the date of this Agreement to the Recipient or any of its Representatives (defined below), whether oral or written or in any other form or media and regardless of the manner in which it is furnished, including any agreements or other communications, verbal or in writing, between the Owner, the Agent, the Recipient or its Representatives, together with all analyses, compilations, studies or other documents containing or reflecting such information, whether prepared by or on behalf of Oxford, the Agent, the Recipient or its Representatives or others; and

(b) “Representatives” means the Recipient’s affiliates, and their respective directors, officers, employees, professional consultants, potential lenders, and financial and legal advisors.

2. The Recipient and its Representatives will not use the Confidential Information in any manner except as required for the consideration and evaluation of the Potential Transaction.

3. The Recipient and its Representatives will keep the Confidential Information confidential. All right, title and interest in and to the Confidential Information will remain the exclusive property of the Owner and the Confidential Information will be held in trust by the Recipient for same. No interest, licence or right respecting the Confidential Information, other than as may be expressly set out herein, is granted to the Recipient or any of its Representatives under this Agreement by implication or otherwise. The Recipient and its Representatives will not directly or indirectly disclose, allow access to, transmit or transfer any Confidential Information to a third party without the Owner’s prior written consent, except as otherwise provided herein. The Recipient may disclose the Confidential Information only to those of its Representatives who have a need to know the Confidential Information for the purpose of considering and evaluating the Potential Transaction. Upon the written request of the Owner, the Recipient will immediately provide a list of Representatives to whom it has disclosed Confidential Information, excluding its directors, officers and employees and those of its affiliates. The Recipient will:

(a) prior to disclosing Confidential Information to any Representative, issue appropriate instructions to such person to satisfy its obligations hereunder and obtain their agreement to receive and use the Confidential Information on a confidential basis on the same conditions as contained in this Agreement and to otherwise comply with the confidentiality and use terms hereof; and

(b) be responsible for any and all breaches of the terms of this Agreement by the Recipient and its Representatives and the Recipient agrees, at its sole expense, to take all reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of the Confidential Information.

4. Subject to paragraphs 3 and 5 hereof, without the prior written consent of the Owner, neither the Recipient nor any of its Representatives will disclose to any person: (i) the fact that Confidential Information has been made available; (ii) the terms of this Agreement; or (iii) any information concerning the Potential Transaction or the fact that discussions are taking place with respect thereto or the status thereof.

5. If the Recipient or any of its Representatives is requested pursuant to, or required by, applicable law, regulations, rule, governmental department or agency, regulatory authority, order of a court of competent jurisdiction or other legal process or requirement to disclose any Confidential Information or any of the terms hereof, the Recipient will provide, to the extent permitted by law or regulation, prompt notice to the Owner of such request or requirement in order to enable the Owner to seek an appropriate protective order or other remedy at the Owner’s cost and/or waive compliance with the terms of this Agreement. The Recipient and its Representatives will not oppose any action by or on behalf of the Owner to seek such a protective order or other remedy. If, failing the obtaining of a protective order or other remedy by the Owner such disclosure is required, the Recipient and/or its Representatives will furnish only that portion of the Confidential Information that the Recipient is advised by legal counsel is legally required to be disclosed and, where applicable, will use commercially reasonable efforts to ensure that such disclosure will be afforded confidential treatment.

OFFERING GUIDELINES

1450-1580, 1550, 1560 and 1600 Lebourgneuf Boulevard, Québec City, Québec

6. The Confidential Information will not be copied, reproduced in any form or stored in a retrieval system or database by the Recipient or its Representatives without the prior written consent of the Owner, except for such copies and storage as may be required internally by the Recipient or its Representatives in connection with considering and evaluating the Potential Transaction.

7. The obligations of the Recipient and its Representatives set forth in this Agreement will not apply to information which the Recipient can reasonably demonstrate: (i) was in the possession of the Recipient or its Representatives on a non-confidential basis; (ii) is or becomes generally available to the public other than as a result of a breach of this Agreement by the Recipient or any of its Representatives; (iii) is subsequently obtained by the Recipient or its Representatives from a source other than the Owner or its Agent not known by the Recipient or its Representatives to be bound by a confidentiality agreement with, or subject to any other contractual or legal obligation of confidentiality to, the Owner with respect to such information; or (iv) is or was independently developed by the Recipient or its Representatives without use of or reference to the Confidential Information.

8. This Agreement does not constitute any representation, warranty or guarantee by the Owner or its Agent with respect to the accuracy or completeness of the Confidential Information and the Recipient and its Representatives will not be entitled to rely on the accuracy or completeness of the Confidential Information. The Owner will have no liability for any errors or omissions in the Confidential Information or the use or the results of the use of the Confidential Information and the Recipient acknowledges that it shall conduct such of its own independent investigations as it considers necessary or appropriate in order to consider and evaluate a Potential Transaction.

9. At any time upon the written request of the Owner, the Recipient and its Representatives shall immediately destroy/delete all Confidential Information and all copies thereof, in any form whatsoever (including electronically stored copies), and if requested by the Owner, the Recipient shall provide the Owner with a certificate of one of its authorized officers confirming compliance with this paragraph. Notwithstanding the foregoing, the Recipient and its Representatives shall not be required to (a) destroy/delete Confidential Information that it is required to retain in compliance with any applicable law, regulation or bona fides internal records retention policy, or (b) purge electronic records consisting of backed up/archived files, as long as such files are accessible only to legal, audit and IT personnel for disaster recovery, or legitimate audit or litigation purposes. Any such Confidential Information not so destroyed/deleted shall remain subject to the continuing obligation of confidentiality in this Agreement.

10. This Agreement shall not create or recognize any business relationship between the parties hereto, and neither party may bind, nor is it responsible for the acts of, the other party or its Representatives.

11. The Recipient agrees that monetary damages may not alone be sufficient to remedy any breach by the Recipient or its Representatives of any term or provision of this Agreement and agrees that the Owner will also be entitled to seek equitable relief, including injunction and specific performance, in the event of any breach or threatened breach hereof and in addition to any other remedy available pursuant to this Agreement or at law or in equity. The Recipient further agrees to waive any requirement for the deposit of security or posting of any bond in connection with any equitable remedy.

12. To the extent that the Confidential Information includes any personal information, personally identifiable information or personal data within the meaning of any applicable data protection or privacy laws ("Personal Information") the Recipient and its Representatives shall handle the Personal Information in accordance with the provisions of the applicable data protection or privacy laws governing the collection, use and disclosure of Personal Information. For further certainty the Recipient shall: (a) collect and use Personal Information only for purposes of the Potential Transaction; (b) only disclose Personal Information to those Representatives who need to know such Personal Information for purposes of the Potential Transaction; and (c) use, and direct its Representatives to use, appropriate security measures to safeguard all Personal Information against unauthorized collection, access, use or disclosure.

13. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory between the parties other than as expressly set forth in this Agreement. This Agreement may only be amended, waived or modified by a written agreement signed by each of the parties hereto.

14. The parties hereto agree that this Agreement will enure to the benefit of and be binding upon their respective successors and assigns, provided that this Agreement may not be assigned by either party hereto without the prior written consent of the other party.

OFFERING GUIDELINES

1450-1580, 1550, 1560 and 1600 Lebourgneuf Boulevard, Québec City, Québec

15. The terms of this Agreement will expire on the date that is the earlier of: (i) thirty-six (36) months after the date set out above, and (ii) the closing of definitive agreements in respect of the Potential Transaction.

16. If any provision of this Agreement is held to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

17. This Agreement shall be governed by and construed in accordance with the laws of the Province of Quebec and the laws of Canada applicable therein.

Please confirm your agreement with the foregoing by signing and returning a copy of this Agreement. This Agreement may be executed in counterparts, and delivery of an executed copy of this Agreement by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by a party.

JLL has been exclusively retained to seek proposals for the acquisition of the Property. Interested parties will be required to execute and submit the Confidentiality Agreement (“CA”) prior to receiving access to JLL’s Dataroom for detailed information in regard to the Property. Interested parties are invited to submit a Letter of Intent (“LOI”) by a due date which will be provided by the Advisor at least 14 days in advance of the due date.

**CLICK HERE TO ACCEPT
TERMS AND CONDITIONS**

Or return to the attention of MARK SINNETT or YANN CHARLES c/o JLL Inc.:
Email: mark.sinnett@am.jll.com | yann.charles@am.jll.com
Fax: 514.849.6919

Date

First Name

Last Name

Company

Complete Address

Title and Position

Telephone Number

Fax Number

Email Address

Signature



Contact

Us

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