

GALERIES

DE LA CAPITALE

CÔTÉ SUD

1500, 1600, 1700, & 1875 BOUVIER, QUÉBEC CITY



EXECUTIVE SUMMARY

JLL has been retained on an exclusive basis to arrange the sale of a prime grocery and home improvement retail opportunity, ideally located immediately adjacent to Les Galeries de la Capitale, Québec City's premier retail destination and one of the largest shopping complexes in the province. The offering consists of a 100 percent freehold interest in 1500, 1600, 1700, and 1875 Bouvier Street, all situated in the Les Rivières borough of Québec City (the "Properties", the "Opportunity" or "Galeries de la Capitale Côté Sud").

This Opportunity totals 183,851 square feet of essential services retail space, anchored by Adonis (Metro Inc.) and Rona (Lowe's). It also includes a freestanding pad leased to Bâton Rouge Restaurant and a 74,796-square-foot Quality Suites Hotel, featuring a highly-south-after emphytheutic lease. Ideally located alongside Highways 40 and 740 and just south of Les Galeries de la Capitale, the Properties enjoy unparalleled highway visibility, easy access to a dense consumer pool, and significant daily traffic driven by a wide array of destination retailers.

The Properties are fully-leased to a top-tier tenant roster featuring national and international, publicly traded retailers, that include Adonis, a subsidiary of Metro Inc. (TSE:MRU), Rona, a subsidiary of Lowe's (NYSE:LOW), Bâton Rouge, an MTY Group brand (TSE: MTY) and Quality Suites, a franchise of Choice Hotels, which features an emphytheutic lease. Rona and Adonis generate 78.6 percent of the Properties' total revenues. Tenants have occupied this location for an average of 20.5 years and offer a weighted average lease term of 5.6 years*, thus providing stable cash flows with built-in rental growth from diversified revenue streams.

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 Properties benefit from premium exposure to 220,000 vehicles daily, generated by its proximity to two major highways, as well as the adjacent destination retail and entertainment offering that includes Walmart, The Bay, MEC, Simons, Best Buy, Atmosphère / Sports Experts, IMAX and the Méga-Parc, the second largest indoor amusement park in Canada.

The Properties represent a unique opportunity to acquire a fully-leased retail site with a resilient and stable cash flow profile, shadow-anchored by the Galeries de la Capitale super-regional mall and well-located in one of Canada's most stable economies.



PRIME GROCERY AND HOME
IMPROVEMENT RETAIL
OPPORTUNITY



TOP-TIER,
ESSENTIAL
SERVICES
TENANCY PROFILE



FULLY-LEASED INVESTMENT
OPPORTUNITY, WITH
EXCEPTIONALLY SECURE
AND LONG-TERM
REVENUES



IRREPLACEABLE RETAIL
NODE LOCATION



BOOMING MARKET:
LEBOURGNEUF AND QUÉBEC CITY



AVAILABLE FREE
AND CLEAR



INVESTMENT HIGHLIGHTS

Prime Grocery and Home Improvement Retail Opportunity

This Opportunity is comprised of 183,851 square feet of prime retail space, featuring an ideal location alongside Highway 40, at the southeast corner of the Galeries de la Capitale shopping mall. Rona (Lowe's) and Adonis (Metro Group) account for 78.6 percent of the Properties' total revenues and have occupied this location for over 20 years. The site features seamless access from Bouvier Street, unparalleled highway visibility, a modern configuration and ample parking. It has been co-owned and managed by Oxford Properties Group since 2013.



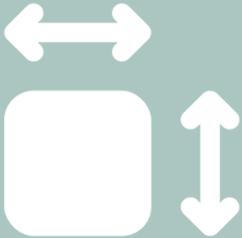
INVESTMENT HIGHLIGHTS

Top-Tier, Essential Services Tenancy Profile

The Galeries de la Capitale Côté Sud feature a top-tier, diversified tenancy roster that features Adonis (a subsidiary of the Metro Group), Rona (a subsidiary of Lowe's), Bâton Rouge (an MTY Group brand) and Quality Suites. All leases come with multiple renewal options.

Fully-Leased Investment Opportunity, with Exceptionally Secure and Long-Term Revenues

The Opportunity is 100 percent leased to established national and international brands, that have occupied this location for an average of 20.5 years and offer a weighted average lease term of 5.6 years*, demonstrating commitment and minimizing the risk of unforeseen vacancy in the medium term. Furthermore, a future investor would enjoy the security of a highly valuable land lease. Altogether, investors can therefore enjoy stable cash flows with built-in rental growth and security from diversified revenue streams.



GROSS LEASABLE AREA
183,851 SF

WALT
5.6 YEARS*





NUMBER OF TENANTS
4

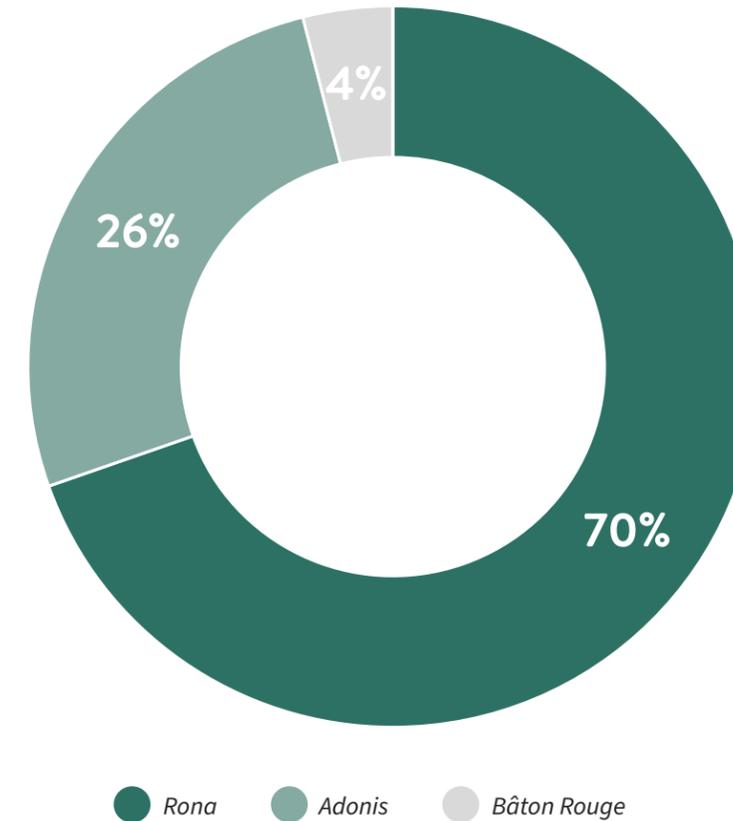
AVG YEARS IN TENURE
20.5 YEARS



* Excluding land lease and assuming an analysis start date of September 1, 2022

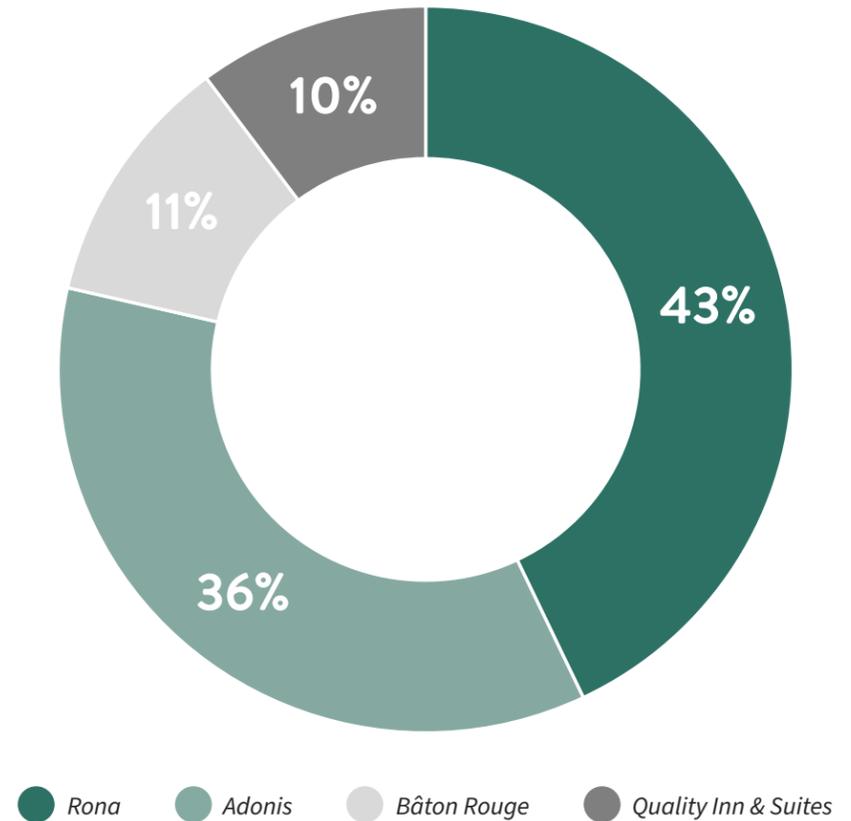
INVESTMENT HIGHLIGHTS

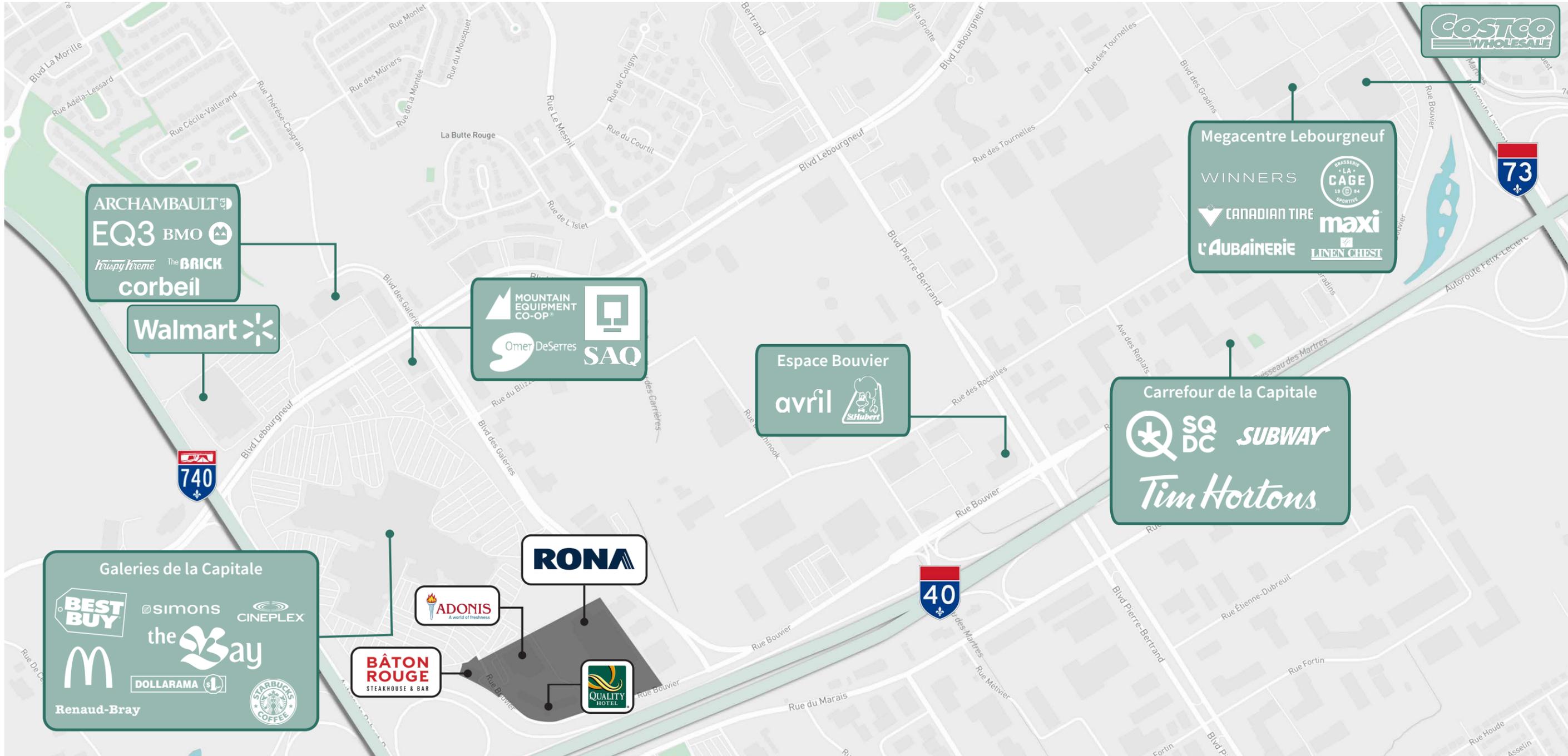
Tenancy Profile by GLA*



* Excluding the hotel land lease

Tenancy Profile by Revenues





INVESTMENT HIGHLIGHTS

Adjacent to Galeries de la Capitale : Irreplaceable Retail Node Location

The Properties are located at the intersection of Highways 40 and 740 and adjacent Les Galeries de la Capitale. Les Galeries de la Capitale is Québec City's largest retail node and one of the largest shopping complexes in the province. It features 1.5 million square feet of retail space and welcomes over 10 million shoppers annually. Over 220,000 cars drive past the Properties every day, thus assuring the Opportunity of consistent traffic and visibility.

INVESTMENT HIGHLIGHTS

Lebourgneuf: Québec City's Fastest Growing Submarket

The Properties are strategically located in the heart of Québec City's fastest growing submarket Lebourgneuf. The sector's proximity to downtown Québec City, its excellent private transportation infrastructure and highway connectivity, and thriving business parks have made it very popular with both businesses and residents. Daytime population within the node can surpass 600,000 consumers and the Properties service a total pool of 520,000 residents living within a 15-minute drive. Significant development activity, including the notable Quartier Mosaïque, will further enhance traffic and visibility.

IDEAL LOCATION IN QUÉBEC CITY'S FASTEST GROWING SUBMARKET



CONTACT US

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CONFIDENTIALITY AGREEMENT

1500, 1600, 1700, and 1875 Bouvier Street, 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 1500, 1600, 1700 & 1875 Rue Bouvier, 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 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 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 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

CONFIDENTIALITY AGREEMENT

use commercially reasonable efforts to ensure that such disclosure will be afforded confidential treatment.

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.

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.

CONFIDENTIALITY AGREEMENT

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.



CLICK HERE TO ACCEPT
TERMS AND CONDITIONS

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



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