

ONE ELIZABETH STREET

Orangeville, ON



Table of Contents

03

Executive Summary

12

Area Overview

04

Investment Highlights

16

Offering Process

06

Property Overview

20

Appendix

10

Medical Office Buildings

Executive Summary

Colliers International (“Colliers”) is pleased to be the exclusive representative for the sale of One Elizabeth Street, Orangeville (“the Property”). The opportunity consists of a 21,865 SF medical building, on a 2.24-acre land parcel, 5 minutes from Downtown Orangeville.

One Elizabeth Street is a fully-leased medical building generating \$404,495 in NOI that is currently tenanted by four tenants, with a weighted average lease term (WALT) of 4.2 years. Recently constructed by the Vendor in 2013, the property benefits from substantial paid parking, as well as additional land that can be developed into either commercial or residential development.

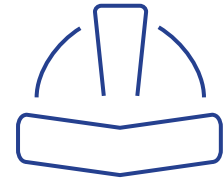
On the west portion of the Property, there includes 0.63 acres of excess land currently being utilized as parking for patients of the medical building. The Vendor has architectural plans for a 3-storey residential development that would encompass 26,500 SF of GFA potential on the land, presenting additional value-add for the prospective purchaser.

Collectively, the combination of a stabilized medical building, in conjunction with the value-add component of the additional 0.63 acres of excess land, the Property provides the prospective Purchaser with a unique, robust investment opportunity in one of Ontario’s fastest growing markets.

**ONE
ELIZABETH
STREET**

Orangeville, ON

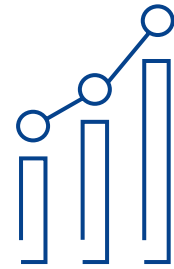
Investment Highlights



Medical Building

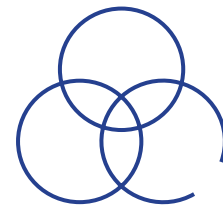
Fully leased to medical tenants

Leased to Orangeville Family Medical Centre, which includes 13 family doctors, the building is well positioned for continued rental growth through the building's internal medical referral network. One Elizabeth Street is also tenanted by Jeffers Pharmacy, Dufferin Area Family Health Team, and the Canadian Mental Health Association, that include annual rental steps expiring between 2027 and 2030.



Recently constructed and well-situated Medical Centre

Constructed in 2013, One Elizabeth Street is one of only three medical buildings within Orangeville and is strategically located within walking distance of Downtown Orangeville and a 5-minute drive from Headwaters Health Care Centre. The landlord also benefits from a paid parking system that generates approximately \$5,000 per month in additional revenue.

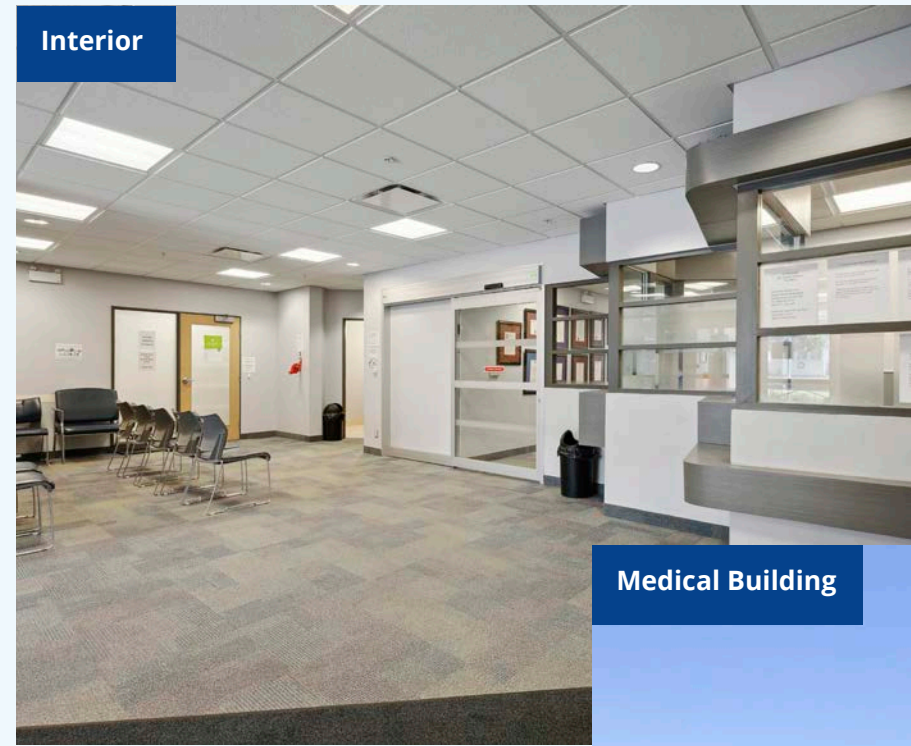


Residual Land

Development land opportunity for full scale medical hub due to Bill 60

With the complementing features of the retirement home and the medical building, this land development opportunity presents the owner with a unique chance to establish a private medical hub. This opportunity has arisen due to the current zoning regulations, specifically the institutional zoning designation and Bill 60. The land on the west portion of One Elizabeth Street is also well positioned for up to a 50,000 SF residential development.

Interior



Medical Building



Residual Land



Property Overview

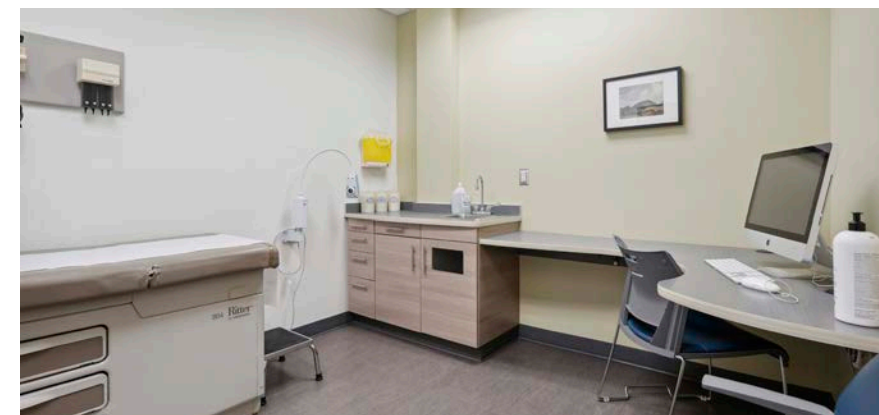
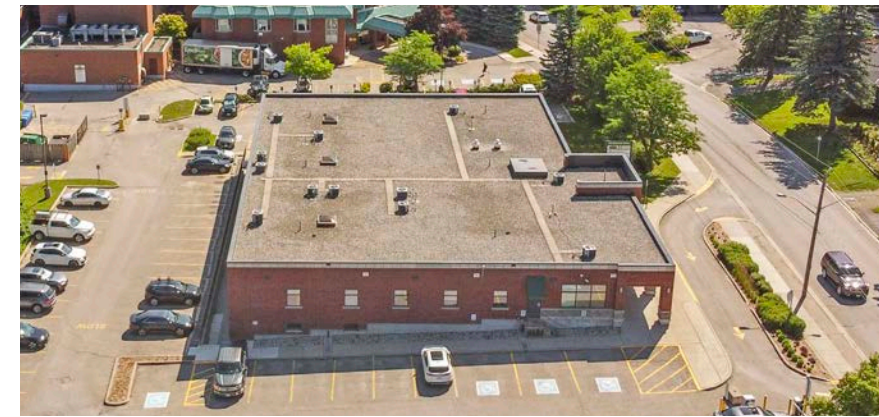
Medical Building

Constructed in 2013, the 22,688 SF Medical Office Building is situated on 2.25 Acres of land, currently providing sufficient area for paid parking, or the potential to develop on the excess land on the west portion of the site.

Fully leased to four medical tenants, including Orangeville Family Medical Centre, Canadian Mental Health Association, Dufferin Area Family Health Team and Jeffers Pharmacy, the Property allows for a strong referral network for prescriptions and various disciplines in the building.

Zoned institutional, potential purchasers will have the ability to add an additional four floors to the existing medical building for either additional seniors housing or medical use.

Municipal Address	1 Elizabeth Street
Municipality	Orangeville
County	County of Dufferin
PIN	34025-0106
Year Built	2013
Zoning	Institutional (INST)
Official Plan	Institutional
Legal Description	PLAN 212 BLK 9 LOTS 9 TO 14 PT LOTS 1 7 8 15 TO 21 RP 7R5868 PARTS 1 TO 19
Site Area	2.24 Acres (including the 0.63 Acre vacant parcel)
Total Building Area	21,865 SF
Frontage (Elizabeth St.)	189 Feet
Improvements	2-Storey Structure with 4 Medical Tenants
Current Use	Medical Offices and Parking Lot
Commercial Units	4 Units
Total Parking	148 Spots
Net Operating Income	\$404,495
WALT	4.2 Years



Property Overview

Residual Land

Working with a local architect, the Vendor has architectural plans for a 3-storey residential development that would be located on the West portion of the One Elizabeth St property.

The 26,500 GFA potential development site would include 30 residential units, made up of 27, 2-bedroom and 3, 1-bedroom units and would include main floor parking.

However, the current zoning of the Property would allow for a 6-storey building with a potential GFA of 53,000 SF, this scale of development would require an underground parking garage to satisfy Orangeville parking requirements.

Municipal Address	North-east corner of Elizabeth Street & Faulkner Street, Orangeville
Municipality	Orangeville
County	County of Dufferin
PIN	Part of 34025-0106
Zoning	Institutional (INST) with minor variance A-4/97
Official Plan	Institutional
Site Area	0.63 acres
Services	Municipal (assumed)
Current Use	Vacant and unimproved land

**ONE
ELIZABETH
STREET**
Orangeville, ON



Medical Office Buildings

Medical office buildings (MOBs) in Ontario represent an attractive and growing asset class in the commercial real estate sector. They provide unique opportunities for diversification, potential yield enhancement, and consistent income streams.

The vacancy rate in this asset class is currently at a multi-year low of around 4%, an improvement from 6% seen five years ago. This reduction is driven by increased demand for healthcare services due to an aging population, along with limited new supply entering the market. With a senior population (65 and older) projected to increase by nearly 30% by 2030, the demand for medical office spaces is poised to increase further.

In terms of leasing growth rates, medical office spaces have consistently outpaced traditional office space. Over the past five years, lease rates have grown by approximately 3% annually, double the rate for traditional office space. The lease terms in this sector are typically longer and have higher renewal rates, providing steady cash flow and reducing potential vacancy risk.

The stability of demand for MOBs is strong and is expected to further solidify in the coming years. With Ontario's healthcare expenditure growing at 4.3% annually, healthcare providers are continually expanding. Moreover, the shift towards outpatient care, increasing need for specialized medical services, and the aging demographic profile further strengthens this demand.

The capitalization rate (cap rate), an indicator of potential return on investment, for MOBs in Ontario remains attractive compared to other asset classes. As of Q2 2023, the average cap rate for MOBs is around 5.5%. This showcases the unique balance MOBs offer between yield and risk.

MOBs also provide resilience against economic downturns. Amid recent market volatility, MOBs have demonstrated remarkable stability, maintaining high occupancy rates and stable rents. In addition, MOBs are often leased to creditworthy tenants like large healthcare providers, further lowering the investment risk.



30%

Projected Senior Population Increase by 2030



4%

MOBs Vacancy



3%

Lease Rates Growth Over Past 5 years



5.5%

Q2 2023 Average Cap Rate



Area Overview

Orangeville

Located just an hour north of Toronto, Orangeville enjoys a strategic position between the bustling city and the serene Georgian Bay to the north, making it a regional hub for employment, shopping, and community services. Its appeal lies not only in its proximity to major economic centres but also in its breathtaking natural beauty and recreational facilities. The town is surrounded by the awe-inspiring Niagara Escarpment, serene forests, and stunning waterfalls, providing abundant opportunities for outdoor exploration and a chance to connect with the region's natural wonders.

Orangeville features a charming downtown area that serves as the heart of the community. Bustling with activity, the historic downtown is home to boutique shops, art galleries, and a thriving arts community. The town's cultural vibrancy can be experienced through various events such as the Orangeville Blues and Jazz Festival and the Orangeville Farmer's Market, which showcase the rich heritage and vibrant spirit of the community. Whether you are a resident or a visitor, Orangeville's downtown area offers a welcoming atmosphere that reflects the town's strong sense of community pride.

Orangeville offers a captivating blend of natural beauty, a vibrant downtown, and convenient access to economic centres. With its stunning surroundings and recreational opportunities, residents and visitors can immerse themselves in the region's natural wonders. The town's welcoming atmosphere and strong sense of community pride foster a close-knit environment, while its ongoing growth and development create exciting prospects for the future. Orangeville truly encapsulates the best of both worlds, making it an ideal destination for those seeking a small-town charm with big opportunities.



Demographics

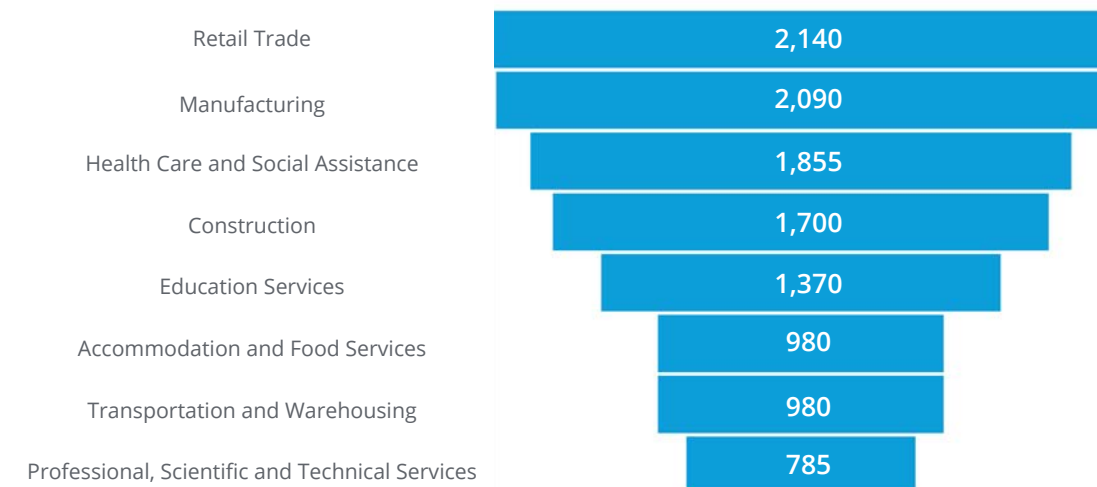
Education plays a significant role in Orangeville, with over 51% of its residents having attained a post-secondary education. This well-educated population contributes to the town's skilled workforce and fosters a knowledge-based economy. Orangeville has a commendable employment rate of 91.7%, indicating a relatively strong job market. One notable employment sector in the town is healthcare and social assistance, which employs 1,855 individuals,

making it the third largest sector in terms of employment. This highlights the importance of the healthcare industry in Orangeville and the provision of essential services to the community.

Currently home to 30,000 residents, the town is projected to reach a population of 50,000 by 2041, reflecting its increasing desirability as a place to live, work, and raise a family.



Key Sectors by Occupation



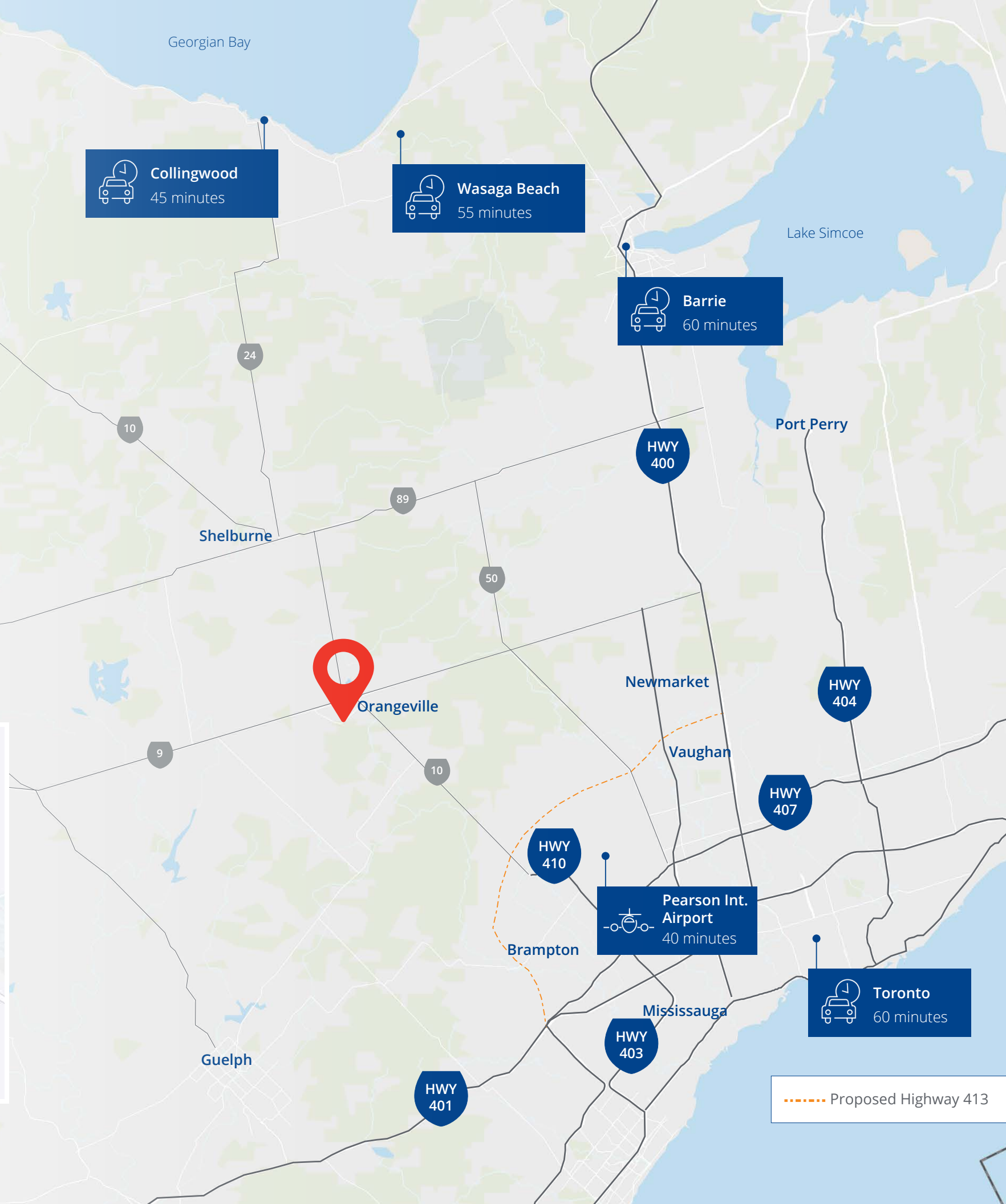
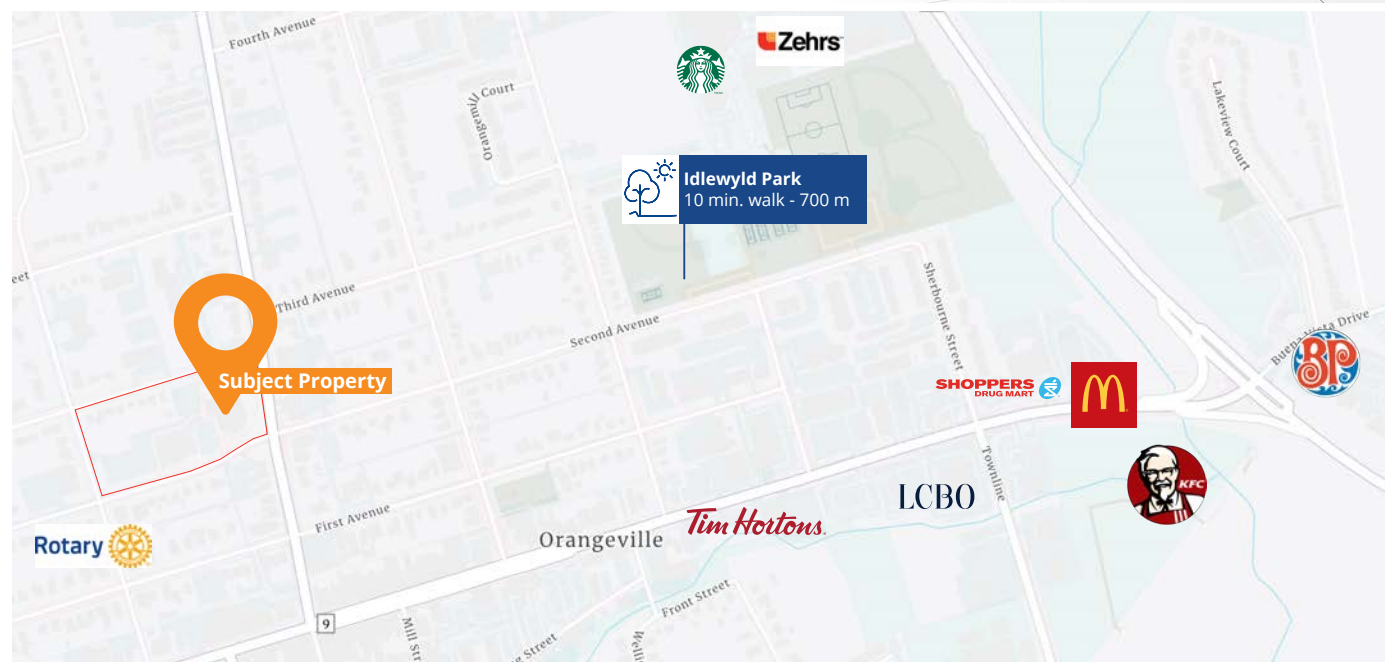
Area Overview Continued

Location

As Orangeville continues to grow, it has become an attractive marketplace for development, benefitting from the limited supply of land in the surrounding area due to the provincial Greenbelt. This scarcity of land has encouraged economic opportunities within the town itself. Also, Orangeville's well-developed transportation infrastructure and easy access to major highways have established seamless connectivity to the Greater Toronto Area and other key economic centers, making it an appealing destination for entrepreneurs and companies from various industries.

One of Orangeville's strengths lies in its strategic location at the intersection of two important thoroughfares, County Road 109 and Highway 10, which provide convenient connectivity within the region and to other areas. Additionally, being within a 30-minute drive of Ontario's major 400 series highways, such as Highways 401, 403, 407, and 410, allows for efficient travel to destinations across the province.

The town's rapid growth mirrors that of Barrie, and the corridor from HWY 410 to Hwy 10 has experienced continuous development, contributing to the area's increased accessibility in Ontario. The proposed Highway 413, which aims to extend northwards from Highway 401 and connect with Highway 400, would enhance accessibility even further. With the nearest interchange just a 24-minute drive from the property, this potential connection holds the promise of boosting economic prospects for Orangeville and its neighboring regions.



Offering Process

Exclusive Agents Acting for Vendor

All inquires regarding the Property or any information contained in this CIM should be directed to Colliers as the Exclusive Agent for the Vendor.

Colliers Canada

Private Capital Investment Group
181 Bay Street, Suite 1400
Toronto, Ontario M5J 2V1
T: +1 416 777 2200 F: +1 416 777 2277

Jeremiah Shames*

Executive Vice President
Private Capital Investment Group
+1 647 884 5449
jeremiah.shames@colliers.com

*Sales Representative

Matthew Soper*

Associate Vice President
Private Capital Investment Group
+1 416 886 7696
matthew.soper@colliers.com

Joey Hill*

Sales Representative
Private Capital Investment Group
+1 416 998 8560
joey.hill@colliers.com

Property Inspection

In no event shall any prospective Purchaser or any of its agents or contractors contact any governmental authorities concerning the Property, or make any physical inspection or testing of the Property, without the prior written consent of the Vendor.

Data Room Materials

A data room has been set up for this transaction. Prospective purchasers are strongly encouraged to access the data room in order to make their offers as unconditional as possible. Information contained in the data room will include items such as:

- CIM
- Leases
- Tax Bills
- Building Drawings
- Building Condition Report
- Financials
- Contracts
- Development Drawings

Colliers has made data room material available online at Colliers Sharefile; access is restricted to those who have executed a Confidentiality Agreement (CA) and have been issued a user login and password.

Process

Based on information contained in this CIM, information contained in the Data Room, and other information that may be made available by Colliers upon request, interested parties are invited to submit an offer given the timelines by the advisors.

It is the intent of the Vendor to enter into the Vendor's form of Purchase and Sale Agreement (PSA) for the Property with the appropriate bidding entity or entities. None of the initial offers, regardless of their form and content will create any binding legal obligations upon the Vendor or Colliers.

Neither the Vendor nor Colliers make any representation or warranty, or any agreement whatsoever, that the Vendor will accept any of the offers or any agreements of purchase and sale, before or after negotiations, which may be extensive. Neither the Vendor nor Colliers shall compensate any participant for any costs incurred in its participation in the process.



Offering Guidelines

An offer should outline the terms for the purchase of the Property and should include, at a minimum, the following information and items:

- Purchase price;
- Name of the ultimate beneficial owners of the Purchaser, including their respective percentage interests;
- Evidence of the Purchaser's financial ability to complete the transaction;
- Confirmation that the Properties will be purchased on an "as is, where is" basis;
- Terms and conditions of closing, including a schedule of timing and events to complete the transaction;
- An address, email address and fax number for the delivery of notices to the Purchaser;

The Vendor reserves the right to remove the Property from the market and to alter the offering process described above and timing thereof, at its sole discretion.

Offers should be directed to:

1751188 ONTARIO INC. and
c/o Colliers
181 Bay Street, Suite 1400
Toronto, Ontario M5J 2V1

Attention: Jeremiah Shames, Matthew Soper,
Joey Hill

Review of Offers

Offers to purchase will be evaluated based upon, but not limited to, the structure proposed by the prospective Purchaser, the net proceeds to the Vendor, the prospective Purchaser's ability to complete the transaction, the time lines and proposed closing conditions.

Sale Conditions

The Vendor's preference would be to enter into an Asset Sale agreement. The Property and any fixtures, chattels and equipment included with the Property are to be purchased on an "as is, where is" basis. There is no warranty, expressed or implied, as to title, description, condition, cost, size, quantity or quality thereof.

Confidentiality

By accepting this CIM, prospective Purchasers agree to hold and treat this CIM and its contents in the strictest confidence. Prospective Purchasers will not, directly or indirectly, disclose or communicate or permit anyone else to disclose or communicate this CIM or any of its contents or any part thereof to any person, firm or entity without the prior written consent of the Vendor and Colliers. Prospective Purchasers will not use or permit this CIM to be used in any manner detrimental to the interests of the Vendor or Colliers or their affiliates or for any purpose other than a proposed purchase of the Property. The recipient of this CIM agrees to provide Colliers with a list of those persons to whom this CIM or any information contained herein is provided. The terms and conditions in this section with respect to confidentiality and the disclaimer contained under the heading "Memorandum Contents" apply to all sections of the CIM as if stated independently therein.

This Confidential Information Memorandum ("CIM") is being delivered to prospective Purchasers to assist them in deciding whether they wish to acquire the Property. This CIM does not purport to be all inclusive or to contain all the information that a prospective Purchaser may require in deciding whether or not to purchase the Property. This CIM is for information and discussion purposes only and does not constitute an offer to sell or the solicitation of any offer to buy the Property. This CIM provides selective information relating to certain physical, locational and financial characteristics of the Property. The information on which this CIM is based has been obtained from various sources considered reliable. Neither the Vendor nor Colliers make any representations, declarations

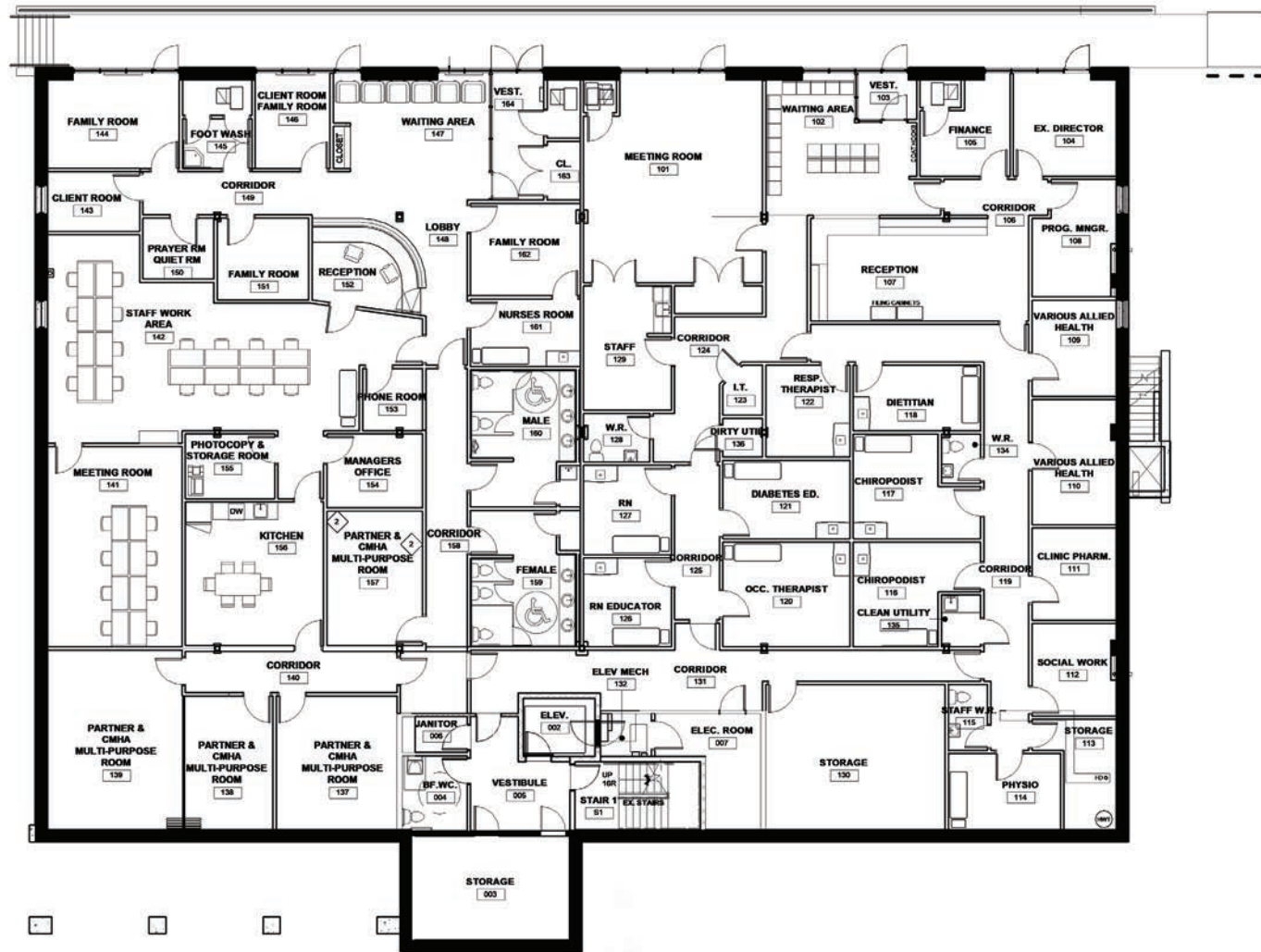
or warranties, express or implied, as to the accuracy or completeness of the information or statements contained herein or otherwise and such information or statements should not be relied upon by prospective Purchasers without independent investigation and verification.

The Vendor and Colliers expressly disclaim any and all liability for any errors or omissions in this CIM or any other written or oral communication transmitted or made available to prospective Purchasers. Prospective Purchasers should conduct their own independent investigation and verification of the information provided herein, and should seek legal, accounting, tax and engineering advice as necessary. If any information relating to the Property, in addition to the information provided in this CIM, is provided at any time, orally or otherwise, by the Vendor or Colliers or anyone acting on their behalf, such information is provided as a convenience only without representation or warranty as to its accuracy or completeness and such information should not be relied upon by prospective Purchasers without their own independent investigation and verification.

Appendices

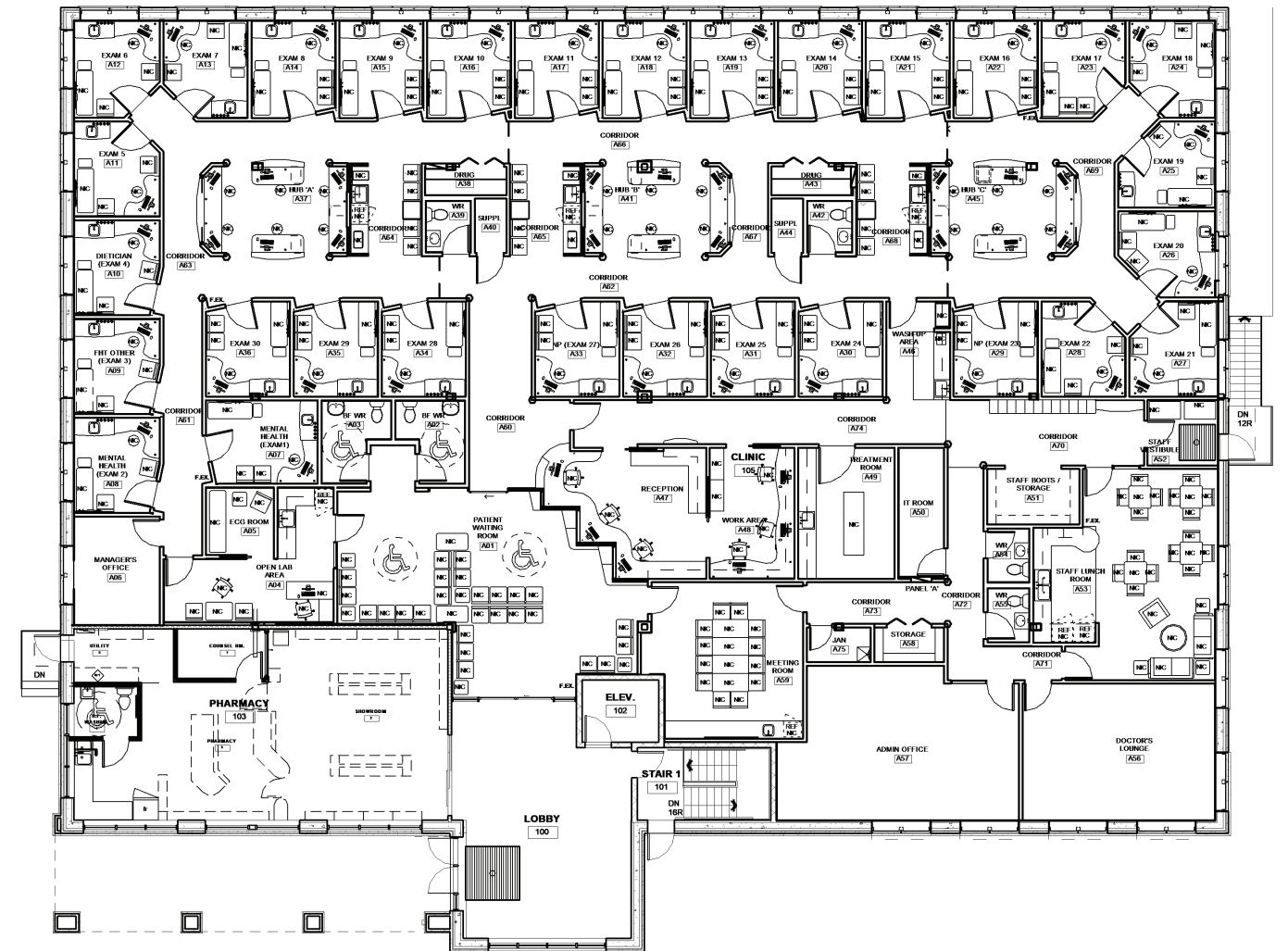
Appendix A: Floor Plans

One Elizabeth Street | Medical Building



Basement

One Elizabeth Street | Medical Building



Main Floor



Colliers Canada

Private Capital Investment Group
181 Bay Street, Suite 1400
Toronto, Ontario, M5J 2V1
+1 416 777 2200

Jeremiah Shames*

Executive Vice President
Private Capital Investment Group
+1 647 884 5449
jeremiah.shames@colliers.com

Matthew Soper*

Associate Vice President
Private Capital Investment Group
+1 416 791 7255
matthew.soper@colliers.com

Joey Hill*

Sales Representative
Private Capital Investment Group
+1 416 998 8560
joey.hill@colliers.com

*Sales Representative

This document has been prepared by Colliers for advertising and general information only. Colliers makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Colliers and/or its licensor(s). Copyright © 2024. All rights reserved.

This communication is not intended to cause or induce breach of an existing listing agreement. Colliers Macaulay Nicolls Inc.



collierscanada.com

Accelerating success.