

FILM STUDIO

# Vacant Possession or Sale-Leaseback of Unique Commercial Asset



 **CUSHMAN &  
WAKEFIELD**  
Capital Markets

FOR SALE

243 QUEEN STREET NORTH, HAMILTON, ON



## INVESTMENT HIGHLIGHTS



### Rare “Mega-Stage” Asset in Prosperous Film Hub

The Property, known as Aeon Bayfront Studios, represents an opportunity to acquire a high-quality industrial building currently being used as a production facility located within an upcoming media hub area. The dedicated studio premises on-site offers approximately 27,000 square feet of space, known as a “mega stage”. The clear span space offers exceptional ceiling heights over 50 feet, and represents one of few similar facilities in the GTHA. The space also includes more than 40,000 sf of additional production space including 10,000 sf of column-free space with 24 foot ceilings. Also on site is 6,500 sf of finished office space, several outbuildings including a paint shop with two booths as well as approximately 4 acres of outdoor space (cleared and treed) which is suitable for backlot use. The Property is well designed to accommodate full scale productions.

Aeon, in tandem with the City of Hamilton, have proposed the concept of a 25-acre film production hub, known as the Bayfront Studio District in the West Harbour community. Hamilton has a rapidly growing creative industries sector, of which film/production contributes a significant share of revenues for the local economy. In 2022, 986 film permits were issued in the City, amounting to \$72.8 million in value. 177 major productions were shot in Hamilton (up 16% from 2021), with more than 9,140 film workers employed in the film industry and 901 film businesses. Hamilton is now the third largest film and production cluster in Canada, behind Toronto and Vancouver.



### Strategic Location

Hamilton is strategically located adjacent to downtown Hamilton and is approximately 40 minutes from downtown Toronto and one hour from the United States border crossing at Niagara Falls. The general scenery in Hamilton is versatile in terms of shooting locations, with a vibrant downtown core, rural suburbs, a wide range of industrial settings and the Niagara Escarpment as potential backdrops. Hamilton is well-connected to area municipalities by the QEW/403 as well as commuter access provided by Hamilton Street Rail, GO Transit and Via Rail. The West Harbour GO Station is located only 750 metres east of the Property and offers free on-site parking, Monday to Sunday service linking Hamilton to Downtown Toronto.





## INVESTMENT HIGHLIGHTS



### Long-Term Sale Leaseback

The Property is being offered for sale either vacant, or with a sale-leaseback structure. If acquired with a sale-leaseback, any market lease terms are to be negotiated with the prospective purchaser. As part of ongoing operations, there is a significant opportunity for contracting the space to outside productions groups as well as projects initiated by Aeon. Alternatively, Purchasers seeking vacant possession of the Property can look to utilize the space for a wide range of other uses permitted under current zoning.



### Residential Intensification Potential

The subject Property also includes approximately 1.93 acres of excess lands that are ideally suited for a mid-rise building. The Vendor has engaged GSP Group to create a preliminary concept plan for the excess lands. This plan contemplates an 87-unit mixed building that is 5-stories in height with 51 underground parking stalls. The total gross floor area is 80,074 sf, including 12,837 sf of retail uses at grade and residential uses on the upper floors. The unit mix will include studio and up to 3 bedroom units. This building represents a transition from the single family and mixed-use buildings on the south side of Barton Street and the existing studio use on the east side of the Property.





## PROPERTY BREAKDOWN

<b>Land Area</b>	7.42 acres
<b>Total Main Building Area</b>	77,762 sf
<b>Total Ancillary Building Area</b>	12,960 sf
<b>Total Combined Building Area</b>	90,722 sf
<b>Zoning</b>	D2 (E442) (H44) / P5 / D5
<b>Official Plan</b>	Utility
<b>West Harbour Secondary Plan</b>	<ul style="list-style-type: none"> <li>• Commercial / Medium Density Residential / Open Space</li> <li>• Site Specific Area 6 – Allows Production Studio use</li> </ul>
<b>Ceiling Height</b>	<ul style="list-style-type: none"> <li>• ~10,000 sf with 24 ft (column-free)</li> <li>• ~27,000 sf with 50 ft (mega-stage, clear span)</li> </ul>
<b>Power</b>	<b>Main Building:</b> 600 Amps, 600 Volt, 3 Phase Service <b>Building C:</b> 200 Amps, 600 Volt, 3 Phase Service
<b>Excess Lands</b>	~1.93 acres

Aeon has completed a number of building retrofits to convert the facility to a multi-functional studio space, including:

- Substantial re-painting of building exterior
- Interior painting
- Increased power by adding four 400-amp transformers
- Built sound attenuated vestibules around stage doors
- First layer hard cap done on 80% of parking areas
- Weather sealing to middle bay roof

## PERMITTED USES

- |                                   |                             |                        |
|-----------------------------------|-----------------------------|------------------------|
| » Artist Studio                   | » Dwelling Unit(s)          | » Personal Services    |
| » Beverage Making Establishment   | » Educational Establishment | » Place of Assembly    |
| » Catering Service                | » Financial Establishment   | » Place of Worship     |
| » Commercial Entertainment        | » Hotel                     | » Repair Service       |
| » Commercial Recreation           | » Laboratory                | » Restaurant           |
| » Commercial School               | » Lodging House             | » Retail               |
| » Community Garden                | » Medical Clinic            | » Tradesperson's Shop  |
| » Conference or Convention Centre | » Microbrewery              | » Urban Farm           |
| » Craftsperson Shop               | » Multiple Dwelling         | » Urban Farmers Market |
| » Day Nursery                     | » Office                    | » Veterinary Service   |



CONCEPT RENDERING

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## PROPERTY BREAKDOWN

SPACE	SF
West - Main Floor	25,646
West - Main Floor - Mezz 1	1,861
East - Main Floor	47,902
East - Main Floor - Mezz 1	1,372
East - Main Floor - Mezz 2	981
<b>TOTAL MAIN BUILDING AREA (East/West Building)</b>	<b>77,762</b>
Building A	2,322
Building B	3,308
Building C	6,446
Building D	884
<b>TOTAL ANCILLARY BUILDING AREA</b>	<b>12,960</b>
<b>TOTAL BUILDING AREA (Buildings A to D)</b>	<b>90,722</b>

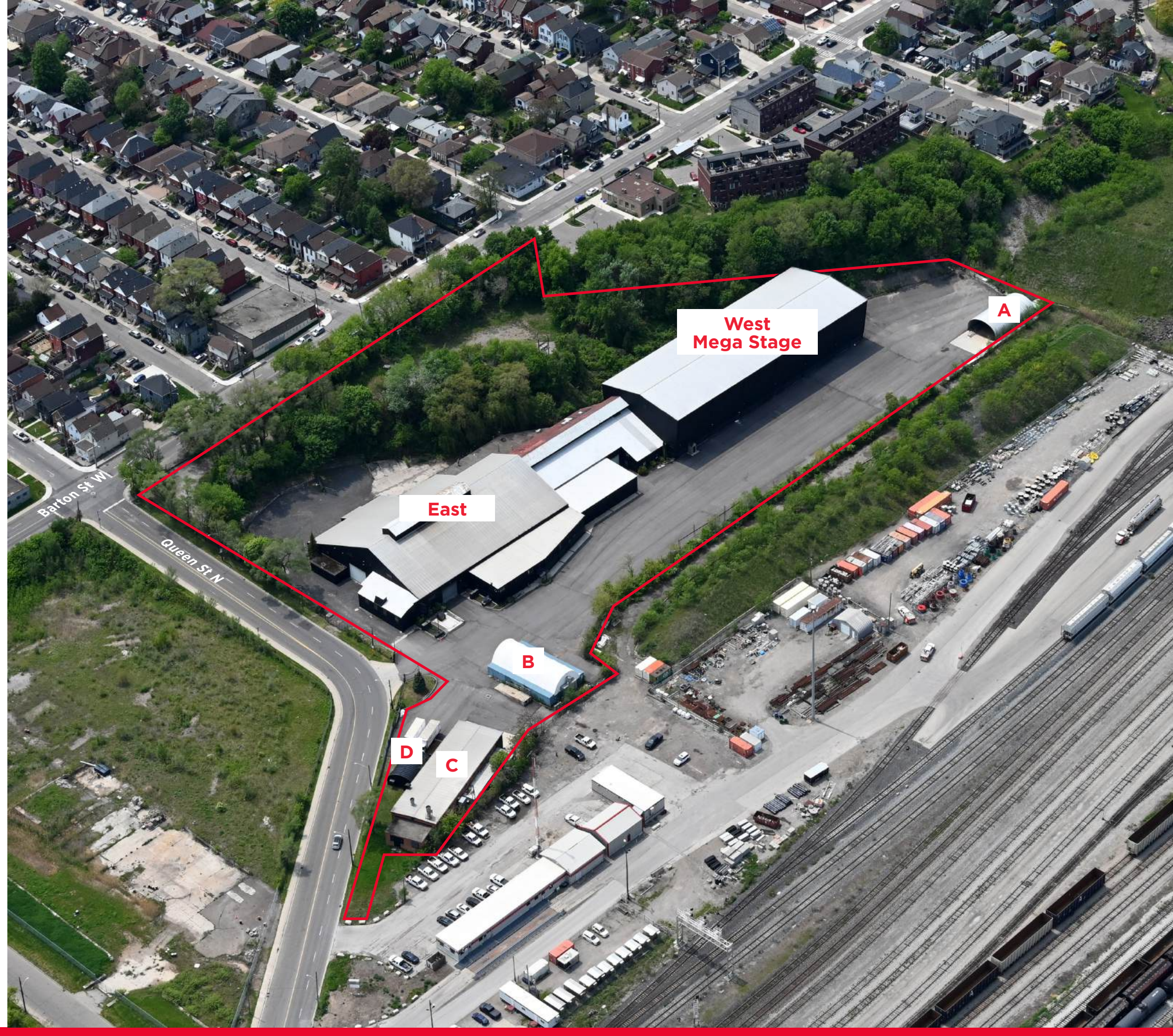
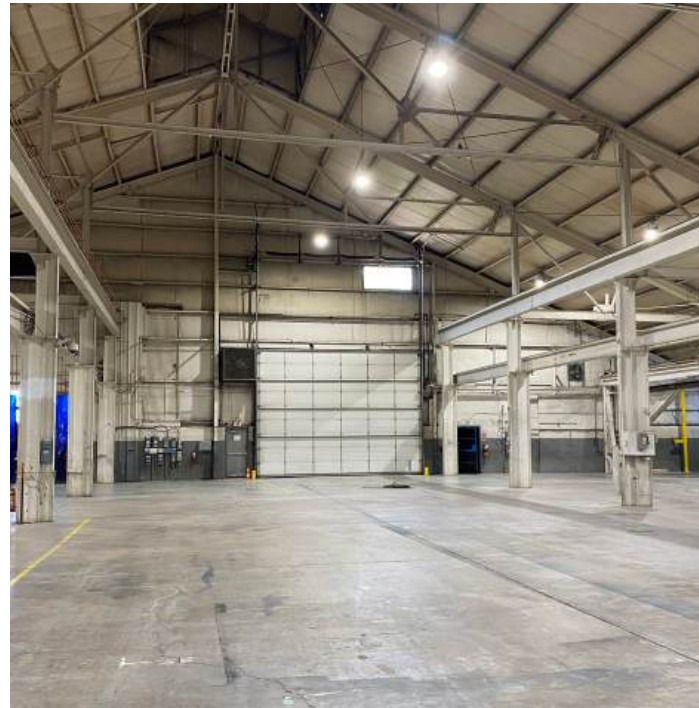


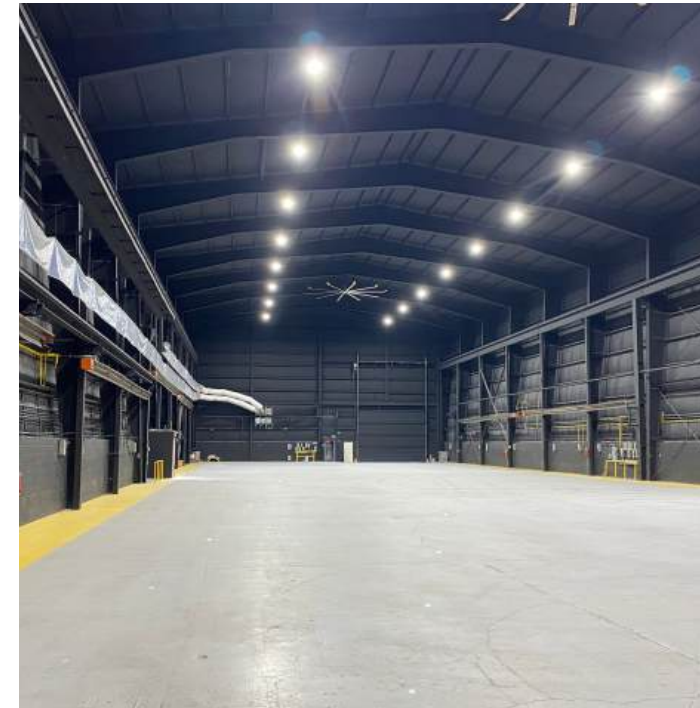
PHOTO GALLERY



East Building



East Building



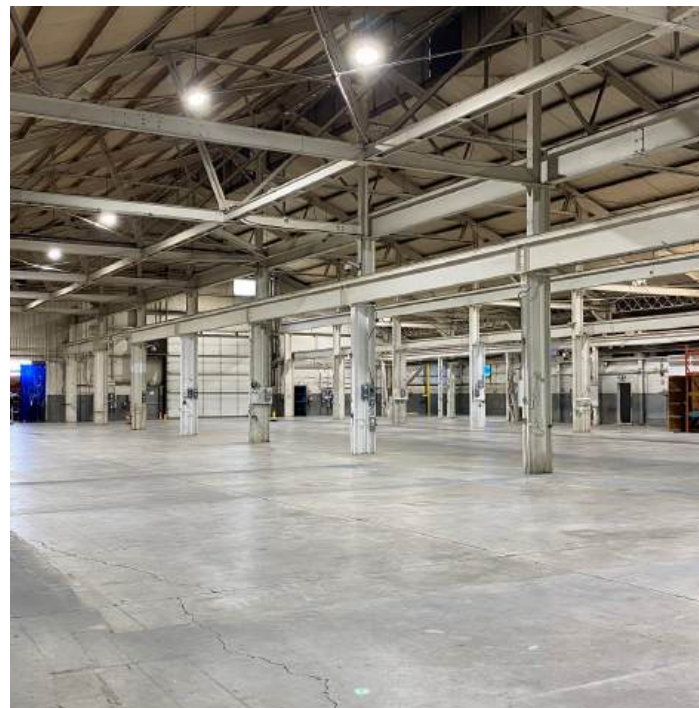
West Building - Mega Stage



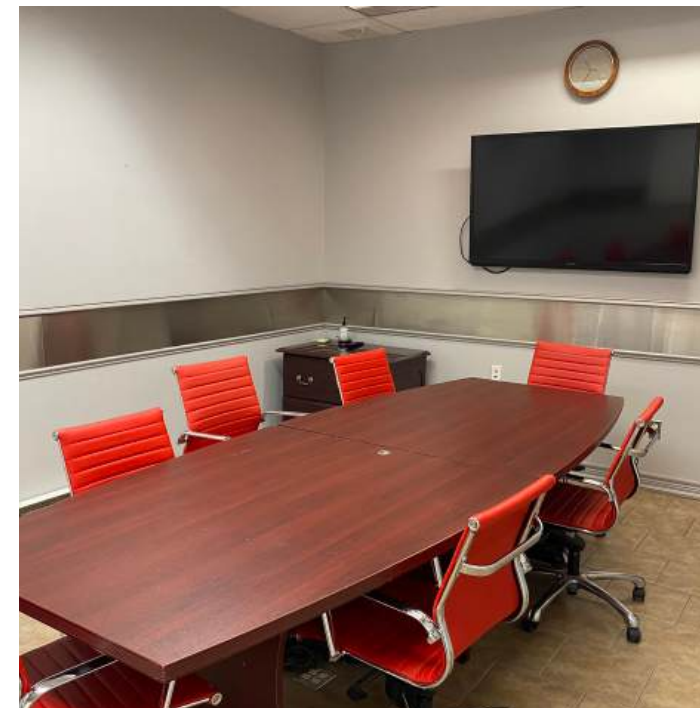
West Building



East Building



East Building



Office Space



Office Space

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PHOTO GALLERY



East Building



East Building



Building A



Building B



West Building - Mega Stage



West Building



Building C & D



### LOCATION OVERVIEW

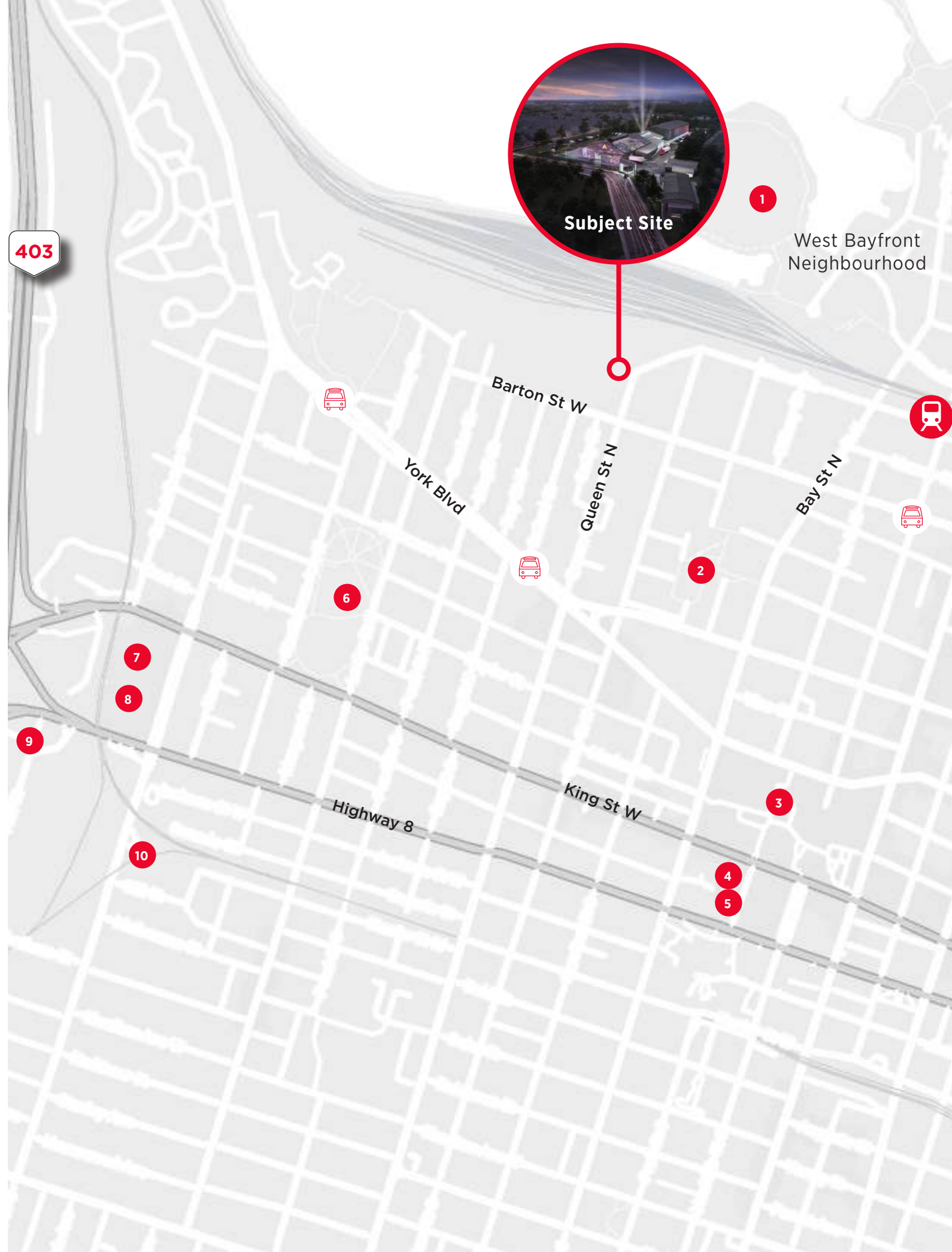
The Property is located in Hamilton’s West Bayfront neighborhood, situated along the shores of Hamilton Harbour. The West Bayfront area has been the site of significant planning interest and redevelopment efforts in recent years, aiming to revitalize the waterfront and enhance the livability of the neighborhood. The West Bayfront is well-connected to the rest of Hamilton, the Greater Toronto Area and Niagara Region. The Property benefits from easy access to major transportation routes, including Highway 403 and the Queen Elizabeth Way as well as being a short distance from the West Harbour GO Train station and bus routes.

### TRAFFIC GENERATORS

- 1 Bayfront Park
- 2 Central Park
- 3 Jackson Square
- 4 Art Gallery of Hamilton
- 5 FirstOntario Concert Hall
- 6 Victoria Park
- 7 Fortinos Hamilton
- 8 McDonalds
- 9 Gravity Climbing Gym - Hamilton
- 10 LCBO

### PUBLIC TRANSIT

- West Harbour GO
- York Bus - Route 8
- Rock Garden - Route 9
- Bay Front - Route 4



### CITY OF HAMILTON OVERVIEW

The population of the City of Hamilton as of the 2021 Census was 569,353 residents and represents total growth of 6.04% over the census period. This growth outpaces the Provincial average of 5.8% and also exceeded projections. The Downtown Hamilton area absorbed 14.7% of the population growth, underpinning demand for housing in the City as well as supporting the trend towards intensification.

Hamilton, historically known for its industrial base, has rapidly diversified its economy in recent years. Key industry sectors within the City of Hamilton include:

- **Manufacturing:** The city has a strong presence in sectors such as steel production, automotive manufacturing, and machinery.
- **Healthcare and Life Sciences:** Hamilton has emerged as a major center for healthcare and life sciences. The city is home to several hospitals, medical research institutions, and a growing biotechnology industry.
- **Education and Research:** Hamilton is home to McMaster University, one of Canada’s leading research universities. The presence of the University and its affiliated research institutes, such as the McMaster Innovation Park, fosters innovation and knowledge-based industries in the region.
- **Information Technology:** Hamilton is witnessing growth in its information technology (IT) and digital innovation sectors. The city has seen the emergence of startups, technology companies and incubators, focusing on software development, digital services, and advanced manufacturing technologies.
- **Creative Industries:** The city has invested in cultural initiatives and redevelopment projects aimed at revitalizing its downtown and attracting creative industries. The city also has a burgeoning entertainment and film industry with the formation of the Hamilton Studio District.
- **Logistics and Transportation:** Hamilton’s strategic location between the Greater Toronto Area and the United States border positions it as a transportation and logistics hub. The city has access to major highways, rail networks, and the Port of Hamilton, which supports the movement of goods and contributes to the local economy





## INDUSTRIAL MARKET OVERVIEW

Hamilton continues to perform well, with vacancy decreasing by 130 bps to 1.3% from 2.6% in Q4 2022 – representing the largest quarterly decline in the past six years. In Q1 2023, leasing activity also reached a six-year peak, surpassing just over one million square feet – almost three times higher than the total leasing activity in 2022. Buildings in the 50,000 to 100,000 sf size range are the most active segment of the market, with lower availability than the market average of only 0.8%. Average net asking rates in this segment were \$11.95 psf as of the first quarter, providing a clear competitive advantage over the major markets and fueling demand in Hamilton due to its strategic location between the GTA and the US border.



## MAJOR REDEVELOPMENT INITIATIVES

### Steelport

Located a short distance from the West Harbour neighbourhood, the former Stelco lands were acquired in June 2022 with a planned redevelopment of the property into a world-class industrial hub with as much as 12 million square feet of space which can provide up to 23,000 jobs across the Hamilton-Niagara region. The site also includes 3,400 metres of waterfront access which will ultimately be redeveloped into an intermodal hub and port for the Great Lakes.



Steelport

### Pier 6/7/8

The West Bayfront has seen substantial investment and redevelopment to transform former industrial lands into vibrant and accessible waterfront spaces. This is focused on Piers 6, 7 and 8 which are being redeveloped to include 1,645 condo units, retail and institutional space, and a boardwalk.



Pier 6/7/8



### SUBMISSION GUIDELINES

Formal expressions of interest are to be submitted to the Cushman & Wakefield Property Advisors and will be reviewed by the ownership group on a first-come-first-serve basis. The Property is being offered for sale at \$13,950,000. Access to a detailed due diligence data room will be granted to qualified, prospective investors upon receipt of a signed Confidentiality Agreement (“CA”). Property tours will be conducted by the Property Advisors by appointment only.

### SUBMISSIONS

Offers are to be submitted to the listing team at:

**Dan Rogers, Joel Goulding, Jeff Lever, Reilly Hayhurst & Mike Murray**

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