

RETAIL INVESTMENT

73 MAIN STREET
PICTON | ONTARIO



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PARALLEL
Commercial Real Estate Services

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OFFERING SUMMARY

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ADDRESS

73 Main Street, Picton, Ontario

LOT SIZE

2.50 Acres

BUILDING

27,951 Square Foot Brick/Block Commercial Building Constructed in 1986

TENANT

Metro Ontario Real Estate Limited

LEASE TERM

January 1980 to January 2015 with 3 Remaining Renewal Options of 5 Years Each

TENANT PAYS

Taxes, Maintenance & Insurance

PARKING

170 Spaces

TAXES

2011 - \$51,973.62

ASSESSED VALUE

2008 - \$2,921,000

ZONING

Core Commercial Section 18

OFFICIAL PLAN

Business Commercial

OFFERING TERMS

ASKING PRICE

\$3,500,000

TERMS

The Vendor will consider cash offers.

CONDITIONAL PERIOD

Thirty (30) days

CLOSING DATE

Thirty (30) days following waiver of conditions

LEGAL DESCRIPTION

Plan 24 Lot 621, 622, 632 To 639 and Pt Lots 625 and 626

VENDOR

Febau (Canada) Limited

VENDOR'S AGENT

Parallel Realty Inc.

EXCLUSIVE BROKER

All inquiries regarding the property including all submissions or any information contained in this investment offering should be directed to the under-noted on behalf of the Vendor.

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AREA DESCRIPTION

MAP AREA | PICTON



GENERAL LOCATION AND DATA

Picton is the largest community and the county seat of Prince Edward County in southern central Ontario. It is located at the south-western end of Picton Bay, a branch of the Bay of Quinte, which is along the northern shoreline of Lake Ontario. The town is named for General Sir Thomas Picton, second in command to Wellington at the Battle of Waterloo.

Prior to its incorporation in 1837, the modern-day town of Picton consisted of two separate villages - Hallowell Bridge and Picton - which occupied the opposite sides of Picton Bay. The town was amalgamated into the Corporation of the County of Prince Edward in 1998. The total area of Prince Edward County encompasses 1,048.2 square kilometers (404.8 square miles), 800 kilometers (500 miles) being shoreline.

AREA DESCRIPTION

ECONOMIC CLIMATE

The tourism industry is a primary source of revenue for many area residents, especially in the summer. Picton is located in one of Ontario's most beautiful areas of forests, lodging, camping, wine making and vacation spots. Its vast acres of farm, cottage country, markets, and historical sittings make it an absolute summer hotspot for families and tourists. Its wide variety of lake-side cottages for rent and fishing hot spots make it a dream weaver of family memories. It is the largest town in the vicinity of Sandbanks Provincial Park, an immensely popular Ontario vacation spot.

Prince Edward County is a largely agricultural area. As such dairying and meat, fruit and vegetable processing and storage are relatively common. Also in the vicinity are manufacturers of pallets, caskets and other wood products. There is a light industrial park in the town which has several modest manufacturing businesses making goods such as refrigeration products and filtered bottled water. Just northeast of Picton is a cement plant operated by ESSROC Italcementi which is the only heavy industry in the immediate area. There are numerous quarrying operations located nearby which support this and other similar plants.

In recent years, many artisans and artists have moved to the area and opened studios. In many of the local stores you can purchase local art and hand crafted products. These products are beginning to play a more serious role in the local economy.

In addition, there has been a proliferation of small wineries in the southern half of the county. The county's relatively mild climate has led to the establishment of about 50 vineyards and nine wineries. Prince Edward County is Canada's fastest growing wine region, being the second largest viticulture area in Ontario.

Although rolling fields dominate the County's landscape, the economy encompasses much more than farming. The commercial and industrial base is strong and diversified. Major employers include Essroc, an international cement factory operation that takes advantage of our natural resources and deep-water harbour, and Canada's largest kayak and canoe manufacturer has relocated to a waterfront factory here.

Wellington Mushroom Farm and Midtown Meats are growing and capitalizing on the low real estate costs and taxes and access to labour and markets. Townline Farms, a large-scale farming and frozen vegetable company, and Grand Bay Fisheries are building their businesses on County agricultural and marine assets. A new arrival is SierraPak, a food processing company packaging private label and national branded soups and broths in environmentally-friendly Tetra Paks. Many of the local operations export goods around the globe, and the emerging wine industry is an exciting addition to the substantial food cluster in the County.

AREA DESCRIPTION

CULTURAL BACKGROUND

Post-secondary institutions are located in the region, including technical colleges and university campuses. Public (Hastings and Prince Edward District School Board), separate (Algonquin and Lakeshore Catholic District School Board) and private schools offer a choice for elementary and secondary education.

Excellent primary health care is provided at Prince Edward County Memorial, with 38 beds, a number of clinical and diagnostic services from obstetrics to radiology and a brand new haemodialysis clinic. The Prince Edward County Fire Department consists of 12 fire stations in 7 response areas.

POPULATION TRENDS

The County's year round population of 25,000 swells on weekends and doubles in summer. The population of Picton declined from 4,375 in 2006 to 4,563 in 2001.

TRANSPORTATION FACILITIES

Highway 33, also known as the Loyalist Parkway, passes through the centre of Picton and serves as its main link to the larger Ontario highway system. It is the main artery from the Glenora Ferry terminal (approximately 10 km from Picton) in the east to Carrying Place and the Murray Canal (approximately 40 km from Picton) as you exit the county in the northwest.

Proceeding north-northeast from Picton is County Highway 49 which eventually connects to Highway 401 between Napanee and Shannonville. Highway 33 also connects to Highway 62, which provides a link to the city of Belleville, approximately 30 km to the northwest. The city of Kingston, the eastern terminus of Highway 33, is located approximately 60 km by road east of Picton if you use the year-round Glenora ferry to exit the county travelling east.

The closest international airports is in Toronto, and Kingston's Norman Rogers airport, 80 kms away, has two regional operators, air taxis and passenger and goods custom clearance.

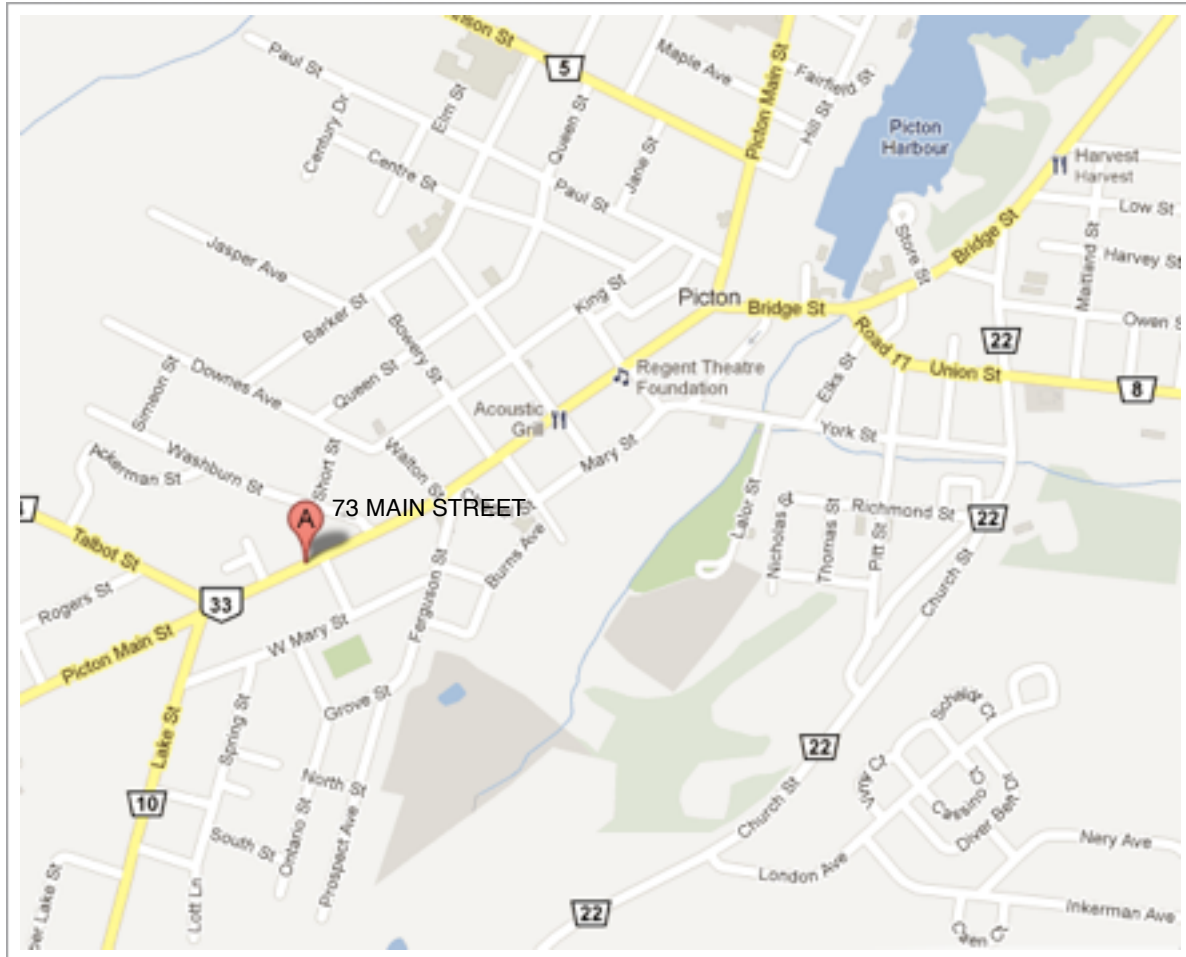
Picton Airport is a general aviation airport used primarily for recreational flying. It is also used regularly in the summer season for Canadian Air Cadet flight training.

Picton has extensive small-craft docking facilities and boat launch ramps. There are no facilities for heavy shipping at the tip of the bay, so large commercial vessels are generally not seen in the portion of Picton Bay near the town. However, east of town on the northern shore of the bay there is a concrete plant with industrial docking facilities.

PROPERTY DESCRIPTION

PROPERTY PROFILE

The subject property is ideally located at 73 Main Street in Picton, Ontario.



The property contains a 27,951 square foot freestanding retail building located on 2.5 acres of commercial land located in the downtown core.

The building is currently used as a grocery store with a national tenant, Metro, under a lease agreement that does not expire until January 2015 with renewal options extending to 2030. The Tenant maintains the subject property and pays all taxes and insurance costs, making this a carefree investment to the owner.

Frontage: 330 feet - Main Street

Depth: 300

PROPERTY DESCRIPTION



PROPERTY DESCRIPTION

ZONING MAP



TENANCY

The property is currently leased to Metro Ontario Real Estate Limited. The lease term commenced on January 18, 1980 and extended to January 17, 2000. The Tenant has since exercised three of its 6 renewal options.

As per the lease agreement, the tenant is responsible for paying all expenses related to taxes, maintenance, and insurance.

LEASE SUMMARY

TERM: January 18, 1980 to January 17, 2015

AMOUNT: January 2010 to January 2015 - \$253,156.20 per annum (\$9.06/SF)

RENEWALS: January 2015 to January 2020 - \$278,471.82 per annum (\$9.96/SF)

January 2020 to January 2025 - Prevailing Market Value

January 2025 to January 2030 - Prevailing Market Value

LEASE ABSTRACT

| Lease Abstract Detail Report | | | | | | 11/28/2011 Page: 3 | |
|---------------------------------------|------------|-----------------------|-----------|---------------------------|---------------|--------------------|-------|
| Oper Unit: 0003 PROPERTY MANAGEMENT | | | | Lease No: 0001 | | | |
| Project: G1025 A & P FOOD STORE, PICT | | | | Term No: 04 | | | |
| Unit: 1 | | | | From: 01/18/2010 | | | |
| Customer: APFOODS22 | | | | To: 01/17/2015 | | | |
| Name: METRO ONTARIO INC. #153 | | | | Type: Regular | | | |
| | | | | Status: Signed | | | |
| Contact: | | | | Move In: 02/01/1986 | | | |
| Bus. Phone: | | | | Notified M/O: | | | |
| Home Phone: | | | | Move Out: | | | |
| Facsimile: | | | | Start Billing: 02/01/1986 | | | |
| | | | | Stop Billing: | | | |
| Occup: Name | Soc Sec No | Birthdate | RTN | DDA | | | |
| ----- | | | | | | | |
| METRO ONTARIO INC. #153 | | | | | | | |
| ----- | | | | | | | |
| Space: From Date | To Date | Unit | Unit Type | Space | | | |
| ----- | | | | | | | |
| 01/18/2010 | 01/17/2015 | 1 | Ret | 27,981.00 | | | |
| Rent: From Date | To Date | Rent | Amount | P F | \$/Sqftm Unit | Pro/Rate | Space |
| ----- | | | | | | | |
| 01/18/2010 | 01/17/2015 | BASIC RR | 21,096.35 | M M | 9.06 | 1 | |
| ----- | | | | | | | |
| Misc: Statement: yes | | Invoice Type: Monthly | | Payment Method: | | | |

RENT ROLL

| RENT BILLING SHEET 11/15/2013 Billing: 0003 01/05 A & P FRODO STORE, FICTOR Sheet: | | 11/15/2013 Period: 01/05AM 01/05 | | Year | | Per A/R | | A/R | | | | |
|--|--------------------------------|-------------------------------------|-----------------------|----------------------|------------------|----------------------|------------------|----------------------|--------------|-------------------|------|------|
| Master Unit | Tenant's Unit/ Terminal | Master/ Unit | Area/ Sq. Ft. | Rate/ Per Sq. Ft. | Area/ Sq. Ft. | Rate/ Per Sq. Ft. | Area/ Sq. Ft. | Rate/ Per Sq. Ft. | Balance Fytd | | | |
| 1 | APPROXIMATE METRO ONTARIO INC. | 1433 | 01/10/2013 01/15/2013 | 1 | 945 | 27,931.00 | MAINT | 21,096.35 | 21,096.35 | 0.00 | 0.00 | 0.00 |
| TOTAL BILLING | | | | | | 27,931.00 | | 21,096.35 | 21,096.35 | | | 0.00 |
| TOTAL Lease/Space | | | | | | 27,931.00 | | 21,096.35 | 21,096.35 | | | 0.00 |
| Description | | | | | | | | | | Vacancy Audit Crp | | |
| Billing: FICTOR A/R | | | | | | | | | | 0.00 | | |
| MASC RENT | | | | | | | | | | -21,096.35 | | |
| TOTAL | | | | | | | | | | -21,096.35 | | |

CONFIDENTIALITY AND LIMITING CONDITIONS

The information contained herein has been obtained from the books and records of Febau (Canada) Limited and from other sources such made available to Parallel Realty Inc. and does not purport to contain all the information a prospective purchaser may require. This package has been compiled solely for the convenience of prospective purchasers to assist them in their determination of whether they wish to express further interest in acquiring the property. This package does NOT form part of any terms or conditions of sale. Parallel Realty Inc. has not independently verified any such information and assumes no responsibility for its accuracy or completeness and has no authority to bind Febau (Canada) Limited to any representation or warranty.

Any financial estimates and projections contained herein are based on information obtained from the books and records of Febau (Canada) Limited provided to Parallel Realty Inc., and from other sources and involve an element of subjective judgment and analysis and are for general reference purposes only.

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Please direct all inquiries regarding the enclosed offering and any requests for additional information to:

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