

il Mercato

1641 Commercial Drive, Vancouver BC

Click to view property video



Confidential Information Memorandum

Downtown
Vancouver

New St. Paul's
Hospital Site

East 1st Avenue

Commercial Drive

Colliers
INTERNATIONAL

Accelerating success.

The Opportunity



Iconic retail property with phenomenal potential for income growth and long-term redevelopment



High exposure corner at Commercial Drive and East 1st Avenue within Vancouver's premier restaurant and shopping district, supporting high retail rents and potential for further densification



Once-in-a-lifetime opportunity to purchase the largest privately-owned property in Vancouver's top evolving neighbourhood



Situated within the "Little Italy" precinct in the heart of Vancouver's eclectic Commercial Drive neighbourhood - East Vancouver's best amenities, hip restaurants/bars, breath-taking mountain views and hot real estate dynamics



Strong mix of AAA national and local tenants including Loblaws, Tim Hortons, Vancity and Co-op BC.



Located just three minutes from the New St. Paul's Hospital and the Mount Pleasant/ Great Northern Way tech and creative hub



Quality concrete building with ample covered underground parking and well-designed space



Table of Contents

The Opportunity	2
Confidentiality & Offering Process	4
Property Description	7
Property Overview	8
Location Overview	10
Building Photo Gallery	14
Tenancy Information	17
Rent Roll	18
Major Tenant Description	20
Income Statement	21
Tenancy Summary	22
Current Term Rollover by Year	23
Land Use & Planning Context	25
Existing Zoning & Development Potential	26
Market Overview	29
Office & Retail Leasing Market Overview	30
Condo Market Overview	32
Appendices	35
11 year Cash Flow Projection	36
Cash Flow Assumptions	37



Offering Process

Offering Process

Colliers is pleased to present a rare opportunity to own Il Mercato - an iconic retail property with phenomenal potential for income growth and long-term redevelopment in Vancouver's most desirable "East Van" location.

Prospective purchasers are invited to submit Offers to Purchase the Property through Colliers for consideration by the Vendor. A bid date will be set by Colliers after an initial marketing period.

Any Offer to Purchase the Property (the "Offer") is to be submitted to Colliers on the Vendor's standard offering form; available upon request from Colliers.

For further information or to submit an offer, please contact:

Simon Lim

Personal Real Estate Corporation
Executive Vice President
DIR +1 604 661 0882
simon.lim@colliers.com

James Lang

Vice President
DIR +1 604 661 0868
james.lang@colliers.com

Jessica Hathaway

Associate Vice President
DIR +1 604 694 7227
jessica.hathaway@colliers.com

Review of Offers

All Offers to purchase the Property 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, and the timeliness and proposed conditions of closing. The Vendor will negotiate with the prospective purchaser(s) whose purchase proposal is judged to be most attractive to the Vendor, in its sole and absolute discretion. The Vendor is not obliged to accept any Offer and reserves the right to reject any or all Offers received. At any time prior to entering into an Offer, the Vendor may request additional information from prospective purchasers. Failure to provide such information on a timely basis may result in the termination of discussions. The Vendor reserves the right to end the sale process in respect of the Property or to cease discussions with any and all prospective purchasers at any time prior to accepting an Offer, without notice or liability.

Confidentiality

By accepting this Confidential Investment Memorandum ("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 Millennium City Malls Inc. (the "Vendor") and Colliers International Incorporated. Brokerage (the "Agents"). Prospective purchasers will not use or permit this CIM to be used in any manner detrimental to the interests of the Vendor, the Agents or their affiliates or for any other purpose than a proposed purchase of the Property. The recipient of this CIM agrees to provide the Agents with a list of those persons to whom the CIM or any this CIM or any information contained herein is provided.

Disclaimer

Neither the Vendor nor Colliers, nor any of their respective affiliates, directors, officers, shareholders, employees, agents, solicitors, accountants, advisors or other representatives, makes any representations, declarations or warranties, express or implied, as to the accuracy or completeness of the information or statements contained in this CIM or of any other information provided or statements made by Colliers, the Vendor or their agents, and such material, information, or statements should not be relied upon by prospective purchasers without independent investigation and verification. This CIM does not purport to be all-inclusive or to contain all the information that a prospective purchaser may require in analyzing the Property. The information on which this CIM is based has been obtained from various sources considered reliable. All materials, information or statements are provided as a convenience to prospective purchasers only. The Vendor and Colliers and their respective affiliates, directors, officers, shareholders, employees, agents, solicitors, accountants, advisors and other representatives expressly disclaim any and all liability for any errors or omissions contained in this CIM or in any other oral or written communications given or made available to prospective purchasers. This CIM is not, and under no circumstances is it to be construed to be, an offering of securities, a prospectus, a public offering or an offering memorandum as defined under applicable securities legislation. No securities commission or regulatory authority in Canada, the United States of America or any other country has in any way passed judgment upon the merits of the opportunity to acquire the Property or the accuracy or adequacy of this CIM. The Vendor and Colliers reserve the right to withdraw, amend or replace all or any part of this CIM at any time and undertake no obligation to provide prospective purchasers with access to any additional information, other than as contemplated by the Vendor's form of Offer. In all cases, prospective purchasers should conduct their own investigation and analysis of the Property. Any sale of the Property will be subject to the terms of an accepted Offer, which will supersede all prior communications, including this CIM.



Property Description

Property Overview

Civic Address	1641 Commercial Drive, Vancouver, BC						
PID	004-456-815						
Site Area	59,850 SF (247.5 ft on Commercial Drive and 375.7 ft on East 1 st Avenue)						
Current Zoning	C-2C - Commercial, mixed-use residential development up to density of 3.0 FSR						
Current Improvements	Retail centre which includes a grocery store, two-storey gym and retail/office space.						
Net Rentable Area	<table> <tr> <td>Retail</td><td>51,208 SF</td></tr> <tr> <td>Office</td><td>15,265 SF</td></tr> <tr> <td>Total</td><td>66,473 SF</td></tr> </table>	Retail	51,208 SF	Office	15,265 SF	Total	66,473 SF
Retail	51,208 SF						
Office	15,265 SF						
Total	66,473 SF						
Traffic Count	Nearly 100,000 cars per day at the East 1st Avenue & Commercial Drive intersection						
OCP	Grandview Woodland Community Plan: 6-storey apartment with at-grade commercial, density up to 3.0 FSR						
Parking	155 stalls total (150 covered/5 outside)						
Loading Docks	3 loading docks						
WALE	3 years 8 months						

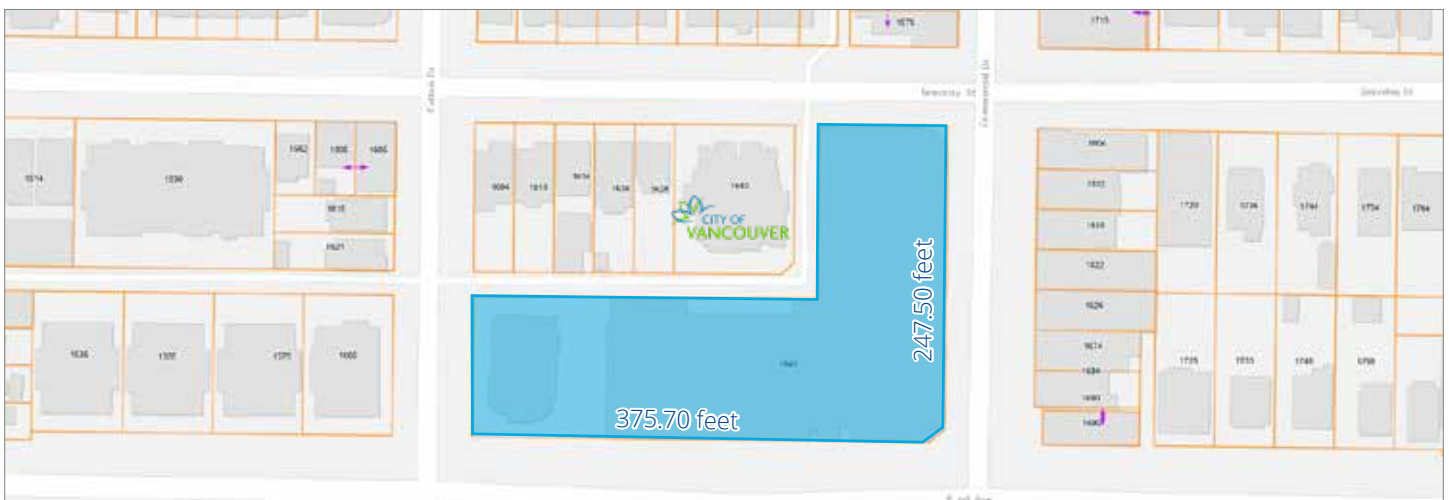


Net Operating Income

\$2,123,481
(Year End Dec 2023)

Rents are 21% below market

Legal Plan





Location Overview

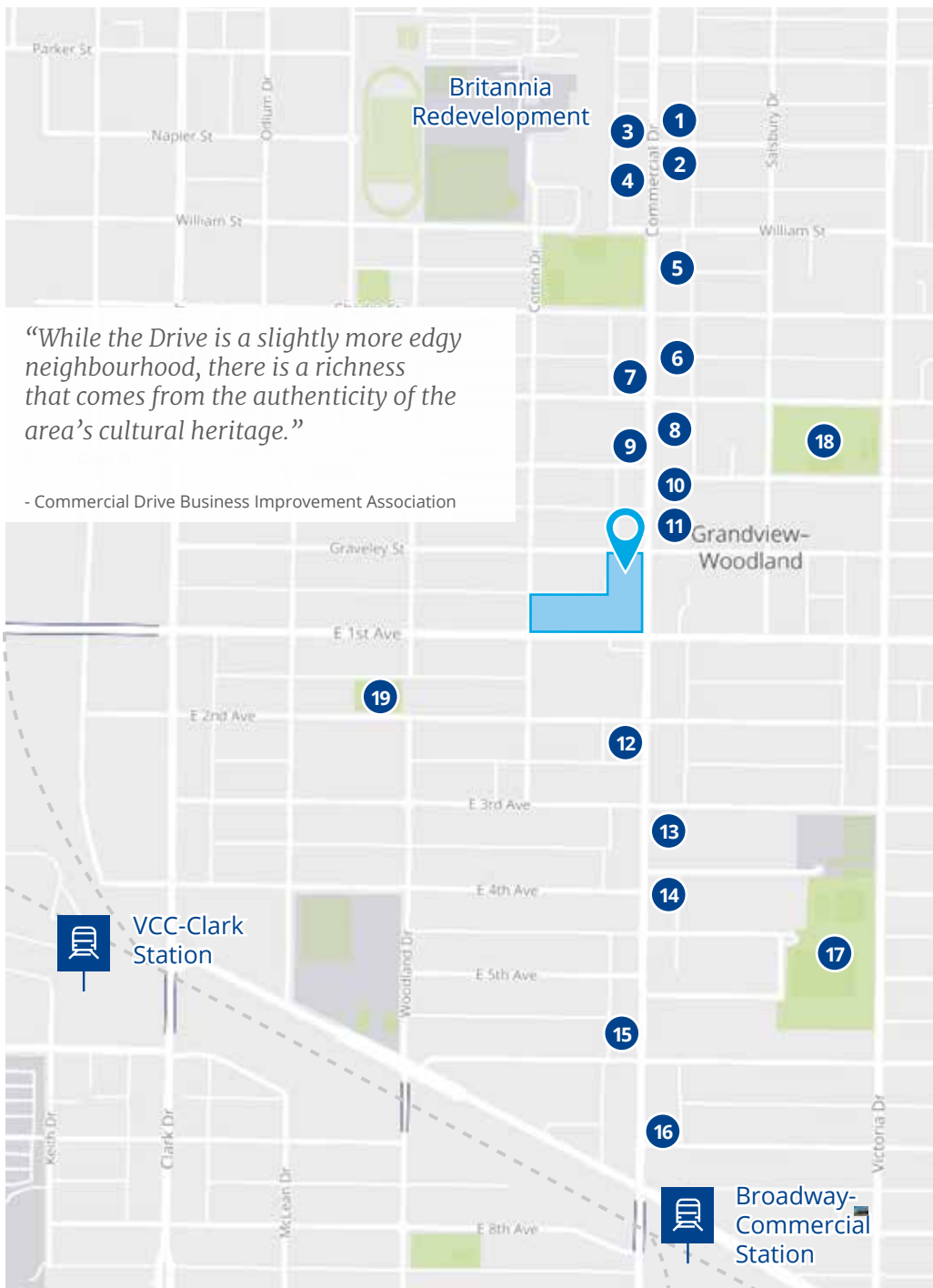
With the highest foot traffic in Vancouver, Commercial Drive offers 22 blocks with over 300 shop and restaurants rivaling many of the best neighbourhood highstreets in North America. Furthermore, in May 2021, Vancouver City Council passed a motion calling for Commercial Drive to be designed as “pedestrian-first” street to create a European-style streetscape will advance the ever-increasing desirability of the neighbourhood.

Il Mercato is located in the epicenter of Vancouver with convenient access to Downtown Vancouver, the False Creek Flats, New St. Paul's Hospital, and Highway 1, with nearly 100,000 vehicles passing through the intersection on a daily basis. The future Broadway Line will also integrate into the nearby VCC-Clark and Commercial Broadway stations providing critical east-west access to Arbutus Street (and eventually UBC).



The property's proximity to the new St. Paul's Hospital will further increase demand for medical, biotech and housing in this location. The proposed redevelopment of the Britannia Community Services Centre (including a new library) located 4 blocks to the north of the property will also bring major value to the area.





Nearby Amenities

- | | | |
|-----------------------|----------------------------|-----------------------|
| 1 Lunch Lady | 8 Marcello Ristorante | 15 Grandview Lanes |
| 2 Moja Coffee | 9 The Charlatan | 16 Jam Jar Canteen |
| 3 Choices Market | 10 Sopra Sotto Pizzeria | 17 McSpadden Park |
| 4 Reach Health Centre | 11 BC Liquor Store | 18 Victoria Park |
| 5 Havana Vancouver | 12 La Grotta Del Formaggio | 19 Alice Townley Park |
| 6 Rosemary Rocksalt | 13 Prado Cafe | |
| 7 LIVIA Sweets | 14 Kishimoto | |



1



New St. Paul's Hospital Site

2



New Lululemon Head Office Development

3



Britannia Redevelopment

Located in the heart of Vancouver's evolving East Vancouver market.

East Vancouver is quickly becoming Vancouver's new creative and tech area and is attracting high-profile companies looking for employees who are wanting to live, work and play in hip nodes outside of downtown.

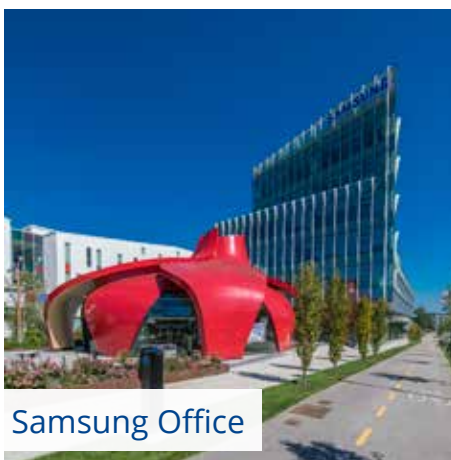
The area is extremely well connected with proximity to Downtown and all of Metro Vancouver by both driving and the SkyTrain. The Broadway SkyTrain Extension will only improve accessibility to the area and draw even more attention from large-scale tech companies and bio-science employers.



Emily Carr University



EA Sports Vancouver Office



Samsung Office



EA Sports Vancouver Office



Emily Carr University

Building Photo Gallery







Tenancy Information

Rent Roll

Unit No.	Type	Tenant	Size (SF)	Expiration Date	Escalation Date	Base Rent (per SF)	Renewal Options	Demolition
100	The Bench Bakehouse	Retail	1,082	1/31/2029	2/1/2023 2/1/2026	\$28.00	N	N
						\$32.00		
						\$34.00		
105	Kung Kwan Holdings	Retail	392	12/31/2024	1/1/2023	\$49.00 \$51.00	1 x 5 year	N
110	Bioslik Environments	Retail	239	4/30/2023		\$47.00	N	N
175	Rashid Rashid	Retail	266	10/31/2024	11/1/2022	\$67.00 \$69.00	1 x 5 year	N
245	Open Door Yoga	Retail	1,389	6/30/2022		\$19.00	N	N
F/S	Fit Forever Fitness ²	Retail	7,943	6/30/2022		\$18.00	N	N
1010	Vancity Credit Union	Retail	5,760	7/31/2026	8/1/2022 8/1/2024	\$48.00	1 x 5 year	N
						\$50.00		
						\$52.00		
1070	Melanie Mark, MLA	Retail	1,065	11/30/2024	7/1/2023	\$40.00 \$42.00	N	Y
1120	Lombardo's Pizzeria & Ristorante	Retail	1,672	7/31/2023		\$41.00	1 x 5 year	N
1190	Care Point Medical Centres	Retail	2,444	3/31/2022		\$43.00	1 x 5 year	N
1240	Junior's Pub	Retail	3,812	3/31/2024	4/1/2022	\$31.50 \$33.00	2 x 5 year	Y
1605	Babylon Iraquie Cafe	Retail	743	3/31/2022		\$55.00	1 x 5 year	N
1617	Mercato Dental Centre	Retail	1,708	9/30/2025	10/1/2022	\$48.00 \$50.00	1 x 5 year	N
1629	Metropolitan Insurance Brokers	Retail	1,180	3/31/2023	4/2/2022	\$47.00 \$48.00	N	N
1635	Tim Hortons	Retail	2,024	11/30/2028	12/1/2023 12/1/2026	\$51.00 \$52.00 \$55.00	N	Y

Unit No.	Type	Tenant	Size (SF)	Expiration Date	Escalation Date	Base Rent (per SF)	Renewal Options	Demolition
1645	Loblaws (Super Valu)	Retail	14,802	8/31/2026	9/1/2023	\$27.00 \$30.00	1 x 5 year	Y
1651	Her Majesty the Queen in Right of the Province BC	Retail	3,631	10/31/2026	11/1/2022 11/1/2024	\$20.00 \$21.00 \$22.00	1 x 5 year	N
1666	Kiario Brands	Retail	1,056	10/31/2024	3/1/2022	\$30.00 \$32.00	2 x 5 year	N
202	DBA East Vancouver Counselling	Office	1,760	3/31/2031	4/1/2024 4/1/2027	\$23.50 \$26.00 \$28.00	N	Y
206	Living through Loss Counselling Society of BC ¹	Office	834	7/1/2022		\$16.00	N	N
255	Co-op Housing Fed of BC	Office	1,094	11/30/2026	12/1/2022	\$23.00 \$24.00	N	N
260	Co-op Housing Fed of BC	Office	8,767	11/30/2026	12/1/2022 12/1/2023 12/1/2024 12/1/2025	\$17.00 \$18.00 \$19.00 \$20.00 \$21.00	N	N
265	Co-op Housing Fed of BC	Office	1,030	11/30/2026	12/1/2022	\$23.00 \$24.00	N	N
270	Co-op Housing Fed of BC	Office	1,780	11/30/2026	12/1/2022	\$23.00 \$24.00	N	N
Total			66,473					

¹month to month lease

²Currently a gross lease; Argus assumes upon expiry, net lease at \$25 per SF

Type	Size (SF)	Average Rents	% Below Market
Retail	51,208	\$32.70	-20%
Office	15,265	\$20.06	-28%
Total	66,473	\$29.79	-21%

Major Tenant Description



Loblaws

Loblaws Inc. (dba Super Valu) is a Canadian supermarket chain with stores located across the country. Headquartered in Brampton, Ontario, Loblaws is a subsidiary of Loblaw Companies Limited, Canada's largest food distributor. The Super Value store has become an institution on Commercial Drive and is open 24 hours per day, seven days per week, 365 days every year.



Tim Hortons

Tim Hortons Inc. is a multinational fast food restaurant chain that serves coffee, doughnuts and other fast food convenience goods. It is Canada's largest quick-service restaurant chain. It was purchased by Burger King in 2014 and became a subsidiary of Restaurant Brands International, which is majority-owned by Brazilian investment firm 3G Capital.



Vancity

Vancouver City Savings Credit Union, is a member-owned financial co-operative headquartered in Vancouver, BC. By asset size, Vancity is the largest community credit union in Canada with nearly \$30 billion in assets plus assets under administration, 60 branches and more than 543,000 members.



CHF BC

The Co-operative Housing Federation of BC (CHF BC) is made up of member housing co-ops and associated organizations across British Columbia. CHF BC's purpose is to expand non-profit co-op housing, promote better housing conditions in BC, and promote the co-op movement and co-op principles across BC.

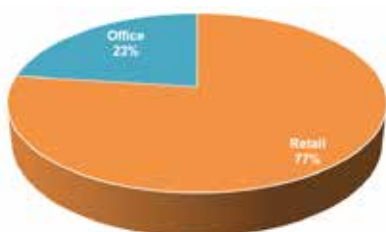
Income Statement

Cash Flow Projection	Rate PSF /	Year 1 Year End Dec 2022	Year 2 Year End Dec 2023
Base Rental Revenue	\$30.36	\$2,017,892	\$2,125,324
Absorption and Turnover Vacancy	(\$0.60)	(\$40,145)	(\$26,594)
Scheduled Base Rental Revenue	\$29.75	\$1,977,747	\$2,098,730
Operating Recoveries	\$11.70	\$777,407	\$853,187
Realty Tax Recoveries	\$5.74	\$381,347	\$418,519
Total Reimbursement Revenue	\$17.43	\$1,158,754	\$1,271,706
Miscellaneous Revenue	\$0.53	\$35,000	\$35,875
Parking Revenue	\$1.26	\$84,000	\$86,100
Total Potential Gross Revenue	\$48.97	\$3,255,501	\$3,492,411
Vacancy Allowance	(\$1.17)	(\$77,874)	(\$87,290)
Effective Gross Revenue	\$47.80	\$3,177,627	\$3,405,121
Operating Costs	\$12.62	\$838,879	\$859,852
Realty Tax Expense	\$6.19	\$411,500	\$421,788
Total Operating Expenses	\$18.81	\$1,250,379	\$1,281,640
Net Operating Income	\$28.99	\$1,927,248	\$2,123,481

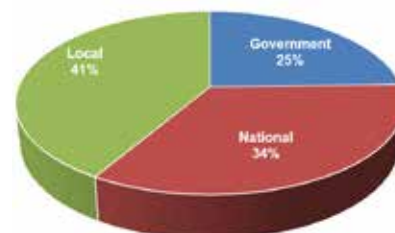
Tenancy Summary

Unit #	Tenant	Type	Size (SF)	Expiry	Classification	% Total
100	The Bench Bakehouse	Retail	1,082	2029	Local	1.63%
105	Kung Kwan Holdings	Retail	392	2024	Local	0.59%
110	Bioslik Environments	Retail	239	2023	Local	0.36%
175	Rashid Rashid	Retail	266	2024	Local	0.40%
245	Open Door Yoga	Retail	1,389	2022	Local	2.09%
F/S	Fit Forever Fitness*	Retail	7,943	2022	Local	11.95%
1010	Vancity Credit Union	Retail	5,760	2033	National	8.67%
1070	Melanie Mark, MLA	Retail	1,065	2026	Local	1.60%
1120	Lombardo's Pizzeria & Ristorante	Retail	1,672	2024	Local	2.52%
1190	Care Point Medical Centres	Retail	2,444	2023	Local	3.68%
1240	Junior's Pub	Retail	3,812	2022	Local	5.73%
1605	Babylon Iraquie Cafe	Retail	743	2024	Local	1.12%
1617	Mercato Dental Centre	Retail	1,708	2022	Local	2.57%
1629	Metropolitan Insurance Brokers	Retail	1,180	2025	Local	1.78%
1635	Tim Hortons	Retail	2,024	2023	National	3.04%
1645	Loblaws (Super Valu)	Retail	14,802	2028	National	22.27%
1651	Her Majesty the Queen in Right of the Province BC	Retail	3,631	2026	Government	5.46%
1666	Kiaro Brands	Retail	1,056	2021	Local	1.59%
202	DBA East Vancouver Counselling	Office	1,760	2031	Local	2.65%
206	Living through Loss Counselling Society of BC	Office	834	2022	Local	1.25%
255	Co-op Housing Fed of BC	Office	1,094	2026	Government	1.65%
260	Co-op Housing Fed of BC	Office	8,767	2026	Government	13.19%
265	Co-op Housing Fed of BC	Office	1,030	2026	Government	1.55%
270	Co-op Housing Fed of BC	Office	1,780	2026	Government	2.68%
Total			66,473			100.00%

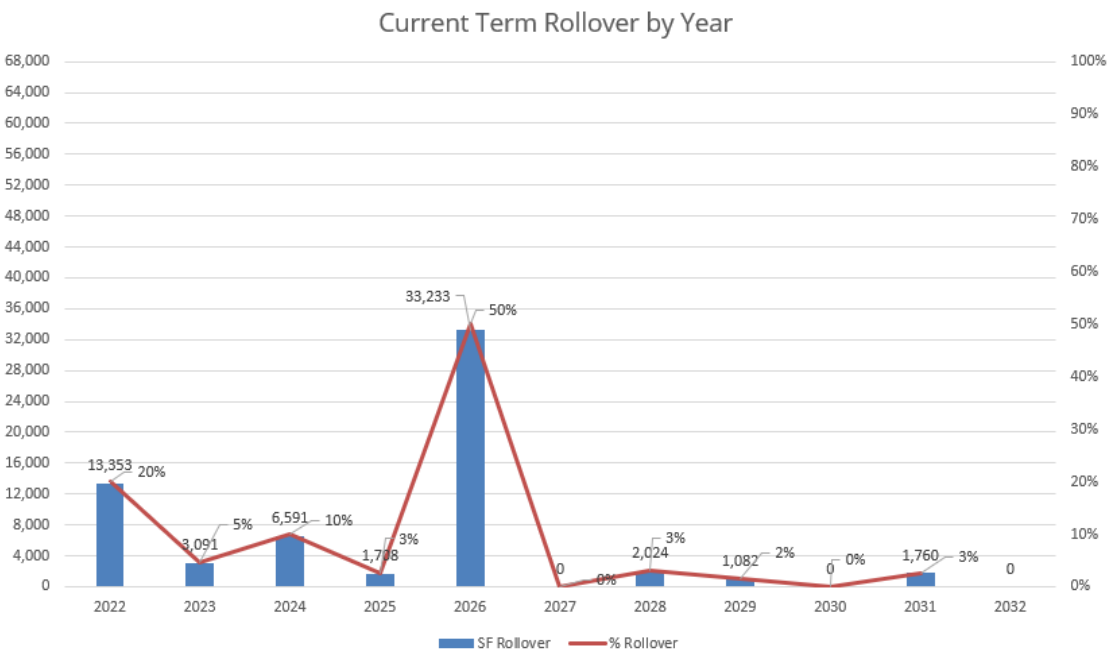
Type of Use



Type of Profile



Current Term Rollover by Year





Land Use & **Planning Context**

Land Use & Planning

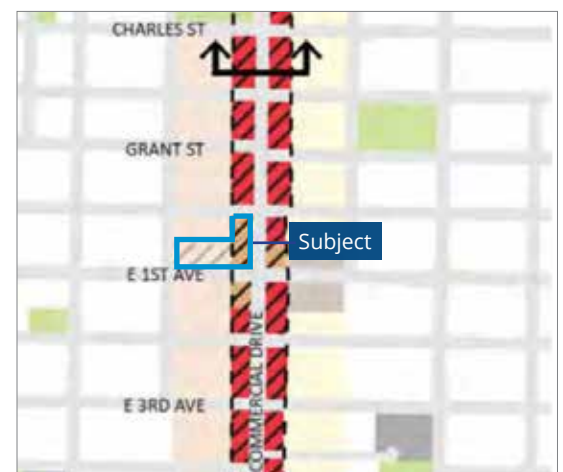
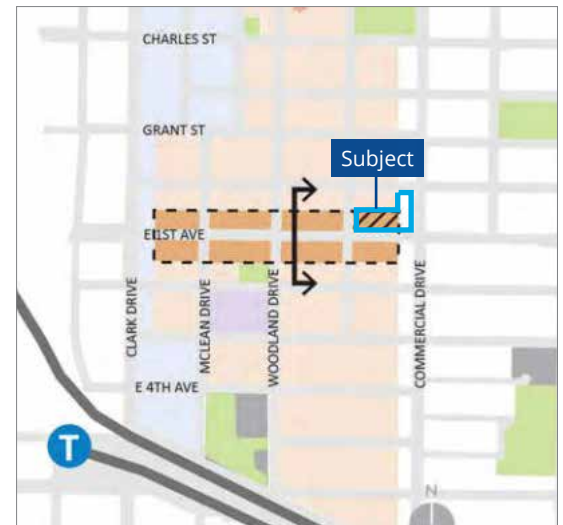
Current Zoning

C-2C - Commercial, which provides potential for mixed-use residential development up to density of 3.0 FSR.

Official Community Plan

The Grandview Woodland Community Plan is aligned with the Property's current zoning and designates the property for 6-storey residential with an at-grade commercial podium with density up to 3.0 FSR.

- A mix of commercial uses, which may include rental, service, and community serving uses, is required on the first floor. Office is encouraged on the second floor. Residential is permitted on upper floors.
- Height: up to 6 storeys.
- Density: up to 3.0 FSR.
- Upper floor: above 13.7 m (45 ft.) set back 3 m (10 ft.) to maintain the character street wall.
- Require a front setback to achieve/maintain a minimum 5.5 m (18 ft.) sidewalk.



Legend

	SkyTrain Station
	SkyTrain Line
	Park
	School/Institution
	Apartment (10+ Storeys)
	Apartment (9 Storeys)
	Apartment (6 Storeys)
	Traditional/Historic Shopping District (4 Storeys)
	At-grade commercial

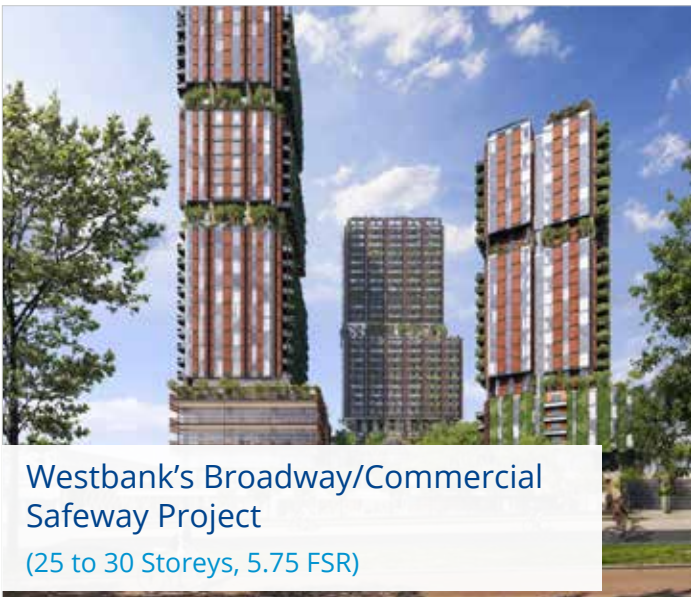


An opportunity to transform & define the neighbourhood.

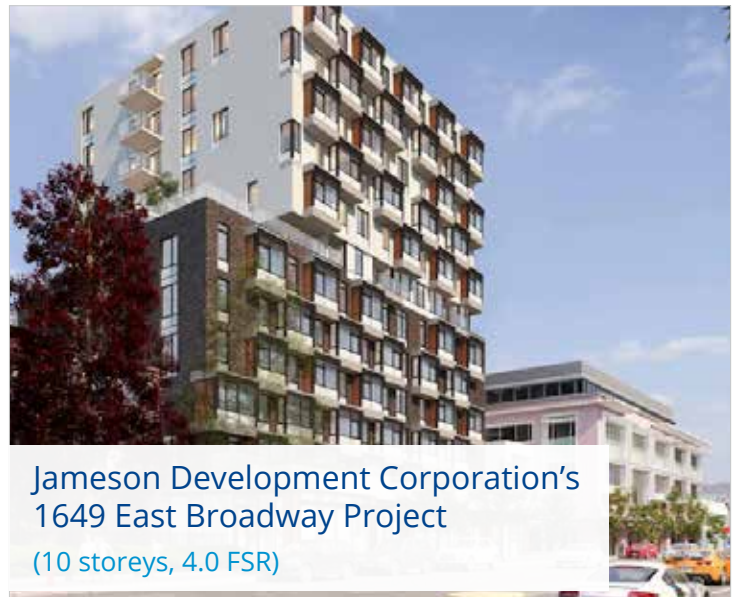
Although the Grandview Woodland Plan was approved in 2016, the City of Vancouver's recent "Streamlining Rental" program may provide rationale for higher density than originally anticipated in the plan.

For example, Jameson Development Corporation's 1649 East Broadway project was originally slated for 10 storeys and 4.0 FSR density, but was approved for additional height and density for 100% rental development with 20% below market rents.

As the property is situated on two major thoroughfares and is only remaining large "gateway" site on Commercial Drive, the property is the choice for a marquee redevelopment.



Westbank's Broadway/Commercial Safeway Project
(25 to 30 Storeys, 5.75 FSR)



Jameson Development Corporation's 1649 East Broadway Project
(10 storeys, 4.0 FSR)



Market Overview

Office & Retail Leasing Market Overview

Retail

Type	Unit	Commencement Date	Address	Size (SF)	Net Rate PSF
Listing	-		1126 Commercial Drive	750	\$55.00
Listing	-	-	1816 Commercial Drive	1,324	\$55.00
Listing	-	-	2057 Commercial Drive	1,106	\$45.00
Listing	-	-	1983 Commercial Drive	1,300	\$42.00
Leased	101	Jan-19	565 Great Northern Way	2,000	\$59.00
Leased	-	Dec-18	1949 Commercial Drive	440	\$61.09
Leased		Dec-18	1661 East Broadway	1,043	\$46.50

Office

Type	Unit	Commencement Date	Address	Size (SF)	Net Rate PSF
Listing	-	-	1256 East 6th Ave	6,381	\$26.00
Listing	430	-	887 Great Northern Way	2,657	\$35.00
Listing	1st & 2nd Floor	-	111 5 Avenue East	11,045 & 32,160	\$35.00
Listing	600	-	369 Terminal Ave	1,741	\$29.00
Listing	110 & 120 & 250& 310	-	2285 Clark Drive	1,862 & 6,432 & 4,635 & 2,200	\$27.00 - \$30.00
Leased	450	May-22	2955 Virtual Way	4,634	\$35.00
Leased	110	Mar-22	2920 Virtual Way	10,967	\$25.00
Leased	300	Dec-21	565 Great Northway	29,251	\$34.02
Leased	450	Sep-20	887 Great Northern Way	10,946	\$35.71
Leased	-	Mar-20	101 2 Ave East	3,768	\$33.60



Condo Market Overview

The Vancouver East Side market continues to be one of the Vancouver's emerging residential markets. The gap in pricing between Vancouver Eastside and its western counterpart has narrowed as schools, community centres, amenities, and the general demographic of the area continue to improve. The landmark location of the Property in Commercial Drive will underpin strong condo values.



Market highlights

- There are four notable wood frame projects that are currently actively selling in East Vancouver are The Saint George, Popolo, Habitat, and Main & Twentieth. Benchmark pricing for woodframe projects is \$1,212 per square foot in Main & Twentieth.
- Similarly, three notable concrete projects that are actively selling are Format, Second + Main and Joyce. Benchmark pricing for concrete projects is \$1,322 per square foot in Joyce.
- Despite the Commercial Drive market being one of the best up-and-coming neighborhoods in Vancouver, condo prices have lagged other East Vancouver markets such as Mount Pleasant with recent notable projects such as The Saint George, Habitat, and Main & Twentieth selling at \$1,136/SF, \$1,146/SF and \$1,212/SF. This market will continue to benefit from the gentrification of the Grandview Woodland Community as young professionals are priced out of the Vancouver West Market.

Notable Comparable Active Selling Wood Frame East Vancouver Projects

Project	Price/SF	Sales Start Date	Status
The Saint George	\$1,136	June 4, 2021	40% sold out of 91 units
Popolo	\$1,040	October 7, 2020	53% sold out of 81 units
Habitat	\$1,146	September 19, 2020	100% sold out of 70 units
Main & Twentieth	\$1,212	February 10, 2018	100% sold out of 42 units
Average	\$1,135		67% sold out of 284 units

Notable Comparable Active Selling Concrete East Vancouver Projects

Project	Price/SF	Sales Start Date	Status
Format	\$1,032	October 17, 2020	53% sold out of 123 units
Second + Main	\$1,314	November 18, 2017	92% sold out of 233 units
Joyce	\$1,322	June 16, 2017	95% sold out of 256 units
Average	\$1,283		85% sold out of 612 units

An aerial photograph of a city, likely New York City, showing a dense urban landscape with numerous buildings and streets. The image is overlaid with a semi-transparent blue filter. The word "Appendices" is centered in white text.

Appendices

11 Year Cash Flow Projections

Cash Flow Projection		Year-1	Year-2	Year-3	Year-4	Year-5	Year-6	Year-7	Year-8	Year-9	Year-10	Year-11
For the Year Ending	Rate PSF /	Dec-2022	Dec-2023	Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031	Dec-2032
Base Rental Revenue	\$30.36	\$2,017,892	\$2,125,324	\$2,196,594	\$2,251,011	\$2,369,584	\$2,654,099	\$2,681,371	\$2,756,295	\$2,783,915	\$2,846,907	\$3,011,068
Absorption and Turn-over Vacancy	(\$0.60)	(\$40,145)	(\$26,594)	(\$37,058)	(\$25,735)	(\$111,578)	(\$78,942)	(\$41,825)	(\$48,108)	(\$35,461)	(\$91,968)	(\$144,979)
Scheduled Base Rental Revenue	\$29.75	\$1,977,747	\$2,098,730	\$2,159,536	\$2,225,276	\$2,258,006	\$2,575,157	\$2,639,546	\$2,708,187	\$2,748,454	\$2,754,939	\$2,866,089
Operating Recoveries	\$11.70	\$777,407	\$853,187	\$868,824	\$897,420	\$889,454	\$921,163	\$962,835	\$982,397	\$1,012,783	\$1,025,649	\$1,015,381
Realty Tax Recoveries	\$5.74	\$381,347	\$418,519	\$426,190	\$440,216	\$436,309	\$451,864	\$472,305	\$481,901	\$496,806	\$503,117	\$498,079
Total Reimbursement Revenue	\$17.43	\$1,158,754	\$1,271,706	\$1,295,014	\$1,337,636	\$1,325,763	\$1,373,027	\$1,435,140	\$1,464,298	\$1,509,589	\$1,528,766	\$1,513,460
Miscellaneous Revenue	\$0.53	\$35,000	\$35,875	\$36,772	\$37,691	\$38,633	\$39,599	\$40,589	\$41,604	\$42,644	\$43,710	\$44,803
Parking Revenue	\$1.26	\$84,000	\$86,100	\$88,253	\$90,459	\$92,720	\$95,038	\$97,414	\$99,850	\$102,346	\$104,904	\$107,527
Total Potential Gross Revenue	\$48.97	\$3,255,501	\$3,492,411	\$3,579,575	\$3,691,062	\$3,715,122	\$4,082,821	\$4,212,689	\$4,313,939	\$4,403,033	\$4,432,319	\$4,531,879
Vacancy Allowance	(\$1.17)	(\$77,874)	(\$87,290)	(\$83,767)	(\$94,788)	(\$105,471)	(\$87,560)	(\$104,830)	(\$105,962)	(\$105,698)	(\$124,016)	(\$76,823)
Effective Gross Revenue	\$47.80	\$3,177,627	\$3,405,121	\$3,495,808	\$3,596,274	\$3,609,651	\$3,995,261	\$4,107,859	\$4,207,977	\$4,297,335	\$4,308,303	\$4,455,056
Operating Costs	\$12.62	\$838,879	\$859,852	\$881,348	\$903,383	\$925,965	\$949,114	\$972,843	\$997,163	\$1,022,091	\$1,047,644	\$1,073,838
Realty Tax Expense	\$6.19	\$411,500	\$421,788	\$432,332	\$443,140	\$454,219	\$465,574	\$477,214	\$489,144	\$501,373	\$513,907	\$526,755
Total Operating Expenses	\$18.81	\$1,250,379	\$1,281,640	\$1,313,680	\$1,346,523	\$1,380,184	\$1,414,688	\$1,450,057	\$1,486,307	\$1,523,464	\$1,561,551	\$1,600,593
Net Operating Income	\$28.99	\$1,927,248	\$2,123,481	\$2,182,128	\$2,249,751	\$2,229,467	\$2,580,573	\$2,657,802	\$2,721,670	\$2,773,871	\$2,746,752	\$2,854,463
Tenant Improvements	\$0.39	\$26,121	\$13,699	\$15,019	\$22,739	\$23,842	\$116,640	\$15,499	\$30,837	\$15,321	\$48,631	\$117,739
Leasing Commissions	\$0.25	\$16,552	\$16,223	\$24,531	\$13,893	\$152,536	\$62,143	\$18,355	\$63,144	\$11,817	\$180,702	\$64,973
Structural Reserve	\$0.24	\$15,888	\$17,026	\$17,479	\$17,981	\$18,048	\$19,976	\$20,539	\$21,040	\$21,487	\$21,542	\$22,275
Total Leasing and Capital Costs	\$0.88	\$58,561	\$46,948	\$57,029	\$54,613	\$194,426	\$198,759	\$54,393	\$115,021	\$48,625	\$250,875	\$204,987
Cash Flow Before Debt Service	\$28.11	\$1,868,687	\$2,076,533	\$2,125,099	\$2,195,138	\$2,035,041	\$2,381,814	\$2,603,409	\$2,606,649	\$2,725,246	\$2,495,877	\$2,649,476

Cash Flow Assumptions

Leasing and Cash Flow Assumptions

Analysis Start Date January 1, 2022

Growth Rates

General Inflation	2.50%
Expenses	2.50%
Revenue	2.50%

Vacancy Allowance

All Tenants (excl. Vancity, Tim Hortons, Loblaws) 5.0% of potential gross revenue per annum

Structural Reserve

Structural Reserve 0.50% of EGR

Leasing Assumption

Unit #	Tenant(s)	Rent	Renewal Probability	Term	Downtime	TI (New/Renewal)	Leasing Commission (New/Renewal)
100	The Bench Bakehouse	\$45.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
105	Kung Kwan Holdings	\$65.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
110	Bioslik Environments	\$65.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
175	Rashid Rashid	\$65.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
202	DBA East Vancouver Counselling	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
206	Living through Loss Counselling Society of BC	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
245	Open Door Yoga	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
255	Co-op Housing Fed of BC	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
260	Co-op Housing Fed of BC	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
265	Co-op Housing Fed of BC	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
270	Co-op Housing Fed of BC	\$28.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
F/S	Fit Forever Fitness	\$25.00 per SF per annum	75%	5 years	6 months	\$15/0	\$15/0
1010	Vancity Credit Union	\$60.00 per SF per annum	75%	5 years	6 months	\$15/0	\$15/0
1070	Melanie Mark, MLA	\$45.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
1120	Lombardo's Pizzeria & Ristorante	\$45.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
1190	Care Point Medical Centres	\$55.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
1240	Junior's Pub	\$35.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
1605	Babylon Iraqie Cafe	\$60.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
1617	Mercato Dental Centre	\$55.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
1629	Metropolitan Insurance Brokers	\$55.00 per SF per annum	75%	5 years	6 months	\$20/0	\$7.50/0
1635	Tim Hortons	\$60.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
1645	Loblaws (Super Valu)	\$35.00 per SF per annum	100%	5 years	6 months	\$15/0	5%/3%
1651	Her Majesty the Queen in Right of the Province BC	\$23.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%
1666	Kiaro Brands	\$35.00 per SF per annum	75%	5 years	6 months	\$15/0	5%/3%



Colliers

Il Mercato

1641 Commercial Drive, Vancouver BC

In Italy “The Market” is the beating heart of food and community, where locals shop for what’s fresh and friends gather over an espresso and pastry in the middle of the day. “Il Mercato” serves as the hub of Vancouver’s Little Italy neighbourhood, an area undergoing its own renaissance as the city’s “East is the new West” mentality continues.

Simon Lim

Personal Real Estate Corporation
Executive Vice President
604 661 0882
simon.lim@colliers.com

James Lang

Vice President
604 661 0868
james.lang@colliers.com

Jessica Hathaway

Associate Vice President
604 694 7227
jessica.hathaway@colliers.com

This document has been prepared by Colliers International for advertising and general information only. Colliers International 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 International 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 international and/or its licensor(s).