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FOR SALE

NORTHPOINTE CROSSING

2350 Division Avenue NW | Medicine Hat, Alberta

Strategic North Medicine Hat Retail Investment

EXECUTIVE SUMMARY

NORTHPOINTE CROSSING

2350 Division Avenue NW | Medicine Hat, Alberta
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Northpointe Crossing represents a compelling opportunity to acquire an established multi-building neighbourhood retail centre strategically positioned along Division Avenue NW in North Medicine Hat. Offered at $15,250,000, the property generates approximately $898,922 Year 1 NOI, representing an attractive 5.89% proforma cap rate.

The centre comprises approximately 45,853 SF of rentable area across six buildings situated on a substantial 7.26-acre site, with approximately 253 surface parking stalls. At 80% occupancy, the investment combines established income with meaningful opportunity to increase revenue and asset value through the lease-up of existing vacancies and continued optimization of the tenant mix.

Northpointe Crossing is anchored by Shoppers Drug Mart, which occupies approximately 17,038 SF, and benefits from a complementary tenant roster including Tim Hortons, Pet Valu, Chopped Leaf, Prairie Donair, insurance and other service-oriented uses. The combination of national, regional and local tenants provides diversified consumer traffic and positions the centre as an established daily-needs retail destination.

The property is further strengthened by its location within an established north Medicine Hat commercial node. Co-op and the adjacent Big Marble Go Centre provide additional retail, recreational and destination traffic, while convenient connections to Division Avenue, Rotary Centennial Drive and the Trans-Canada Highway support accessibility from surrounding residential communities and the broader Medicine Hat trade area.

THE INVESTMENT OPPORTUNITY

$15.25M Purchase Price | 5.89% Proforma Cap Rate | $898,922 year 1 NOI
45,941 SF Rentable Area | 7.26 Acres | 80% Occupancy | 253± Parking Stalls

Northpointe Crossing offers investors the opportunity to acquire a well-established, grocery-shadow-anchored neighbourhood retail asset with significant land holdings, national covenant tenancy and built-in leasing upside. Current vacancy provides a clear pathway to NOI growth, while the scale of the site and Mixed Use land designation provide additional long-term flexibility.

With strong existing income, an attractive going-in yield and identifiable opportunities for further value creation, Northpointe Crossing presents a balanced investment proposition combining immediate cash flow with longer-term upside in an established Medicine Hat retail location.

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PROPERTY OVERVIEW

PROPERTY	Northpointe Crossing
ADDRESS	2350 Division Avenue NW, Medicine Hat, AB
ASSET TYPE	Multi-Tenant Neighbourhood Retail Centre
PURCHASE PRICE	$15,250,000
YEAR 1 NOI	$898,922
PROFORMA CAP RATE	5.89%
RENTABLE AREA	45,941 SF
SITE AREA	7.26 Acres
OCCUPANCY	80%
BUILDINGS	6
STOREYS	1
PARKING	253± Surface Stalls
YEAR BUILT	2010 / 2016
LAND USE	MU – Mixed Use District
HIGHEST & BEST USE	Existing Retail
MAJOR ANCHOR	Shoppers Drug Mart
RETAIL ENVIRONMENT	Co-op Shadow Anchor / Big Marble Go Centre Adjacent

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INVESTMENT HIGHLIGHTS

- **Attractive 5.89% proforma cap rate** with approximately **$898,922 in year 1 NOI**
- **Established 45,941 SF multi-tenant retail centre** situated on a substantial **7.26-acre site**
- **Anchored by Shoppers Drug Mart**, providing strong national covenant tenancy and consistent consumer traffic
- **80% occupied**, offering immediate income with **meaningful lease-up and NOI growth potential**
- **Diversified tenant mix** including Tim Hortons, Pet Valu, Chopped Leaf and complementary service-oriented businesses
- **Strategic North Medicine Hat location** along Division Avenue NW, an established commercial arterial
- **Shadow-anchored by Co-op and adjacent to Big Marble Go Centre**, strengthening the surrounding retail and destination draw
- **253± surface parking stalls** with convenient access and strong on-site circulation
- **Six-building retail configuration** providing tenant diversity and flexibility across the property
- **Mixed Use land designation** and significant site area provide additional **long-term flexibility and value-creation potential**

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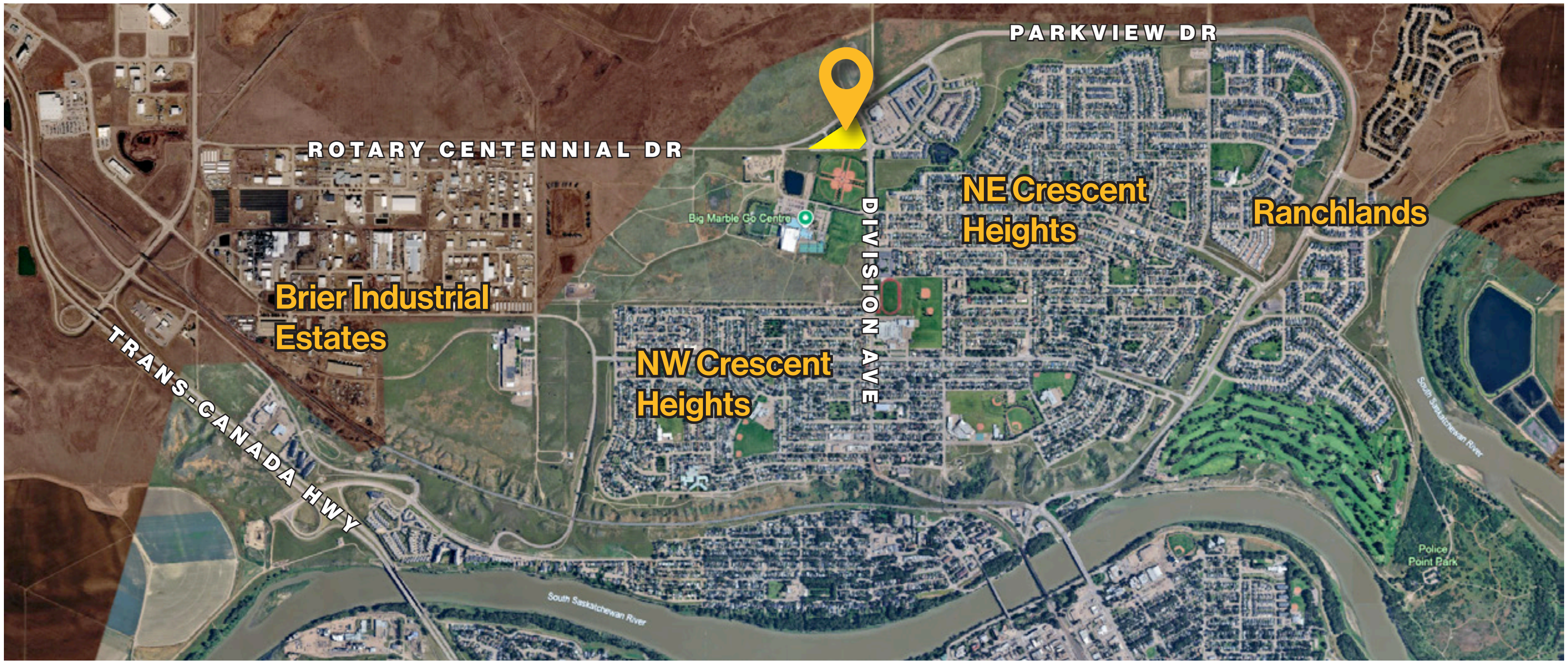
STRATEGIC NORTH MEDICINE HAT LOCATION



Northpointe Crossing is strategically positioned at 2350 Division Avenue NW in North Medicine Hat, within an established commercial node serving the city's north-end residential communities and broader regional trade area.

Located along Division Avenue NW, one of the area's primary commercial routes, the property benefits from strong accessibility, visibility and convenient connections to the Trans-Canada Highway and surrounding neighbourhoods.

The centre is further strengthened by its proximity to established destination uses, including Co-op and the adjacent Big Marble Go Centre, generating additional daily retail, recreational and community traffic. Combined with Shoppers Drug Mart as the centre's major anchor, Northpointe Crossing occupies a well-established position within the north Medicine Hat retail landscape.

- Prominent position along Division Avenue NW
- Convenient access to the Trans-Canada Highway
- Established North Medicine Hat commercial node
- Surrounded by established and growing residential communities
- Co-op shadow anchor strengthens the surrounding retail draw
- Adjacent to Big Marble Go Centre, a major recreation and community destination
- Strong combination of daily-needs, service and destination traffic
- Excellent vehicle accessibility with 253± surface parking stalls

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SITE & PROPERTY DETAILS

- **7.26-acre commercial site** developed as a multi-building neighbourhood retail centre
- **Six single-storey retail buildings** comprising approximately **45,941 SF of rentable area**
- **253± surface parking stalls** providing convenient customer and tenant parking
- **Multiple points of site access** supporting efficient vehicle circulation throughout the centre
- **Prominent exposure along Division Avenue NW**, providing strong visibility within North Medicine Hat
- **Flexible multi-tenant configuration** accommodating a diverse mix of retail, restaurant and service uses
- **Shoppers Drug Mart anchored**, supported by complementary national, regional and local tenants
- **Two existing vacant premises** provide immediate leasing and income-growth potential
- **MU – Mixed Use District zoning**, supporting the property's established commercial use and longer-term flexibility
- **Developed in phases between 2010 and 2016**, creating an established modern retail environment
- **Large-format site configuration** with substantial frontage, parking and internal circulation
- Strategically positioned alongside **Co-op and Big Marble Go Centre**, strengthening the overall commercial node

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TENANT LEASING INFORMATION

Northpointe Crossing features a diversified tenant roster anchored by Shoppers Realty Inc., which occupies approximately 17,038 SF under a long-term lease extending to January 2030. The centre is complemented by established retail, food service and service-oriented tenants including Pet Valu, Chopped Leaf, Tim Hortons, Prairie Donair, Co-operators General Insurance, Space Arcader and Value Vape.

The current rent roll totals 45,941 SF, with approximately 37,192 SF occupied and 8,749 SF identified as vacant, representing approximately 81% occupancy. The two vacant premises provide a significant opportunity for an incoming investor to increase rental income through strategic lease-up.

- **Shoppers Drug Mart represents approximately 37% of the centre's rentable area**, providing a substantial national anchor
- Diverse mix of **retail, restaurant, insurance and service tenants**
- Lease expiries extend through **2033**, providing a blend of near- and longer-term tenancy
- Approximately **8,749 SF of existing vacancy** across two premises creates a clear **lease-up and NOI growth opportunity**
- Existing vacant space represents approximately **19% of total rentable area**
- Established tenant mix supports **daily-needs shopping, food service and repeat customer traffic**
- Current occupied tenants generate potential gross rent of **$1.01 million in annual base rent**

TENANT	RENTABLE AREA	LEASE EXPIRY	ANNUAL RATE / SF	ANNUAL BASE RENT
SHOPPERS REALTY INC.	17,038 SF	Jan. 2030	$28.50	$485,583
PET VALU	3,533 SF	Feb. 2027	$32.00	$115,411
CHOPPED LEAF	1,701 SF	Mar. 2028	$26.00	$44,226
CANOPY GROWTH	3,654 SF	Sept. 2028	$33.00	$120,582
SPACE ARCADER	5,486 SF	Dec. 2030	$11.50	$63,089
TIM HORTONS	2,724 SF	June 2033	$39.00	$106,236
VALUE VAPE STORE	561 SF	Mar. 2029	$30.00	$16,830
PRAIRIE DONAIR	1,127 SF	Aug. 2031	$24.00	$27,048
CO-OPERATORS	1,368 SF	July 2030	$21.50	$29,412
Vacant	4,238 SF	—	—	—
Vacant	4,511 SF	—	—	—
TOTAL	45,941 SF			

FINANCIAL ANALYSIS / UNDERWRITING

Northpointe Crossing is being offered at $15,250,000. The detailed investment analysis provided with the property models Year 1 NOI of $898,922, increasing to $932,974 by Year 5, with gross operating income rising from approximately $1.55 million to $1.61 million over the same period.

5-YEAR OPERATING PERFORMANCE

FINANCIAL METRIC	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Base Rental Income	$1,078,409	$1,068,616	$980,157	$1,086,657	$1,105,154
Tenant Recoveries	$667,721	$675,379	$682,743	$692,073	$699,985
Other Income	$20,000	$20,200	$20,402	$20,606	$20,812
Gross Operating Income	$1,550,448	$1,561,727	$1,587,382	$1,582,005	$1,610,955
Operating Expenses	$651,526	$658,041	$664,622	$671,268	$677,981
Net Operating Income	$898,922	$903,686	$922,760	$910,737	$932,974

INVESTMENT PERFORMANCE

The provided underwriting assumes a $10.675 million first mortgage, representing 70% loan-to-value, at 4.25% interest with a 20-year amortization and five-year term. Under those assumptions, annual debt service is approximately $790,898.

The model projects a 14.58% five-year before-tax equity IRR and a 1.93x equity multiple, with the debt yield improving from 8.42% in Year 1 to 10.15% in Year 5 as the loan amortizes.

- $15,250,000 purchase price
- $898,922 Year 1 NOI
- NOI grows to approximately $932,974 by Year 5
- $1.55M+ Year 1 gross operating income
- Approximately $668,000 in Year 1 tenant expense recoveries
- 14.58% modeled five-year before-tax equity IRR
- 1.93x modeled five-year equity multiple
- Positive leverage under the financing assumptions
- Approximately 19% existing vacancy, providing potential lease-up upside

OPERATING EXPENSES — YEAR 1

The financial model estimates $651,526 in Year 1 operating expenses, with the largest components consisting of real estate taxes, cleaning and garbage removal, property management, repairs and maintenance, landscaping, administration, utilities and insurance.

EXPENSE CATEGORY	YEAR 1
Real Estate Taxes	$318,484
Property Insurance	$12,084
Property Management	$55,544
Administration	$40,973
Repairs & Maintenance	$50,554
Utilities	$31,033
Heating & Cooling	$9,000
Landscaping	$50,554
Cleaning & Garbage	$83,300
Total Operating Expenses	$651,526

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SUPPORTING INFORMATION

The following information is available to qualified prospective purchasers to support their review and evaluation of Northpointe Crossing. Additional documentation may be made available through the listing representative as part of the purchaser's due-diligence process.

PROPERTY & LEASING

- Detailed Tenant Rent Roll
- Current Lease Agreements and Amendments
- Tenant renewal and expiry information
- Current vacancy and available-space information
- Site and building area schedules
- Property plans and site plans

FINANCIAL

- Historical and current Operating Statements
- Detailed operating expense information
- Property tax information
- Tenant recoveries and additional rent
- Financial projections and investment analysis
- Financing assumptions and debt analysis

PROPERTY DOCUMENTATION

- 7.26-acre site information
- MU – Mixed Use District information
- Building and improvement details
- Parking and site circulation information
- Available property reports and supporting documentation

INVESTMENT ANALYSIS

The supporting underwriting provides a five-year investment analysis examining projected revenue, operating expenses, NOI, financing and potential investor returns. The analysis also identifies the existing vacancy as an opportunity to enhance income through future lease-up.

APPRAISAL

An historical appraisal prepared by Acumen Real Estate Valuations Inc. provides additional third-party valuation context for the property.

Appraiser: Acumen Real Estate Valuations Inc.
File: #16132
Historical Appraised Market Value: $20,450,000

The historical appraisal is provided for reference only and should not be interpreted as a representation of current market value. Prospective purchasers should undertake their own independent valuation and due diligence.

DUE DILIGENCE

Prospective purchasers should independently verify all financial, leasing, physical, environmental, planning and legal information relating to the property. Access to additional confidential information should be subject to the appropriate confidentiality and purchaser qualification requirements.

A STRATEGIC RETAIL INVESTMENT

IN NORTH MEDICINE HAT

Northpointe Crossing presents an opportunity to acquire an established multi-building retail centre combining national anchor tenancy, immediate income and identifiable value-add potential.

Strategically positioned along Division Avenue NW, the property benefits from a substantial 7.26-acre site, excellent parking and accessibility, and its position within an established retail and community destination anchored by Shoppers Drug Mart and supported by neighbouring Co-op and Big Marble Go Centre.

With existing vacancy providing a clear path to lease-up and future NOI growth, Northpointe Crossing offers investors the opportunity to strengthen income performance while owning a significant retail asset in the Medicine Hat market.

$15.25M PURCHASE PRICE

5.89% PROFORMA CAP RATE | $898,922 YEAR 1 NOI | 45,941 SF | 7.26 ACRES

ESTABLISHED INCOME. LEASING UPSIDE. LONG-TERM VALUE.

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