

FOR SALE

43971 INDUSTRIAL WAY, CHILLIWACK, B.C.

BRAND NEW IMPROVEMENTS WITH \$43M REPLACEMENT VALUE

OFFERED AT \$30.5M (5.0% CAP)



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CONFIDENTIALITY AGREEMENT



Tim Hortons

Fairfield
BY MARRIOTT

UNDER CONSTRUCTION
ESTIMATED AUGUST 2026 COMPLETION



INDUSTRIAL WAY



BID DATE:
APRIL 29, 2026

Marcus & Millichap

TETRA
REALTY ADVISORS

OFFERING OVERVIEW

Located at a prominent Highway 1 interchange in the Lower Mainland, Fraser Gateway Centre is a **bond-like investment opportunity** on 4.46 acres, secured by long-term ground leases with Fairfield by Marriott, Tim Hortons, and Canco Petroleum, and an 8-unit NNN retail strip secured by everyday needs tenants. This easily managed property offers a unique opportunity to acquire a newly constructed 102,590 SF centre **well below its estimated \$43M replacement cost**, with the majority of capital investment funded directly by tenants.



UNDER CONSTRUCTION
ESTIMATED AUGUST 2026 COMPLETION

82% of net rental income is secured by national covenant operators, with this portion of the income featuring a **19.2 year WALT**. Income growth is entirely contractual, approximately **20% over the initial 10 year term**, with **no leasing risk**. Ground lease tenants are responsible for all repair, maintenance, and replacement, and contractual management fees form part of Operating Costs, making this a true hands off investment.

SALIENT DETAILS

Address	43971 Industrial Way, Chilliwack, BC V2R 3A4
Form Of Ownership:	Fee Simple (Freehold)
PID	003-473-431
Legal Description	LOT 2, PLAN NWP71274, DISTRICT LOT 72, GROUP 2, NEW WESTMINSTER LAND DISTRICT
Zoning	CS2 - Tourist Commercial
Land Size	4.46 Acres
Year Built	Marriott Hotel: 2025
	Canco/Wendy's: 2026 (Projected)
	Tim Hortons: 2004
	CRU: 2024
Gross Floor Area	Marriott Hotel: 81,655 SF
	Canco/Wendy's: 3,100 SF
	Tim Hortons: 3,030 SF
	CRU: 14,805 SF
	Total: 102,590 SF
Notable Tenants	Fairfield by Marriott Inn & Suites Hotel, Canco Gas Bar, Wendy's, Tim Hortons, and Angry Otter Liquor
Occupancy	97.24%
Parking	Hotels: 106 Stalls
	Canco/Wendy's: 14 Proposed Stalls
	Tim Hortons: 32 Stalls
	CRU: 68 Stalls
	Total: 220 Stalls
WALT*	16.6 Years
Stabilized NOI*	Year 1: \$1,534,462 (5.0%)
	Year 4: ~\$1,650,778 (5.4%)
	Year 7: ~\$1,745,937(5.7%)
	Year 10: ~\$1,845,223 (6.1%)
Price	\$30,500,000



*Stabilized NOI based on a fully leased 12 month period commencing August 1, 2026.

OFFERING HIGHLIGHTS



BOND-LIKE GROUND LEASE INCOME

Anchored by three long-term ground leases with national covenant operators contributing 66.09% of net rental income and carrying virtually zero landlord responsibilities, the offering provides a true bond-like income structure.



NEW CONSTRUCTION OFFERED WELL UNDER REPLACEMENT VALUE

Newly constructed 4.46-acre landmark asset offered well below its estimated \$43M replacement cost, with tenant-funded improvements materially exceeding the purchase price and providing durable downside protection.



TRANS-CANADA HIGHWAY EXPOSURE

Positioned along Industrial Way with direct access and visibility to the Trans-Canada Highway (66,975 VPD), the Subject Property benefits from outstanding visibility, access, and connectivity within a primary commercial node.



ESTABLISHED BRANDS AND SECURE COVENANTS

82% of net rental income is secured by national covenant operators including Marriott, Tim Hortons, Canco Petroleum, and Angry Otter Liquor, each backed by strong corporate covenants and indemnifiers.



RENT ESCALATIONS

Contractual rent steps increase base rent from \$1,514,600 to \$1,802,570 over the initial 10 year term, representing approximately 19% income growth with no reliance on leasing activity.



EXCEPTIONAL TENANT MIX

The eight unit commercial strip building is leased to a diversified mix of everyday needs and service-oriented tenants including Angry Otter Liquor, Firehouse Subs, Fresh Slice, Smoke2Snack, and Mission Cannabis, supporting consistent consumer traffic and demand.



FLAGSHIP HOTEL LEASE WITH DEEP CAPITAL ALIGNMENT

The 150-room Fairfield by Marriott Inn & Suites represents the largest tenant investment at Fraser Gateway Centre, secured by a 27-year ground lease with multiple corporate covenants and lender step-in rights held by the hotel's construction lender, reflecting substantial tenant capital commitment and long-term income security.



LONG-TERM LEASES

The Subject Property boasts a collective 16.6 year weighted average lease term, driven by the longterm ground leases with the Marriott Hotel, Tim Hortons, and Canco Gas Bar at 27-year, 10-year, and 15-year terms, respectively.



GROWING MUNICIPALITY

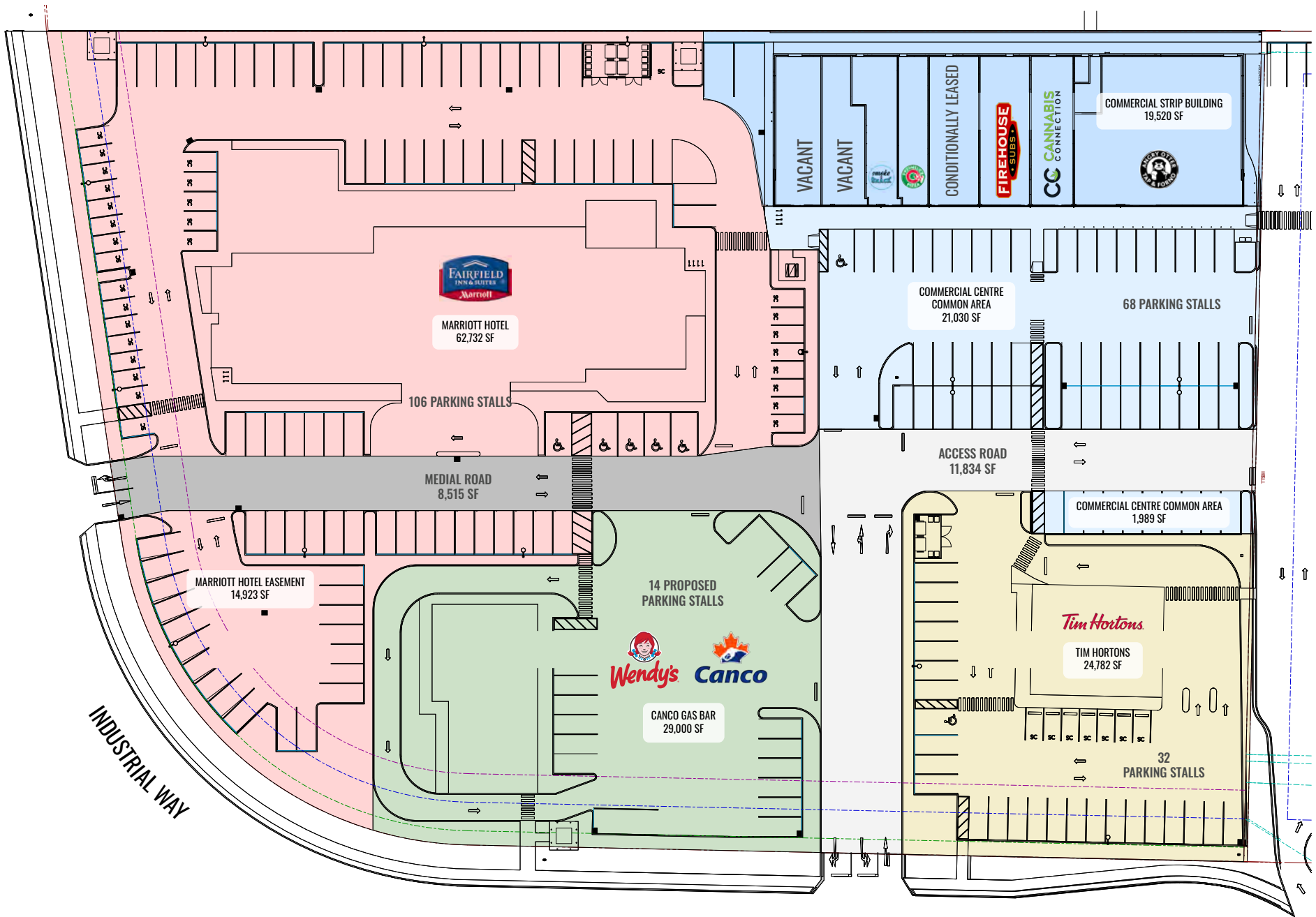
Chilliwack is consistently recognized as one of the fastest-growing communities in Canada, supported by strong population growth and an average household income of \$122,000, which underpins discretionary spending and sustained consumer demand.



CHILLIWACK CAPITAL INVESTMENTS

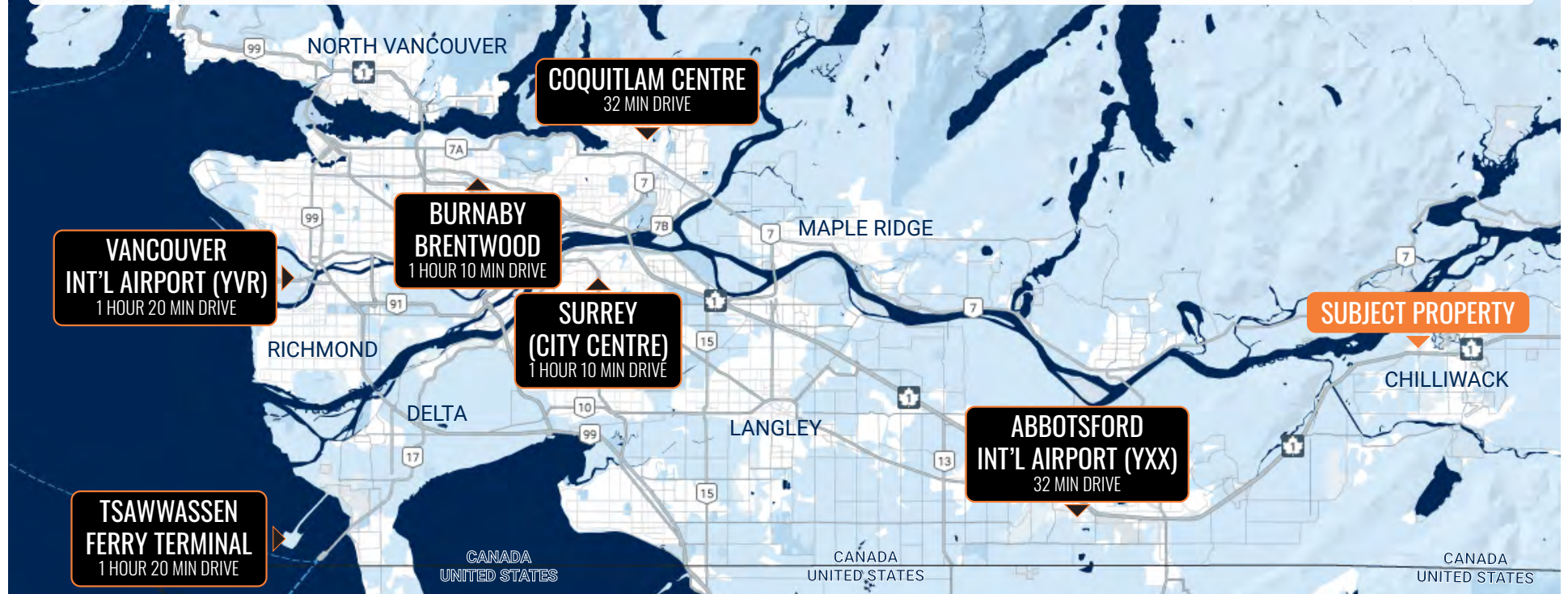
Major long-term capital investments from global manufacturers, including Molson Coors' over \$300 million Fraser Valley Brewery and Red Bull's 185,000 SF North American ingredient facility, represent Chilliwack's continued significant growth and long-term economic strength.

SITE PLAN



LOCATION OVERVIEW

Chilliwack is one of the Fraser Valley's most dynamic emerging investment markets, offering a rare combination of affordability, population growth, and economic diversity. Strategically located 100 km east of Metro Vancouver and 30 km from the U.S. border, the city benefits from its position along the Trans-Canada Highway and proximity to major rail lines, making it a critical hub for commerce, logistics, and tourism. Businesses enjoy seamless access to Metro Vancouver's ports, airports, and distribution networks, supported by Highway 1 upgrades and BC Transit's Fraser Valley Express linking Chilliwack to the SkyTrain network. Abbotsford International Airport is 34 km away, Vancouver International Airport is just over an hour, and the Sumas border crossing provides direct access to U.S. markets. Proximity to the Port of Vancouver and CP rail ensures efficient freight movement across North America, allowing businesses to leverage Metro Vancouver's economic scale while operating at significantly lower costs.



Chilliwack has a population of approximately 129,000 residents and is one of the fastest-growing municipalities in the Fraser Valley, supported by strong in-migration from Metro Vancouver and sustained housing demand.

Integrated Economy: As part of the Fraser Valley region, Chilliwack benefits from one of British Columbia's most diversified and resilient economies, anchored by agriculture, manufacturing, logistics, retail, and emerging technology sectors.

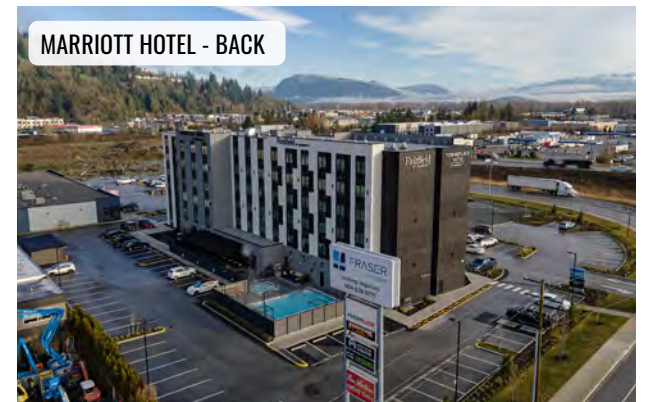
Over the past five years, Chilliwack has experienced 10.6% population growth, outpacing many comparable BC markets and creating strong demand for both rental and ownership housing.

Average single-family home prices are approximately \$906,500, offering buyers and investors a relative discount to Metro Vancouver while still reflecting strong value appreciation across the region.

The city's average household income of \$122,000 supports healthy rental affordability and discretionary spending, providing a stable base for both residential and commercial real estate investment.

Connectivity: Only minutes from Highway 1 and 32 minutes to Abbotsford International Airport (YXX), Chilliwack offers excellent accessibility for regional and cross-border travel. The U.S. Sumas Port of Entry is just 30 minutes away, while Vancouver International Airport and the Port of Vancouver are within easy reach.

SITE PHOTOS



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