15 QUEEN STREET

Investment Value and Income Analysis

Buyer-Agent-Facing Value Report

List Price: **$3,357,000**

PRELIMINARY NOI	IMPLIED CAP RATE	ANNUAL REVENUE
$190,523	**5.68%**	**$235,060**

Prepared to demonstrate the income support, investment quality, and long-term value of this rare mixed-use Queen Street asset.

Financial information in this report is based on figures supplied by the ownership and is subject to purchaser verification and due diligence.

EXECUTIVE SUMMARY

15 Queen Street represents a rare opportunity to acquire a mixed-use investment property in the heart of Old Town Niagara-on-the-Lake's highly sought-after Queen Street commercial district.

The property benefits from multiple established income streams, including two commercial tenancies and proven short-term accommodation revenue. Based on the 2025 income and operating expenses supplied by the ownership, the property generates a preliminary Net Operating Income of approximately **$190,523 annually**.

At the current list price of **$3,357,000**, this represents an attractive implied capitalization rate of approximately **5.68%**.

This return is supported by existing income rather than speculative future development, projected rent increases or assumed short-term rental growth. The property's irreplaceable Queen Street location, diversified revenue, commercial tenant contributions and continued tourism demand further strengthen its long-term investment position.

LIST PRICE	PRELIMINARY NOI	IMPLIED CAP RATE
$3,357,000	**$190,523**	**5.68%**

CURRENT INCOME

Commercial Rental Income

Income Source	Monthly Income	Annual Income
Craig's Base Rent	$10,400	$124,800
Craig's TMI Contribution	$1,000	$12,000
Whisk Base Rent	$2,500	$30,000
Total Commercial Income	**$13,900**	**$166,800**

Whisk is also responsible for its own utilities, reducing the landlord's exposure to operating-cost increases.

Short-Term Accommodation Income

Income Source	Annual Income
Airbnb and VRBO Revenue - 2025 Actual	$68,259.71

The short-term accommodation component provides an additional income stream beyond the commercial leases. Current 2026 bookings are reportedly trending ahead of the 2025 performance, although this report relies solely on the completed 2025 revenue figure.

TOTAL PROPERTY INCOME

Income Category	Annual Income
Commercial Base Rent	$154,800.00
Commercial TMI Recovery	$12,000.00
Airbnb and VRBO Revenue	$68,259.71
Total Annual Income	**$235,059.71**

OPERATING EXPENSES

Operating Expense	Annual Amount
Property Taxes	$32,000.00
Insurance	$6,392.00
Utilities	$6,145.00
Total Reported Operating Expenses	**$44,537.00**

The property benefits from a relatively efficient operating structure. Commercial tenant contributions and tenant-paid utilities help protect the owner from a portion of the property's ongoing operating costs.

NET OPERATING INCOME

Financial Calculation	Amount
Total Annual Income	$235,059.71
Less Reported Operating Expenses	($44,537.00)
Preliminary Net Operating Income	**$190,522.71**

NOI MARGIN

81.1%

The preliminary NOI represents approximately 81.1% of total reported revenue.

- Substantial commercial base rental income
- TMI recovery from the principal commercial tenant
- Utilities paid directly by one commercial tenant
- Diversified commercial and accommodation income
- Limited reported landlord-paid operating expenses

LIST PRICE ANALYSIS

Implied Capitalization Rate

$190,522.71 NOI	÷	**$3,357,000 List Price**	=	**5.68%**

At the list price, a purchaser is acquiring the property at an implied capitalization rate of approximately **5.68%**.

For a mixed-use asset in a highly constrained and prominent Old Town Niagara-on-the-Lake location, this provides a compelling combination of current income, tourism exposure and long-term real estate value.

Capitalization Rate Sensitivity

Capitalization Rate	Indicated Value
6.00%	$3,175,378
5.75%	$3,313,439
5.68%	**Approximately $3,357,000**
5.50%	$3,464,049
5.25%	$3,629,004
5.00%	$3,810,454

The list price falls within a supportable income-based valuation range and does not require an overly aggressive capitalization rate.

A purchaser accepting a capitalization rate between approximately **5.5% and 5.75%** would arrive at a value range of approximately **$3.31 million to $3.46 million**, positioning the list price near the centre of that range.

KEY INVESTMENT STRENGTHS

1. Proven Income

The valuation is supported by actual commercial rent and completed 2025 Airbnb and VRBO revenue, rather than relying solely on projected future income.

2. Diversified Revenue

The property's income is generated through multiple sources: established commercial tenancy, secondary commercial tenancy, TMI recovery and short-term accommodation revenue. This diversification reduces reliance on a single tenant or use.

3. Premium Queen Street Location

Queen Street is one of Niagara-on-the-Lake's most recognizable commercial and tourism destinations. Properties in this location benefit from substantial pedestrian activity, established retail demand, limited supply and the broader strength of Niagara-on-the-Lake's tourism economy.

KEY INVESTMENT STRENGTHS - CONTINUED

4. Operating-Cost Protection

Tenant-paid utilities and TMI contributions reduce the owner's direct exposure to increases in taxes, utilities and other operating expenses.

5. Income Growth Potential

Current 2026 accommodation bookings are reportedly trending ahead of 2025. Any continued improvement in accommodation revenue would increase NOI and strengthen the property's investment value. Future commercial rent escalations, lease renewals and further expense recoveries may also provide opportunities for income growth.

6. Scarcity and Long-Term Land Value

Prime mixed-use properties along Queen Street are rarely available. The property offers not only current investment income but also ownership of real estate within one of Niagara-on-the-Lake's most constrained and desirable commercial corridors.

VALUE CONCLUSION

Value Indicator	Amount
Total Annual Revenue	$235,059.71
Reported Operating Expenses	$44,537.00
Preliminary NOI	**$190,522.71**
List Price	**$3,357,000**
Implied Capitalization Rate	**Approximately 5.68%**

The list price is supported by the property's existing income, diversified tenant profile, commercial expense recoveries and irreplaceable Queen Street location.

At **$3,357,000**, the purchaser is acquiring an income-producing mixed-use property at a capitalization rate that is financially supportable using the current figures, while also receiving the long-term benefit of owning a scarce asset in the heart of Old Town Niagara-on-the-Lake.

SUPPORTED LIST PRICE

$3,357,000

Supported by a preliminary NOI of $190,522.71 and an implied cap rate of approximately 5.68%.

IMPORTANT FINANCIAL NOTE

The NOI calculation is based on the income and expenses supplied by the ownership. Buyers should complete their own due diligence and confirm all leases, accommodation statements, operating expenses, licensing, taxes, utilities and other financial information.

The preliminary NOI does not include any additional unreported expenses that may apply, including accommodation platform fees, cleaning expenses not recovered from guests, repairs, maintenance, management, internet, landscaping, snow removal, furnishings, replacement reserves or capital expenditures.

Prepared as a value-support document for prospective purchasers and cooperating representatives.