

**15 & 17 FITZGERALD ROAD**



**FIRST  
QUARTER  
REPORT  
2023**

Presented to:  
the Limited Partners  
of the Fitzgerald Road  
Limited Partnership



**JENNINGS**  
**REAL ESTATE**

## UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide you with the 2023 First Quarter Report.

As noted in our annual report, all above-grade space remains fully leased, with no leases expiring in 2023. Further, all below grade space was fully leased in Q1, 2023. We continue to employ a proactive approach and have engaged the two tenancies expiring in 2024, John G Cooke and CFR Engines, in lease renewal discussions.

No major capital expenditures were incurred during this quarter. For the remainder of 2023, we anticipate the completion of the on-going upgrade to LED lighting in TCC's space, and the installation of two backflow preventers as required by the City of Ottawa.

Finally, we are making a **distribution of \$28,000** in relation to this quarter. Such amount will be mailed out on a proportionate basis. We expect distributions to continue as projected in Q4 2022. At year end, a comprehensive summary and reporting of annual returns will be detailed.

Regards,

Ken and Christian Jennings  
Directors of the General Partner



## PROPERTY SUMMARY

### BUILDING INFORMATION

|                   |               |
|-------------------|---------------|
| Built             | 1985 and 2001 |
| Total Lot Acreage | 1.65 acres    |
| Building Size     | 30,314 sq ft  |
| Parking           | 98 spaces     |

### ZONING DESIGNATION

|              |                               |
|--------------|-------------------------------|
| Designation  | IP                            |
| Description  | Business Park Industrial Zone |
| Municipality | City of Ottawa                |

### PROPERTY MANAGEMENT

Jennings Real Estate Corporation conducts frequent site visits, maintains communication with tenants to understand any specific needs or problems, monitors all contract workers to ensure work is done correctly, and performs routine preventative maintenance.

In addition, we are advancing on the two projects that were initiated in the third quarter of 2022:

- Updating the lighting in TCC's space (15 Fitzgerald) to LED; and
- Installing a backflow preventer in accordance with City of Ottawa requirements.



## PROPERTY SUMMARY

### TENANT / LEASING

As of March 31, 2023 all above-grade space in both properties was 100% leased.

| Tenant                   | Square Feet   | Lease Expiry |
|--------------------------|---------------|--------------|
| John G. Cooke            | 3,509         | 28-Feb-24    |
| CFR Engines              | 6,538         | 31-Aug-24    |
| Stryten Energy (Galvion) | 7,400         | 31-Mar-25    |
| Motomike                 | 3,147         | 31-May-26    |
| TCC Canada               | 9,720         | 30-Apr-33    |
| <b>TOTAL</b>             | <b>30,314</b> |              |



#### 15 Fitzgerald

|  |  |
|--|--|
| <b>TCC Canada</b><br>8,820 SF , Exp: Apr 2033              |  |
| <b>Stryten Energy (Galvion)</b><br>7,400 SF, Exp: Mar 2025 | <b>TCC Canada</b><br>900 SF, Exp: April 2033 |

#### 17 Fitzgerald

|   |  |
|---|--|
| <b>John G Cooke &amp; Associates</b><br>3,509 SF, Exp: Feb 2024 |  |
| <b>CFR Engines Inc.</b><br>6,538 SF , Exp: Aug 2024             | <b>Motomike</b><br>3,147 SF, Exp: May 2026 |

### LEASE EXPIRY YEAR



## PROPERTY SUMMARY

### BELOW-GRADE SPACE

All below grade space is fully leased. The below grade tenants are a mix of storage tenants, operating business and storage for our above-grade tenants.

### MARKET UPDATE

In Q1 2023, the Ottawa Deep West office market's vacancy rate increased to 14.5% which is up from 10.5% in Q3 2022. Despite the increase in vacancy, the average asking rent also increased to \$14.78 in Q1 2023 from \$14.73 in Q3 2022. (as per CBRE Q1 2023 Ottawa Office Marketview).



## FINANCIAL STATEMENTS

Please find the enclosed Financial Statements\*

\*Disclaimer. These financial statements are interim, internally prepared and for management purposes. We do not express an opinion or any other form of assurance on them. This report is for management only. It is not intended for distribution or consideration for credit purposes.



**15 & 17 Fitzgerald Road Limited Partnership**  
**Balance Sheet**  
**as at March 31, 2023**

| <b>Assets</b>                                  | <b>March 31, 2023</b>      |
|--|----------------------------|
| <b>Current</b>                                 |                            |
| Cash   | \$ 204,486                 |
| Accounts Receivable                            | 16,271                     |
| Prepaid Expenses                               | 6,713                      |
| Income tax receivable                          | -                          |
|  | <u>\$ 227,471</u>          |
| <b>Long - Term</b>                             |                            |
| Deferred leasing costs                         | \$ 74,648                  |
| Deferred finance charges                       | 15,827                     |
| Property, plant and equipment                  | 4,627,203                  |
|  | <u>\$ 4,717,678</u>        |
| <b>Total Assets</b>                            | <u><u>\$ 4,945,149</u></u> |
| <b>Liabilities and Investors' Equity</b>       |                            |
| <b>Current</b>                                 |                            |
| Accounts payable and accrued liabilities       | \$ 34,527                  |
| Deferred revenue                               | 37,850                     |
| Government remittances payable                 | 17,141                     |
|  | <u>\$ 89,518</u>           |
| <b>Long-Term</b>                               |                            |
| Long-term debt                                 | \$ 4,072,327               |
| Security deposits                              | 39,899                     |
|  | <u>4,112,225</u>           |
| <b>Total Liabilities</b>                       | <u>\$ 4,201,743</u>        |
| <b>Investor's Equity</b>                       |                            |
| Capital  | \$ 710,688                 |
| Current period profit (loss)                   | 32,718                     |
| <b>Total Investors' Equity</b>                 | <u>\$ 743,406</u>          |
| <b>Total Liabilities and Investor's Equity</b> | <u><u>\$ 4,945,149</u></u> |

**15 & 17 Fitzgerald Road Limited Partnership**  
**Income Statement**  
**for the quarter ended March 31, 2023**

**Revenue**

|               |    |                |
|---------------|----|----------------|
| Rental Income | \$ | 226,958        |
|               | \$ | <u>226,958</u> |

**Expense**

|                            |    |                |
|----------------------------|----|----------------|
| Administrative fees        | \$ | 11,901         |
| Amortization               |    | 44,827         |
| Interest on long-term debt |    | 24,707         |
| Management fees            |    | 9,305          |
| Professional fees          |    | 2,345          |
| Repairs and Maintenance    |    | 39,728         |
| Utilities                  |    | 30,866         |
| Property Taxes             |    | 30,561         |
|                            | \$ | <u>194,240</u> |

**Net Income**

**\$ 32,718**