

# 15 & 17 FITZGERALD ROAD



## THIRD QUARTER REPORT 2024

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 2024 Third Quarter Report for 15 and 17 Fitzgerald Road (the “Properties”).

We are happy to report that a warehouse space, accounting for 10% of the above-grade gross leasable area (GLA), has been successfully leased. This new tenancy spans a 5-year term. The rental rate increased by 87.5% compared to the rent paid by the previous tenant.

The Properties' expiry profile has improved over the past 12 months, with 68% of the GLA, or 20,594 square feet, being leased or renewed. Because of this the weighted average lease term (WALT) of the Properties is currently 5.3 years, an improvement of 1.1 years compared to a year prior.

Following the successful leasing, we are in discussions with the lender for the Properties, who has conditionally agreed to provide additional financing. This amount will be used to pay off the principal and accrued interest of a loan owed to an entity related to the general partner. Additionally, the funds will support deal costs associated with new and renewal leasing.

As noted in our annual report and forecast, to fund the costs associated with various lease extensions and new leasing, we will not be distributing any funds this quarter. Upon the newly signed tenant commencing rent payment in Q1, 2025, we will be able to resume regular distributions.

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

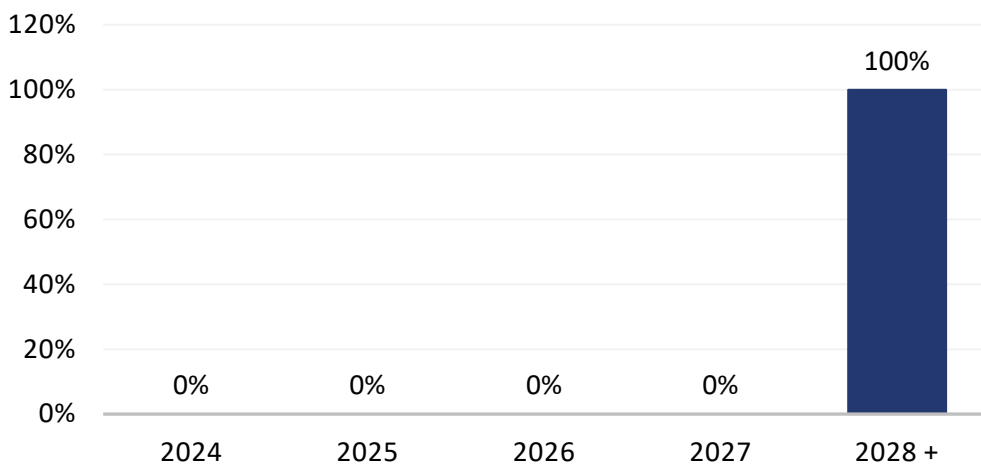
Designation	IP
Description	Business Park Industrial Zone
Municipality	City of Ottawa

## LEASING

A space comprising 10% of the above-grade gross leasable area (GLA) has been successfully leased to a kitchen and renovation material supplier with multiple locations across Quebec and Ontario. The lease spans a 5-year term, and reflects a significant increase, with rental rates rising by 87.5% above the previous tenant’s rental rate.

Over the past 12 months, 68% of the GLA, or 20,594 square feet, has been renewed or leased at the Properties. The chart below illustrates the upcoming lease expirations at the Properties, broken down as a percentage of the total square footage, spanning the next five years.

**Lease Expiry Profile**



## LEASING (CONTINUED)

In addition to the above grade space the Properties also has below-grade space for storage purposes. Occupancy remained at 100% during the quarter.

## MARKET UPDATE

In Q3 2024, the Ottawa Deep West **office** market's vacancy rate increased slightly to 12.1%, from 12% in Q2 2024. The average asking rent remained stable at \$14.80 per square foot in Q3 2024, an increase from \$14.67 in Q2 2024 (CBRE Q3 2024 Ottawa Office Marketview).

In Q3 2024, the Ottawa Deep West **industrial** vacancy rate was 0.8%, a decrease of 0.9% from 1.7% in Q2 2024. The average asking rent for Ottawa Deep West increased in Q3, and is currently \$15.86 per square foot, an increase of \$2.07 from Q2 2024 (as per CBRE Q3 2024 Ottawa Industrial Marketview). This rise in asking net rent is attributed to the withdrawal of a large warehouse space with limited loading capacity and low ceiling height, which had been priced below market due to these characteristics.

## CAPITAL EXPENDITURES AND IMPROVEMENTS

During the quarter, no capital expenditures were incurred.



## 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.



Property = 15fitz 17fitz 1517fitz

## Income Statement

Period = Sep 2024

Book = Accrual ; Tree = property pnl

	Period ended 09/2024	Period ended 09/2023
<b>Revenues</b>		
Rental income	596,663	634,734
Interest income	1,935	6,353
Other income	33	0
<b>Total revenues</b>	<b>598,630</b>	<b>641,087</b>
<b>Operating expenses</b>		
Amortization	145,374	136,649
Interest on long-term debt	114,262	100,168
Property taxes	93,747	91,371
Repairs and maintenance	93,826	89,121
Utilities	74,204	69,112
General and administrative	53,402	71,592
Property management	27,687	27,914
Professional fees	9,498	7,084
Insurance	7,045	6,550
Bad debts	-4,975	0
Bank charges and interest	1,726	870
<b>Total operating expenses</b>	<b>615,794</b>	<b>600,431</b>
<b>Net income (loss)</b>	<b>-17,164</b>	<b>40,656</b>

Property = 15fitz 17fitz 1517fitz

**Balance Sheet**

Period = Sep 2024

Book = Accrual ; Tree = property b/s

	As at 09/2024	As at 12/2023
<b>Assets</b>		
<b>Current Assets</b>		
Cash	81,095	109,345
Accounts receivable	2,576	3,870
Sales tax receivable	10,408	26,285
Prepaid expenses	2,355	9,341
<b>Total Current Assets</b>	<b>96,435</b>	<b>148,841</b>
<b>Long-Term Assets</b>		
Rental properties	4,502,324	4,628,757
Assets under construction	0	2,646
Deferred finance charges	9,496	12,662
Deferred leasing costs	224,204	148,219
<b>Total Long-Term Assets</b>	<b>4,736,024</b>	<b>4,792,284</b>
<b>Total Assets</b>	<b>4,832,459</b>	<b>4,941,125</b>
<b>Liabilities &amp; Partner's Equity</b>		
<b>Current Liabilities</b>		
Accounts payable & accrued liabilities	50,993	36,400
Prepaid rents	38,892	38,052
Payable to related parties	0	371
Government remittances	24,895	29,966
Current portion of long-term debt	144,425	137,092
<b>Total Current Liabilities</b>	<b>259,206</b>	<b>241,881</b>
<b>Long-Term Liabilities</b>		
Mortgages payable	3,728,444	3,837,056
Tenant deposits	34,659	39,899
Loans from investors	105,478	100,449
<b>Total Long-Term Liabilities</b>	<b>3,868,581</b>	<b>3,977,404</b>
<b>Total Liabilities</b>	<b>4,127,787</b>	<b>4,219,286</b>
<b>Partner's Equity</b>		
Partner contributions	1,950,000	1,950,000
Partner distributions	-1,983,784	-1,983,784
Partner share of accumulated earnings (deficit)	755,621	688,472
Current period earnings (loss)	-17,164	67,151
<b>Total Equity</b>	<b>704,672</b>	<b>721,839</b>
<b>Total Liabilities &amp; Partner's Equity</b>	<b>4,832,459</b>	<b>4,941,125</b>