

# 2025 ANNUAL REPORT

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

# 2025 HIGHLIGHTS

Located in the Bell's Corner's node of Ottawa, only minutes away from the Department of National Defence Headquarters and Highway 417.



**30,314**

**Square Feet**



**100%**

**Occupancy**



**5 YR**

**Weighted Average  
Lease Term**



**\$477K**

**Net Operating  
Income**



**11.42%**

**Average Annual  
Cash Yield**



**2.0x**

**Multiple on Invested  
Capital**

15 Fitzgerald Road  
Ottawa, ON

# + Letter to the Limited Partners

Dear Limited Partners,

2025 marked a stabilized year for 15 and 17 Fitzgerald Road (the “Properties”), following a period of positive leasing activity and investment in 2023 and 2024. With 68% of the Properties’ above-grade gross leasable area (GLA) secured through new leases or long-term extensions during that period, the Properties returned to full occupancy. The Properties also include below-grade storage space, which remained fully leased throughout the year.

Each lease completed over the past two years achieved rental rate increases ranging from 6% to 87.5%. As a result, Net Operating Income (NOI) increased 32% to \$477,274 in 2025, compared to the prior year.

The weighted average lease term (WALT) of the Properties is 5.05 years. The weighted average base rent for the Properties is \$13.90 per square foot.

With the Properties now fully occupied, we will be making a distribution of **\$52,000** at this time, bringing total distributions for the year to \$82,000, exceeding the original projection by \$42,000. Cumulative distributions since acquisition now total approximately **\$2.075 million, representing 100% of the original investment.**

Looking ahead, a distribution of \$145,000 is projected for 2026.

Sincerely,

Ken and Christian Jennings  
Directors of the General Partner

# + Property Performance

## 2025 Distribution

A **\$52,000** distribution will be made in Q4, bringing total distributions for the year to **\$82,000**, this exceeds the 2025 projection of \$40,000.

The increase is attributable to leasing success in 2023 and 2024, as well as the completion of various costs associated with that leasing activity.

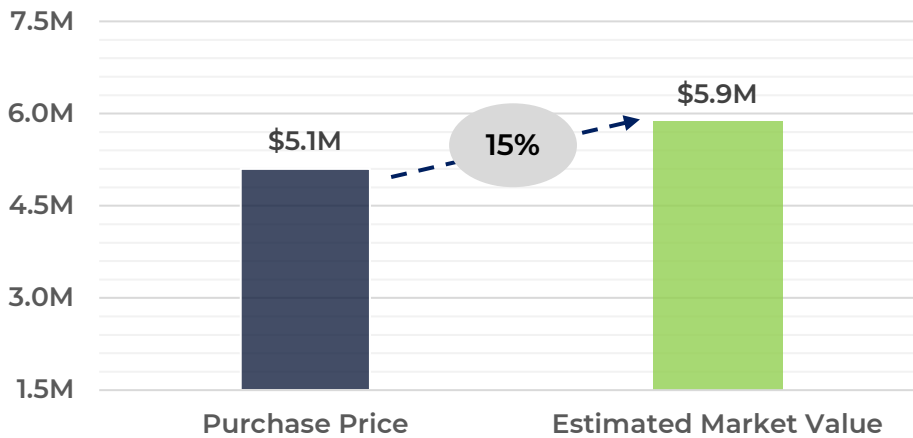
The table below outlines historical distributions and provides a forecast for 2026:

Year	Q1	Q2	Q3	Q4	Total	Cumulative Distributions	% of Investment Returned
2018-2023	\$1,003,000	\$138,000	\$87,360	\$755,424	\$1,983,784	\$1,983,784	96%
2024	\$0	\$0	\$0	\$10,000	\$10,000	\$1,993,784	96%
<b>2025</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$52,000</b>	<b>\$82,000</b>	<b>\$2,075,784</b>	<b>100%</b>
<b>2026 Outlook</b>	\$20,000	\$20,000	\$20,000	\$85,000	\$145,000	\$2,220,784	107%

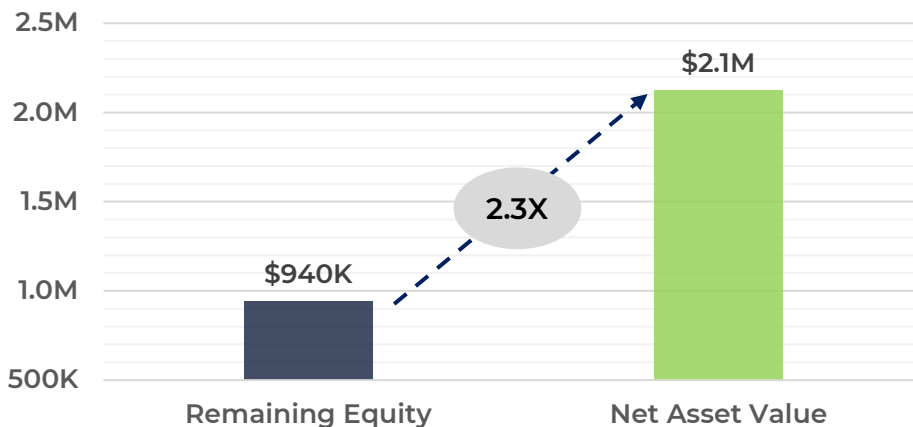
# + Property Performance

## Valuation and Net Asset Value

The Estimated Market Value was determined by an independent third-party appraisal firm in 2024. The valuation concluded by the appraiser was \$5.87 million representing a 15.10% increase from the original purchase price of \$5.1 million.



The Net Asset Value for the Properties is \$2.1 million.



**Estimated Market Value** In March 2024, the Properties received an independent external appraisal that valued the Property at \$5,870,000.

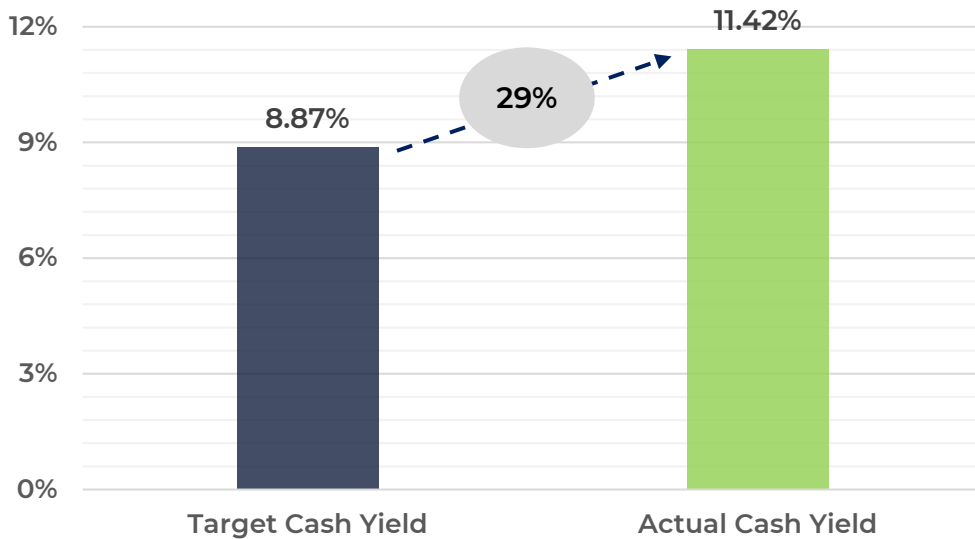
**Remaining Equity** is the Initial Equity Contributions less any refinancing proceeds.

**The Net Asset Value (NAV)** is calculated using the Estimated Market Value and subtracting (i) the outstanding principal amounts of all loans, and (ii) current liabilities, and adding (iii) any cash on hand as of December 31, 2025. Note that these figures do not reflect future capital expenditures, nor do they incorporate any tax attributes of the units. NAV is an estimated value and may not be reflective of present or future values.

# + Property Performance

## Average Annual Cash Yield

The graph below showcases the Average Annual Cash Yield as of December 31, 2025, compared to the targeted return set out during the acquisition. The initial target for Average Annual Cash Yield was 8.87%, following the distribution with this report, the Actual Average Annual Cash Yield to date is 11.42%.



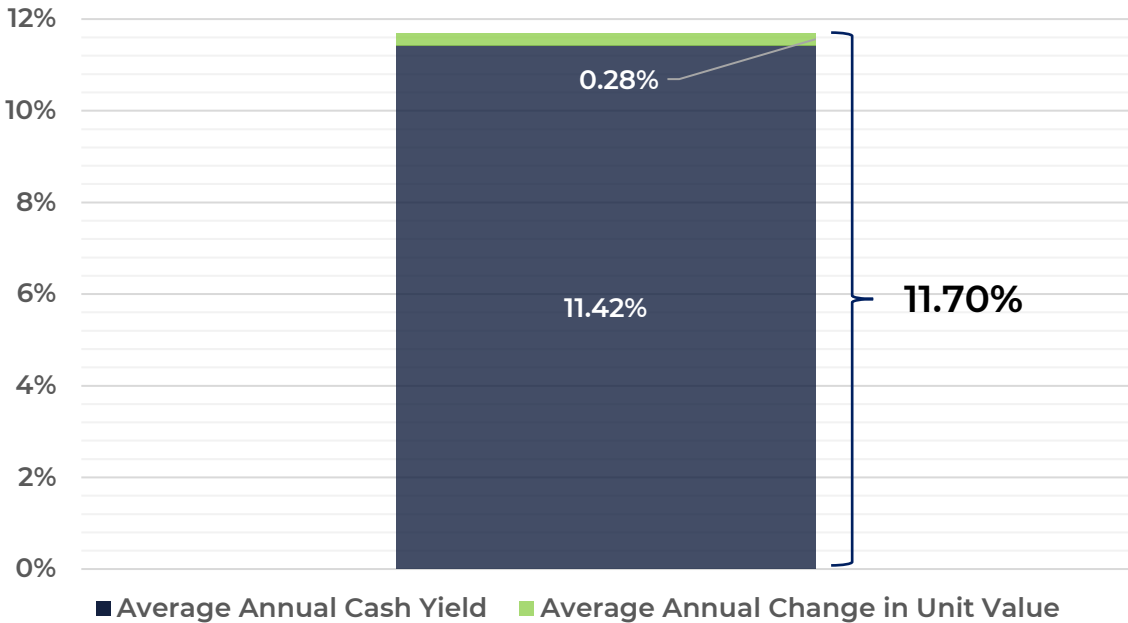
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**Average Annual Cash Yield** is calculated by dividing total cash distributed (which includes income, refinancing and capital distributions) by the initial equity investment and then further divided by the holding period (from acquisition to Dec 31, 2025).

# + Property Performance

## Average Annual Total Return

In addition to generating an Average Annual Cash Yield, this investment has also experienced an Average Annual Appreciation in unit value of 0.28%. The growth has resulted in an Average Annual Total Return of 11.70%.



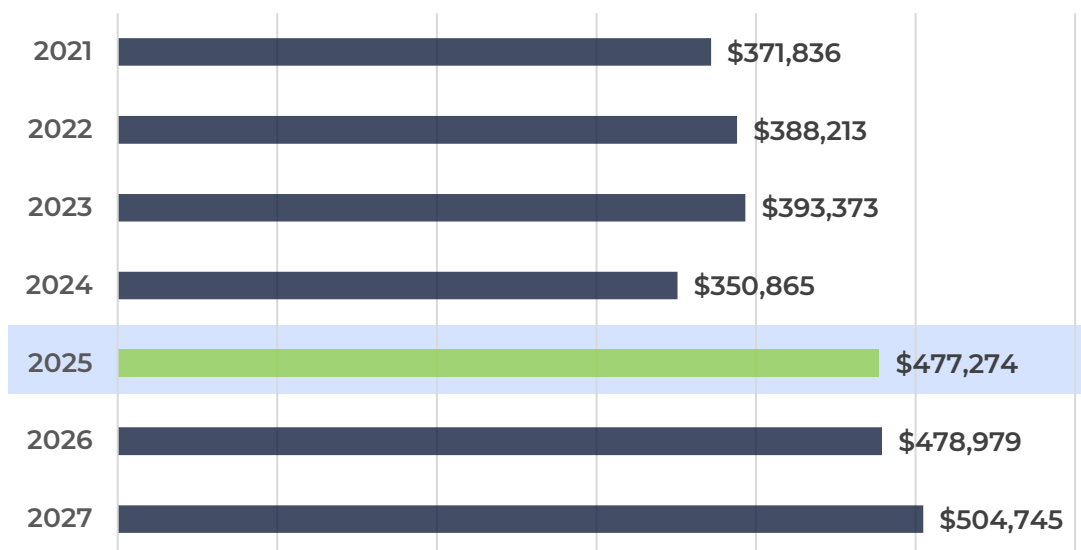
**Average Annual Change in Unit Value** is calculated by dividing Net Asset Value (NAV) by initial equity invested, which is further divided by the holding period (from acquisition to Dec 31, 2025).

**Average Annual Total Return** is calculated by adding the Average Annual Cash Yield and the Average Annual Change in Unit Value.

# + Property Performance

## NOI Overview

Below is the Net Operating Income (NOI) for the last 5 years and a forecast for 2026 and 2027:



## 2025 Commentary

In 2025, NOI increased by \$116,055, or 32% compared to the prior year, after adjusting for non-cash expenses for both years. This growth was driven by the achievement of 100% occupancy, resulting from leasing efforts completed in 2023 and 2024. These efforts included renewing existing tenants at rates above their previous rents and backfilling an unexpected vacancy at rental rates approximately 87.5% higher than those of the previous tenant.

## 2026 Outlook

Looking ahead, financial performance is expected to remain stable. As a result of the Property being fully leased with no contractual lease expiries until 2029.

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**Net Operating Income (NOI):** Total income generated by the Properties subtracting its operating expenses, excluding capital expenditures and debt service. As of 2025, NOI is adjusted to exclude non-cash expenses. Note that this was not included in the past year's NOI but will be on a go-forward basis. Although the chart above indicates a 36% increase over 2024, that is partially a result of the adjustment to the 2025 calculation. On a like-for-like basis, the NOI increase over 2024 would be 32%.

# + Property Performance

## Debt Overview

As of December 31, 2025, the Properties have the following debt metrics:

<b>Purchase Price</b>	\$5.10M
<b>Appraised Value</b>	\$5.87M
<b>Total Debt</b>	\$3.97M
<b>Loan to Value</b>	68%
<b>Weighted Avg. Interest Rate</b>	3.79%

The Properties have historically been financed with two separate debt facilities, both maturing in January 2027. Upon maturity, these facilities are expected to be consolidated.

## 15 & 17 Fitzgerald - Photos



# + Leasing Overview

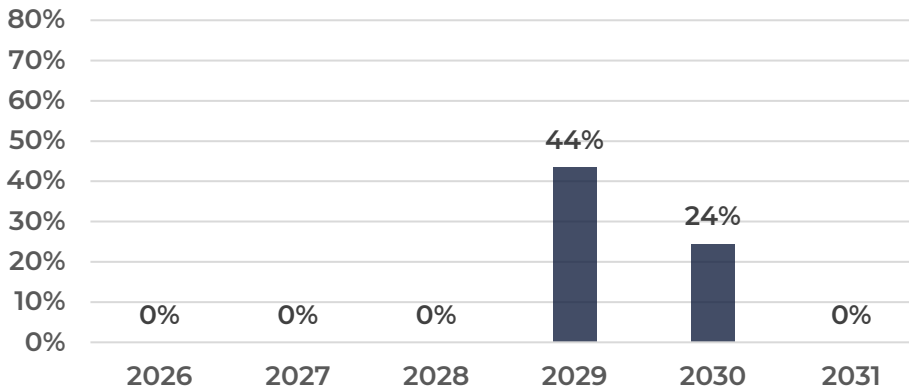
## 2025 Leasing Review

Below are the overall Property lease metrics as of December 31:

- Occupancy Rate: 100%.
- Properties Weighted Average Lease Term (WALT): 5.05 years.
- Properties Average Base Rent: \$13.90 per square foot.

## Leasing Expiry Profile

The chart below illustrates the upcoming lease expirations at the Property, broken down as a percentage of GLA, spanning the next 5 years. Note that 32% of the Property's GLA does not expire until 2031 and beyond.



## Office Market Update

The West Ottawa office market had an increase in vacancy from 9.4% in Q4 2024 to 14.4% in Q4 2025. The market asking rent currently sits at \$15.21 per square foot (CBRE Office Market Report Q4 2025).

## Industrial Market Update

The West Ottawa industrial market ended 2025 with a 4.1% vacancy rate and an average market asking rent of \$17.38 per square foot (CBRE Industrial Market Report Q4 2025).

# + Capital Expenditures

## Capital Expenditures

The sealants of windows, man doors, and loading doors were replaced at 17 Fitzgerald. The work was completed with minimal disruption to tenants.

## Future Capital Expenditures

In the short term, capital expenditures are planned at 15 Fitzgerald, including updating the common area throughout the building.

## Financial Statement

Enclosed you will find the notice to reader package prepared by the Bookkeeping Bureau.

## + Disclaimer

Certain statements contained in this report may contain forward-looking statements and forward-looking information (collectively, "forward-looking statements"). In some cases, forward-looking statements can be identified by the use of words such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "potential", "continue", "target", "committed", "priority", "remain", "strategy", or the negative of these terms or other comparable terminology, and by discussions of strategies that involve risks and uncertainties. Such forward-looking statements contained in this report may include, among other things, statements regarding: the general partner's expectations with regard to market demand and rent growth; the partnership's growth strategy; planned growth of the property portfolio; future acquisitions; including the amount expected to be invested in such acquisitions, the location of such acquisitions, improvements in profitability or rent growth of the portfolio, property developments, including cost and timing of completion thereof, and the general partner's expectations regarding capital improvement costs; portfolio growth, debt maintenance or reductions, and return on investment; maintenance costs; the effect of completed developments on the portfolio; interest rate fluctuations; credit availability; financing costs; market values; pace and scope on future acquisitions, construction, development and renovation, renewals and leasing. Readers should be aware that these forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated or implied, or those suggested by any forward-looking statements. Given these uncertainties, readers are cautioned not to rely upon any forward-looking statements contained, or incorporated by reference, in this report. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events contained therein may not occur. Although the general partner believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated. While the general partner anticipates that subsequent events and developments may cause its view to change, the general partner does not intend to update or revise any forward-looking statement, whether as a result of new information, future events, circumstances, or such other factors that affect this information.

The general partner makes commercially reasonable efforts to ensure the information presented in this report is accurate, but it is not responsible for any errors and omissions contained in the information included in this report.

# FINANCIAL STATEMENTS



**FITZGERALD ROAD LIMITED PARTNERSHIP**  
**FINANCIAL STATEMENTS**  
(Unaudited - see Compilation Engagement Report)  
For the year ended December 31, 2025

The Bookkeeping Bureau Ltd.

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FITZGERALD ROAD LIMITED PARTNERSHIP  
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For the year ended December 31, 2025

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## COMPILATION ENGAGEMENT REPORT

To Management of Fitzgerald Road Limited Partnership,

On the basis of information provided by management, we have compiled the balance sheet of Fitzgerald Road Limited Partnership as at December 31, 2025 and the statement of earnings (loss) and statement of partners' equity for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial statements.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with the Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

*The Bookkeeping Bureau Ltd.*

The Bookkeeping Bureau Ltd.  
Ottawa, March 25, 2026

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The Bookkeeping Bureau Ltd.

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FITZGERALD ROAD LIMITED PARTNERSHIP  
**BALANCE SHEET**

For the year ended December 31, 2025  
(Unaudited - see Compilation Engagement Report)

	2025	2024
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 372,093	\$ 277,086
Accounts receivable	179	5,256
	<u>372,272</u>	<u>282,342</u>
<b>LONG-TERM</b>		
Revenue-producing properties <i>(note 3)</i>	4,291,970	4,455,337
Deferred leasing commission <i>(note 4)</i>	253,895	284,008
Deferred tenant inducements <i>(note 5)</i>	64,667	67,534
Deferred finance charges <i>(note 6)</i>	4,881	9,761
	<u>4,615,413</u>	<u>4,816,640</u>
	<u>\$ 4,987,685</u>	<u>\$ 5,098,982</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 150,780	\$ 192,245
Government remittances payable	17,376	11,467
Tenant deposits	2,500	-
Deferred revenue	50,914	21,245
Current portion of mortgage payable <i>(note 7)</i>	156,686	151,343
	<u>378,256</u>	<u>376,300</u>
<b>LONG-TERM</b>		
Tenant deposits	36,169	50,538
Mortgage payable <i>(note 7)</i>	3,810,260	3,962,645
	<u>3,846,429</u>	<u>4,013,183</u>
	<u>4,224,685</u>	<u>4,389,483</u>
<b>PARTNERS' EQUITY</b>		
	<u>763,000</u>	<u>709,499</u>
	<u>\$ 4,987,685</u>	<u>\$ 5,098,982</u>

Approved on Behalf of the Partners:

Signed by:  
  
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FITZGERALD ROAD LIMITED PARTNERSHIP  
**STATEMENT OF EARNINGS (LOSS)**  
For the year ended December 31, 2025  
(Unaudited - see Compilation Engagement Report)

	2025	2024
<b>REVENUE</b>		
Rental income	\$ 959,012	\$ 809,642
Interest income	6,428	3,119
Other income	72	6,633
	<u>965,512</u>	<u>819,394</u>
<b>EXPENSES</b>		
Amortization of deferred finance charges	4,881	4,276
Amortization of leasing commissions	32,178	21,644
Amortization of revenue-producing properties	175,834	170,915
Amortization of tenant inducements	8,400	347
Bad debts recovered	-	(4,975)
Bank charges and interest	2,572	2,829
General and administrative expenses	74,307	67,779
Insurance	10,174	9,400
Interest on mortgage payable	153,222	153,209
Property management	38,024	36,916
Professional charges	8,477	11,147
Property taxes	105,389	104,705
Repairs and maintenance	155,810	157,655
Telecommunication	481	415
Utilities	102,262	95,474
	<u>872,011</u>	<u>831,736</u>
<b>NET EARNINGS (LOSS)</b>	<u>\$ 93,501</u>	<u>\$ (12,342)</u>

FITZGERALD ROAD LIMITED PARTNERSHIP  
**STATEMENT OF PARTNERS' EQUITY**  
For the year ended December 31, 2025  
(Unaudited - see Compilation Engagement Report)

Name	Balance, beginning of year	Net earnings	Withdrawals	Balance, end of year
1394804 Ontario Inc.	\$ 83,450	\$ 9,350	\$ (4,000)	\$ 88,800
2490626 Ontario Inc,	83,450	9,350	(4,000)	88,800
2540583 Ontario Inc.	23,119	2,591	(1,108)	24,602
A.M. Realty Corp Ltd.	83,450	9,350	(4,000)	88,800
Adam Mills Holdings Inc.	83,450	9,350	(4,000)	88,800
AYM Real Estate Inc.	83,450	9,350	(4,000)	88,800
B. Holmes Holdings Ltd.	83,450	9,350	(4,000)	88,800
BC Bockstael Holdings Ltd.	60,329	6,759	(2,892)	64,196
Chrisken Realty Investments Inc.	20,950	9,350	(4,000)	26,300
DH (Ottawa) Investments Inc.	10,475	4,675	(2,000)	13,151
TH (Ottawa) Investments Inc.	10,475	4,675	(2,000)	13,151
Walker Family Wealth Ltd.	83,450	9,350	(4,000)	88,800
10875767 Canada Inc.	1	-	-	1
<b>Partners' Equity</b>	<b>\$ 709,499</b>	<b>\$ 93,501</b>	<b>\$ (40,000)</b>	<b>\$ 763,000</b>

FITZGERALD ROAD LIMITED PARTNERSHIP  
**NOTES TO FINANCIAL STATEMENTS**  
For the year ended December 31, 2025  
(Unaudited - see Compilation Engagement Report)

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## 1. LIMITED PARTNERSHIP AND NATURE OF ACTIVITIES

The limited partnership came into agreement on May 5, 2017 pursuant to laws of Ontario and is managed by its General partner, 10875767 Canada Inc. It manages a commercial rental property in Ottawa, Ontario.

The partnership is not a taxable entity under the Income Tax Act (Canada). Instead, its income or loss for the year is allocated to the partners, who are responsible for including their share of the partnership's income or loss in their own income tax returns. Accordingly, no provision for income taxes has been made in these financial statements.

## 2. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the balance sheet of Fitzgerald Road Limited Partnership as at December 31, 2025, and the statement of earnings (loss) and statement of partners' equity for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable
- revenue-producing properties are recorded at the historical costs and amortized based on rates and methods described in Note 3
- deferred leasing commissions are recorded at the historical costs and amortized based on rates and methods described in Note 4
- deferred tenant inducements are recorded at the historical costs and amortized based on rates and methods described in Note 5
- deferred finance charges are recorded at the historical costs and amortized based on rates and methods described in Note 6
- accounts payable and accrued liabilities
- government remittances payable
- tenant deposits
- deferred revenue
- mortgages payable

FITZGERALD ROAD LIMITED PARTNERSHIP  
**NOTES TO FINANCIAL STATEMENTS**  
 For the year ended December 31, 2025  
 (Unaudited - see Compilation Engagement Report)

**3. REVENUE-PRODUCING PROPERTIES**

Revenue-producing properties are accounted at cost. Amortization of revenue-producing properties is calculated using the following rates and methods:

Building	4%	declining balance	
Building improvements	5 - 10 year	straight-line	

	2025			2024
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Land	\$ 798,408	\$ -	\$ 798,408	\$ 798,408
Building	4,524,309	(1,309,354)	3,214,955	3,351,684
Building improvements	350,725	(72,117)	278,608	305,245
	\$ 5,673,442	\$ (1,381,472)	\$ 4,291,970	\$ 4,455,336

Amortization of revenue-producing properties is pro-rated on a monthly basis.

**4. DEFERRED LEASING COMMISSIONS**

	2025			2024
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Leasing commissions	\$ 361,582	\$ (107,687)	\$ 253,895	\$ 284,008

Deferred leasing commissions are amortized on a straight line basis over the term of corresponding leases.

FITZGERALD ROAD LIMITED PARTNERSHIP  
**NOTES TO FINANCIAL STATEMENTS**  
 For the year ended December 31, 2025  
 (Unaudited - see Compilation Engagement Report)

## 5. DEFERRED TENANT INDUCEMENTS

	<b>2025</b>			<b>2024</b>
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Tenant inducements	\$ 100,618	\$ (35,951)	\$ 64,667	\$ 67,534

Deferred tenant inducements are amortized on a straight line basis over the term of corresponding leases.

## 6. DEFERRED FINANCE CHARGES

	<b>2025</b>			<b>2024</b>
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Finance charges	\$ 22,478	\$ (17,597)	\$ 4,881	\$ 9,761

Finance charges were incurred at the time of the mortgage refinancing and are amortized on a straight line basis over three years.

## 7. MORTGAGE PAYABLE

The partnership has first mortgage with original principal of \$4,220,583 to be repaid over a term of 60 months at current interest rate of 3.70%, repayable in blended monthly instalments of \$23,390, amortized over 22 years, and maturing January 1, 2027. This mortgage is secured with a first priority fixed charge over the land and building, and general security agreement.

Also, in the prior year, the partnership secured a second credit facility for an additional \$275,000 at a fixed annual interest rate of 5.15% for a term of two years amortized over 25 years, repayable in blended monthly instalments of \$1,632. This mortgage is secured with a second priority fixed charge over the land and building, and general security agreement.