

2019 Mid Year Statement

15 & 17 Fitzgerald Road

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



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Part A - Notice from General Partner

On behalf of the general partner of the Fitzgerald Road Limited Partnership, we will set out below an update of the property for second quarter of 2019.

Part B - Property Summary

Building Information

Built:	1985 and 2001
Renovated:	N/A
Total Lot Acreage	1.65 acres
Building SF:	30,233 sf
Parking:	100 spots

Zoning Designation

Designation:	IP
Description:	Business Park Industrial Zone
Municipality:	City of Ottawa

The Property

The Bell’s Corners office market has continued to improve and there is presently very limited vacancy in the office market, which has continued to provide upward pressure on rental rates. In the tenancy update you will read that there is a possibility we will be incurring some vacancy at 17 Fitzgerald in the near future. With this upward trending rental rate, this could provide for a good time to have space available for lease.

Further, the Department of National Defence’s move to the Carling Campus on Moodie Drive is encouraging improvement and the development of amenities in the area. Notably, a new hotel and restaurant development is being completed directly adjacent to the property (in place of a low end commercial plaza), which will make the property more attractive for existing and future tenants.

Property Management Update

Jennings Real Estate Corporation replaced Inside Edge Properties Ltd. as the property manager June 7, 2019. This transition has been a successful one and all contracts and maintenance needs have been reviewed to ensure proper management.

We have a strong management team managing this property, with the key individuals listed below:

Title	Name	Phone Number	Email
Property Manager	John Rowan	613-402-1260	jrowan@jenningsdevelopments.com
Jr. Property Manager	Dan Donnelly	613-302-7302	ddonnelly@jenningsdevelopments.com
Accountant	Andrew Irving	613-401-9008	airving@jenningsdevelopments.com
Administrator	Kelli Vidiuk	613-286-8691	kvidiuk@jenningsdevelopments.com

Tenant / Leasing Update

Since our last report, Advanced Engine Technology (“AET”) has taken steps to restructure. At present, AET continues to pay full rent and we are currently working with them to restructure and reach an agreeable solution for both parties at 17 Fitzgerald. AET presently occupies 9,604 square feet on the first floor at 17 Fitzgerald and has storage space at 15 Fitzgerald.

As noted above, there has recently been a high level of leasing activity in the area, making available space difficult to come by. This provides an opportunity to hopefully lease the space in a timely manner at an attractive rental rate when it becomes available. To that end, the space was quickly brought to the market and is presently being marketed for lease by Quintin Colaiacovo, broker of record of Darwin Properties Brokerage.

No other leases are expiring in 2019 or 2020.

A breakdown of all leases is below:

Advanced Engine Technology

Start Date	Term	Expiry	\$/PSF	Square Feet	Annual Rent	Monthly Rent
01-Oct- 2011	10 years	30-Sep-2021	\$12.75	9,604	\$ 122,451	\$ 10,204

John G. Cooke

Start Date	Term	Expiry	\$/PSF	Square Feet	Annual Rent	Monthly Rent
01-Mar- 2011	13 years	29-Feb-2024	\$14.00	3,509	\$ 49,128	\$ 4,094

Revision & Electronic Power Systems

Start Date	Term	Expiry	\$/PSF	Square Feet	Annual Rent	Monthly Rent
01-Apr- 2015	10 years	31-Mar-2025	\$ 10.00	7,400	\$ 74,000	\$ 6,167

TCC Canada

Start Date	Term	Expiry	\$/PSF	Square Feet	Annual Rent	Monthly Rent
01-May- 2015	7 years	20-Apr-2022	\$ 11.75	9,574	\$ 114,885	\$ 9,574



Storage Space Update

This space is partially rented to the office tenants and is being actively marketed for new tenants.

Building Improvements

Since Jennings Real Estate Corporation took over management, a number of deferred repairs and maintenance items have been completed, including the repair of the interlock stone in front of 17 Fitzgerald Road, the annual planting of flowers and the repair of a catch basin in the west parking lot entrance. The management team has met with all tenants and contractors to review the services being provided to the building and will continue to manage the building to the highest of standards.

Part C – Financial Statements

To follow.