

302 LEGGET DRIVE



**SECOND
QUARTER
REPORT
2024**

Presented to:
the Limited Partners
of the 302 Legget Drive
Limited Partnership



JENNINGS
REAL ESTATE

UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide you with the 2024 Second Quarter Report for 302 Legget Drive (the “Property”).

As noted in the annual report, the Property remains fully leased, with no leases expiring in 2024.

No major capital expenditures were incurred during the quarter. For the remainder of 2024, we anticipate replacing selective HVAC equipment.

Finally, we are making a distribution of **\$75,000** at this time. Currently, we expect distributions to continue as projected in the annual report. 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	1975 and 1981
Total Lot Acreage	4.61 acres
Building Size	85,092 sf
Parking	+/- 150 spaces

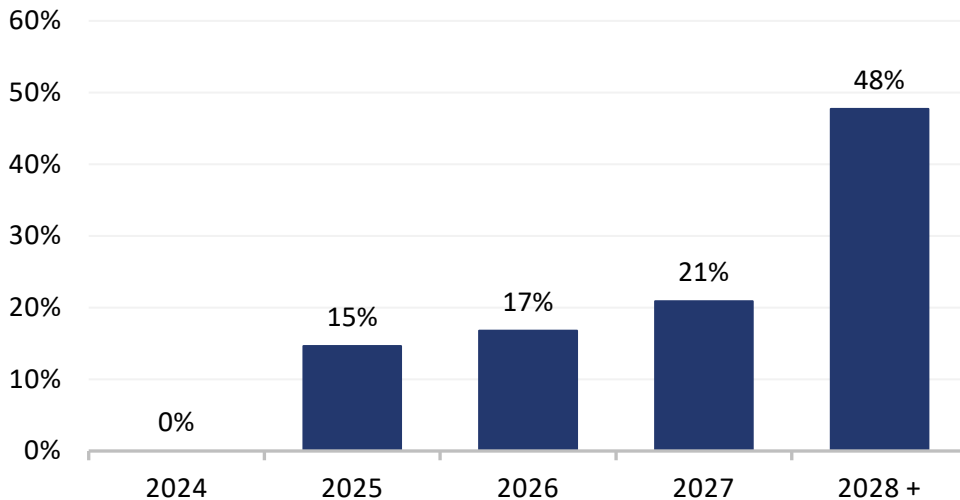
ZONING DESIGNATION

Designation	IG6
Description	General Industrial
Municipality	City of Ottawa

LEASING

The Property remains 100% leased. The chart below illustrates the upcoming lease expirations at the Property, broken down as a percentage of the total square feet, spanning the next five years:

Lease Expiry Profile



The Property's weighted average lease term is 3.5 years, with an average weighted base rent of \$14.41 per square foot.



MARKET UPDATE

In Q2 2024, the Ottawa Deep West industrial vacancy rate was 1.7%, a decrease of 0.4% from 2.1% in Q1, 2024. The average asking rent for Ottawa Deep West declined in Q2, and is currently \$13.79 per square foot, a decline of \$1.92 from Q1, 2024 (CBRE Q2 2024 Ottawa Industrial Marketview). The decrease in asking net rent is not due to a lack of demand or an oversupply of space. Instead, it is primarily caused by the small amount of available space for lease, being discounted for factors such as limited or challenged loading areas, low ceiling heights, or extensive office build-outs.

CAPITAL EXPENDITURES AND IMPROVEMENTS

During the quarter, maintenance was performed on the main electrical service for the Property. This was performed after hours, with limited disruption to tenants.

The planning process is underway to replace HVAC equipment at the Property, which is expected to commence in Q3 2024.



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.



Balance Sheet

Period = Jun 2024

Book = Accrual ; Tree = property b/s

	As at 06/2024	As at 12/2023
Assets		
Current Assets		
Cash	678,371	828,087
Accounts receivable	884	1,604
Sales tax receivable	16,868	52,297
Prepaid expenses	25,584	35,627
Total Current Assets	721,707	917,615
Long-Term Assets		
Rental properties	10,954,536	11,116,435
Deferred finance charges	101,545	121,854
Deferred leasing costs	305,508	340,122
Total Long-Term Assets	11,361,589	11,578,412
Total Assets	12,083,296	12,496,027
Liabilities & Partner's Equity		
Current Liabilities		
Accounts payable & accrued liabilities	199,106	391,008
Tenant deposits and prepaid rents	31,139	31,139
Government remittances	66,932	64,247
Total Current Liabilities	297,177	486,395
Long-Term Liabilities		
Mortgages payable	11,057,682	11,181,863
Total Long-Term Liabilities	11,057,682	11,181,863
Total Liabilities	11,354,859	11,668,258
Partner's Equity		
Partner contributions	4,406,630	4,406,630
Partner distributions	-4,903,612	-4,628,613
Partner share of accumulated earnings (deficit)	1,049,752	676,573
Current period earnings (loss)	175,668	373,179
Total Equity	728,437	827,769
Total Liabilities & Partner's Equity	12,083,296	12,496,027

Income Statement

Period = Jun 2024

Book = Accrual ; Tree = property pnl

	Period ended 06/2024	Period ended 06/2023
Revenues		
Rental income	1,017,146	980,178
Interest income	32,844	30,669
Total revenues	1,049,990	1,010,848
Operating expenses		
Amortization	281,671	278,875
Interest on long-term debt	177,348	181,079
Property taxes	150,252	147,060
Repairs and maintenance	46,787	62,073
Utilities	106,284	89,170
General and administrative	50,528	67,042
Property management	43,822	36,862
Professional fees	7,455	6,186
Insurance	9,454	8,912
Bank charges and interest	721	340
Total operating expenses	874,321	877,599
Net income (loss)	175,668	133,248