

310 HUNT CLUB ROAD



**SECOND
QUARTER
REPORT
2024**

Presented to:
the Limited Partners
of the 310 Hunt Club Road
Limited Partnership



NOTICE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide you with the 2024 Second Quarter Report for 310 Hunt Club Road (the “Property”).

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

A tenant representing 19% of the Gross Leasable Area (GLA) has not paid its rent for July. This was unexpected, as there have been no previous payment issue with this tenant, who has occupied their space at the Property since 2016. We are actively working on the collection of this overdue rent and are in constant communication with the tenant to resolve this issue promptly.

Due to the outstanding rental payment at the Property, we will not distribute funds at this time.

We believe this prudent approach is in the best interest of maintaining the financial stability of the Property. We are hopeful to resolve the outstanding payment issue with the tenant in short order and intend to make the regular distribution upon resolution of the issue.

At year-end, we will provide a comprehensive summary and report on annual returns.

Regards,

Ken and Christian Jennings
Directors of the General Partner



PROPERTY SUMMARY

Building Information

Built	2006
Total Lot Acreage	2.80 acres
Building Size	52,370 sf
Parking	211 spaces

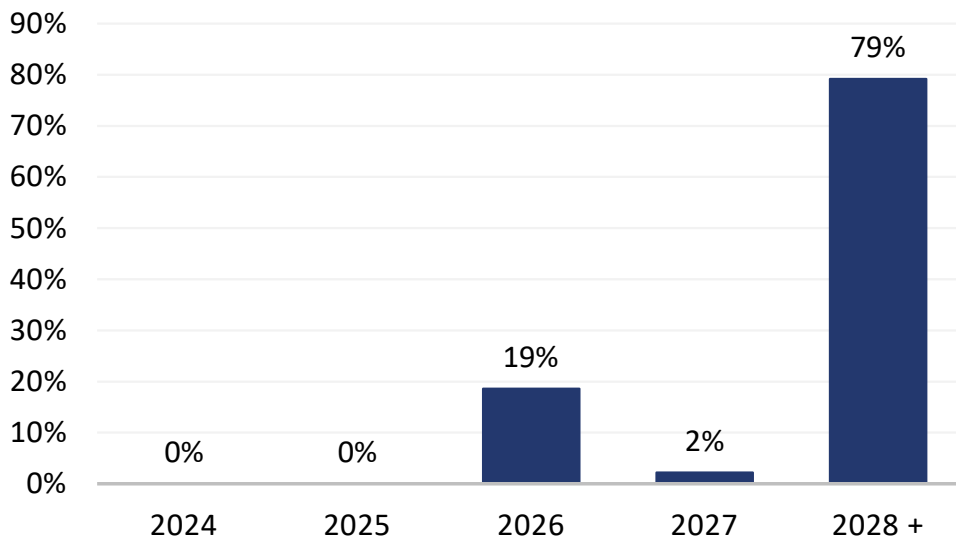
Zoning Designation

Designation	T1A
Description	Airport Lands
Municipality	City of Ottawa

LEASING

The Property is currently 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 12.76 years, with an average weighted base rent of \$14.92 per square foot.



MARKET UPDATE

The Ottawa South office market's vacancy rate increased from 8.6% in Q1, 2024 to 9.1% in Q2, 2024. The Ottawa South office market continues to outperform all other geographic areas in Ottawa. The average asking net rental rate decreased \$0.14 per square foot, from \$15.42 per square foot in Q1, 2024 to \$15.28 per square feet in Q2, 2024 (as per CBRE Q2 2024 Ottawa Office Marketview).

CAPITAL EXPENDITURES AND IMPROVEMENTS

A replacement of the fire pump and panel system was completed this quarter.



New Fire Pump / Panel System

Planning has begun for the replacement of the roof and HVAC system. We expect to undertake these replacements in the medium term.



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	181,899	249,468
Marketable securities and short term investments	78,167	78,167
Accounts receivable	13,293	43,190
Sales tax receivable	32,020	40,790
Prepaid expenses	34,153	44,360
Total Current Assets	339,531	455,974
Long-Term Assets		
Rental properties	6,277,240	6,393,524
Deferred finance charges	19,500	26,000
Deferred leasing costs	810,125	850,753
Total Long-Term Assets	7,106,865	7,270,277
Total Assets	7,446,396	7,726,251
Liabilities & Partner's Equity		
Current Liabilities		
Accounts payable & accrued liabilities	65,127	119,511
Tenant deposits and prepaid rents	357,417	357,582
Government remittances	62,812	59,487
Total Current Liabilities	485,356	536,580
Long-Term Liabilities		
Mortgages payable	5,822,864	5,923,397
Total Long-Term Liabilities	5,822,864	5,923,397
Total Liabilities	6,308,220	6,459,977
Partner's Equity		
Partner contributions	3,081,500	3,081,500
Partner distributions	-2,689,375	-2,489,384
Partner share of accumulated earnings (deficit)	674,159	500,285
Current period earnings (loss)	71,892	173,874
Total Equity	1,138,176	1,266,274
Total Liabilities & Partner's Equity	7,446,396	7,726,251

Income Statement

Period = Jun 2024

Book = Accrual ; Tree = property pnl

	Period ended 06/2024	Period ended 06/2023
Revenues		
Rental income	942,401.30	890,429.03
Interest income	5,320.93	5,935.25
Total revenues	947,722.23	896,364.28
Operating expenses		
Amortization	189,082.05	190,326.83
Interest on long-term debt	76,052.25	78,740.31
Property taxes	125,352.00	121,062.00
Repairs and maintenance	227,679.15	147,336.23
Utilities	126,818.03	121,357.63
General and administrative	83,362.81	109,197.74
Property management	26,926.50	28,156.02
Professional fees	7,086.10	8,780.00
Insurance	9,787.50	8,047.20
Bank charges and interest	3,683.57	2,282.49
Total operating expenses	875,829.96	815,286.45
Net income (loss)	71,892.27	81,077.83