

310 HUNT CLUB ROAD



**THIRD
QUARTER
REPORT
2023**

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



UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide you with the 2023 Third Quarter Report. We have some new positive leasing activity to announce.

We have successfully extended the lease with Helux Systems, for their existing suite comprising of 1,155 square feet that was set to expire March 31, 2024. The term has been extended by three years until March 31, 2027, and includes rental rate increases of 2.6% year over year. The lease extension was completed on an “as is” basis, and no inducements were provided to the tenant.

As noted in our previous report, Suite 203, which comprises of 2,602 square feet, has been leased to our current tenant, Bayshore Healthcare. We are happy to report that the tenant improvements were completed during the quarter and the tenant began to occupy the space September 1, 2023. We continue to complete the tenant improvements associated with the lease extension of the 5,654 square feet (Suite 202) and expect to be substantially complete by year end.

To fund the costs associated with the with expansion and longer than expected lease extension of Bayshore Healthcare, we will be reducing the quarterly distribution from our forecast of \$76,000 to \$38,000. The distribution has been mailed out on a proportionate basis. 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	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

PROPERTY MANAGEMENT AND CAPITAL WORKS

Jennings Real Estate Corporation conducts frequent site visits, maintains communication with tenants to understand any specific needs or problems, and monitors all contract workers to ensure work is done correctly.

In the third quarter we substantially completed improvements to the lobby that included the removal and installation of a new tile floor. This project was completed in 7 days with minimal disruption to tenants.

In connection with the expansion and renewal of Bayshore Healthcare, we completed all construction work associated with suite 203. The tenant occupied the space September 1. We have now commenced construction in suite 202 and expect to be substantially complete by year end.



PROPERTY SUMMARY

TENANT / LEASING UPDATE

As of September 30, 2023 the building is 100% leased.

Suite 203, which comprises of 2,602 square feet is now leased to Bayshore Healthcare. Suite 202 was successfully renewed until August 2033 with Bayshore Healthcare. Both spaces combine to a total 8,256 square feet and are now leased until August 2033.

Further, we successfully renewed the 1,155 square feet occupied by Helux Systems Inc., for a three year term ending March 31, 2027.

Tenant	Square Feet	Lease Expiry
VBI Vaccines	9,721	31-Dec-25
Helux Systems Inc.	1,155	31-Mar-27
Genvira Biosciences	5,460	30-Apr-30
Mital Group	1,323	30-Jun-30
Bayshore Healthcare	8,256	31-Aug-33
OneLife Management	7,118	31-May-35
Pryor Tax Law	3,232	30-Sep-35
Iogen Corporation	16,019	30-Jun-50
TOTAL	52,284	



PROPERTY SUMMARY

OneLife Wealth Management 7,118 SF Exp: May 2035	Pryor Tax Law 3,232 SF Exp: Sep 2035	Genvira Biosciences 5,460 SF Exp: Apr 2030	Mital Group 1,323 SF Exp: June 2030	Helux Systems 1,155 SF Exp: March 2027
Bayshore Healthcare 8,256 SF Exp: Aug 2033		VBI Vaccines 9,721 SF Exp: Dec 2025		
Iogen Corporation 16,019 SF Exp: June 2050				

LEASE EXPIRY YEAR



MARKET UPDATE

The Ottawa South office market’s vacancy rate increased from 5.7% in Q2, 2023 to 6.7% in Q3, 2023. The Ottawa South office market continues to outperform all other geographic areas in Ottawa, with the downtown core, west and east Ottawa reporting vacancy rates above 11%. The average asking net rental rate increased \$0.10 per square foot from Q2, 2023 to \$14.14 per square foot (as per CBRE Q3 2023 Ottawa Office Marketview).



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.



310 Hunt Club Limited Partnership
Balance Sheet
as at September 30, 2023

Assets

Current

Cash	\$	231,579
Accounts Receivable		462
Prepaid Expenses		17,944
Deposits		108,848
	\$	358,833

Long - Term

Deferred leasing costs	\$	867,412
Deferred finance charges		29,250
Property, plant and equipment		6,375,682
	\$	7,272,344

Total Assets

\$ 7,631,177

Liabilities and Investors' Equity

Current

Accounts payable and accrued liabilities	\$	54,847
Deferred revenue		182
Government remittances payable		19,375
	\$	74,405

Long-Term

Long-term debt	\$	5,973,177
Security deposits		357,287
		6,330,464

Total Liabilities

\$ 6,404,869

Investor's Equity

Capital	\$	1,130,401
Current period profit (loss)		95,908

Total Investors' Equity

\$ 1,226,308

Total Liabilities and Investor's Equity

\$ 7,631,177

310 Hunt Club Limited Partnership
Income Statement
for the period ended September 30, 2023

Revenue

Rental income	\$ 1,312,641
	<u>\$ 1,312,641</u>

Expense

Administrative costs	\$ 80,352
Amortization	\$ 284,636
Interest on long-term debt	\$ 117,472
Property management	\$ 42,234
Professional fees	\$ 17,228
Repairs and maintenance	\$ 308,997
Utilities	\$ 178,549
Property taxes	\$ 187,265
	<u>\$ 1,216,733</u>

Net Income

	<u><u>\$ 95,908</u></u>
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