



# 2025 ANNUAL REPORT

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Presented to:

The Limited Partners of

3750 N. Bowesville Road Limited Partnership

# + Letter to the Limited Partners

Dear Limited Partners,

3750 N Bowesville Road (the "Property") is a 1.66-acre development parcel. Formerly the Tudor Hall, a longstanding event centre, the Property is the only high-rise site that is adjacent to a golf course within the greenbelt of Ottawa.

Conceptual design is currently underway for a staged, two-tower, multi-family development. Hobin Architecture has been engaged for design, and we are targeting a site plan application in Q3, 2026, with construction commencing in Q2, 2027.

To provide carrying income during the pre-development phase, the Property entered into an 18-month short-term lease with an event center commencing January 15, 2023. A lease renewal secured later in 2023 extended the term by five years with 2% annual rental increases and included a landlord termination right for redevelopment. In 2024, after reviewing the development timeline, a lease amendment was negotiated, increasing the average annual rental escalation to 10.6% in exchange for adjusting the landlord's termination right to not be before June 30, 2026.

In 2025, the Property generated Net Operating Income (NOI) of \$171,181. This is an increase of \$36,876 or 27.46% when compared to 2024. NOI is projected to increase to \$185,047 in 2026.

NOI was allocated to cover debt service. Total interest expenses amounted to \$206,427 in 2025, resulting in a small amount of negative cash flow from operations. The expected value increase through improved zoning or full development more than offsets this period of negative cash flow.

In 2026, cash flow is anticipated to improve due to the increased rental revenue from the tenant, while the development advances through site plan approval, and financing ahead of construction.

Sincerely,

Ken and Christian Jennings  
Directors of the General Partner

# + Property Overview

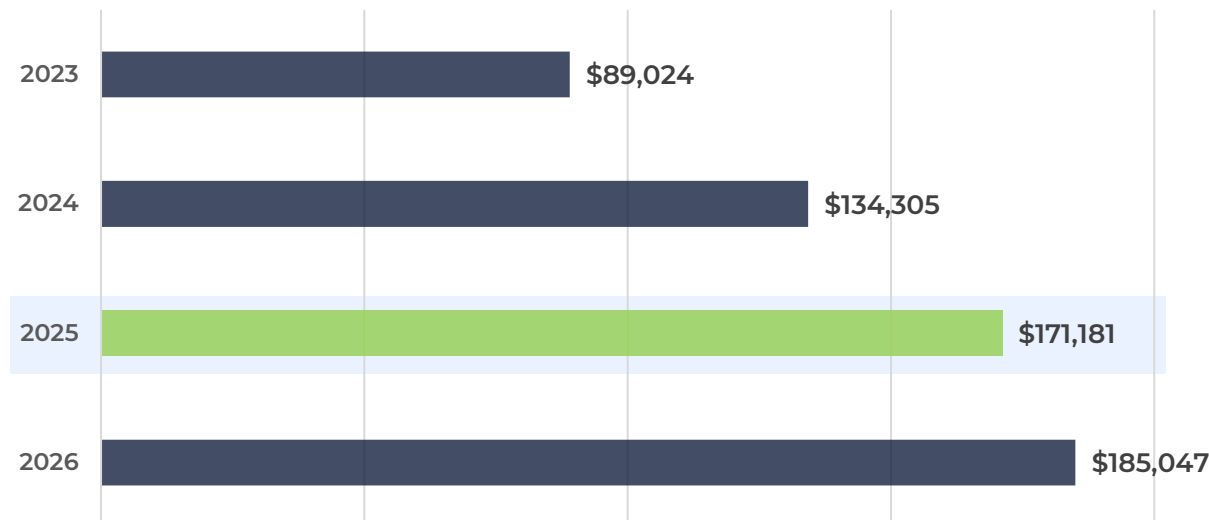
## The Property

Acquired in November 2022, 3750 N. Bowesville Road features a 20,000 square foot building on 1.68 acres of land. At the time of acquisition, the Property was historically occupied by and continues to operate as an event centre.

The Property offers high-rise development potential, being the only high-rise site that is adjacent to the Ottawa Hunt and Golf Club.

## NOI Overview

Below is the Net Operating Income (NOI) since 2023 and a forecast for 2026.



## 2025 Commentary

NOI increased by 27.46% from 2024 to 2025. This increase was attributable to a contractual rent increase negotiated with the tenant in 2024, which took effect on July 1, 2025. In addition, operating expenses declined by 3.07%, further contributing to the year-over-year increase in NOI.

## 2026 Outlook

The forecast for 2026 is that NOI will increase as a result of a contractual rent increase taking effect on July 1, 2026.

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**Net Operating Income (NOI):** Total income generated the Fund subtracting its operating expenses, excluding capital expenditures and debt service.

# + Property Overview

## Leasing

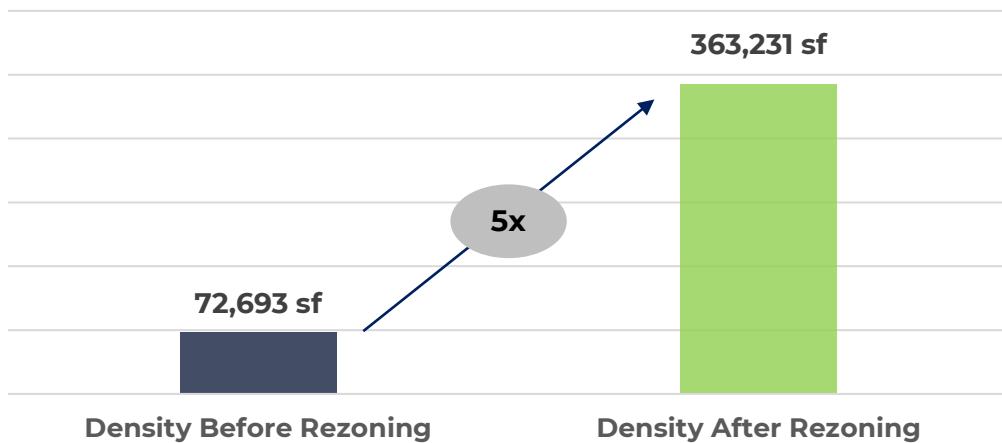
The Property is 100% leased and continues to operate as an event centre. In 2024, a lease extension, and amendment was completed with the current tenant, which included rent increases and an extended lease term through June 2029. As part of the extension, the landlord retained the right to terminate the lease at any time after June 30, 2026.

## Development Update

In 2024, the City of Ottawa approved the rezoning of the site. As a result, the site's permitted density increased from 72,693 square feet to 363,231 square feet of residential density, exceeding our initial estimate of 345,000 square feet.

The project has begun accelerating since obtaining the rezoning approval. An architect has been formally engaged, design coordination is actively underway, and the development team is currently in the process of retaining key-sub consultants to support detailed planning and technical requirements.

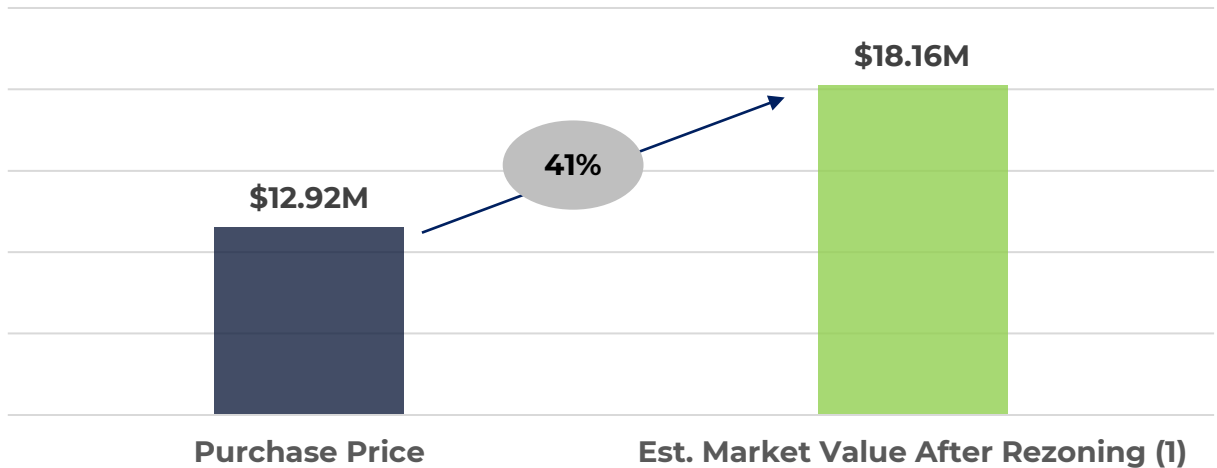
A design concept has been largely established, positioning the project for advancement into the approvals phase. Site plan submission is targeted for mid summer.



# + Property Overview

## Valuation

Based on comparable sales, and communication with appraisers, we believe that the rezoning of the Property that was completed in 2024 increased the property value to \$14,530,250 - \$21,800,000. This is based on an estimated value per buildable square foot of \$40-\$60.



## Financial Statements

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

(1) Estimated Market Value based on \$50 per square feet of buildable area

## + 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

**3750 N. Bowesville Limited Partnership**  
**Compiled Financial Information**  
*December 31, 2025*

# 3750 N. Bowesville Limited Partnership

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*For the year ended December 31, 2025*

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To the Management of 3750 N. Bowesville Limited Partnership:

On the basis of information provided by management, we have compiled the balance sheet of 3750 N. Bowesville Limited Partnership as at December 31, 2025, the statement of loss and partners' capital for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information.

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 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 did not perform 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.

Ottawa, Ontario

March 31, 2026



Chartered Professional Accountants

Licensed Public Accountants

**3750 N. Bowesville Limited Partnership**  
**Balance Sheet**

*As at December 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
<b>Current</b>		
Cash	172,901	231,247
Rent and other receivables	19	-
	<b>172,920</b>	<b>231,247</b>
<b>Revenue producing property</b>	<b>6,492,719</b>	<b>6,695,412</b>
<b>Deferred leasing costs</b>	<b>10,108</b>	<b>-</b>
	<b>6,675,747</b>	<b>6,926,659</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	25,788	29,065
Sales tax payable	7,417	6,957
Tenant deposits and prepaid rent	43,500	43,500
	<b>76,705</b>	<b>79,522</b>
<b>Mortgage payable</b>	<b>3,573,000</b>	<b>3,566,428</b>
	<b>3,649,705</b>	<b>3,645,950</b>
<b>Partners' Capital</b>	<b>3,026,042</b>	<b>3,280,709</b>
	<b>6,675,747</b>	<b>6,926,659</b>

Approved by 3750 N. Bowesville Inc.

e-Signed by Christian Jennings

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Director

## 3750 N. Bowesville Limited Partnership

### Statement of Loss

For the year ended December 31, 2025

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	2025	2024
<b>Rental revenue</b>	<b>336,764</b>	304,543
<b>Operating Expenses</b>		
Amortization	212,579	234,201
Interest on mortgage payable	206,427	271,064
Property taxes	62,910	61,942
Property management	61,800	60,000
Repairs and maintenance	24,221	33,720
Insurance	15,218	13,923
Professional fees	6,801	5,738
Interest and bank charges	1,142	1,754
Telephone, fax and internet	517	382
Office	32	-
	<b>591,647</b>	682,724
<b>Loss before other income</b>	<b>(254,883)</b>	(378,181)
<b>Other income</b>		
Interest	216	-
<b>Net loss</b>	<b>(254,667)</b>	(378,181)

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**3750 N. Bowesville Limited Partnership**  
**Statement of Partners' Capital**  
*For the year ended December 31, 2025*

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	2025	2024
<b>Balance, beginning of year</b>	<b>3,280,709</b>	3,658,890
Share of net loss	<b>(254,667)</b>	(378,181)
<b>Balance, end of year</b>	<b>3,026,042</b>	3,280,709

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# 3750 N. Bowesville Limited Partnership

## Notes to the Compiled Financial Information

*For the year ended December 31, 2025*

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### 1. Basis of accounting

The basis of accounting applied in the preparation of the financial information of 3750 N. Bowesville Limited Partnership as at December 31, 2025 is on the historical basis, reflecting cash transactions with the addition of:

- Rent and other receivables booked based on the terms of the tenant leases
- Prepaid expenses
- Revenue-producing property amortized in accordance with amounts allowable for income tax purposes
- Deferred leasing costs recognized over life of lease
- Accounts payable and accrued liabilities
- Tenant deposits are recorded as revenue when realized
- Mortgage payable

## 3750 N. Bowesville Limited Partnership

### Schedule 1 - Schedule of Partners Capital

*For the year ended December 31, 2025*

Partner	Opening Capital Balance	Net Loss Allocation	Closing Capital Balance
11085794 Canada Inc.	61,537	(4,777)	56,760
11085808 Canada Inc.	61,537	(4,777)	56,760
1278055 Ontario Limited	76,921	(5,971)	70,950
130120 Canada Ltd.	76,921	(5,971)	70,950
1394804 Ontario Inc.	76,921	(5,971)	70,950
2106861 Ontario Limited	76,921	(5,971)	70,950
2490626 Ontario Inc.	307,684	(23,884)	283,800
2534063 Ontario Inc.	76,921	(5,971)	70,950
2540583 Ontario Inc.	61,537	(4,777)	56,760
2707157 Ontario Inc.	38,461	(2,986)	35,475
A.M. Realty Corp Ltd.	76,921	(5,971)	70,950
B. Holmes Holdings Ltd.	76,921	(5,971)	70,950
BC Bockstael Holdings Inc.	61,537	(4,777)	56,760
Grant Castle Properties Inc.	1,454,592	(112,913)	1,341,679
Jennings Investment Corporation	257,618	(19,998)	237,620
McLarty Family Holdings Inc.	76,921	(5,971)	70,950
Nisbet Investments Inc.	30,768	(2,388)	28,380
Robert Walker	76,921	(5,971)	70,950
SR (Ottawa) Investments Inc.	99,307	(7,709)	91,598
Walker Family Wealth Ltd.	153,842	(11,942)	141,900
	<b>3,280,709</b>	<b>(254,667)</b>	<b>3,026,042</b>