

302 LEGGET DRIVE



**SECOND
QUARTER
REPORT
2021**

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



JENNINGS
REAL ESTATE

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PART A UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

As noted in previous reports, this property remains fully leased. We do have a tenant lease expiring this year and have been in consistent contact with them but have nothing to report to date. Given the tight market for industrial / flex space (the entire Kanata submarket has only 0.9% vacancy), we are optimistic that either the tenant will renew or a new tenant will occupy shortly after they vacate.

No major capital expenditures have been incurred thus far in 2021.

Finally, we will be making a distribution at this time of \$25,000.00. Such amount will be mailed out in the coming weeks on a proportionate basis.

Regards,

Ken and Christian Jennings
Directors of the General Partner



PART B PROPERTY SUMMARY

BUILDING INFORMATION

Built	1975 and 1981
Total Lot Acreage	4.61 acres
Building Size	84,499 sf
Parking	+/- 150 spaces

ZONING DESIGNATION

Designation	IG6
Description	General Industrial
Municipality	City of Ottawa

PROPERTY MANAGEMENT

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

In addition, the following project took place in the second quarter of 2021:

- Air conditioning unit and fans installed at Lloyd Douglas Solutions' premises.



PART B PROPERTY SUMMARY

TENANT / LEASING

MDA Corporation’s lease is expiring on October 31, 2021. Jennings Real Estate Corporation, along with broker Cushman Wakefield has been in consistent contact with the tenant in order to work towards renewal, and also has the space marketed for lease to third parties.

As of June 30, 2021, the building is fully leased.

Tenant	Square Feet	Lease Expiry
MDA Corporation	40,000	31-Oct-21
MCL Hospitality	5,857	31-Oct-22
Purewater	11,901	30-Apr-24
Lloud Douglas Solutions Inc.	12,467	31-Dec-25
MBP Technologies	14,274	30-Jun-26
Total	84,499	



MARKET UPDATES

The Ottawa Deep West (Kanata) industrial market’s vacancy rate stands at 0.9% at the end of Q2 2021 which is up from 0.7% in Q1 2021. The average asking lease rate in the area increased from \$11.29 to \$12.03 psf. (as per CBRE Q2 Ottawa Industrial Marketview)



PART C 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.





302 Legget Drive Limited Partnership

Balance Sheet
As of June 30, 2021

	TOTAL
Assets	
Current Assets	
Cash and Cash Equivalent	
1011 Operating Account - 2nd	419,729.81
1050 Petty Cash	2.01
Total Cash and Cash Equivalent	\$419,731.82
Accounts Receivable (A/R)	
1100 Accounts Receivable	-4,380.20
Total Accounts Receivable (A/R)	\$ -4,380.20
1070 Deposits	18,692.00
1300 Prepaid Expenses	8,588.70
Total Current Assets	\$442,632.32
Non-current Assets	
Property, plant and equipment	
1500 Land	1,826,044.59
1501 Leasing Commissions	67,707.34
1510 Building	9,253,944.82
1610 Building Improvements	74,204.75
1615 Building Improvement - Upgrade Lighting - R	44,003.00
1620 Roof Replacement	117,159.97
1630 MDA RTU Replacement	18,492.40
1640 Lloyd Douglas HVAC	49,139.66
Total Property, plant and equipment	\$11,450,696.53
1720 Financing Fees	10,030.11
Total Non Current Assets	\$11,460,726.64
Total Assets	\$11,903,358.96

302 Legget Drive Limited Partnership

Balance Sheet
As of June 30, 2021

	TOTAL
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable (A/P)	
2000 Account Payable	179,780.29
Total Accounts Payable (A/P)	\$179,780.29
2110 GST/HST Payable	197,037.50
GST/HST Suspense	-151,207.60
Total Current Liabilities	\$225,610.19
Non-current Liabilities	
2400 First Mortgage	5,994,660.71
2600 Tenant Deposits	31,127.37
Total Non-current Liabilities	\$6,025,788.08
Total Liabilities	\$6,251,398.27
Equity	
3020 Investor Capital	0.00
3030 Chrisken Realty Investments Inc.	187,527.51
3040 DH (Ottawa) Investments Inc	28,194.95
3050 TH (Ottawa) Investments Inc	-4,589.46
3060 AYM Real Estate Inc	295,059.64
3070 BC Bockstael Holdings Inc.	259,465.13
3080 B Holmes Holdings Ltd.	259,465.13
3090 Adam Mills Holdings Inc.	259,465.13
3100 Walker Family Wealth Ltd.	259,465.13
3110 1394804 Ontario Inc.	259,465.13
3120 2077188 Ontario Inc.	295,059.64
3125 2490626 Ontario Inc.	259,465.13
3130 Grant Castle Properties Inc.	472,685.51
3140 Maissonneuve Investments Inc.	259,465.13
3160 Carol Holmes	259,465.13
3170 McLarty Family Holdings Inc	129,732.55
3175 McLarty Family Holdings Inc (Lynn)	129,732.57
3186 A.M. Food Services Ltd.	500,765.40
3190 302 Legget Drive (GP) Inc.	0.22
3200 Fitzgerald Road Limited Partnership	1,377,032.83
Total 3020 Investor Capital	5,486,922.40
Retained Earnings	0.00
Profit for the year	165,038.29
Total Equity	\$5,651,960.69
Total Liabilities and Equity	\$11,903,358.96



302 Legget Drive Limited Partnership

Profit and Loss
January - June, 2021

	TOTAL
INCOME	
4000 Rental Income	496,151.92
4200 Additional Rent	330,972.36
4300 Other Income	7,080.31
Total Income	\$834,204.59
RECOVERABLE COSTS	
5000 Recoverable Operating Costs	178,117.93
6570 Property Taxes	139,704.00
Total RECOVERABLE COSTS	\$317,821.93
GROSS PROFIT	\$516,382.66
EXPENSES	
6000 Non Recoverable Expenses	44,998.96
6550 Mortgage Interest	103,757.01
8000 Depreciation	202,588.40
Total Expenses	\$351,344.37
PROFIT	\$165,038.29