

302 LEGGET DRIVE



**FIRST
QUARTER
REPORT
2022**

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



JENNINGS
REAL ESTATE

UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

As noted in our previous reports, the building remains fully leased, with no leases expiring in 2022.

No capital expenditures were incurred during this period. The major capital expenditure anticipated for 2022 is repaving of West side of the property, which is expected to take place in summertime.

Finally, we are making a **distribution of \$50,000** this quarter. Such amount was mailed out on a proportionate basis. At this time, we expect distributions to continue as projected in Q2 2022.

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

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, some of the projects that started in the first quarter of 2022 were:

- Launch of the backflow preventer program further to a direction from the City of Ottawa to install a backflow preventer on the domestic water system (by March 31, 2024) and on the sprinkler system (by March 31, 2024), with the provision of a hydraulic analysis.



PROPERTY SUMMARY

TENANT / LEASING

As of March 31, 2022, the building is fully leased and no leases expiring in the next 12 months.

Tenant	Square Feet	Lease Expiry
Purewater	11,901	30-Apr-24
Lloyd Douglas Solutions	12,467	31-Dec-25
MBP Technologies	14,274	30-Jun-26
MCL Hospitality	5,857	31-Oct-27
MDA Corporation	40,593	30-Apr-29
Total	85,092	



MARKET UPDATES

The Ottawa Deep West (Kanata) industrial market's vacancy rate stands at 0.5% at the end of Q1 2022 which is down from 0.9% in Q4 2021. The average net asking rent rate in the area increased from \$11.30 to \$13.75 psf. (as per CBRE Q1 2022 Ottawa Industrial 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.



302 LEGGET DRIVE LIMITED PARTNERSHIP
BALANCE SHEET
for the three months ended March 31, 2022
(Unaudited)

March 31, 2022

ASSETS

CURRENT

Cash	981,806
Accounts receivable	8,727
Prepaid expenses	59,394
	<u>1,049,926</u>

LONG-TERM

Security deposits	18,633
Deferred finance charges	192,920
Deferred leasing commission	434,103
Property, plant and equipment	11,138,658
	<u>11,784,314</u>
	<u>12,834,241</u>

LIABILITIES

CURRENT

Accounts payable and accrued liabilities	256,801
Government remittances payable	27,254
Deposits	31,127
	<u>315,183</u>

LONG-TERM

Long-term debt	11,601,262
	<u>11,916,445</u>

PARTNERS' EQUITY

Partners' capital	881,339
Earnings of the period	36,457
	<u>917,796</u>
	<u>12,834,241</u>

302 LEGGET DRIVE LIMITED PARTNERSHIP
STATEMENT OF EARNINGS
for the three months ended March 31, 2022
(Unaudited)

	<u>March 31, 2022</u>
REVENUE	
Rental income	456,484
Interest income	4,191
	<u>460,675</u>
EXPENSES	
Amortization of deferred finance charges	11,675
Amortization of leasing commissions	17,056
Bank charges	180
Depreciation	104,441
General and Administrative expenses	29,031
Insurance	4,278
Interest on long-term debt	92,581
Management fees	18,431
Professional fees	4,579
Property taxes	69,307
Repairs and maintenance	18,128
Utilities	54,530
	<u>424,217</u>
NET EARNINGS	<u><u>36,457</u></u>