

310 HUNT CLUB ROAD



**FIRST
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 First Quarter Report.

As noted in our previous reports, the building remained fully leased during the first quarter. However, suite 203 which comprises 2,602 square feet, is available for lease commencing May 1, 2023. VBI Vaccines, originally expanded into suite 203 at the on-set of the pandemic when significant funding was provided to research a Covid-19 vaccine. With the official end of the pandemic declared, and various vaccines available, funding was no longer available causing a downsizing in the tenant's operation. VBI continues to lease the 9,807 square foot suite they have occupied since 2014. We currently have interest in suite 203 from existing tenants, and have a marketing campaign promoting the upcoming availability.

We continue to improve the building's curb appeal and will tentatively commence the following improvements in Q2, 2023: a new modern floor in the lobby area, improved landscaping, and attractive art pieces throughout the common areas.

Finally, we are making a **distribution of \$43,125** in relation to this quarter. The distribution has been mailed out on a proportionate basis. This amount is less than projected at year end 2022, and is due to the upcoming vacancy of suite 203, which we originally expected to be continuously occupied by VBI. 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

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 performs routine preventative maintenance.

No significant improvements were completed at the property during the first quarter of 2023, Planning has begun for additional improvements to the lobby which will tentatively commence in the summer of 2023. These improvements include: a new lobby floor, art installations, and modern mill work. We also are going to improve the curb appeal with new landscaping in the front garden beds facing Hunt Club Road.



PROPERTY SUMMARY

TENANT / LEASING UPDATE

As of March 31, 2023, the building is 100% leased.

Suite 203, which comprises of 2,602 square feet, and was occupied by VBI Vaccines, is available for lease commencing May 1, 2023. To date we have had interest from current tenants to expand into the space, and have an on-going marketing campaign to promote the availability.

Tenant	Square Feet	Lease Expiry
VBI Vaccines	2,602	30-Apr-23
Helux Systems Inc.	1,155	31-Mar-24
VBI Vaccines	9,807	31-Dec-25
Bayshore Healthcare	5,654	31-Jan-26
Genvira Biosciences	5,460	30-Apr-30
Mital Group	1,323	30-Jun-30
OneLife Management	7,118	31-May-35
Pryor Tax Law	3,232	30-Sep-35
Iogen Corporation	16,019	30-Jun-50
TOTAL	52,370	



PROPERTY SUMMARY

OneLife Wealth Management 7,118 SF Exp: May 2035	Pryor Tax Law 3,232 SF Exp: Sep 2035	Genvira Biosciences Inc. 5,460 SF Exp: Apr 2025	Mital Group 1,323 SF Exp: June 2030	Helux Systems Inc. 1,155 SF Exp: March 2024
Bayshore Healthcare Ltd. 5,654 SF Exp: Jan 2026	VBI Vaccines Inc. 9,807 SF Exp: Dec 2022		VBI Vaccines Inc. 2,602 SF Exp: Apr 2023	
logen Corporation 16,019 SF Exp: June 2050				

LEASE EXPIRY YEAR



MARKET UPDATE

The Ottawa South office market’s vacancy rate increased to 8.7% in Q1 2023. The south office market continues to perform strongly relative to its competitors, with the downtown core, west and east Ottawa reporting vacancy rates above 12%+. The average net asking rent rate in the area remained consistent with the previous quarter at \$13.71 per square foot (as per CBRE Q1 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 Road Limited Partnership
Balance Sheet
as at March 31, 2023

Assets

Current

Cash	\$	230,646
Accounts Receivable		67,653
Prepaid Expenses		30,119
Short term investments		76,544
Deposits		30,681
	\$	435,642

Long - Term

Deferred leasing costs	\$	840,587
Deferred finance charges		35,750
Property, plant and equipment		6,507,351
	\$	7,383,688

Total Assets

\$ 7,819,330

Liabilities and Investors' Equity

Current

Accounts payable and accrued liabilities	\$	104,719
Deferred revenue		48
Government remittances payable		29,687
	\$	134,454

Long-Term

Long-term debt	\$	6,071,775
Security deposits		357,287
		6,429,062

Total Liabilities

\$ 6,563,516

Investor's Equity

Capital	\$	1,211,526
Current period profit (loss)		44,288

Total Investors' Equity

\$ 1,255,814

Total Liabilities and Investor's Equity

\$ 7,819,330

310 Hunt Club Road Limited Partnership
Income Statement
for the quarter ended March 31, 2023

Revenue

Rental Income	\$	454,337
	\$	<u>454,337</u>

Expense

Administrative fees	\$	26,784
Amortization		95,618
Interest on long-term debt		39,511
Management fees		14,078
Professional fees		2,470
Repairs and Maintenance		98,274
Utilities		72,784
Property Taxes		60,531
	\$	<u>410,049</u>

Net Income

	\$	<u><u>44,288</u></u>
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