

**302 LEGGET DRIVE**



**SECOND  
QUARTER  
REPORT  
2023**

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



**JENNINGS**  
**REAL ESTATE**

## UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide you with the 2023 Second Quarter Report.

As noted in our previous reports, the building remains fully leased, with no leases expiring in 2023. We are engaged with Purewater Total Home Leisure to extend the existing lease expiring 2024.

During the quarter, we completed the installation of a backflow preventer, a requirement under a new City of Ottawa by-law. We have also completed an upgrade of an outdoor patio area that is accessible to all tenants at the property. In Q3 / Q4 we anticipate completing the resurfacing of the west side parking lot.

Finally, we are making a **distribution of \$70,000** at this time. Such amount will be 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	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 performs routine preventative maintenance.

During Q2, a new backflow preventer was installed in accordance with the City of Ottawa's bylaw. We also completed an update to a building amenity, the outdoor patio area. This included re-levelling the existing pavers and staircase, in addition to new outdoor furniture.

Going forward into Q3, we expect to commence the repaving of the west parking lot.

### MARKET UPDATE

In Q2 2023, the Ottawa Deep West industrial vacancy rate was just 2.0%, an increase of 1.7% from 0.3% in Q1, 2023. This persistently low vacancy rate has led to the seventh consecutive quarter of industrial rental rate growth. The average asking rent for Ottawa Deep West is currently \$15.74 per square foot, an increase of \$2.41 over Q1, 2023 (as per CBRE Q2 2023 Ottawa Industrial Marketview).



## PROPERTY SUMMARY

### TENANT / LEASING

As of June 30, 2023, the building is fully leased. We are actively engaged with Purewater Total Home Leisure in a renewal of the current lease and are optimistic about the likelihood of renewal.

Tenant	Square Feet	Lease Expiry
Purewater Total Home Leisure	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
<b>Total</b>	<b>85,092</b>	



Pure Water 11,901 SF Exp: April 2024	Lloyd Douglas Solutions Inc. 12,467 SF Exp: Dec 2025	MPB Technologies Inc. 14,274 SF Exp: Jun 2026	MCL Hospitality Ltd. 5,857 SF Exp: Oct 2027	MDA Corp. 40,593 SF Exp: Apr 2029
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### LEASE EXPIRY YEAR



## 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 at June 30, 2023**

**Assets**

**Current**

Cash	\$	775,683
Accounts Receivable		14,916
Prepaid Expenses		9,143
Deposits		18,363
	<b>\$</b>	<b>818,106</b>

**Long - Term**

Deferred leasing costs	\$	347,431
Deferred finance charges		142,163
Property, plant and equipment		11,072,377
	<b>\$</b>	<b>11,561,971</b>

**Total Assets**

**\$ 12,380,077**

**302 Legget Drive Limited Partnership**

**Current**

Accounts payable and accrued liabilities	\$	263,537
Government remittances payable		50,920
	<b>\$</b>	<b>314,457</b>

**Long-Term**

Long-term debt	\$	11,304,084
Security deposits		31,127
		11,335,212

**Total Liabilities**

**\$ 11,649,668**

**Investor's Equity**

Capital	\$	594,590
Current period profit (loss)		135,819

**Total Investors' Equity**

**\$ 730,409**

**Total Liabilities and Investor's Equity**

**\$ 12,380,077**

**302 Legget Drive Limited Partnership**  
**Income Statement**  
**for the period ended June 30, 2023**

**Revenue**

Rental Income	\$ 1,013,418
	<u>\$ 1,013,418</u>

**Expense**

Administrative costs	\$ 40,352
Amortization	278,875
Interest on long-term debt	181,079
Property management	36,862
Professional fees	11,159
Repairs and maintenance	93,041
Utilities	89,170
Property taxes	147,060
	<u>\$ 877,599</u>

**Net Income**

	<u><u>\$ 135,819</u></u>
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