

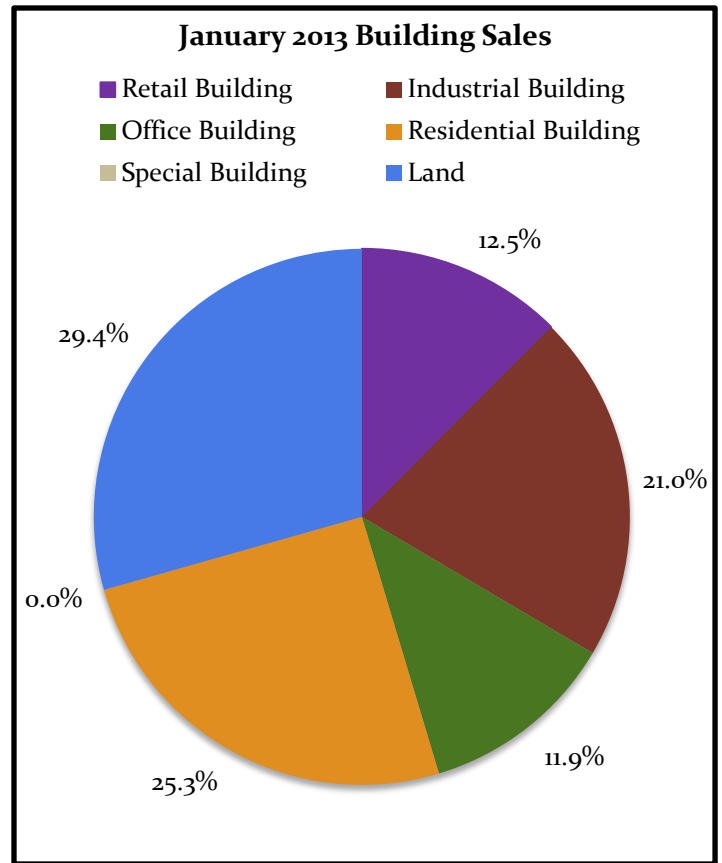
Overview of Market

The local unemployment rate as reported by Statistics Canada for the month of January decreased to 6.4% from the previous month. The provincial rate fell to 7.7% from 7.9% in December. The national overall unemployment rate also saw a slight decrease to 7.0% from 7.2% a month prior.

According to CMHC's news release, the total number of residential units under construction at the end of 2012 increased by 26.6% over the previous year to a total of 5,684 units. Housing Starts for the month of December also increased by 5.8% year-over-year, from 484 units in 2012 to 512 units in 2013.

There were a total of 25 sales reported in the month of January with a total value of \$118,362,511. Retail building sales accounted for 12.5% of the total, industrial buildings 21.0%, office buildings 11.9%, apartment buildings 25.3%, special buildings 0.0% and land 29.4%.

Sales data has been provided by RealTrack, Inc. For more information visit <http://www.realtrack.com> or call 1-877-962-9033



Retail Sales

There were five transactions in the retail market with a total value of \$14,765,000. The most notable transaction was the purchase of 350 West Hunt Club Road. The property was acquired by SSSS Dilawri Holdings Inc from 462307 BC Ltd. for \$7,000,000 or \$143/sf. The property is improved with a modern, single-storey retail warehouse outlet that was constructed in 2002 and was purchased by an adjoining property owner. Quintin Colaiaacovo and Nico Zentil of CB Richard Ellis had this property listed for sale.

Also significant is the transaction involving 228 Albert Street which was purchased by 8348090 Canada Inc from Cathay Holdings Inc for \$2,300,000. The property was improved with an older three storey building with a restaurant on the ground floor.

Lastly, 1129 Gabriel Street and 1180 Place D'Orleans Drive was sold by 2107516 Ontario Inc to 8327068 Canada Corp for \$2,870,000 or \$287/sf. The site is improved with a multi-tenant single storey retail plaza that is located opposite the Place d'Orleans Shopping Centre.

Industrial Sales

There were four industrial building sales during the month of January with a total value of \$24,870,000. The most notable sale was the sale of 1257 Algoma Road and 2270-2300 Stevenage Drive which were part of a four property portfolio sale. These two properties were sold by CIPF II GP Inc. to Skyline Commercial Real Estate Holdings Inc. for \$13,670,000 (\$151/sf) and \$3,850,000 (\$93/sf) respectively. Also included in the transaction were two office buildings which are outlined in the office portion of this report Aik Aliferis,

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Skyline Commercial Portfolio Sale

Address	Sale Price	PSF
1257 Algoma Road	\$13,670,000	\$151
2270-2300 Stevenage Drive	\$3,850,000	\$93
380 Hunt Club Road	\$5,900,000	\$116
2781 Lancaster Road	\$4,750,000	\$143
Total	\$28,170,000	

Nick Pantieras and Sam Firestone of Primecorp Commercial Realty were the agents with respect to the portfolio transaction.

Another notable transaction includes 60 Colonnade Road which was sold by Bercon Ontario Ltd to GPM (12) GP Inc for \$6,600,000 or \$105/sf. The property is improved with a one-storey industrial building that is approximately 20% finished with office/showrooms. Rob Quinn of Avison Young was the real estate agent with respect to this transaction.

Office Sales

There were three office building sales with a total value of \$14,050,000. The most notable transactions were the two office buildings that sold as part of the portfolio transaction previously mentioned in the industrial portion of the report. These two buildings are located at 380 Hunt Club Road and 2781 Lancaster Road and were sold by CIPF III GP Inc. & CIPF II GP Inc. to Skyline Commercial Real Estate Holdings Inc for \$5,900,000

(\$116/sf) and \$4,750,000 (\$143/sf) respectively. A summary of the portfolio is provided in the chart above.

Another significant office transaction was the transfer of 1750 Courtwood Crescent for \$3,400,000 or \$133/sf from Warp Holdings Ltd to Courtwood Holdings Ltd. The site is improved with a three storey office building that was constructed in 1972 and was approximately 50% vacant. Marc Morin and Graeme Webster of District Realty Corp were the agents with respect to this transaction.

Apartment Sales

There were six transactions in the apartment market during the month of January with a total value of \$29,890,711. The most notable sale was the portfolio transaction which involved 353-359 McArthur Avenue and 370 McArthur Avenue which sold for \$12,700,000 (\$102,419/unit) and \$3,300,000 (\$103,125/unit) respectively. They were sold by Paramount Property Management to 2165729 Ontario Inc. The sites are

improved with 3.5 storey apartment buildings with a total of 156 units.

Another notable transaction was the sale of 1090 Kristin Way by Evendrew Developments Ltd to Killam Investments Inc for \$10,327,711 or \$101,252/unit. The site is improved with an eight storey, 102 unit apartment building with 77 underground and 25 surface paved parking spaces. David McGahan of CLV Group was the agent with respect to this transaction.

Land Sales

There were seven land transactions during the month of January for a total consideration of \$34,786,800. Of the seven transactions, there was one commercial land sale, four residential land sales, one agricultural land sale and one future growth land sale. The most notable transaction was the sale of a 118 acre site on the north side of Rideau Road which was purchased by 2356349 Ontario Inc (Cardel Homes) from a private individual for \$18,000,000 or \$152,375/acre. The purchaser intends to develop the site with a residential subdivision within the next five years.

Another notable land sale includes the transfer of 1291 Old Montreal Road for \$7,261,800 or \$38,447/acre. The land was purchased by Tamarack (Queen Street) Corp from a private individual. The purchaser intends to develop the land into a low-density residential village with surrounding land owners.

of Capital Interest | March 2013

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Also significant is the sale of 488 & 490 Preston Street by 2110801 Ontario Inc to 486 Preston Ltd for \$3,300,000 or \$265/sf. The property is proposed to be developed with a thirty storey, 254 unit condominium building with ground floor commercial uses.

The market for vacant land in the Westboro neighbourhood continues to be strong. 236 Richmond Road (AKA Nick's Garage) was sold by a private individual to Tweedsmuir and Main Urban Properties Inc. for \$2,575,000 or \$177/sf. The purchaser is attempting to get approval for a nine storey apartment

building with ground floor commercial uses on this site.

