

Overview of Market

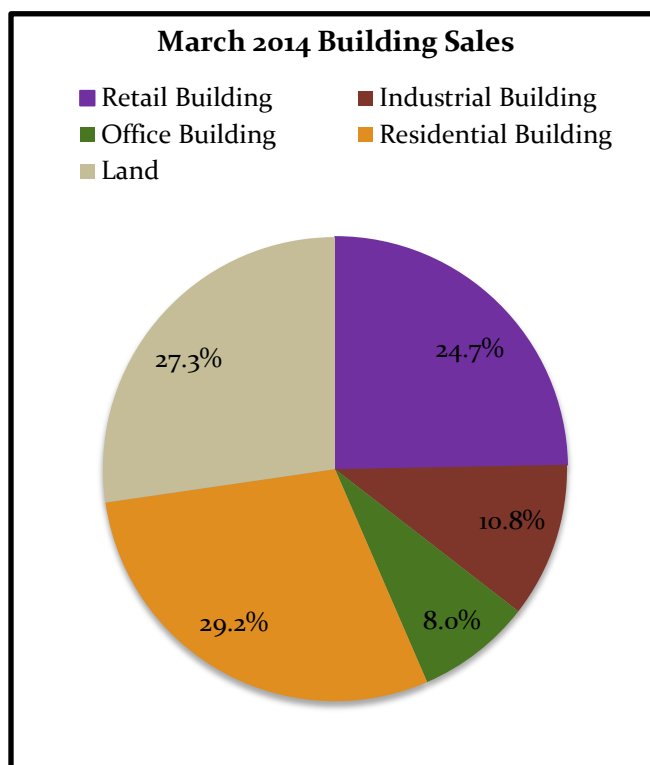
The local unemployment rate as reported by Statistics Canada for the month of March increased to 6.6%, from the previous month when it was at 6.5%. The national rate decreased slightly to 7.0%, while the provincial rate also decreased in March to 7.4%.

According to CMHC’s news release, the number of residential units under construction increased by 12.8% over last year to a total of 6,114 units from 5,418 units for the same time last year. Housing Starts for the month of March increased by 7.6% year-over-year, from 397 units in March 2013 to 427 units in 2014. In addition, the total number of starts for condominium apartment units in the first three months of 2014 was down to only 243 units from 580 units for the same period last year. This represents a decrease of 58.1%.

There were a total of 20 sales reported in the month of March with a total value of \$53,040,213. Retail building sales accounted for 24.7% of the total, industrial buildings 10.8%, office buildings 8.0%, apartment buildings 29.2% and land 27.3%.

The total value of sales for the first three months of the year is \$259,844,287, a decrease of \$110,747,101 or 29.9% over the first three months of 2013.

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 three retail building sales during the month of March with a total value of \$13,106,000. The most notable sale was the purchase of 700-702 Bank Street by 1875663 Ontario Inc. from PCL Holdings for \$7,500,000 or \$763 per square foot above grade. It is improved with a one-storey purpose-built Shoppers Drug Mart with a full basement that was constructed in 2008. The tenant has another nine years on its lease with three 5-year renewal options. The property was listed for sale by Michael Paoletti of Royal LePage Gale Real Estate and Brent Taylor of Brentcom Realty acted for the purchaser.

Another notable retail building transaction was the purchase of 148-152 Sparks Street by 148-152 Sparks St Inc.

from Murray Macy Enterprises Limited & Ages Holdings Limited for \$4,416,000 or \$248 per square foot. It is improved with a three-storey multi-tenant commercial building built in 1870. The building is demised into retail use on the ground floor, offices on the upper floors and a basement level. With this sale, Yesterday’s restaurant also closed which was an institution on Sparks Street for many decades. Gary Shaker of Shaker Real Estate was the broker involved in this transaction.

Industrial Sales

There were two industrial building sales during the month of March with a total value of \$5,700,000. The most significant sale was the purchase of 925 Belfast Road by the

City of Ottawa from 116589 Ontario Inc. for \$3,150,000 or \$195 per square foot. It is improved with a one-storey industrial building built in 1966 with additions made in 1996 and 2002. The building is demised into warehouse, showroom/office and storage space. The broker involved in this transaction was Rob Quinn from Avison Young.

The other sale was the purchase of 22 Cleopatra Drive by 1910608 Ontario Inc. for \$2,550,000 or \$116 per square foot. It is improved with an older multi-tenant industrial office building with ten tenants and 850

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square feet of vacant space at the time of sale.

Office Sales

There were three office building sales during the month of March with a total value of \$4,260,213. The only notable transaction was the purchase of 9 Antares Drive by Axim Centre Inc. from 141358 Canada Ltd. for \$3,000,000 or \$179 per square foot. It is improved with a one-storey office/warehouse building that has two grade level loading bays. The building was purchased for partial owner occupancy and is undergoing extensive renovations.

Apartment Sales

There were four transactions in the apartment market during the month of March with a total value of \$15,490,000. The only significant apartment building sale was the purchase of 50 Selkirk Street & 350 Mayfield Avenue by Killam

Investments Inc. from Kanco Selkirk-Mayfield Ltd. for \$12,500,000 or \$91,911 per unit. The two buildings are four and five-stories in height. Both buildings are elevatored and there are 41 on site surface parking spaces. The agents involved in this transaction were Sam Firestone & Aik Aliferis from Primecorp Commercial Realty.

Land Sales

There were eight land transactions during the month of March for a total consideration of \$14,484,000. Of the eight transactions, there were three commercial, four residential and one agricultural.

The most notable commercial land sale was the purchase of 319 McRae Avenue by McRae (Ottawa) Development Inc. from Named Individuals for \$7,450,000 or \$115 per square foot. It is unimproved land that is proposed to be developed

into two, seven-storey mixed use buildings. The two towers are to be connected by street front retail and have two levels of underground parking in addition to surface parking. One seven-storey building will consist of 116,304 square feet of Class “A” office space. The other building will consist of 126 residential apartment units.

The other significant land sale was the purchase of agricultural land on the southwest corner of Dalmeny Road and Dalmac Road for \$2,500,000 or \$14,800 an acre. There are some secondary structures with farm out buildings on the site.

