

of Capital Interest | August 2015

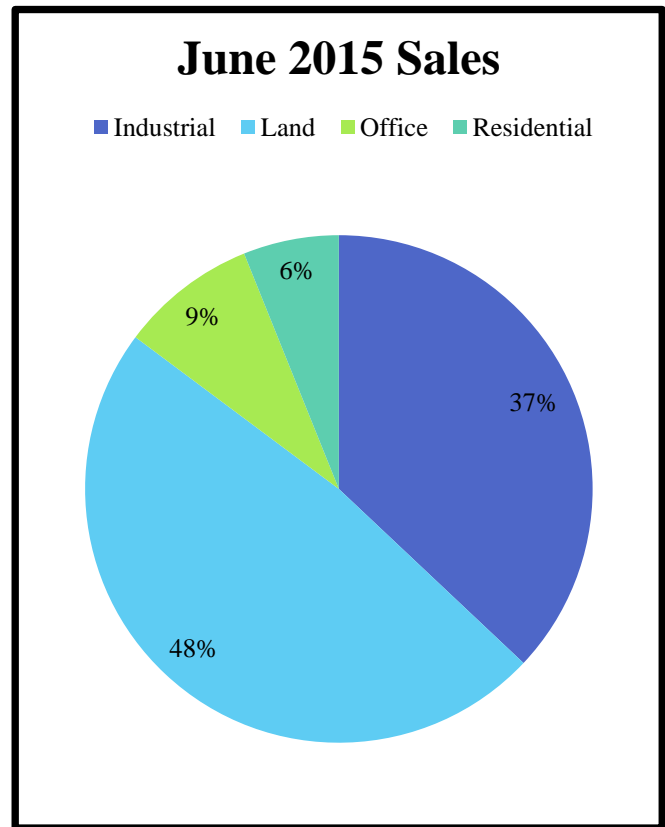
Juteau Johnson Comba Inc.

Overview of Market

The local unemployment rate as reported by Statistics Canada for the month of June decreased to 6.1%, from the previous month when it was at 6.3%. The national rate remained at 6.8%, while the Province of Ontario remained at 6.5% in June.

According to CMHC’s news release, housing units under construction for the month of June were at 4,991 units compared to 6,553 units in June 2014, a decrease of 23.8%. Housing starts for the first seven months decreased 20% year-over-year, from 2,518 units in 2014 to 2,015 units in 2015. In addition, the total number of starts for condominium apartment units for the first seven months of 2015 decreased to 620 units from 868 units or 28.6% from the same period last year.

There were a total of 28 sales reported in the month of June with a total value of \$125,832,455. Industrial buildings accounted for 37% of the total, office buildings accounted for 9% of the total, apartment buildings 6% and land 48%. Sales data has been provided by RealTrack, Inc. For more information visit <http://www.realtrack.com> or call 1-877-962-9033.



Industrial Sales

There were six industrial building sales during the month of June with a total value of \$46,595,000. The most significant sale was the purchase of 500 March Road by SCI Brockville Corporation (*Sanmina Corporation*) from Legget Drive Development Inc. (*Broccolini Construction Inc.*) for \$25,300,000 or \$220/square foot. It is improved with a recently constructed industrial/office building. Oliver Kershaw and Lindsay Hockey from CBRE Ltd. were the sales representatives with respect to this transaction.

Another notable sale was for 2390 Stevenage Drive. Tanis Trading Inc. purchased the property from Stevenage Holdings Inc. and 2410 Stevenage Dr. Inc. for \$15,600,000 or \$120/square foot. It is improved with a single-storey industrial building that was constructed in 1981 with several additions between 1990 and 2004. This transaction was part of the purchase of Tannis by Sysco Canada.

2590 Sheffield Road was purchased by Stephane Campeau Holdings Inc. from 2205964 Ontario Ltd. for \$2,350,000 or \$118/square foot. It is improved with an

industrial building with a two-storey walk-up office component. Paul D’Aoust from Keller Williams Solid Rock Realty was the agent with respect to this transaction.

Office Sales

There were six office building transactions during the month of June with a total value of \$10,952,000. 26 Auriga Drive was transferred to The Redeemer Christian Church of God: Overcomers Chapel from 6413889 Canada Ltd. for \$4,100,000 or \$132/square foot. It is improved with a fully air conditioned single-storey office building that was constructed in

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approximately 1988. Robb Quinn from Avison Young was the broker with respect to this transaction.

30 Murray Street was purchased by 30 Murray Street Ltd. from L. Sipolins Ltd, Sipolins Realty Ltd. and Sipolins Realty Partnership for \$2,850,000 or \$228/square foot. The property is improved with a three-storey, elevated office building that was vacant at the time of sale. Richard Smith from Royal LePage Performance Realty and Nick Ricciuto from Coldwell Banker Sarazen Realty were the agents involved in this transaction.

Apartment Sales

There were five transactions in the apartment market during the month of June with a total value of \$7,667,500. The most significant was the purchase of 36 townhomes on Lats and Riga Private by 2466604 Ontario Inc. from 519679 Ontario Ltd. for \$4,000,000 or \$111,111/unit. The property is improved with four blocks of three-storey townhouse rentals that were

constructed in approximately 1983. Alexander Bill and Stephanie Lui from Rock Advisors Inc. were the agents with respect to this transaction.

Land Sales

There were eleven land transactions during the month of June for a total consideration of \$60,617,955. Of the eleven transactions, there were four commercial/retail sales, three residential sales, two future growth sales, one industrial sale, and one rural/agricultural sales.

Commercial/Retail Land

The most notable land sale for the month of June was for the land located on the southwest corner of Strandherd Drive and the future extension of Kennevale Drive. Strandherd Road Inc. (*The Regional Group*) sold 22.319 acres in five parcels to Zena Investment Corp. (*Myers Cadillac Chevy Buick GMC*) for \$13,775,625 or \$617,215/acre. The parcels are proposed to be developed with automotive dealerships.

The second most notable sale was for 4.040 acres of the previous sale. Zena Investment Corp. (*Myers Cadillac Chevy Buick GMC*) sold this site to 9340831 Canada Inc. (*Ottawa Honda*) for \$2,936,250 or \$726,795/acre. The site is proposed to be developed with an automotive dealership.

The third most notable sale was for 1179 & 1195 Hunt Club Road and 5 Mountain Crescent. They were purchased by 1179 Hunt Club Inc. from 1414875 Ontario Ltd. for \$4,050,000 or \$1,490,066/acre. The site is currently improved with four retail/office buildings. There are plans to demolish two of the existing buildings and construct a retail condo plaza and an office condo plaza. Aaida Oakley from Primecorp Commercial Realty was the broker with respect to this transaction.

Industrial Land

5.249 acres, that is land locked and located to the south of Stevenage Drive, was purchased by Tannis Trading Inc. from Russell Metals Inc. for \$2,100,000 or \$400,076/acre. The purchaser is an adjoining land owner.

