

of Capital Interest | November 2015

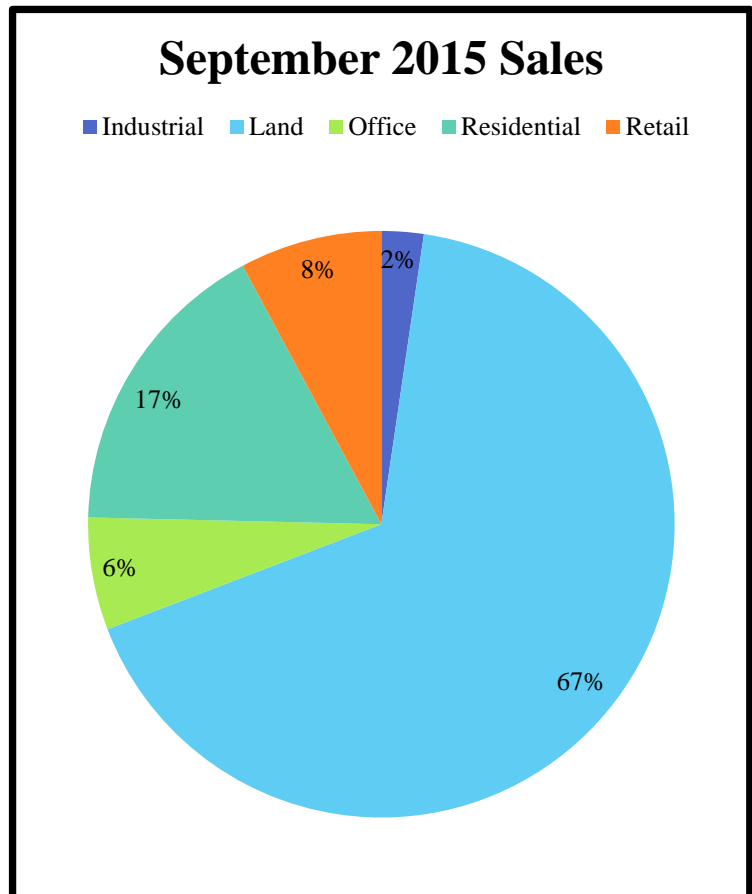
Juteau Johnson Comba Inc.

Overview of Market

The local unemployment rate, as reported by Statistics Canada for the month of September, declined to 6.2% from the previous month, while the national rate increased to 7.1%. The Province of Ontario remained at 6.9% in September.

According to CMHC’s news release, housing starts for the month of September were trending at 5,569 units compared to 4,940 units in August, an increase of 12.7%. Housing starts for the month of September increased 7.8% year- over-year, from 410 units in September 2014 to 442 units in September 2015. In addition, the total number of starts for condominium apartment units in September 2015 decreased to 36 units from 104 units in September 2014. Year-to-date housing starts are down 14.7% with condominium starts down 31.6%.

There were a total of 27 sales reported in the month of September with a total value of \$79,483,859. Retail building sales accounted for 7.8% of the total, industrial buildings 2.3%, office buildings 6.2%, apartment buildings 16.8% and land 66.8%. 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 September with a total value of \$6,230,000. The most notable sale for the month of September was the purchase of 366 Elgin Street by Stanley Ages Inc. from The Bank of Nova Scotia for \$3,300,000 or \$429/sf. The property is improved with a former single-storey Bank of Nova Scotia with a basement. The basement is partially finished and parking for three vehicles is available in the rear of the property. The

property was purchased for owner occupancy. Brent Taylor of Brentcom Realty had this property listed for sale.

Industrial Sales

There were two industrial building sales during the month of September with a total value of \$1,845,500. The most significant sale was the purchase of 75-77 Pamilla Street from private individuals by 1202586 Ontario Ltd for \$1,000,000 or \$199/sf. The site is improved with a 1.5 storey residential

dwelling, and also includes two detached warehouse buildings, that are single-storey, slab-on grade.

Office Sales

There were two office transactions during the month of September with a total value of \$4,925,000. 1209 Michael Street was purchased by Her Majesty the Queen in Right of Canada from 1750830 Ontario Inc. for \$4,185,000 or \$128/sf. This is a Class”A” office building, constructed in approximately 2008, with

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a full basement level and 53 on-site parking spaces.

Apartment Sales

There were six transactions in the apartment market during the month of September with a total value of \$13,348,400. Four properties located in the Sandy Hill neighbourhood all within walking distance of Ottawa University were transacted between the same vendor and purchaser. The properties were located at 185 Henderson Avenue, 458 Nelson Street, 466 Nelson Street, and 460 Nelson Street. They sold for a total purchase price of \$9,867,600 or \$519,347 per unit. All of the buildings were marketed as student housing. Marc Papineaus from RE/MAX Core Realty was the broker with regards to these sales.

Land Sales

There were fourteen land transactions during the month of September for a total consideration of \$53,134,959. Of the fourteen transactions, there were six commercial, six residential, one future growth and one special use sale.

The most notable commercial land sale is located at Strandherd Drive and Systemhouse Street in Barrhaven. A 97% interest was purchased by Montrin Uniform Strandherd GP Inc. from Strandherd Road Inc. for \$17,449,203 or \$609,296 per acre. The proposed development will comprise 335,173 square feet of gross floor area, with major anchors being Dollarama, LCBO, Marshalls, Value Village and a proposed Warehouse Club (rumoured to be Costco).

The second significant commercial land sale was the purchase of a 60% interest in 2525 Mer Bleue Road by SmartREIT (OrleansII) Inc. from Innes Shopping Centre Ltd. for \$8,654,711 or \$279,957 per acre.

3065 Palladium Drive, was purchased from West Ottawa Land Holdings Inc. by Cabela's Retail Canada Inc. for \$5,919,214 or \$832,402 per acre. The property is located on Palladium Drive where there are plans to construct a 70,000 square foot outdoor sports store, opposite the Tanger Outlet Mall.

The next interesting sale was that of 435 Preston Street & 79 Pamilla Street. The

Prescott Realty Ltd. by Pamilla and Main Urban Properties Inc. for \$5,275,000 or \$227 per square foot. The purchaser intends to develop the assembled parcels with a six-storey mixed-use retail/office project.

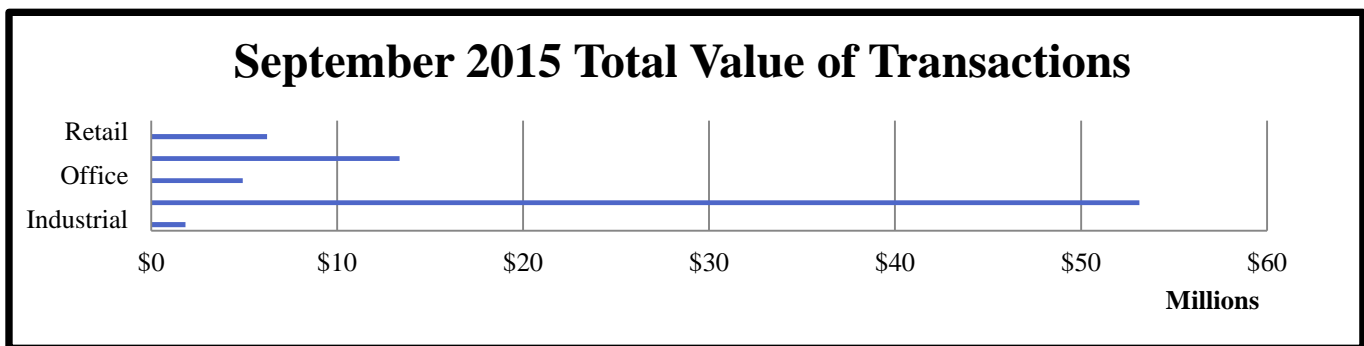
311 Somerset Street West along with 234-236 O'Connor Street were sold by private individuals to Gemstone Corporation for \$2,750,000 or \$187 per square foot. At the time of sale, the three parcels were being utilized as a parking lot business. The purchaser is a developer, however, there is no development application at this time.

Future Residential Land

3875 Barnsdale Road was sold by private individuals to 2103356 Ontario Ltd. for \$3,200,000 or \$65,710 per acre. The property was purchased for future development in ±8 years.

Special Use Land

It is of note that 2525 River Mist Road in Barrhaven was sold by Mattamy Ltd. to the Ottawa Catholic District School Board for \$2,790,968 or \$408,275 per acre. A Catholic elementary school is expected to be built at this location



Commercial Land

properties were purchased from The