

of Capital Interest | April 2018

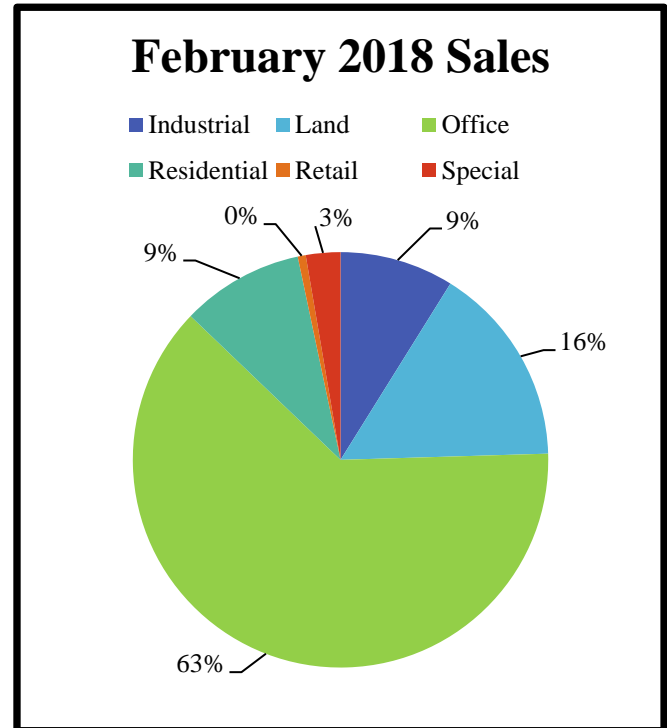
Juteau Johnson Comba Inc.

Overview of Market

The local unemployment rate as reported by Statistics Canada for the month of February fell to 5.3% from 5.4%. The national rate fell to 5.8% from 5.9% and the Province of Ontario unemployment rate remained unchanged at 5.5%, from the previous month.

According to CMHC’s news release, housing starts for the first two months of the year were at 540 units compared to 1,143 units for the previous year, a decrease of 53%. In addition, the starts for condominium apartment units so far this year are at 14 units as compared to 577 units in 2017.

There were a total of 33 sales in the month of February with a total value of \$128,473,509. Office building sales accounted for 62.6% of the total, land sales 15.7%, residential buildings 9.5%, industrial buildings 8.9%, special buildings 2.7% and retail buildings 0.6%. Sales data has been provided by RealTrack, Inc. For more information, visit <http://www.realtrack.com> or call 1-877-962-9033.



Office Sales

There were four office building sales for the month of February, with a total value of \$80,473,000.

The most notable sale during the month of February was 3000 and 3001 Solandt Drive and 450 March Road, in the Kanata North Business Park, that was purchased by Fiera Properties Core Fund GP Inc. from Pensionfund Realty Ltd. (*Morguard Investments Ltd.*) for \$41,000,000 or \$208 per square foot. It is comprised of three office buildings, one being a “Class B+” two-storey building that was constructed in 1997, another being a “Class A-” two-storey building that was constructed in 1989 and renovated in 2017 and the last

one being a Class “A” five-storey building that was constructed in 2001. 450 March Road also includes 3 acres of excess development land.

1001 Farrar Road was also purchased by Fiera Properties Core Fund GP Inc. from HOOPP Realty Inc. (*Morguard Investments Ltd.*) for \$33,173,000 or \$226 per square foot. It is improved with a three-storey Class “A” office building that was constructed in 2007. It has 466 paved surface parking spaces.

The previous two transactions were listed by Cushman & Wakefield Ottawa and RBC Capital Markets Real Estate Group.

2740 Queensview Drive was purchased by Zena Investments Corp. (*Myers Cadillac Chevy Buick*) from Megha Holdings Inc. for \$4,500,000 or \$270 per square foot. It is improved with a single-storey office building that was constructed in 1975. It features two overhead loading doors and 54 paved surface parking spaces.

Industrial Sales

There were three industrial building sales for the month of February for a total consideration of \$11,400,000.

1100 Algoma Road was purchased by Ottawa Industrial Properties Ltd. (*Huntington Properties*) from Desjardins Healthcare Group Inc. for \$7,500,000 or \$161 per square foot. It is

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improved with a one and two-storey office/showroom and warehouse structure constructed in 2007. The clear ceiling height is 24 feet in 3,700 square feet of the warehouse with the remaining being 10 feet. It has 185 paved surface parking spaces.

2200 Thurston Drive was purchased by 10530590 Canada Inc. from 148991 Canada Inc. for \$3,170,000 or \$135 per square foot. It is improved with a single-storey industrial building with a mezzanine component that was constructed in 1989. The warehouse has a clear ceiling height of 22 feet. It has 3 overhead bay doors, one being 14 feet and two others being 10 feet. This property was listed for sale by Derek Parker at Metro Suburban Realty.

Special Sales

There were two special building sales for the month of February, with a total value of \$3,450,000.

174 First Avenue was purchased by 7272561 Canada Inc. from Trustees for St. Giles Presbyterian Church for

\$2,350,000 or \$270 per square foot. It is improved with a two and one-half storey community hall building. The two floors above grade are comprised of private offices, large meeting rooms, washrooms and common areas. The building was vacant at the time of sale.

Land Sales

There were twelve land sales for the month of February for a total consideration of \$20,108,629.

Commercial Land Sales

There were three commercial land sales for the month of February for a total consideration of \$9,184,250.

3636-3646 Innes Road was purchased by U-Haul Co (Canada) Ltd. from Glenview Homes (Innes) Ltd. for \$7,000,000 or \$825,472 per acre. It is improved with a vacant home improvement centre that was constructed in the early 1970's. The purchase price is also equal to \$101 per square foot of building area. The

property has been vacant since early 2016.

Industrial Land Sales

There were two industrial land sales for the month of February for a total consideration of \$3,775,000.

1925 Merivale Road was purchased by GW Drummond Family Holdings Ltd. from Swedlove Realities Ltd. for \$2,250,000 or \$882,353 per acre. It is improved with a Drummond's gas station and an office building utilized for the rental of heavy construction equipment.

