

# of Capital Interest | February 2019

## Juteau Johnson Comba Inc.

### Annual Sales

Ottawa's commercial real estate market transactions totalled more than two billion dollars in 2018, for the second year in a row, but decreased by almost \$25 million from the previous year.

The adjacent chart details the sales for each of the asset classes for the past two years. The total number of sales for 2018 increased by 32.6% to 431 sales (over \$500,000) compared to 325 sales in 2017. However, the total transacted value decreased 1.2% from the previous year. The two asset classes with the largest decrease in total value in the past year were office and multi-family. The asset class that increased the most in the past year was the industrial class which increased by over 146 million dollars.

The largest transactions that occurred in each of the asset classes in the past year are outlined in the chart below.

Property Type	# of Sales	2018		2017	
		Value	# of Sales	Value	
Industrial	52	\$250,156,665	35	\$103,953,000	
Multi-Family	78	\$229,420,069	81	\$266,057,673	
Retail	56	\$314,550,607	45	\$187,921,264	
Office	60	\$658,636,669	46	\$1,083,816,657	
Land	158	\$451,124,816	98	\$369,231,173	
Special	15	\$156,466,660	7	\$105,071,000	
Mixed-Use	12	\$30,533,010	13	\$34,748,444	
<b>Total</b>	<b>431</b>	<b>\$2,092,253,996</b>	<b>325</b>	<b>\$2,117,229,211</b>	

These 7 sales have a total value of **\$401,899,790** which represents **19%** of the total value in 2018.

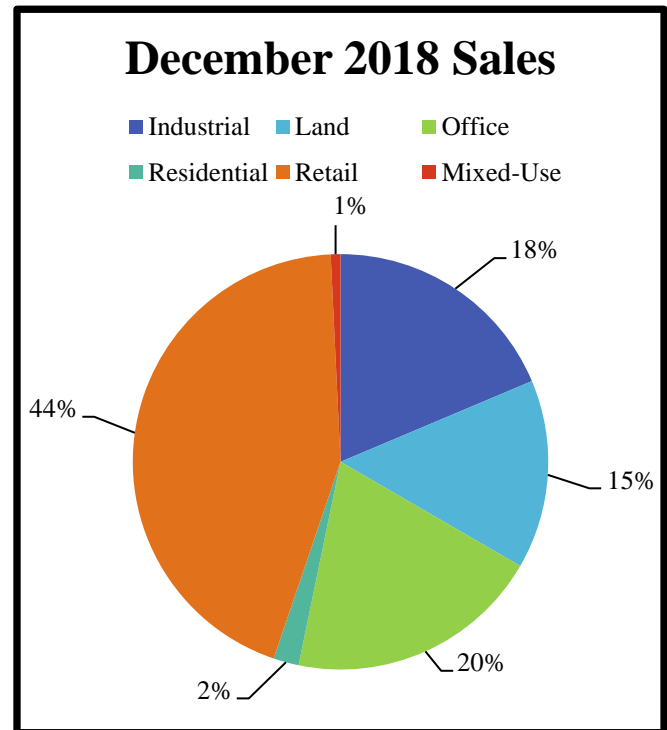
Property Type	Address	Vendor	Purchaser	Consideration
Retail	1171 St. Laurent Boulevard & 1106 Cyrville Road	2600337 Ontario Inc. (Automotive Finco Corp.)	APR (1040 Ogilvie, 1171 St. Laurent & 1106 Cyrville) Inc. (Automotive Properties REIT)	\$25,597,000
Industrial	1100-1101 Polytek Street	HOOPP Realty Inc.	Morguard Polytek Ltd.	\$42,500,000
Office	300 Slater Street & 365 Laurier Avenue West	BPO (Ontario Core) Ltd., Crehoy Inc. & Ontari Holdings Ltd.	Morguard (Jean Edmonds) Ltd. & 10938629 Canada Inc.	\$186,000,000
Residential	131-141 Cooper Street	8887322 Canada Inc.	Cooper Apartments Ltd. (Paramount Properties)	\$48,000,000
Land	936 March Road	2559688 Ontario Inc. (Metcalf Realty)	Minto Communities Inc.	\$35,002,790
Special	111 Cooper Street	CA/CS Ottawa General Partner Inc. (Campus Suites)	Alignvest Student Housing Inc.	\$55,000,000
Mixed Use	366-382 Bank Street & 404-410 Gilmour Street	Golden Dragon Ho 2 & 4 Inc.	2625889 Ontario Inc. (Dragona Flooring)	\$9,800,000

### Overview of Market

The local unemployment rate for the month of December as reported by Statistics Canada increased slightly to 4.9% from 4.6% the previous month. The national rate remained unchanged at 5.6% while Ontario’s unemployment rate decreased to 5.4% from 5.6%.

According to CMHC’s news release, housing starts for 2018 were at 7,539 units compared to 7,457 units the previous year, an increase of 1.1%. Starts for condominium apartment units for 2018 decreased 37% to 898 units as compared to 1,431 units in 2017. In addition, there were only 160 units completed and not absorbed as at the end of 2018 as compared to 389 units at the end of 2017.

There were a total of 39 sales in the month of December with a total value of \$222,483,697. Retail building sales accounted for 44.0% of the total, office building 19.8%, industrial buildings 18.7%, land sales 14.7%, residential buildings 2.0% and mixed-use buildings 0.8%. Sales data has been provided by RealTrack Inc. for more information visit [www.realtrack.com](http://www.realtrack.com) or call 1-877-962-9033.



### Retail Building Sales

There were 11 retail building sales for the month of December for a total consideration of \$97,991,973.

The most notable sales during the month of May were nine properties, including a commercial land sale, purchased by APR (1040 Ogilvie, 1171 St. Laurent & 1106 Cyrville) Inc. (*Automotive Finco Corp.*) from 2600337 Ontario Inc. (*Automotive Finco Corp.*) for a total consideration of \$86,902,000. The portfolio previously sold in May 2018 for \$81,035,000.

1040 Ogilvie Road, 1171 St. Laurent Boulevard and 1106 Cyrville Road was purchased for \$25,597,000 or \$327 per square foot of building area.

It is improved with a single-storey and a two-storey automotive dealership as well as a vacant car lot.

1475-1501 Carling Avenue was sold for \$24,460,000 or \$323 per square foot of building area. It is improved with two single-storey automotive dealerships with an attached collision centre.

1217-1229 Walkley Road and 1811 Bank Street sold for \$17,353,000 or \$304 per square foot of building area. It is improved with a single-storey automotive dealership that was constructed in 2012

2055 Mer Bleue Road sold for \$8,300,000 or \$338 per square foot of building area. It is improved with a

single-storey automotive dealership that was constructed in 2014.

1056 Parisien Street and 1352 Gosset Street sold for \$5,567,000 or \$292 per square foot of building area. It is improved with a single-storey automotive dealership that was constructed in 2013 and a single-storey collision centre.

4055-4065 Carling Avenue was purchased by Newgen Property Ventures Ltd. from RioCan Holdings Ltd. for \$6,575,000 or \$292 per square foot of building area. It is improved with a single-storey retail plaza that is anchored by a Wendy’s and a Cora’s restaurant. The property was listed for sale by Colliers.

# of Capital Interest | February 2019

## Juteau Johnson Comba Inc.

33-43 Roydon Place was purchased by Ferrari Holdings Ltd. from Anuk Holdings Ltd. for \$4,838,000 or \$183 per square foot of building area. It is improved with two, two-storey commercial buildings that were constructed in 1991. John Zinati had this property listed for sale.

### Office Building Sales

There were 7 office building sales for the month of December for a total consideration of \$44,162,500.

1101 Baxter Road was purchased by Baxter Regional Inc. (*The Regional Group*) from Postmedia Network Inc. for \$21,000,000 or \$113 per square foot of building area. It is improved with a two-storey office building and newspaper production facility that is occupied by the Ottawa Citizen newspaper.

2625 Queensview Drive was purchased by 1679538 Ontario Inc. from Cred GP I Inc. (*Colonnade Bridgeport*) for \$7,900,000 or \$174 per square foot of building area. It is improved with a two-storey, multi-tenant, Class "B" office building.

20 Cope Drive was purchased by February Property Holding Inc. from Bradley Air Services Ltd. (*First Air*) for \$5,750,000 or \$174 per square foot of building area. It is improved with a two-storey office building that was constructed in ±1980. The property was listed for sale by Greg Jarvis and Leena Ray of Coldwell Banker First Ottawa Realty.

331 Cooper Street was purchased by 331 Cooper Street Ltd. (*SerCo*

*Construction Ltd.*) from 2071887 Ontario Inc. for \$4,000,000 or \$115 per square foot of building area. It is improved with a seven-storey Class "C" office building that was constructed in 1966. It was 72% vacant at the time of sale.

309 Cooper Street was purchased by 309 Cooper Street Ltd. (*SerCo Construction Ltd.*) from 2071887 Ontario Inc. for \$2,600,000 or \$123 per square foot of building area. It is improved with a five-storey Class "C" office building that was constructed in ±1969. This building was only 30% vacant at the time of sale.

### Industrial Building Sales

There was a 3 building portfolio sale in the month of December from Baxter Lancaster Nominee to Summit for a total consideration of \$41,500,000.

1050-1051 Baxter Road was purchased for \$24,000,000 or \$150 per square foot of building area. It is improved with two, one and two-storey, multi-tenant commercial buildings.

2615 Lancaster Road was purchased for \$12,000,000 or \$142 per square foot of building area. It is improved with two, single-storey, multi-tenant flex industrial buildings.

2620-2650 Lancaster Road was purchased for \$5,500,000 or \$144 per square foot of building area. It is improved with four, single-storey, multi-tenant flex industrial buildings.

### Land Sales

There were 13 land sales for the month of December for a total consideration of \$32,746,324.

### Commercial Land Sales

2584-2626 Bank Street was purchased by Upper Hunt Club Centre Inc. from Danpat Ltd. & Surgenor National Leasing for \$5,050,000 or \$1,219,807 per acre.

20 Cedarow Court was purchased by NLG 2011 Inc. (*Nautical Lands Group*) from Canada Mortgage and Housing Corp. for \$4,100,000 or \$706,897 per acre.

2 Laser Street was purchased by APR (1811 Bank and 2 Laser) Inc. (*Automotive Finco Corp.*) from 2600337 Ontario Inc. (*Automotive Finco Corp.*) for \$3,800,000 or \$1,262,458 per acre. It sold as part of the portfolio previously stated in retail building sales.

### Residential Land Sales

1445 Wellington Street West was purchased by Mizrahi Development Group (1451 Wellington) Inc. from 1230517 Ontario Inc. for \$3,000,000 or \$377 per square foot.

### Industrial Land Sales

5494-5510 Boundary Road was purchased by Day & Ross Inc. from named individuals for \$3,236,500 or \$155,153 per acre.

9460 Mitch Owens Road & 5592-5630 Boundary Road was purchased by 2030470 Ontario Ltd. (*Rosedale*

# of Capital Interest | February 2019

## Juteau Johnson Comba Inc.

Group) from 6613926 Canada Inc. for \$2,000,000 or \$192,493 per acre.

### Rural Land Sales

6430 Franktown Road was purchased by 10318850 Canada Inc. from named individuals for \$2,750,000 or \$27,484 per acre.

### Residential Building Sales

There were 3 residential building sales for the month of December for a total consideration of \$4,394,900.

1431 Morisset Avenue was purchased by 2666221 Ontario Inc. from 4472136 Canada Inc. for \$2,075,000 or \$115,278 per unit. It is improved with a three and one-half storey apartment building that was constructed in ±1961. The property was listed for sale by Michel Dagher and Barbara Anne Morelli of Caldwell Banker Sarazen Realty.

