

Manotick Village Square

Value proposition

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Summary


- The .8 acres located in the heart of Manotick Village consists of two separate lots, with a NON-heritage building on each, within easy access to all the amenities needed to live, work and play.
- Located at the corner of Beaverwood and Main street provides great street frontage and provides for numerous options
- Zoned as VM9 enables a three story building for commercial on first floor and residential or commercial on the other two.
- The location is highly sought after with a historical vacancy rate under 3% over the last ten years.
- The property is the largest parcel on Main Street, with over 50 parking spots with potential to 64 dependant on option pursued, also has frontage on Beaverwood
- These factors enable various potential options for use of the property from a development investment of zero to \$18M with associated varying revenue streams.
- The insurance proceeds from the loss of the 5556 building was called by the bank for the first mortgage
 - TD bank stated there was no interest in funding the rebuild, it was not in their business model
- Property is an ideal location for retail, commercial office, health practitioners, residential units on second and third floor
- Manotick BIA is a well established organization assisting businesses in Manotick
- The GMA(Greater Manotick Area) is experiencing significant growth in riverside south, Finlay creek, Barrhaven, Stonebridge
 - This is creating a greater customer base along with a larger resource pool to draw from
- Manotick revitalization is underway with new buildings underway/planned, new restaurants and shops opening




Property Profile



- Walking score
 - From the walkscore.com site the location rates very well
 - This is a reflection of how convenient shops and services are for those living and working in the area
 - The limited transit impact those who can live and work in the area
- Vacancy rate history
 - Vacancy under 3% over 10 years
 - As owner of the property since 2007 vacant units have been filled within a few months at the most only once using an agent
 - This affirms the desirable location
 - The property has had a mix of tenants from residential, office, commercial and retail
- Services
 - Full water and sewer connections to the current buildings (5552 and 5558)
 - Additionally a third address (5556) is serviced at the back of the property from Beaverwood


5556 Manotick Main Street

Rideau-goulbourn, Ottawa

Commute to **Downtown Ottawa** 

 58 min  60+ min  60+ min




 Favorite  Map

 Nearby Apartments

Walk Score
72
Very Walkable
Most errands can be accomplished on foot.

Transit Score
29
Some Transit
A few nearby public transportation options.

Bike Score
73
Very Bikeable
Flat as a pancake, some bike lanes.

 www.walkscore.com/score/5556  

Property Profile (continued)

- Expenses
 - Tenants are under triple net leases
 - Operating cost covered under additional rent, this includes taxes, insurance, electrical, water, maintenance/repair, etc
 - Landlord is responsible for structural repairs
- Property tax
 - total \$31,420
 - 5552 commercial \$16,787
 - 5558 commercial \$11,240
 - 5558 residential \$3,393
 - Assessment Review Board (ARB)
 - arguing at ARB the MPAC property assessment and allocation between residential and commercial, ETC sept 2019



Property Profile (continued)

- Zoning VM9 – Village Mixed Nine
- Survey
 - Property elevation declines by approx. 6 ft to back of property
 - Frontage on Main Street and Beaverwood
- Appraisal
 - **Affiliated Property Group** appraised the property after the fire to be worth \$1.8M

Mr. Gino Petrocco
5552 Manotick Main Street
Ottawa, ON

RE: Mixed-Use Buildings located at 5552 - 5558 Manotick Main Street, Ottawa

Dear Mr. Petrocco:

In accordance with your instructions, a narrative appraisal report has been completed on the above-noted properties, in order to provide you with an estimate of their current market values. The property rights being appraised are those of the leased fee estate and fee simple (land component) interest.

The report is a narrative appraisal as defined by the Appraisal Institute of Canada and the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP). The subject properties were inspected on June 23 and July 5, 2017, the effective date of the valuation is August 1, 2017, and are the only dates on which the estimate of value is considered to be valid.

At the direction of the client, the subject properties are valued based on the extraordinary assumption that the former rear building known as 5556 Manotick Main Street, which was destroyed by fire as of May 21, 2017, is subject to demolition, all debris removed, and surface area covered with soil.

In addition, the two parcels are being valued as one parcel with an excess land component. The two parcels are registered separately, though have common ownership interest. The two parcels augment one another with road access, on site parking, and site coverage. Furthermore, as one parcel it enhances the potential of the rear lands to be considered as excess land. Prior to the fire loss, the rear lands were improved by a +4,800 square foot, multi-tenanted retail building, which further supports the excess land component utility.

Based on our investigations and analysis, the current market value of the subject properties, as of the effective date of the appraisal, August 1, 2017, is estimated as follows:

ONE MILLION EIGHT HUNDRED SIXTY THOUSAND DOLLARS
(\$ 1,860,000)

Based on current market conditions a marketing period of between three and nine months is estimated for the subject property. The current market value estimate assumes the property will sell after proper marketing and reasonable publicity. In the case of the subject property this exposure time is considered to precede the effective date of the appraisal.

As is Revenue Option

- Revenue from the two buildings at 5552 and 5558
- The slab from the 5556 building remains
- Parking lot has 54 parking spots
- Rent roll 2018



Tenant Name	Type of business		Sq. Ft	Total Annual Base Rent	Total Annual Additional	Total Annual Rent	expiry	Terms (gross, n/n/n, etc.)
5552 Building								
Lasting Impressions	gift boutique	1st flr	1800	\$ 28,800	\$ 18,000	\$ 46,800	2019 jun	triple net
cooligan fitness	fitness	basmt	2000	\$ 22,080	\$ 11,640	\$ 33,720	2019 mar	triple net
5558 Building								
Merovitz Potechin	lawyer	unit 1	600	\$ 12,000	\$ 3,600	\$ 15,600	2020 sept	triple net
green spirit	organic beauty	unit 2	600	\$ 11,400	\$ 1,200	\$ 12,600	2022 aug	triple net
storage	vacant	1st flr	100	\$ 4,800	\$ 300	\$ 5,100	vacant	
one bedroom		2nd flr	800	\$ 9,600		\$ 9,600	mth to mth	
bachelor		2nd flr	500	\$ 7,200		\$ 7,200	mth to mth	
			6400	\$ 95,880	\$ 34,440	\$ 130,620		

Slab Revenue Option

- Rebuild 5556 on the existing slab
 - Limits the requirements by the city to build and the associated fees
 - 4800 sq ft was designed to potentially have 4 1200 sq ft units
 - Services from Beaverwood
 - Replacing the existing footings would enable building a second floor, and third floor, which would double/triple revenue
- Replacement cost est 700k



Tenant Name	Type of business	Sq. Ft	Total Annual Base Rent	Total Annual Additional	Total Annual Rent	expiry	Terms (gross, n/n/n, etc.)
5556 Building on SLAB							
1st floor	commercial	4800	\$ 81,600	\$ 48,000	\$ 129,600		triple net
		4800	\$ 81,600	\$ 48,000	\$ 129,600		

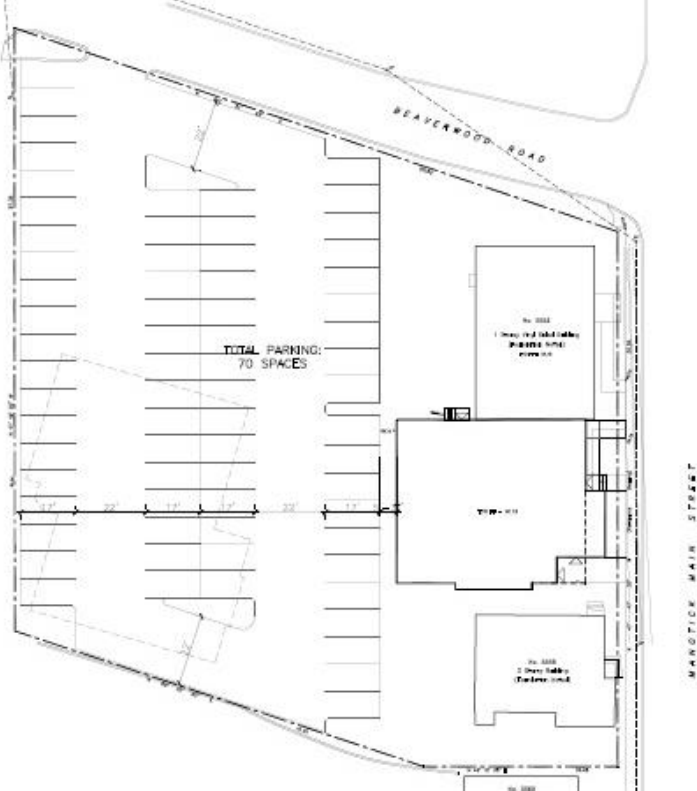
Sever Revenue Option

- Severing the back portion of the property
 - Ample Beaverwood frontage
 - Sale 500k-600k
 - Approx .4 acres
 - Ample parking
 - Services from Beaverwood
 - Build on slab options would be potential with a need to address parking requirements



New 5556 Revenue Option

- New location rebuild design stays within city constraints to limit city process
 - 50% increase on 4800 sq ft
 - Two storey 3000 sq ft footprint with basement
 - 64 parking spots
 - Takes advantage of the street front exposure
- Build est 1.1M



Tenant Name	Type of business	Sq. Ft	Total Annual Base Rent	Total Annual Additional	Total Annual Rent	expiry	Terms (gross, n/n/n, etc.)
5556 NEW Building							
basement	commercial	3000	\$ 39,000	\$ 21,000	\$ 60,000		triple net
1st floor	commercial	3000	\$ 51,000	\$ 30,000	\$ 81,000		triple net
2nd floor	commercial	3000	\$ 51,000	\$ 30,000	\$ 81,000		triple net
		9000	\$ 141,000	\$ 81,000	\$ 222,000		

Three phase approach Revenue Option

- Requires a larger city approval process
 - 1st phase - build new 5556
 - Option to create 3 storey to maximize revenue
 - 2nd phase - replace 5558
 - 3rd phase – replace 5552
 - 2nd and 3rd phase creates 3 storey building with basement
 - 64 parking spots

Tenant Name	Type of business	Sq. Ft	Total Annual Base Rent	Total Annual Additional	Total Annual Rent	expiry	Terms (gross, n/n/n,etc.)
5556 NEW Building							
basement	commercial	3000	\$ 39,000	\$ 21,000	\$ 60,000		triple net
1st floor	commercial	3000	\$ 51,000	\$ 30,000	\$ 81,000		triple net
2nd floor	commercial	3000	\$ 51,000	\$ 30,000	\$ 81,000		triple net
3nd floor	commercial	3000	\$ 51,000	\$ 30,000	\$ 81,000		triple net
		12000	\$ 192,000	\$ 111,000	\$ 303,000		
5552 NEW Building							
basement	commercial	4000	\$ 52,000	\$ 28,000	\$ 80,000		triple net
1st floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
2nd floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
3nd floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
		16000	\$ 256,000	\$ 148,000	\$ 404,000		
5558 NEW Building							
basement	commercial	4000	\$ 52,000	\$ 28,000	\$ 80,000		triple net
1st floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
2nd floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
3nd floor	commercial	4000	\$ 68,000	\$ 40,000	\$ 108,000		triple net
		16000	\$ 256,000	\$ 148,000	\$ 404,000		



Major Program Revenue Option

- Significant city process
- multi-year project to take entire .8 acres, underground controlled parking off Beaverwood
- footprint is 3200
- first floor Public fitness (like anytime fitness), retail store front, coffee shop and restaurant,
- second, and third floors apartments for rent, or commercial or both.
 - roof top green space, solar panels



Tenant Name	Type of business	Sq. Ft	Total Annual Base Rent	Total Annual Additional	Total Annual Rent	expiry	Terms (gross, n/n/n, etc.)
Major Program							
basement	parking spots	150	\$ 90,000		\$ 90,000		triple net
1st floor	commercial	32000	\$ 544,000	\$ 320,000	\$ 864,000		triple net
2nd floor	commercial	32000	\$ 544,000	\$ 320,000	\$ 864,000		triple net
3rd floor	commercial	32000	\$ 544,000	\$ 320,000	\$ 864,000		triple net
		96150	\$ 1,722,000	\$ 960,000	\$ 2,682,000		