

# The Commercial Realty Group



# Clayton Smith

## Background

- Clayton Smith began his Real Estate career with Oxford Development Group in Toronto
- Transitioned into Real Estate Brokerage, working for two leading firms before founding and running his own brokerage company
- Combined all this expertise into Real Estate redevelopment, forming The Commercial Realty Group

# The Commercial Realty Group

- Based in Toronto, the largest city in Canada and home to the TSX, major Canadian Banks, Insurance Companies, as well as cultural and post secondary institutions
- As the economic engine room for Canada (and the 3rd largest city in North America), Toronto was the original anchor for The Commercial Realty Group
- Real Estate has always been the ultimate real asset to own and The Commercial Realty Group made a number of key investments in the heart of downtown Toronto
- These asset transformations involved significant capital investments which, when combined with construction expertise, have created enormous appreciation in values
- Strong financial core assets, fully leased and stabilized
- Today, The Commercial Realty Group combines these Toronto core assets with diversification in Aviation, Marine and Vacation Rentals as well as integrated business’s supporting these diversified ventures

## Past Redevelopment Projects

\*Currently Owned





# Toronto Restoration Projects

## 49 Wellington Street East Project – Flatiron Building

- Building was vacant other than the struggling restaurant
- Rebuilt the entire heating air conditioning system
- Leased, designed and built-out each tenant's suite to achieve full occupancy
- Estimated redevelopment/leasing budget of approximately \$3,000,000

Before



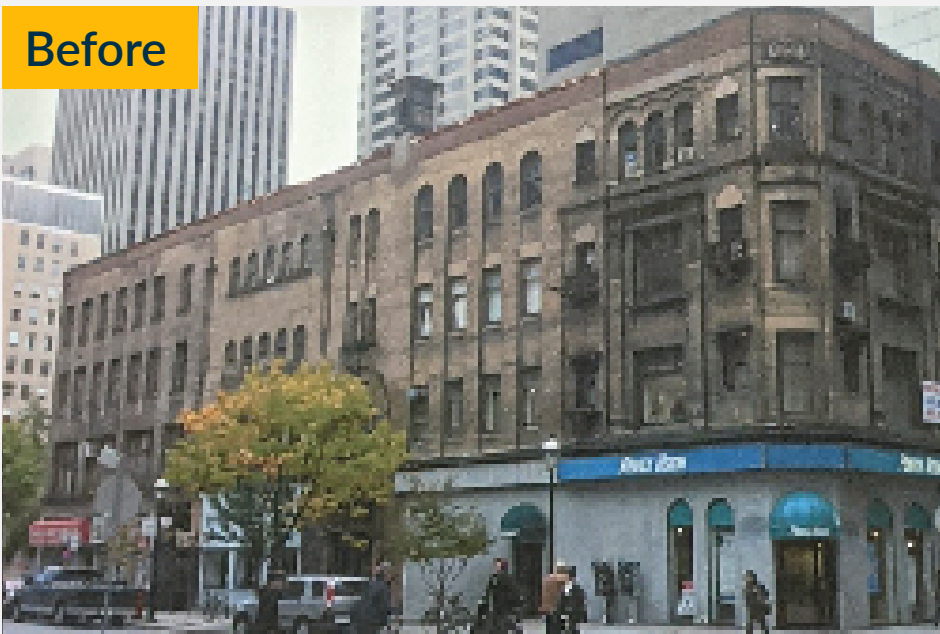
After



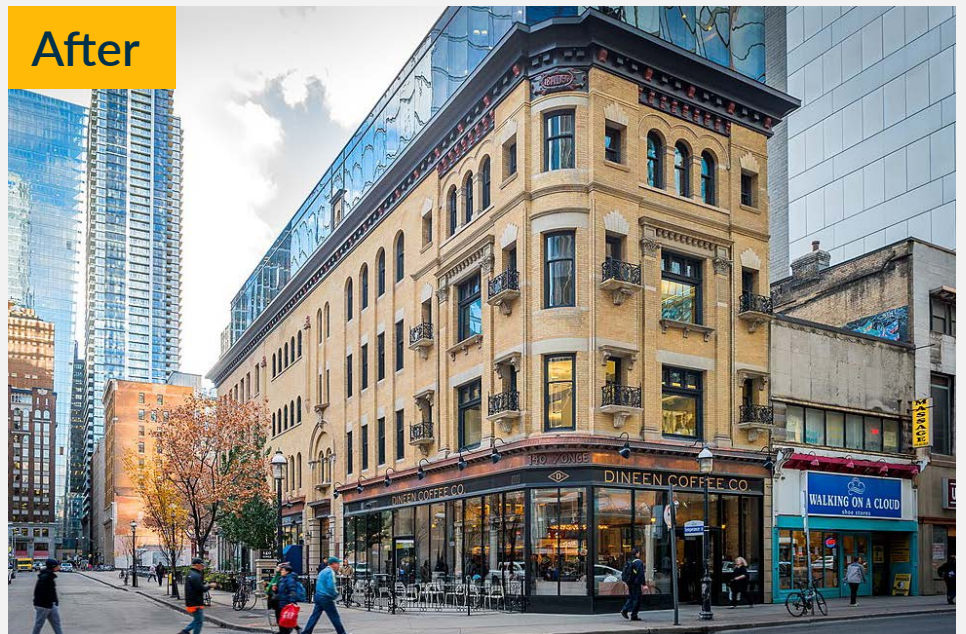
## 140 Yonge Street – Dineen Building

- Full exterior restoration: sand washed, replaced over 2,000 bricks, replaced 110 energy efficient exact replica windows, restored/replaced all copper detail
- Removed entire interior back to the brick and beams
- Built and installed two new elevators, and entire new heating/air conditioning system
- Leased, designed and built-out each tenant's suite to achieve full occupancy
- Assisted in the creation of the renowned Dineen Coffee Shop, The Chase Restaurant, both considered one of the best in their industry
- Estimated redevelopment/leasing budget of approximately \$10,000,000

Before



After

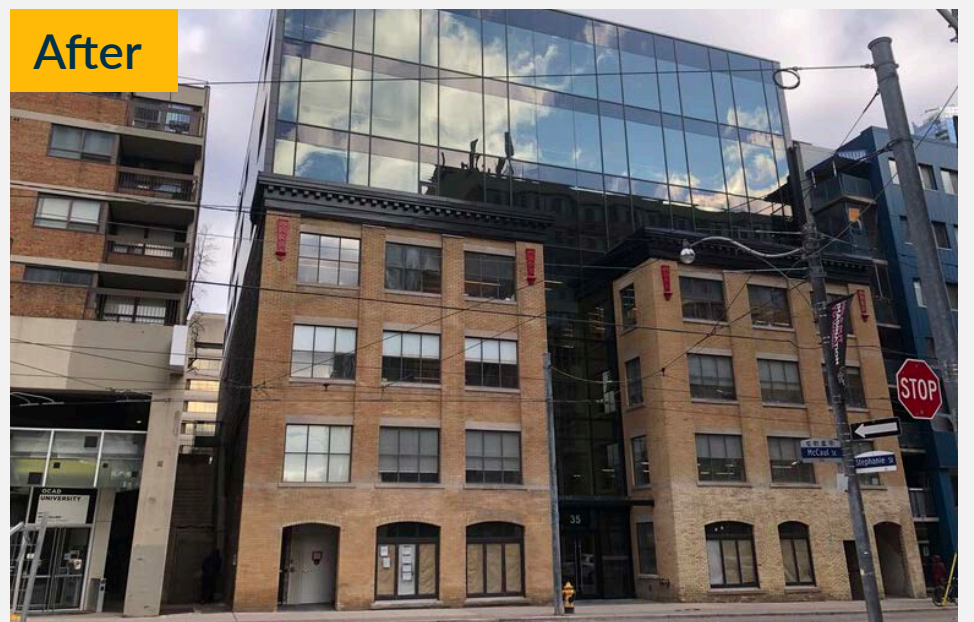
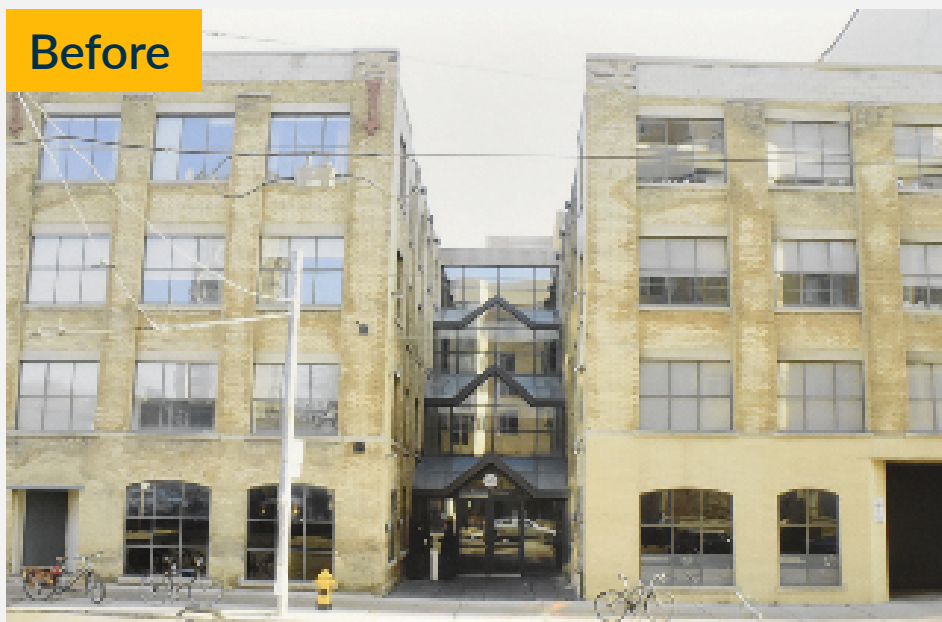




# Toronto Restoration Projects

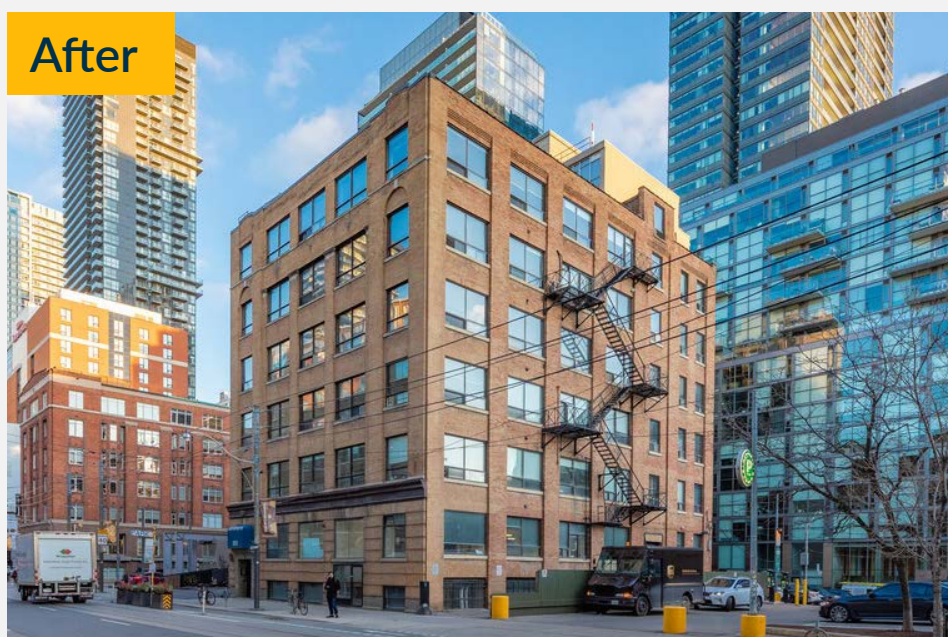
## 35 McCaul Street

- Built an additional 4 floors on top of the existing building
- Exterior restoration: sand washed, replaced over 3,000 bricks, replaced/added all energy efficient windows, restored/replaced all steel cornice detail
- Interior restoration back to the brick and beams
- Built and installed two new high speed elevators, and new heating/air conditioning system
- Leased, designed and built-out each tenant's suite to achieve full occupancy
- Estimated redevelopment/leasing budget of approximately \$22,000,000



## 355 Adelaide Street West

- Exterior restoration: sand washed, replaced over 500 bricks, replaced energy efficient windows, restored/replaced all exterior detail etc.
- Interior restoration back to the brick and beams
- Sanded, replaced, restored all original maple hardwood floors
- Restored passenger and freight elevators, new heating/air conditioning system
- Leased, designed and built-out each tenant's suite to achieve full occupancy
- Estimated redevelopment/leasing budget of approximately \$8,000,000





# Diversification

- With the Toronto Financial Core assets stabilized, Clayton Smith created a strategic diversification plan
- Continuing to focus on investments with substantial real estate, The Commercial Realty Group now looked to expand geographic and industry sectors
- The development of other complimentary business lines also formed an element of this diversification plan
- This has grown to include airports, vacation rentals, restaurants, marine services, aviation maintenance as well as Transport Canada certified Charter Operations
- These investments are all within 2 hours of Toronto and feature either significant land parcels or in some cases are strategic land parcels
- The Diversification plan has three major elements:
  1. Phase I - Aviation
  2. Phase II - Marine
  3. Phase III - Vacation Rentals



# Diversification

## Phase I – Aviation

### Orillia Rama Regional Airport

- In 2016 Clayton acquired Lake St. John Airport and Float Plane Base (CNJ4) with a vision
- Substantial capital improvements were immediately made to existing infrastructure followed by an impressive capital building program
- Incredible improvements to buildings, runways, ramp, taxi ways and aprons improved the flow of the airport while substantially improving safety and the separation of the local community from airport operations
- These improvements included expanded rental hangars, maintenance facilities, float plane docking, refueling and an award winning restaurant
- These investments have brought substantial increases in operations at CNJ4, expansion of the flight schools (land and water), maintenance operations, charter services and aircraft storage
- Clayton has also involved the local community by offering Cooperative Education Opportunities which have enhanced the relationship with the local community as well as First Nation Council
- Rama Regional Airport has become a destination for pilots and community members alike



NEWSLINE

TAILWINDS BAR & GRILL:  
2018 MEMBERS' CHOICE  
AWARD-WINNER  
BY LAUREN NAGEL

The bustling scene at Orillia Rama Regional airport (NJ4) is virtually unprecedented for an airport of its size in rural Ontario. The freshly renovated airport, described as a "one-stop shop aviation mecca" by Lake Country Airways pilot Jamie Mortley, is giving pilots a reason to fly in. The centre of attention of the operation is the newly built Tailwinds Bar & Grill, which opened just this summer and has been drawing crowds every day of the week.

Clayton Smith, a bush pilot and Commercial Realty Group principal, bought the airport in 2016 and has been upgrading it ever since. Changes include extending the runway and apron, adding more docks for seaplanes, paving a new road and parking lot and building 30 new private T-hangars. These updates have certainly given the airport a facelift, but employees and customers agree that it is the new restaurant that has drawn the most visitors.

Many in the flying community will have already seen pictures of the beautiful venue – two life-sized aircraft hanging from the ceiling, a giant patio, TVs, a pool table as well as comfortable booths and couches. The restaurant was designed so that guests will be able to get comfortable and stay awhile while taking in the views of the arriving seaplanes over food and drinks.

The head chef, Stephen Jackson, has over 30 years of experience in the industry and has catered the menu to fit customers' desires as well as adding some of his own favourites. According to Jackson, their busy period is, "All day long, everyday", with guests flying in throughout the morning and afternoon to try the locally famous dishes. Their most popular menu items include the buffalo chicken wrap and carrot cake.

Going forward, the restaurant has big plans for the winter and upcoming season. Fly-in visitors will be happy to know that the runway is maintained all winter and the restaurant will remain open all year long. Additionally, they are working to bring a snowmobile trail right up to the property so that those preferring that mode of winter transport can visit. The kitchen will also be updating their menu to offer more seasonal meals to keep guests warm inside after their journey.



Airport receptionist and administrator Kenzie Brailey says that her favourite part of working at the airport is seeing all the fun things going on, from birthday parties to marriage proposals. Captain Brendan Shannow of Lake Country Airways attests that flying over their lake country is fantastic and worth the trip for both the scenery and the atmosphere.

Tailwinds wishes to thank all of their new and returning customers who support them. Thanks to their fans, Tailwinds won COPA's 2018 Members' Choice Airport Restaurant Award with nearly 1000 votes. If you haven't flown in recently, put Orillia Rama Regional on your list. ✈️



CANADA'S BEST  
AIRPORT RESTAURANT

PRESENTED TO  
TAILWINDS BAR & GRILL  
ORILLIA RAMA REGIONAL AIRPORT






# Diversification

## Phase I – Aviation

### Parry Sound – Georgian Bay Airways

- Spring of 2019 Georgian Bay Airways was added to the Aviation and Marine business as a complementary addition
- This was a long running charter and tourist business operating on the Parry Sound Harbour Waterfront
- This strategic location was a logical fit for the portfolio and allowed for expansion of the Tailwinds Restaurant Brand and the vertical integration and expansion of his maintenance business in Orillia (CNJ4)
- Expansion of the aircraft fleet from 3 to over a dozen planes, an extensive rework of the newly built building, expansion of the patio and dock areas have transformed Georgian Bay Airways into a premier tourist destination as well as a key float plane base in Central Ontario
- Georgian Bay Airways and Tailwinds, now anchor the Parry Sound Waterfront and have become a focal point for visitors, the Parry Sound Community as well as aviators
- Existing staff have been promoted to more senior roles and the community has seen a large expansion in employment related to this business





Georgian Bay Airlines


June 29, 2021


As your Member of Provincial Parliament, I am delighted to extend my congratulations as you celebrate the 75<sup>th</sup> anniversary of Georgian Bay Airlines.


The marking of this anniversary is not only a time for celebration but a time for reflection on the vision and commitment of all those whose efforts throughout the past 75 years have made Georgian Bay Airlines the success it is today.

This is indeed a very special occasion and I am certain there will be many happy memories and shared remembrances to recall as you celebrate.


Once again, congratulations on this significant milestone and best wishes for continued success in the years to come.

Sincerely,  
  
Norman A. Miller, MPP  
Parry Sound – Muskoka







The Members of The Council For The  
Town of Parry Sound  
Extend Congratulations and Best Wishes to  
*Georgian Bay Airways*  
on your 75<sup>th</sup> Anniversary




June 25, 2021



Mayor Jamie McGarvey



17°C | Friday Aug 27



LOCAL NEWS


THINGS TO DO

OPINION

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NOTICE TO READERS:

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NEWS

Tours, training and expanded patio as Parry Sound's Georgian Bay Airways celebrates 75th anniversary

'It feels great to be part of a legacy that has served the community for so many years'

Click here to read an Article on Parry Sound's Georgian Bay Airways

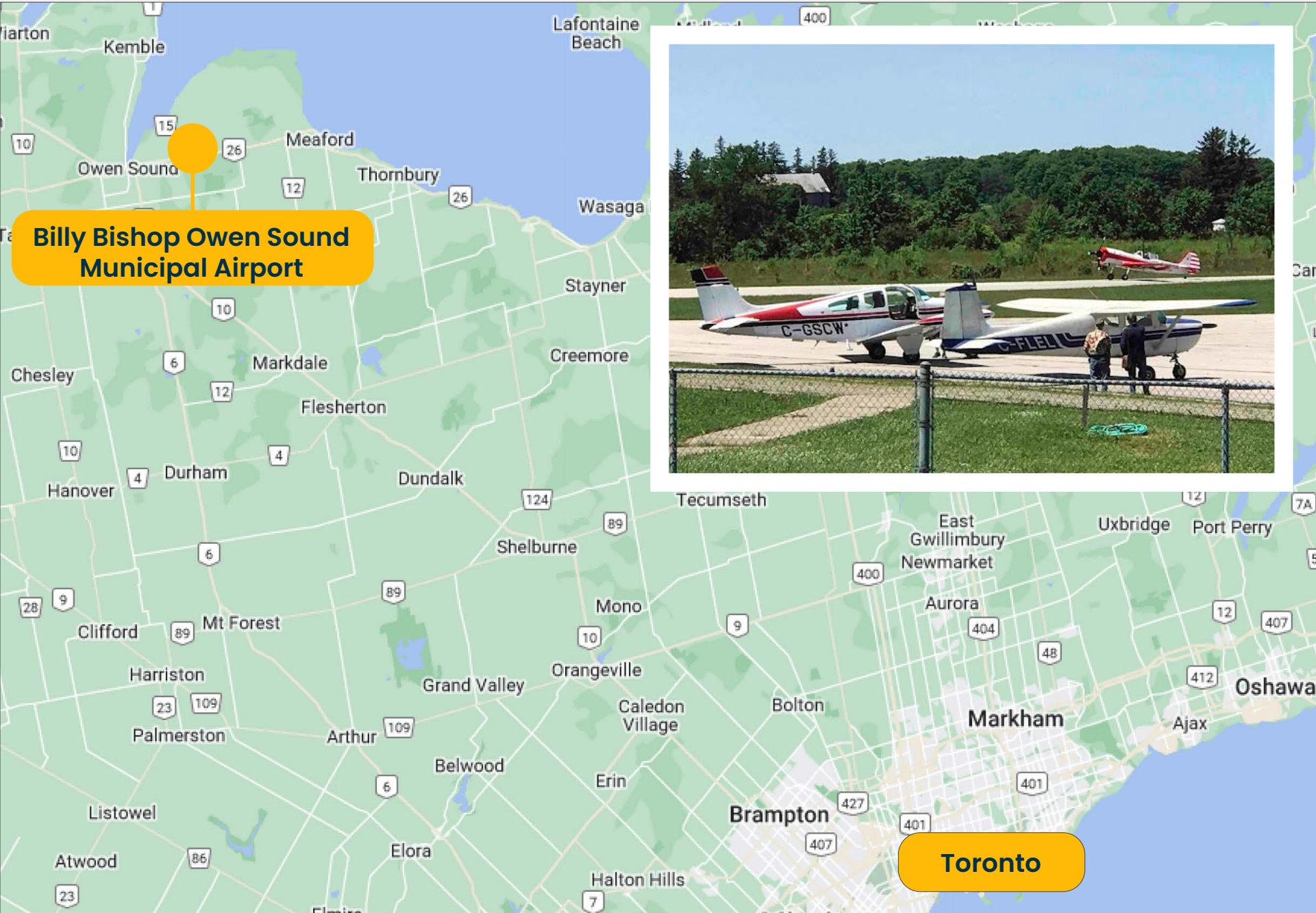


# Diversification

## Phase I – Aviation

### Billy Bishop Owen Sound Regional Airport

- Located just east of the regional hub of Owen Sound
- Acquired from the City in the summer of 2021
- Features a significant block of rental hangars with “infrastructure ready” expansion possibilities
- Existing restaurant was ideally suited for the expansion of the Tailwinds restaurant brand
- This aviation asset remains important to the community for commerce but also an important link to air ambulance services



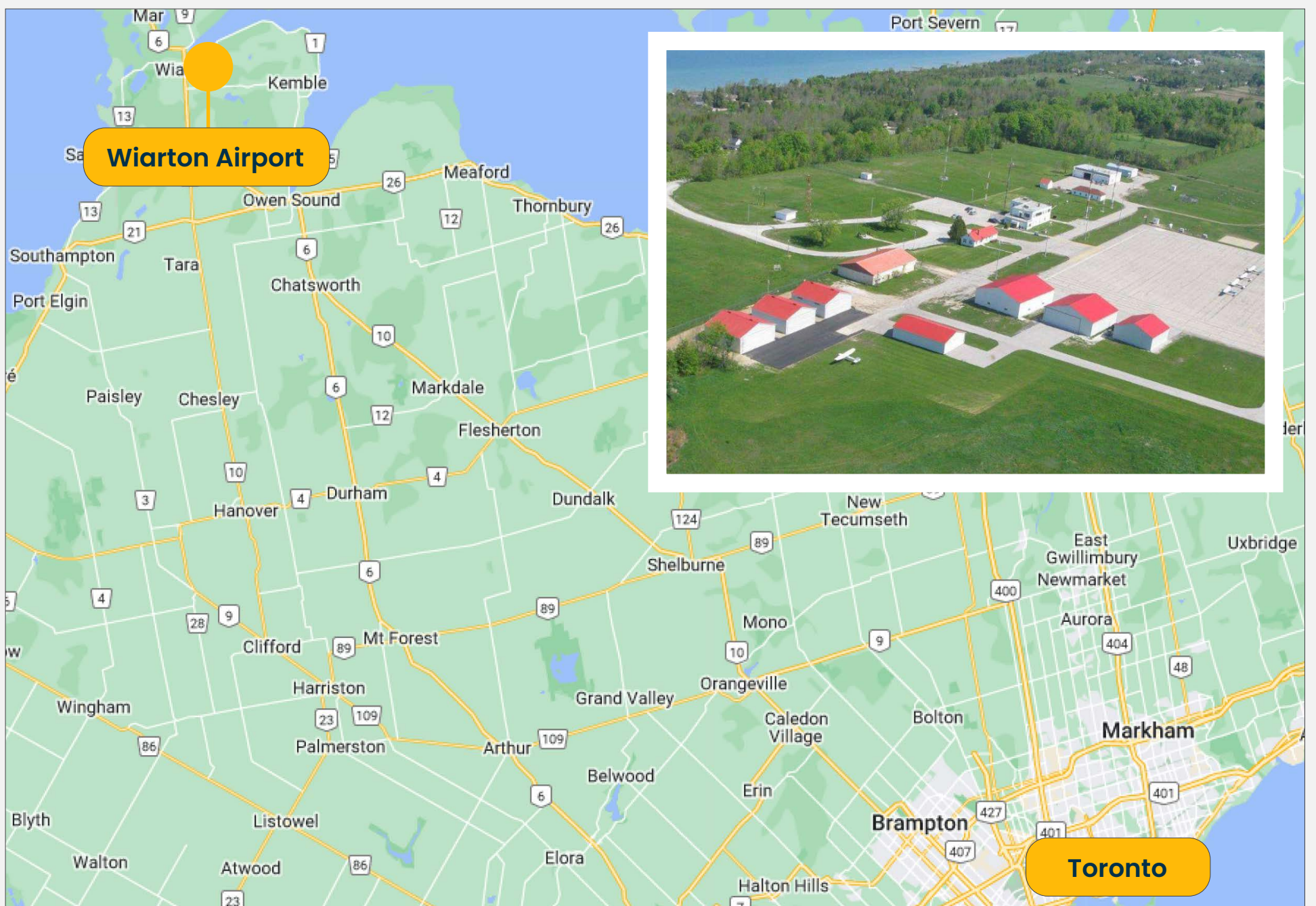


# Diversification

## Phase I – Aviation

### Warton International Airport

- This is a substantial block of land, strategically located adjacent to Warton's main business area
- Totalling 815 acres, there is significant growth potential including further diversification of land uses
- The township had commissioned a working proposal for these lands that saw the continuation of the airport as well as the development of hotel, industrial, manufacturing, industrial agriculture as well as other potential uses
- The substantial size and potential operating economies of scale with CYOS, make this a strategic anchor in the Aviation Asset sector for the Commercial Realty Group



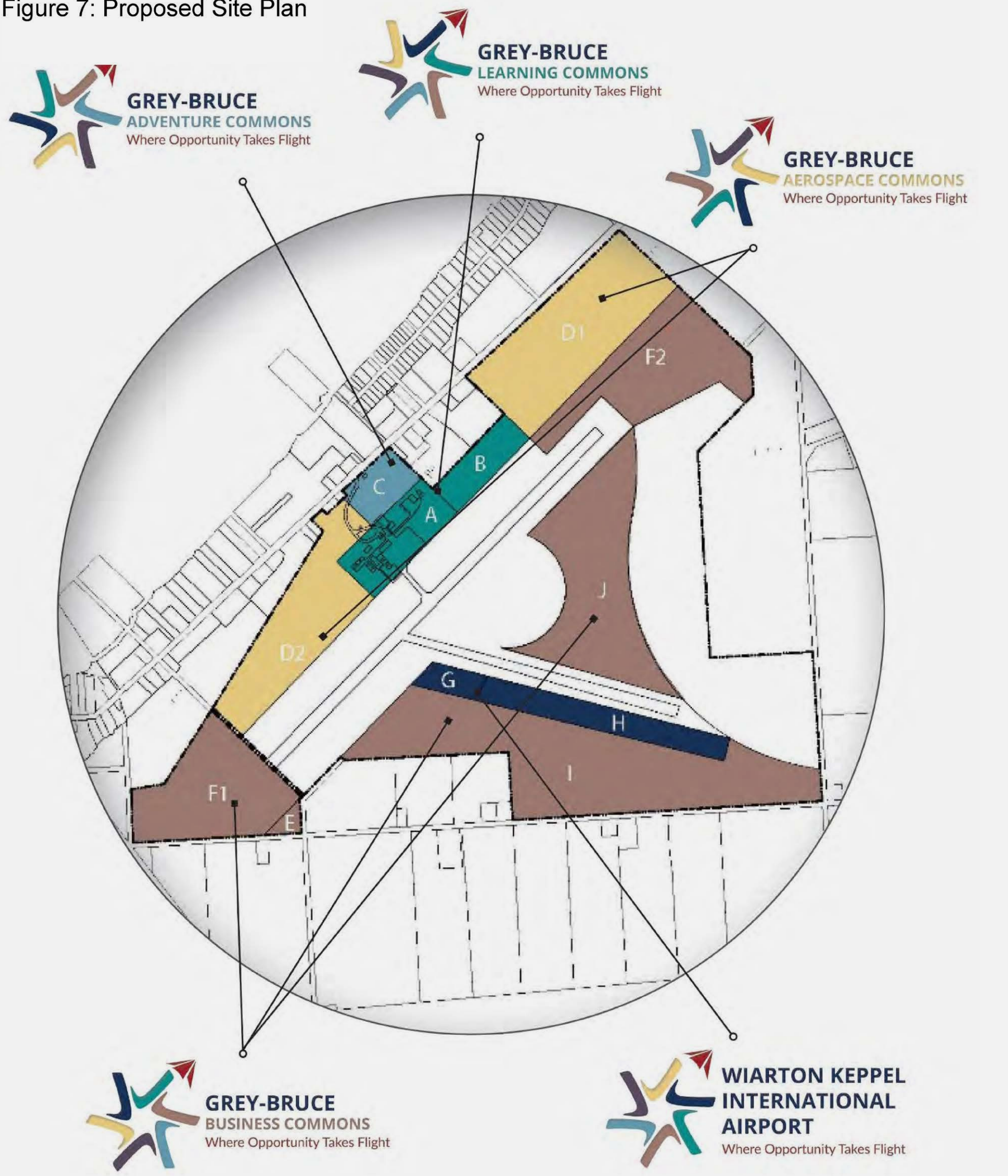


# Diversification

Warton Keppel International Airport Feasibility Study as Commissioned by the Township of Georgian Bluffs

## 2.2 Proposed Site Plan

Figure 7: Proposed Site Plan





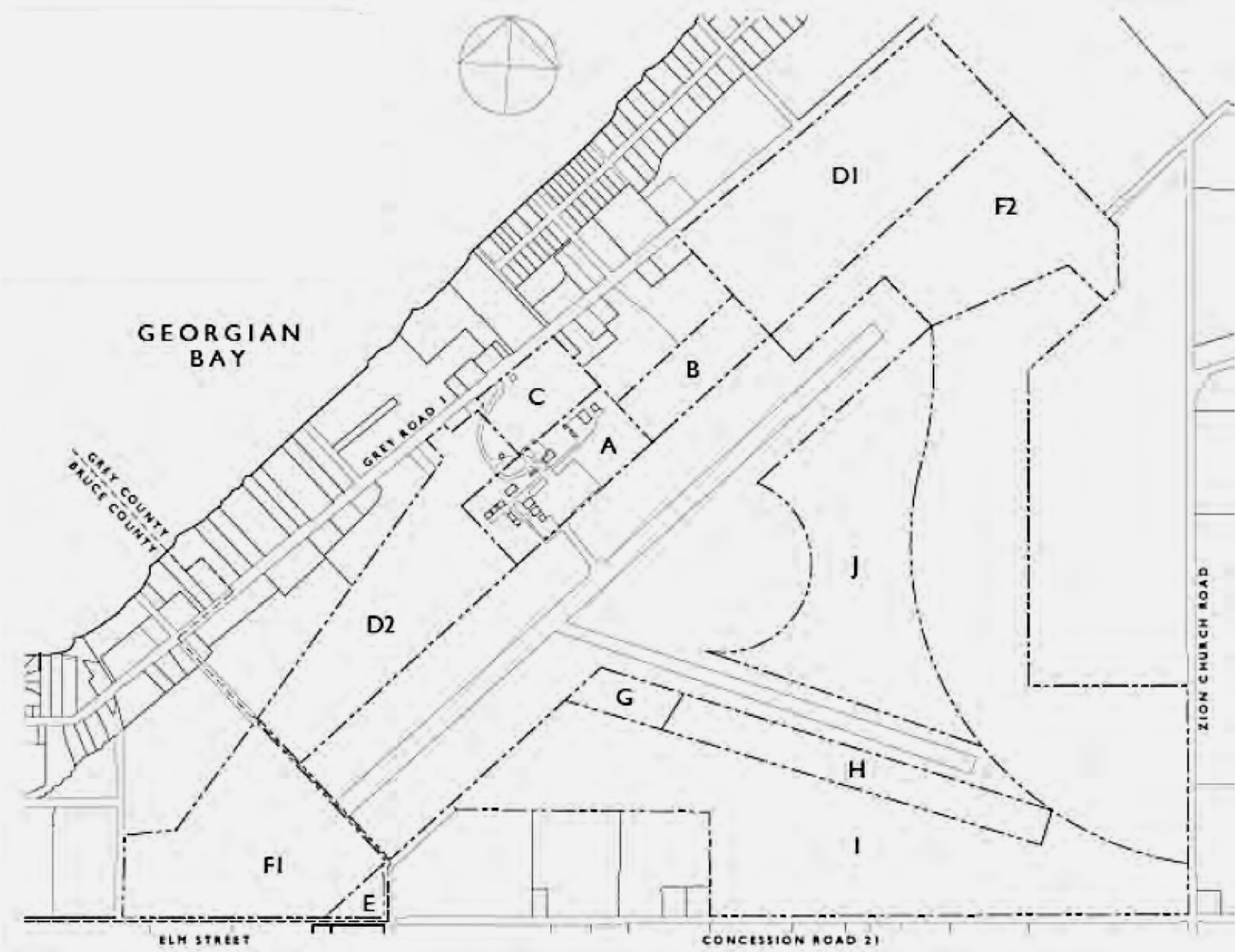
# Diversification

Warton Keppel International Airport Feasibility Study as Commissioned by the Township of Georgian Bluffs

## 2.3 Preliminary Airport Master Development Plan

A Preliminary (Conceptual) Airport Development Plan has been prepared. The Plan is comprised of a series of sub-areas, summarized as follows:

Figure 8: Preliminary Airport Master Plan, KMD Planning March 2021



| Sub Area | Title                               | Area ha |
|----------|-------------------------------------|---------|
| A        | Public Campus                       | 9.39    |
| B        | Flight School/FBO                   | 5.58    |
| C        | Hotel                               | 4.75    |
| D1-D2    | Aerospace Commercial and Industrial | 48.38   |
| E        | Agro-Food Incubator                 | 1.01    |

| Sub Area | Title                                  | Area ha |
|----------|--|---------|
| F        | Agricultural                           | 42.36   |
| G        | Future Aviation Building               | 2.53    |
| H        | General Aviation                       | 9.81    |
| I        | Non-Aviation Commercial and Industrial | 45.66   |
| J        | Future Commercial and Industrial       | 28.43   |



# Diversification



## Phase II – Marine

### Spirit Bay Marina – Muskoka

- In the winter of 2019, Clayton acquired the largest marine facility on the Muskoka Lakes (formerly Indian Head)
- This 22 acre property was rundown and almost broken, requiring massive capital to save the existing infrastructure and facilities as well as meet the demand within the community
- Clayton's expertise in construction, combined with a vision of what's possible, has transformed Spirit Bay into the top marine facility on the Big Three Lakes in Muskoka
- The second of this transformation is about to begin
- This land site and location is irreplaceable in Muskoka

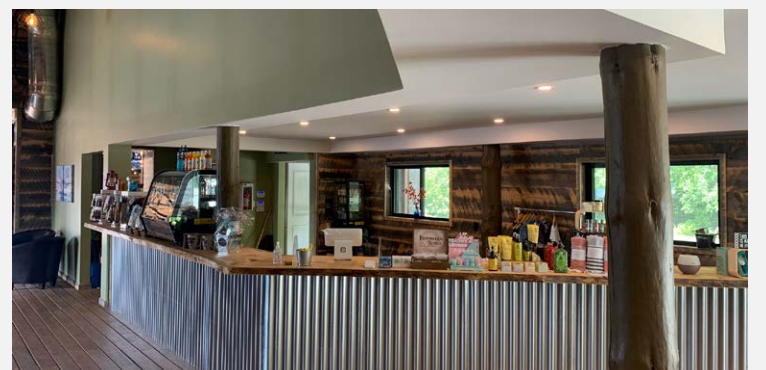
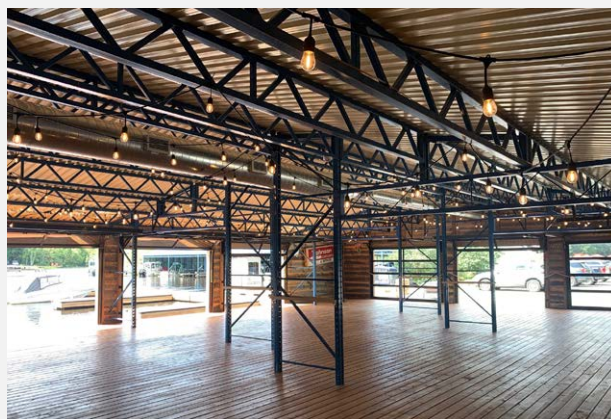
## Capital Transfusions = Success





# Diversification

## SPIRIT BAY *Harbour*



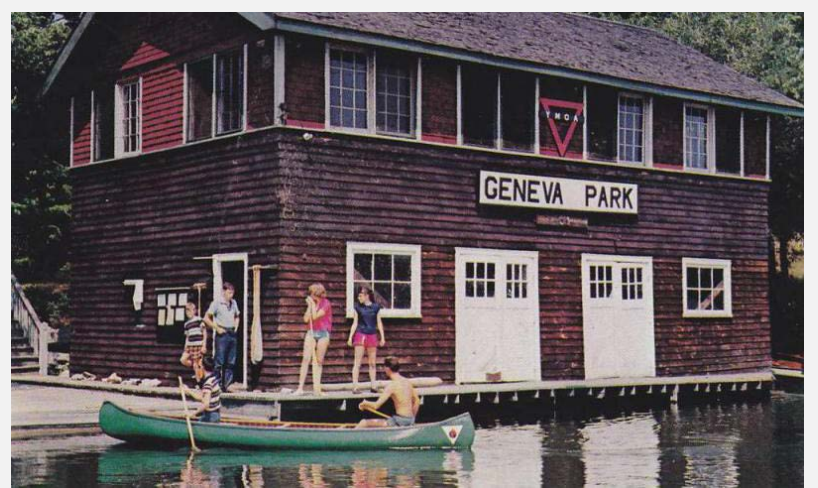


# Diversification

## Phase III – Vacation Rentals

### The Cape Resort – Past Geneva Park

- With the acquisition of the former YMCA Leadership Centre known as Geneva Park, The Commercial Group has secured a significant waterfront vacation rental property in Orillia
- Located just North of Casino Rama, this waterfront development features hotel rooms, meeting rooms, private cottages as well as large family, multi-room residences, all located around a number of water front amenities
- Conference centre space, wedding venue potential, expanded waterfront activities are all possible at this large, mostly undeveloped site
- Significant potential for the expansion of the Tailwinds Restaurant Brand





# Awards

- Rama Regional Airport is a prime example of leveraging capital investments
- Clayton has invested millions of dollars of capital to repair, restore, and grow the operations
- Existing staff have been retained and promoted to ever expanding roles
- Payroll has grown from about \$200,000/year to over \$2.5 million/year
- Clayton has been recognized within the community for his innovations and economic impacts
- This has included recognition through involvement with local schools and Apprenticeship Programs as well as municipal awards
- Clayton maintains a very strong relationship with the First Nation Councils in Rama and their ongoing business relationships
- Clayton can also trace his personal heritage directly back to this rich First Nation culture

