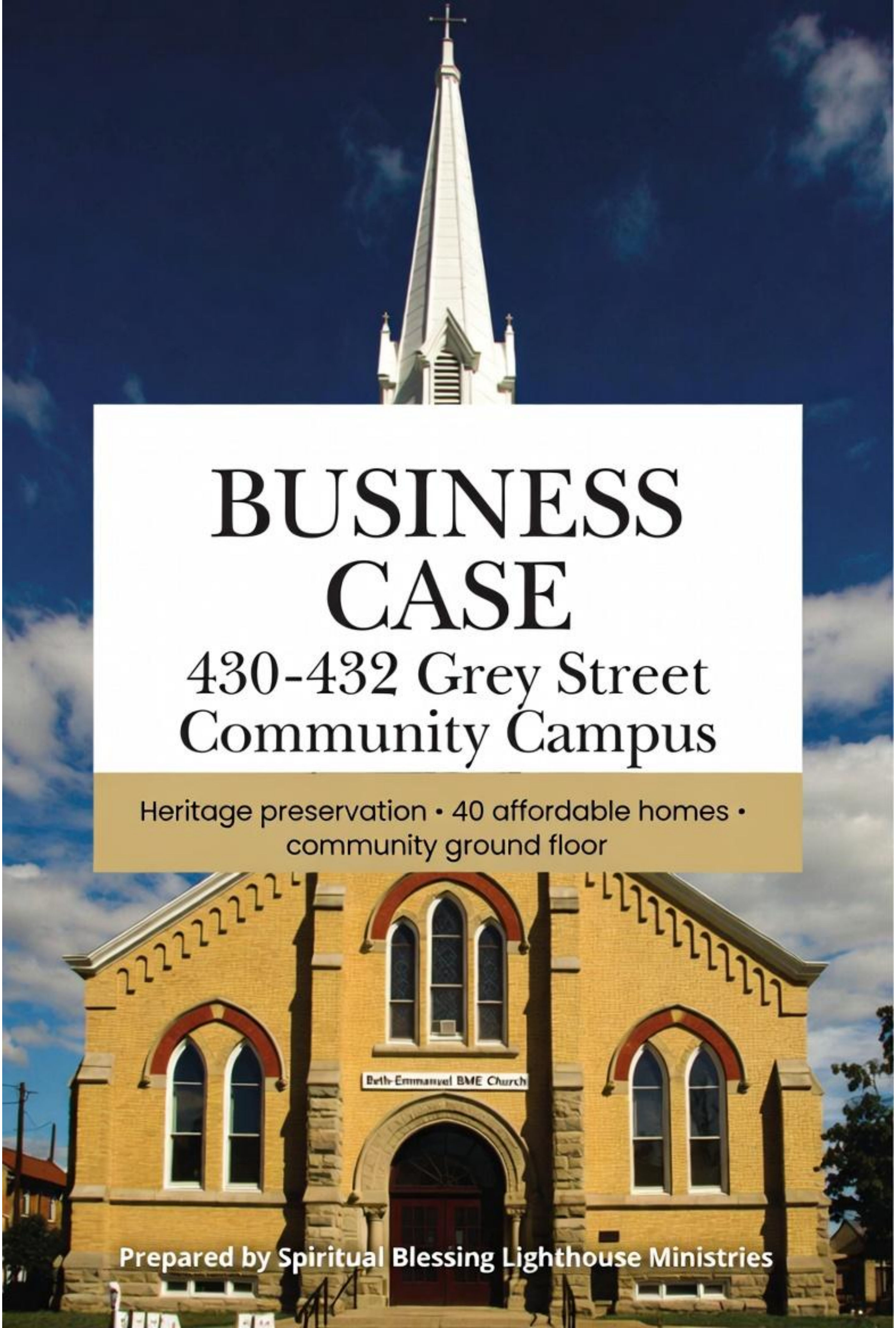
BUSINESS CASE

430-432 Grey Street Community Campus

Heritage preservation • 40 affordable homes • community ground floor



Prepared by Spiritual Blessing Lighthouse Ministries

COMMUNITY BOND · BUSINESS CASE

430–432 Grey Street Community Campus

Heritage preservation · 40 affordable homes · Community ground floor

In support of the $5,000,000 Community Bond Offering

Prepared by

SPIRITUAL BLESSING LIGHTHOUSE MINISTRIES

A registered charity incorporated in Ontario

Dated July 30, 2026

Important Notice

This Business Case has been prepared by Spiritual Blessing Lighthouse Ministries (the "Organization") to describe the proposed redevelopment of 430–432 Grey Street, London, Ontario (the "Project") and to support the deal room for the Organization's proposed community bond offering. It is intended to be read together with the Offering Statement, the financial model, and the other offering documents made available in the deal room.

This document is not an offering document. Nothing in this Business Case constitutes an offer to sell, or a solicitation of an offer to buy, any security. Any investment in the community bonds described here may be made only pursuant to the final, counsel-approved offering documents and in reliance on an available prospectus exemption under applicable Canadian securities laws. Prospective investors should read the Offering Statement in full, including its risk factors, before making any decision.

Concept-stage information. The Project is at a concept and pre-development stage. All areas, costs, timelines, and financial figures in this document are planning-level estimates prepared before completion of detailed design, municipal approvals, geotechnical work, or construction pricing. They will change as the Project advances. Figures identified as illustrative are assumptions for discussion, not forecasts.

Forward-looking statements. This document contains forward-looking information reflecting current expectations. Actual results may differ materially. The Organization does not undertake to update forward-looking information except as required by law. Nothing in this document is legal, tax, accounting, or investment advice; readers should consult their own advisors.

Contents

1. Executive Summary

The 430–432 Grey Street Community Campus is a heritage-led, community-financed redevelopment in the SoHo neighbourhood of London, Ontario. The Project preserves the historic Beth-Emmanuel British Methodist Episcopal (B.M.E.) Church — a landmark associated with the Underground Railroad and with more than 150 years of Black community heritage in London — and surrounds it with 40 new affordable homes, a public Black-heritage museum, and an active community ground floor including a restaurant and a gym, library, and community space.

The Organization has secured the first step: site control. The two parcels are under agreement for $900,000, with closing expected in Q3 2026, financed by a cash payment and a vendor-take-back mortgage (12 months). The Project then moves through design and municipal approvals toward construction.

1.1 The opportunity at a glance

Item	Summary
Location	430–432 Grey Street, London, Ontario (SoHo neighbourhood)
Site status	Both parcels under agreement; closing expected Q3 2026 ($900,000; cash + vendor-take-back mortgage)
Program	40 homes (studio to family three-bedroom) · Black-heritage museum attached to the preserved church · restaurant + gym/library/community space at grade · shared courtyard
Massing	Up to 4 storeys, stepping down toward the heritage church
Total development cost	~$18.9M; ~$19.8M all-in including land
Community bond	$5.0M in three tranches; Series A (3.5%, 2-yr, $500 min), Series B (4.0%, 3-yr, $3,000 min) and Series C (5.0%, 5-yr, $10,000 min)
Balance of capital	Grants (heritage, cultural, affordable-housing), construction financing, philanthropy
Sponsor	Spiritual Blessing Lighthouse Ministries, a registered Ontario charity

1.2 Why this Project

Three forces converge at Grey Street. First, London faces a sustained shortage of attainable rental housing, felt most sharply by students, newcomers to Canada, and families of modest means — precisely the residents the Project's mixed unit program serves. Second, the Beth-Emmanuel church is an irreplaceable cultural asset whose story — from the Underground Railroad era to the present congregation — deserves a permanent public home; without intervention, heritage buildings of this kind are lost to deferred maintenance and redevelopment pressure. Third, a growing base of community investors in Southwestern Ontario want their capital to earn a fair return while building assets their community owns and benefits from.

The Project answers all three at once: homes people can afford, a museum that anchors culture and history, and an investment vehicle — the community bond — that lets local investors finance the project while earning a return.

1.3 What the community bond funds

The $5.0M bond program provides the Project's early, catalytic capital in three tranches: Tranche 1 ($300,000 over ~4 months) funds the cash portion of the land closing; Tranche 2 ($1,200,000 over ~12 months) retires the vendor-take-back mortgage and provides development working capital through design and approvals; and Tranche 3 ($3,500,000 over ~18 months) contributes preconstruction and development capital. The bonds are the proof-of-concept capital that de-risks the Project for grant funders and construction lenders, who are expected to provide the balance of the roughly $19.8M requirement.

2. The Organization

Spiritual Blessing Lighthouse Ministries is a federally registered charitable organization incorporated under the laws of the Province of Ontario. The organization is dedicated to serving individuals, families, and communities through faith-based leadership, education, community outreach, and social development initiatives.

The charitable purposes of Spiritual Blessing Lighthouse Ministries focus on advancing education, relieving poverty, strengthening communities, and preserving, celebrating, and promoting the rich history, culture, and contributions of Black communities throughout London and Southwestern Ontario. Through strategic partnerships, advocacy, mentorship, community programming, and cultural initiatives, the organization seeks to empower individuals, foster inclusion, and create opportunities that improve the social, economic, and spiritual well-being of the communities it serves.

Founded in 2019, Spiritual Blessing Lighthouse Ministries has become a trusted community partner, delivering programs that address both immediate community needs and long-term capacity building. The organization collaborates with local agencies, educational institutions, businesses, and government partners to advance equity, cultural awareness, leadership development, and community resilience.

Canada Revenue Agency Charity Registration Number: 737040733RR0001

The Organization is governed by a volunteer board of directors and operates under the requirements of Ontario charity and corporate law. For the Project, the board provides governance oversight while day-to-day development management is supported by external professionals — architects, planners, cost consultants, legal counsel, and development and raise advisors — engaged as the Project advances.

2.1 Track record and community standing

The Organization's deepest asset is its relationship with the congregation, the neighbourhood, and the broader London community. The Project was developed with the congregation rather than around it, and enjoys the political and social support that comes from that approach.

Spiritual Blessing Lighthouse Ministries has earned a strong reputation as a trusted faith-based charitable organization dedicated to serving the spiritual, social, cultural, and economic needs of individuals and families throughout London and Southwestern Ontario. Through compassionate leadership, strategic partnerships, and community-driven programming, the Ministry has become a recognized catalyst for positive change, particularly within Black and equity-deserving communities.

The Organization's greatest asset is the trust it has cultivated with its congregation, local residents, community organizations, businesses, and government partners. The proposed redevelopment project was conceived through meaningful engagement with congregation members and the wider community, ensuring that the vision reflects local priorities rather than being imposed upon them. This collaborative approach has generated broad support from community stakeholders and positioned the project as a transformational investment in the future of London.

Over the years, Spiritual Blessing Lighthouse Ministries has successfully initiated and supported numerous community programs and services, including:

- Establishing and supporting W.E.A.N. Community Centre (Where We Are Now Community Centre), which provides programs focused on food security, employment readiness, youth mentorship, financial empowerment, newcomer settlement support, mental health awareness, and community wellness.
- Supporting the development of the Imani Black Children Centre, providing culturally responsive services, educational programming, family supports, and advocacy for Black children and families.
- Organizing Black History Month celebrations, cultural education initiatives, leadership conferences, business networking events, and community forums that celebrate Black heritage while fostering inclusion and economic opportunity.
- Delivering food security initiatives, including community food distributions, fresh produce markets, and emergency food assistance for vulnerable families.
- Providing pastoral care, counselling, mentorship, and outreach services to individuals experiencing hardship, isolation, housing insecurity, or financial challenges.
- Supporting youth leadership, entrepreneurship, educational advancement, and workforce development through workshops, mentoring, and partnerships with educational institutions and community organizations.
- Collaborating with municipal governments, healthcare providers, educational institutions, nonprofit organizations, businesses, and philanthropic partners to address systemic barriers affecting Black communities and other underserved populations.

The Ministry's leadership has demonstrated an exceptional ability to build partnerships, secure grant funding, mobilize volunteers, and deliver high-impact community initiatives. Collectively, these efforts have strengthened community resilience, promoted equity and inclusion, and created opportunities for long-term social and economic development.

The Organization has developed productive relationships with numerous stakeholders, including:

- The City of London
- The Government of Ontario
- The Government of Canada
- Local school boards and post-secondary institutions
- Healthcare and mental health organizations
- Community foundations and charitable organizations
- Faith communities across London and Southwestern Ontario
- Financial institutions and corporate sponsors
- Black-led organizations, cultural associations, and business networks

The Organization has consistently demonstrated sound governance, financial stewardship, accountability, and transparency in the administration of charitable programs and community investments. Its experienced leadership team has successfully managed complex projects, government-funded initiatives, community partnerships, and volunteer networks while maintaining the confidence of donors, funding agencies, and community stakeholders.

The Organization's longstanding commitment to community service, cultural preservation, education, and social development provides a strong foundation for successfully delivering this transformative redevelopment project. By leveraging its trusted community relationships, proven leadership, and extensive partnership network, Spiritual Blessing Lighthouse Ministries is well positioned to create a lasting legacy that will benefit current and future generations throughout London and Southwestern Ontario.

2.2 Advisors and professional team

Spiritual Blessing Lighthouse Ministries is assembling a multidisciplinary team of experienced professionals to support the planning, financing, development, governance, and delivery of the proposed redevelopment project. The Organization is committed to engaging qualified advisors with demonstrated expertise in charitable developments, affordable housing, heritage preservation, real estate finance, and community infrastructure projects.

The professional advisory team will include, but is not limited to, the following:

Professional Role	Organization/Firm	Status
Development Advisor / Project Manager	**Flourish**	Engagement in Progress
Project Architect / Planning Consultant	**To Be Confirmed**	Pending
Civil, Structural, Mechanical & Electrical Engineering Consultants	**To Be Confirmed**	Pending
Heritage Conservation Consultant	**Flourish**	Engagement in Progress
Planning and Municipal Approvals Consultant	**Flourish**	Engagement in Progress
Legal Counsel – Real Estate	**Dale Holland Law**	Engagement in Progress
Legal Counsel – Securities and Community Bonds	**Dale Holland Law**	Engagement in Progress
Bond Administration Agent / Registrar	**Aripo Capital**	Engagement in progress
Community Investment and Capital Raising Advisor	**Aripo Capital**	Engagement in progress

Quantity Surveyor / Cost Consultant	**To Be Confirmed**	Pending

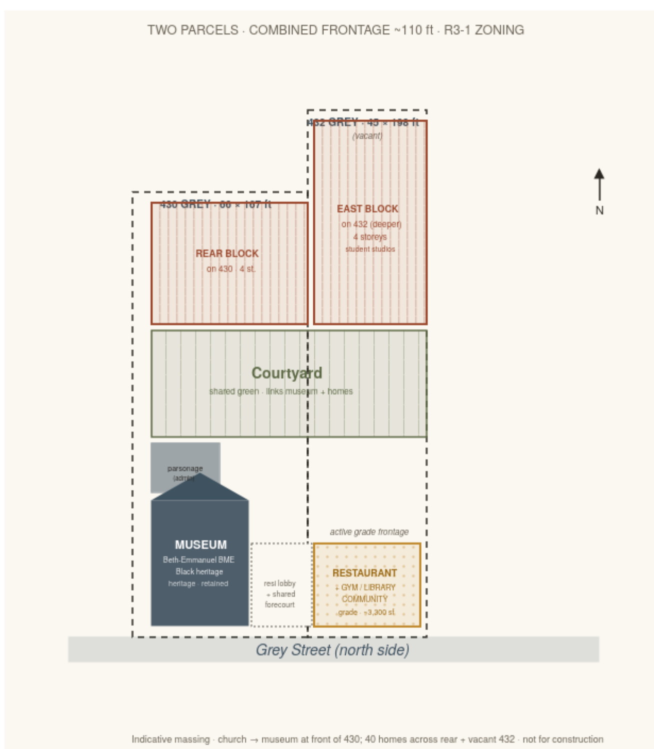
As professional engagements are finalized, executed engagement letters, scopes of work, professional qualifications, and organizational profiles will be added to the project's secure due diligence data room. These materials will provide prospective investors, lenders, funding agencies, and other stakeholders with comprehensive information regarding each advisor's role, responsibilities, and relevant experience.

The Organization is committed to maintaining a governance structure that reflects industry best practices. All professional advisors will be retained under written agreements with clearly defined responsibilities, reporting requirements, and accountability measures to support the successful planning, financing, construction, and long-term operation of the project.

3. The Property and Its Heritage

3.1 The site

The Project assembles two adjacent parcels on the south side of Grey Street in SoHo, one of London’s oldest neighbourhoods, a short walk from the downtown core, the Thames River, and the rapidly redeveloping South Street former hospital lands. 430 Grey Street is improved with the Beth-Emmanuel B.M.E. Church and an associated parsonage; 432 Grey Street is a vacant lot that provides the depth needed for new construction. The parcels are zoned R3-1 (low/medium-density residential); the intended program will require municipal planning approvals, discussed in Section 10.



The site — 430–432 Grey Street: two adjacent parcels zoned R3-1, ~110 ft of combined frontage on the north side of Grey Street. 430 holds the heritage church and parsonage; 432 is a vacant lot providing depth for new construction.

3.2 The Beth-Emmanuel B.M.E. Church

Constructed circa 1868, the Beth-Emmanuel British Methodist Episcopal Church is among the most significant surviving landmarks of London's early Black community. The B.M.E. denomination was founded by Black Canadians — many of them freedom seekers who reached Upper Canada by the Underground Railroad — and the London congregation has worshipped continuously on this site for over 150 years. The building carries municipal heritage recognition under the Ontario Heritage Act, and its story connects London to a national narrative of courage, migration, and community building.

Confirmation of the precise designation status, any heritage easements, and the resulting design constraints is a pre-development task, undertaken with the City of London's heritage staff.

3.3 From church to museum

Rather than converting or demolishing the church, the Project preserves it as the front door of the campus and gives it a sustainable public purpose: an adjacent museum of Black heritage in Canada, with exhibits, gallery space, and programming developed with the congregation and community partners. The parsonage supports museum administration. A museum of this kind would be the only one of its scale in the region and is expected to qualify for heritage and cultural funding streams unavailable to conventional housing projects — a genuine financing advantage discussed in Section 7.

4. Market Context and Need

4.1 London's housing shortage

London is one of Canada's fastest-growing mid-sized cities, and its rental market has tightened accordingly. Vacancy rates have remained low, rents have risen faster than incomes, and the supply of purpose-built rental — particularly modest, well-located units suitable for students, single-income households, and families — has not kept pace with population growth driven by post-secondary enrolment, interprovincial migration, and immigration. The result is sustained, structural demand for exactly the housing the Project delivers.

4.2 The SoHo neighbourhood

SoHo (South of Horton) is a historically working-class neighbourhood immediately south of downtown London, undergoing steady reinvestment. The former Victoria Hospital lands nearby are being redeveloped into a major mixed-use district, public investment in streets and parks continues, and the neighbourhood's location — walkable to downtown employment, transit, and the river valley — makes it a natural home for infill rental housing. The Project adds housing and community amenity without displacing anyone: it builds on a vacant lot and the underused rear of a church property.

4.3 Demand for the ground-floor program

The grade-level program — a restaurant and a gym/library/community space — serves both residents and the wider neighbourhood, animates the street, and generates modest commercial income that supports the campus. The museum adds cultural tourism and school-visit traffic that benefits the restaurant and raises the profile of the whole block.

4.4 Why community bonds — and why they fit

A community bond is a debt instrument that lets a charity or non-profit raise capital directly from the community it serves: investors lend at a fixed interest rate for a fixed term, and the Organization uses the proceeds to finance a social-purpose project, repaying principal at maturity with interest paid along the way. Community bonds have an established track record in Ontario, where community organizations have used them to finance real estate for social purposes, with retail investors subscribing in amounts from a few hundred dollars to six figures.

The model works because it aligns three constituencies at once: an organization that needs patient, mission-aligned capital; investors who want a fair return alongside local impact; and a community that wants to see the project built and to share in developing it.

For this Project, the community bond is the catalytic layer of the capital stack described in Section 7: it funds the land, pre-development, and an early construction contribution — the stages that are hardest to finance conventionally — and, by demonstrating community conviction, helps unlock the grants and construction financing that complete the stack. The Organization's congregation, its SoHo neighbourhood, and broader London networks form the natural first audience for the offering.

5. Development Program

5.1 Concept and massing

The design concept keeps the church hard to Grey Street as the campus landmark, with the museum at the front of 430. New residential construction rises behind the church and on the deeper 432 lot — up to four storeys, stepping down toward the heritage building — around a shared landscaped courtyard that brings light into the centre of the block. The restaurant and community space face the street beside the museum, with the residential lobby between them.

Aerial concept rendering, north-west view. The preserved church holds to Grey Street as the landmark, with the museum at its front; new homes step up behind it and on the deeper 432 lot around a shared courtyard. Concept stage — illustrative and subject to change.

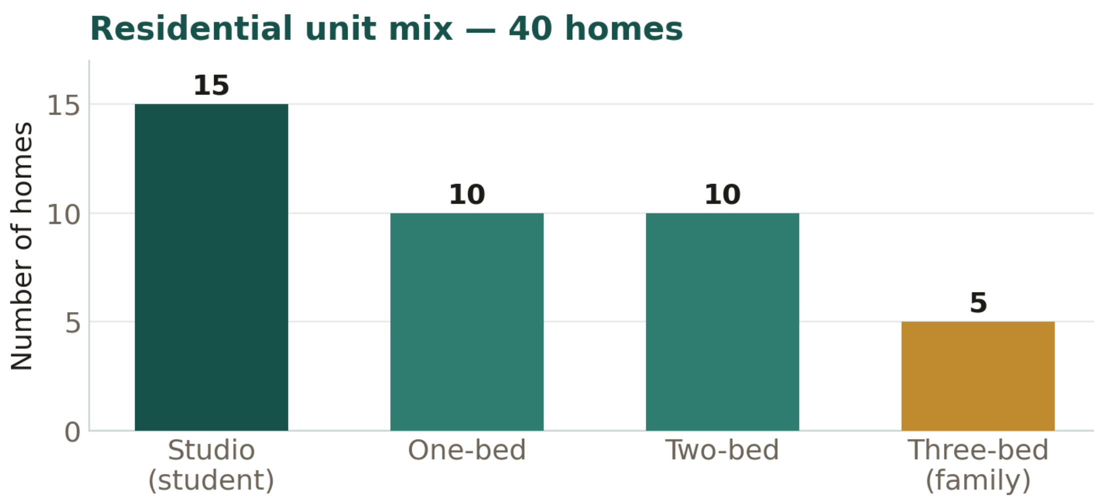
5.2 Residential unit mix

The Project provides 40 homes across four unit types, spanning student studios to family three-bedrooms — a deliberate mixed program that serves the full range of the neighbourhood's housing need and diversifies lease-up risk:

Unit type	Count	Avg net sf	Total net sf
Studio (student-focused)	15	340	5,100
One-bedroom	10	540	5,400
Two-bedroom	10	780	7,800
Three-bedroom (family)	5	1,000	5,000
Total	**40**	—	**23,300**

Total gross floor area across all uses is approximately 37,970 square feet, including residential, amenity, the museum, and the grade-level commercial and community spaces.

The mix deliberately spans four demand segments — from student studios to family three-bedrooms — which broadens the tenant base and diversifies lease-up risk:



Residential unit mix — 40 homes by type (concept stage).

5.3 Ground floor and community uses

- Museum of Black Heritage — exhibits, galleries, and programming adjacent to the preserved church; administration in the parsonage.
- Restaurant — street-facing commercial space animating Grey Street and serving residents, museum visitors, and the neighbourhood.
- Gym / library / community space — flexible space for resident amenity and community programming.
- Courtyard — shared landscaped court linking the museum and the homes.

5.4 Affordability approach

The Project targets rents attainable to the households it serves — students, workers, and families of modest incomes. The specific affordability commitments (depth, share of units, duration) will be finalized alongside the grant and financing programs the Project accesses, since each program carries its own definitions and covenants. Target pro forma rents are shown below:

Unit type	Count	Net sf	Rent / mo	Annual GRI
Studio	15	340	$1,100	$198,000
One-bedroom	10	540	$1,450	$174,000
Two-bedroom	10	780	$1,750	$210,000
Three-bedroom	5	1,000	$2,100	$126,000
Total	**40**	**23,300**		**$708,000**

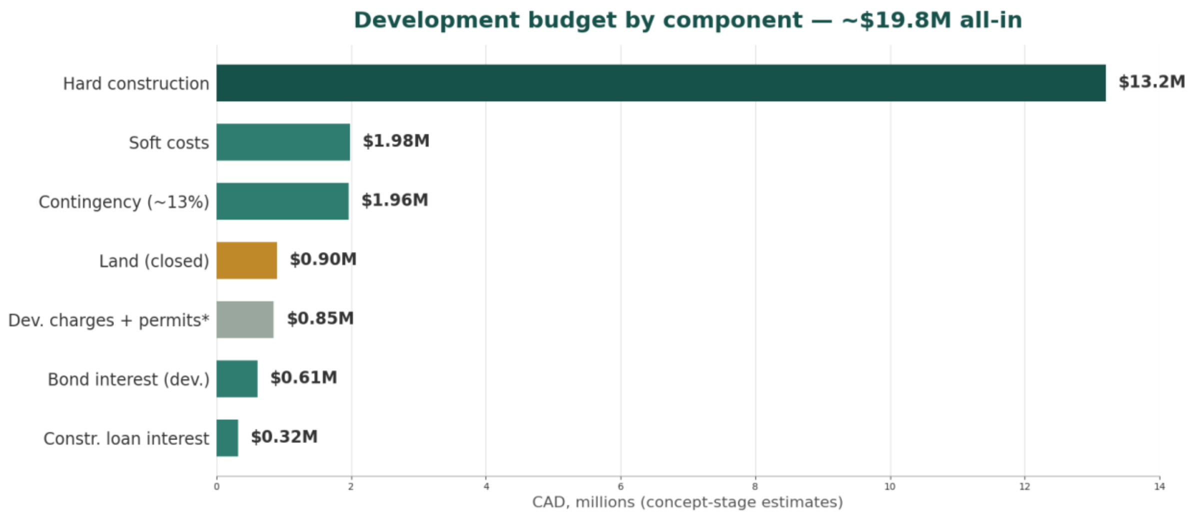
6. Development Budget

The concept-stage development budget is summarized below. Figures are planning-level estimates in 2026 Canadian dollars, prepared before detailed design or market pricing, and carry a 12% contingency (of hard and soft costs) in recognition of that stage:

Cost component	Amount	Share
Hard construction (housing, museum works, grade uses)	$13.2M	67%
Soft costs (~15% of hard: design, fees, management)	$1.98M	10%
Development charges and permits (may be exempt)	$0.85M	4%
Construction loan interest (capitalized)	$0.32M	2%
Bond interest during development (2026-30)	$0.61M	3%
Contingency (12% of hard + soft)	$1.96M	10%
Total development cost	**$18.9M**	**96%**
Land (both parcels — closing Q3 2026)	$0.9M	4%
All-in including land	**$19.8M**	**100%**

On a per-unit basis the all-in cost is approximately $495,000 per home; across all gross floor area it is roughly $522 per square foot — figures consistent with current mid-rise construction in Southwestern Ontario once the museum restoration and community spaces are included.

Hard construction is roughly two-thirds of the budget — the museum restoration and community spaces are included — while the land is expected to close in Q3 2026 and a conservative 12% contingency reflects the concept stage:



Development budget by component — concept-stage estimates; $19.8M all-in including land.

6.1 Cost management

The budget will be refined at each gate: a Class C estimate at schematic design, Class B at design development, and a construction-priced budget before Tranche 3 proceeds are committed to construction. Development charges are shown as a placeholder; affordable-housing projects may qualify for DC reductions or exemptions under municipal and provincial programs, which would improve the budget. The 12% contingency is intentionally conservative for concept stage and will be re-evaluated as pricing firms.

6.2 What the budget does not yet include

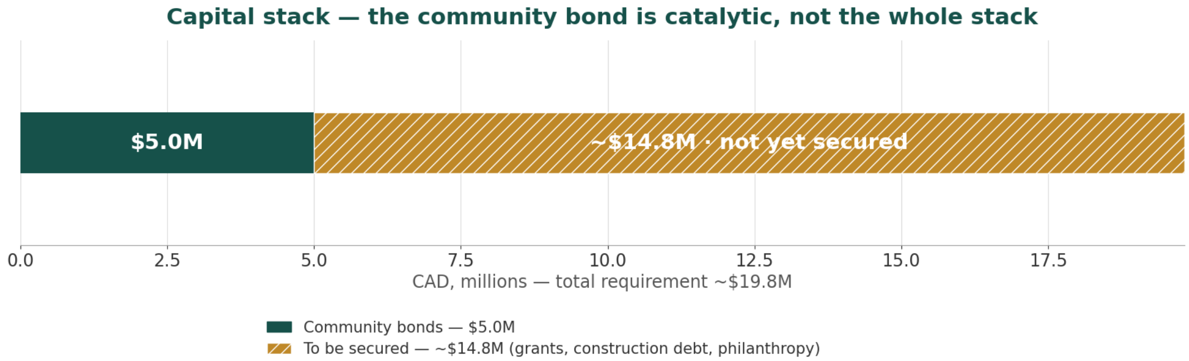
Museum exhibit fit-out beyond base building, and any furniture, fixtures and equipment for the community spaces, are expected to be funded substantially by cultural and heritage grants and philanthropy, and are carried outside the core budget until those programs are confirmed.

7. Financing Plan

7.1 Capital stack strategy

The Project's $19.8M budget is expected to be met from four sources:

Source	Role
Community bonds ($5.0M)	Early, catalytic capital: land, pre-development, and a construction contribution. Demonstrates community commitment to grant funders and lenders.
Government grants (~$6.4M)	Heritage, cultural, and affordable-housing programs (federal, provincial, municipal). The museum and affordability program open funding streams unavailable to conventional projects. Not yet secured.
Construction financing (~$6.0M)	Conventional or social-finance construction debt, arranged once approvals and grant commitments are in place.
Philanthropy & impact capital (~$2.4M)	Foundations, credit unions, and impact investors aligned with the heritage and housing mission. Not yet secured.



Of the ~$19.8M requirement, the community bond provides $5.0M; the remaining ~$14.8M (grants, construction financing, philanthropy) is not yet secured.

7.2 The vendor-take-back mortgage

The land acquisition is being financed in part by a vendor-take-back mortgage of approximately $638,000 at approximately 3% per annum, provided by the vendor at closing (expected in Q3 2026). Tranche 2 of the bond program retires the VTB — a repayment of approximately $644,000 including interest — clearing title in preparation for construction financing. The relative ranking of the bonds, the VTB, and future construction debt will be set out in the Offering Statement.

7.3 Grant strategy

The Project's dual character — heritage museum plus affordable housing — is its financing strength: it can credibly apply to heritage restoration funds, museum and cultural programs, Black-community initiatives, and affordable-housing capital programs simultaneously.

8. The Community Bond Program

8.1 Structure

The Organization proposes to raise up to $5,000,000 through community bonds issued in three series:

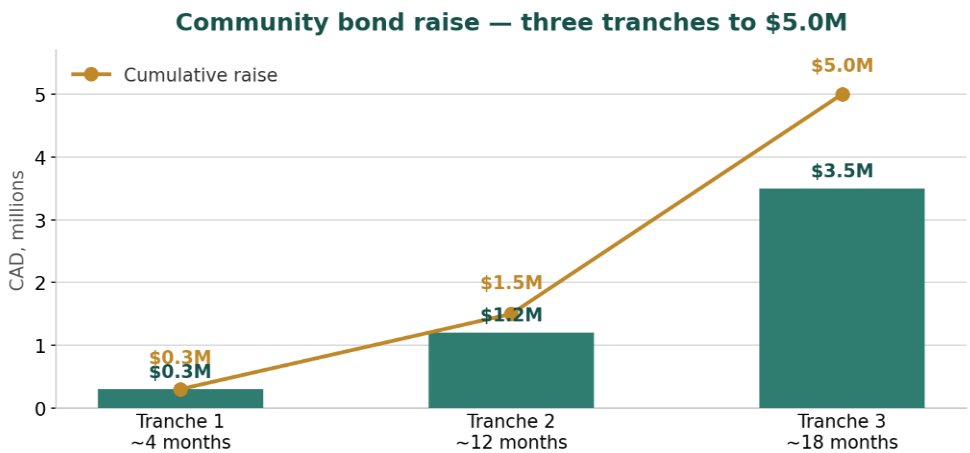
Term	Series A	Series B	Series C
Interest rate (simple, per annum)	**3.5%**	**4.0%**	**5.0%**
Term to maturity	2 years	3 years	5 years
Minimum subscription	$500	$3,000	$10,000
Interest payments	Quarterly	Quarterly	Quarterly
Indicative series target	$750,000	$1,750,000	$2,500,000
Principal repayment	At maturity	At maturity	At maturity

The blended cost of capital at the indicative mix is approximately 4.4% per annum — roughly $220,000 of annual interest at full draw, and approximately $1.2M of total interest over the bonds' lives. The low Series A minimum ($500) deliberately opens the offering to ordinary community members; Series B ($3,000 minimum) offers a mid-term option; Series C serves larger investors seeking a longer term and the highest rate.

8.2 Three tranches matched to Project needs

Tranche	Amount	Window	Purpose
Tranche 1	$300,000	~4 months	Cash portion of the land closing
Tranche 2	$1,200,000	~12 months	Retire the VTB; development working capital through design & approvals
Tranche 3	$3,500,000	~18 months	Construction / development capital, deployed as the full stack is confirmed
Total	**$5,000,000**		

Capital is raised only as each phase's purpose comes due, and Tranche 3 (construction) is deployed only once the balance of the stack is visible:



Community bond raise — three tranches building to $5.0M (indicative windows).

8.3 Repayment sources

Series A (2-year) and Series B (3-year) bonds are expected to be repaid from construction-stage refinancing and grant receipts as the Project capitalizes, supported by a liquidity reserve funded at completion; Series C bonds (5-year) from stabilized Project operations and/or long-term take-out financing once the buildings are complete and leased. The financial model contemplates a take-out term loan of approximately $7.25M at completion — approximately 1.6x stabilized debt-service coverage — repaying the $6.0M construction loan and funding a liquidity reserve of approximately $1.25M held against bond maturities. Repayment capacity is addressed in the financial model in the deal room, and depends on the Project advancing broadly as planned — see Risk Factors.

8.4 Investor experience

Investors receive a bond certificate, quarterly interest payments, annual T5 tax slips, and regular Project updates. Investors may optionally elect to donate some or all of their interest back to the charity (tax treatment to be confirmed with advisors). The bonds are not transferable except in limited circumstances and must be held to maturity; there is no active market for resale of community bonds.

8.5 Securities-law

The bonds are intended to be offered in reliance on the not-for-profit issuer exemption from the prospectus requirement under National Instrument 45-106, on the basis that the Organization is a registered charity organized exclusively for charitable purposes. The Offering Statement sets out the exemption and its conditions in full.

8.6 Investor questions and answers

Common investor questions are answered below. The Offering Statement governs in all cases, and Section 12 sets out the risks in full.

What is a community bond, and how is it different from a donation?

A community bond is an investment, not a gift. You lend the Organization a fixed amount for a fixed term and are repaid your principal at maturity, with interest paid quarterly during the term. Unlike a donation, your capital comes back to you with a return; unlike a bank GIC, it goes directly to building a heritage-and-housing campus your community owns and benefits from.

What are the terms?

Series A pays 3.5% simple interest per annum over a two-year term, with a $500 minimum investment; Series B pays 4.0% simple interest per annum over a three-year term, with a $3,000 minimum investment; Series C pays 5.0% simple interest per annum over a five-year term, with a $10,000 minimum investment.

Interest on all series is paid quarterly, and principal is repaid at maturity.

How will the Organization pay interest and repay principal?

Interest — roughly $220,000 per year at full draw — is funded during development from the Project's capitalization, and over the longer term from Project operations and take-out financing. Series A (two-year) and Series B (three-year) principal is expected to be repaid from construction-stage refinancing, grant receipts and the completion liquidity reserve; Series C (five-year) principal from stabilized operations and/or long-term take-out financing. Repayment depends on the Project advancing broadly as planned — see Section 12.

Are the bonds secured, and where do they rank?

The land acquisition is being financed in part by a 12-month vendor-take-back mortgage of $638,000 at 3% per annum, provided by the vendor at closing (expected Q3 2026). The relative ranking of the bonds, the VTB mortgage, and future construction financing will be set out in the Offering Statement.

Can I hold these bonds in an RRSP or TFSA?

Registered-plan eligibility is not part of this offering as currently structured.

Can I sell or transfer my bond before maturity?

The bonds are designed to be held to maturity. They are not transferable except in limited circumstances, and there is no market for them; the low Series A minimum keeps any single household's commitment modest.

Can I donate my interest back to the charity?

Yes. Investors may elect to donate some or all of their interest back to the Organization.

Is this an offer, and how would I invest?

No. This Business Case is not an offer to sell or a solicitation to buy any security. Any investment may be made only through the final, counsel-approved Offering Statement, in reliance on an available prospectus exemption. To register interest or request access to the deal room: **To be provided upon request.**

9. Illustrative Operating Outlook

The figures in this section are illustrative assumptions, not forecasts. Final rents, operating costs, and museum/commercial income depend on the affordability programs adopted, detailed design, and market conditions at completion — none of which is fixed at concept stage. The deal room financial model contains the live version of these assumptions and should be treated as the authoritative reference.

9.1 Residential revenue logic

The mixed unit program is designed so that modest, attainable rents across 40 homes produce stable aggregate revenue: studios lease quickly into student demand; one- and two-bedrooms serve workers and couples; three-bedrooms serve families who have few rental options in the market. Affordability commitments tied to grant programs will set specific rent ceilings for some or all units. The deal-room financial model currently assumes illustrative rents of approximately $1,100 (studio) to $2,100 (three-bedroom), with a 12-month lease-up to a stabilized 96% economic occupancy.

9.2 Non-residential income

The restaurant space is expected to be leased to an operator on commercial terms; the museum operates on a non-profit basis supported by admissions, programs, grants, and donations; and the community space is a mission asset with modest cost recovery. Non-residential income is treated conservatively: the Project's debt capacity is underwritten primarily on residential income.

9.3 Operating cost discipline

New construction to current code, efficient mechanical systems, and a single-campus operating model (shared maintenance, utilities management, and administration across housing, museum, and commercial) keep operating costs per unit below those of scattered older stock. Property tax treatment for the charitable and museum components will be confirmed with the municipality.

10. Implementation Plan and Timeline

The Project proceeds in disciplined phases, each with defined gates before further capital is committed:

Phase	Indicative timing	Key activities and gates
Site control	Secured	Both parcels under agreement; closing expected Q3 2026 (funded by Tranche 1); VTB in place at closing
Tranche 1 raise	Months 1–4	Fund land-closing cash; launch community engagement
Design & approvals	Months 4–18	Schematic design; heritage consultation; planning applications (zoning amendment as required); Tranche 2 retires VTB and funds soft costs
Capitalization	Months 12–24	Grant applications and commitments; construction financing term sheets; Tranche 3 raise
Construction	Months 24–42	Tender and build (~18–24 months), gated on full capital stack
Lease-up & museum opening	Months 40–48	Residential lease-up; museum fit-out and opening; stabilize operations

Timing is indicative and sequential risks are real: approvals govern everything downstream. The tranche structure means bond capital is only raised as each phase's purpose comes due, and Tranche 3 deployment into construction awaits a complete capital stack.

10.1 Planning approvals

The parcels are zoned R3-1. The intended four-storey mixed-use program — housing, museum, restaurant, and community space — will require municipal planning approvals, expected to include a zoning by-law amendment and site plan approval, undertaken with heritage staff input given the church. The Project's community support, heritage-preservation purpose, and affordable program are material assets in the approvals process, but approval is not assured and timing is outside the Organization's control.

11. Governance and Management

11.1 Board oversight

The Organization's board of directors holds ultimate responsibility for the Project and the bond program: approving budgets, tranche launches, material contracts, and the offering documents; receiving regular development and raise reporting; and acknowledging and managing conflicts of interest.

11.2 Development management

Day-to-day delivery is led by the development team — a development manager/advisor supported by the architect, planner, cost consultant, and counsel — reporting to the board on schedule, budget, and approvals.

11.3 Bond administration

The bond program is administered through a maintained investor register, documented subscription procedures, quarterly interest runs and T5 reporting, and regular investor communications. Investor funds for each tranche are held and applied to that tranche's stated purposes.

11.4 Reporting commitments

— Annual financial statements of the Organization, shared with bondholders.

— Project updates at least semi-annually during development and construction.

— Annual T5 slips for interest income; prompt notice of any material change.

12. Risk Factors and Mitigation

An investment in the community bonds involves significant risk, described definitively in the Offering Statement. The principal risks and the Organization's mitigation approach described below:

Risk	Description and mitigation
Capital-stack risk	~$14.8M of grants, construction debt and philanthropy is not yet secured. Mitigation: phased tranches; construction not started until the stack is complete; dual-stream grant eligibility (heritage + housing); early lender engagement.
Approvals risk	Rezoning and heritage approvals are required and not assured.

Risk	Description and mitigation
	Mitigation: pre-application consultation, heritage-first design (stepping massing), demonstrated community support, experienced planning counsel.
Construction risk	Cost escalation, trade availability, site conditions. Mitigation: 12% contingency, staged estimating gates, construction pricing before Tranche 3 deployment, fixed-price tender strategy where available.
Repayment risk	Bonds are obligations of a charity whose repayment depends on Project progress, refinancing and operations. Mitigation: conservative underwriting on residential income; laddered maturities (2-yr/3-yr/5-yr) matched to refinancing events; transparent reporting.
Lease-up risk	Slower absorption or lower rents than assumed. Mitigation: mixed unit program across four demand segments; structural rental shortage in London; attainable rent positioning.
Liquidity risk (investor)	Bonds are not transferable and must be held to maturity. Mitigation: low Series A minimum limits concentration in any household.
Key-person risk	Reliance on a small leadership and advisory group. Mitigation: documented processes, board oversight, professional team to spread risk.
Regulatory risk	Exemption conditions must be satisfied for the offering to proceed lawfully. Mitigation: securities counsel review before any marketing; conservative compliance posture.
Interest-rate and refinancing risk	Repaying the bonds depends partly on securing take-out and construction financing at rates and terms not yet known; a higher-rate environment could raise the cost, or reduce the availability, of that financing. Mitigation: conservative underwriting on residential income; laddered two-, three- and five-year maturities matched to expected refinancing windows; grant and philanthropic capital reduces the debt that must be refinanced; early lender engagement before Tranche 3 is deployed.
Operating and property-tax risk	Non-residential income (restaurant, community space) and the property-tax treatment of the charitable and museum components are not yet fixed. Mitigation: debt capacity is underwritten primarily on residential income, with non-residential income treated conservatively; property-tax treatment to be confirmed with the municipality (see Section 9.3).

Risk statement: investors could lose some or all of their investment if the Project does not proceed as planned. The Organization's obligation is to disclose that honestly, structure the raise so capital is only taken as needed, and manage the Project with discipline.

13. Community Impact

The Project's returns are not only financial. On completion, the campus delivers:

- **40 attainable homes** in a walkable, transit-served neighbourhood — including rare family-sized rental units — without displacing a single resident.
- **A permanent museum of Black heritage,** preserving the Beth-Emmanuel church and telling the Underground Railroad and Black-London heritage story to residents, students, and visitors for generations.

- **Community-owned assets:** the land and buildings are held by a charity, keeping the value created inside the community permanently.
- **Local economic activity:** construction employment, a new restaurant, museum operations, and increased foot traffic for SoHo businesses.
- **A replicable model:** a successful community-financed heritage-and-housing project becomes a template for Black-led and community-led development across the region.

Impact measurement — housing outcomes, museum attendance, program participation, and local hiring — will be reported to bondholders alongside financial updates.

14. Conclusion

The 430–432 Grey Street Community Campus pairs an irreplaceable heritage asset with the housing London demonstrably needs, financed in a way that lets the community own the outcome. Site control is secured, with closing expected in Q3 2026; the program, budget, and financing plan are defined; and the community bond provides the catalytic capital to carry the Project through approvals to construction.

The Organization invites prospective investors to review the full deal room — the Offering Statement, financial model, raise materials, and supporting documents — and to direct questions to the Project team before making any investment decision.

14.1 Deal room contents (reference)

- Offering Statement and subscription documents
- Community bond financial model
- Development cost and area model
- Concept design package, one-page summary, and presentation decks
- Organizational documents, financial statements, grant pipeline, professional team roster

Prepared in support of the community bond deal room. Concept-stage figures; subject to change and to the final offering documents.