DUE DILIGENCE DEAL ROOM

Financial Model Summary

430–432 Grey Street Project · London, Ontario

$5.0M	$19.8M	1.60x	Every year
community bond · 3 tranches	total uses incl. land	stabilized DSCR (Yr 2)	cumulative cash positive

One slide per model tab · workbook: 430-grey-financial-model.xlsx (see final slide for link)

Key Assumptions

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**

**Notes: GRI = Gross Rental Income, All values shown are editable blue inputs on the Assumptions sheet*

Occupancy — Op Yr 1 averages 65% (12-month lease-up ramp); 96% stabilized from Yr 2.

Escalation — Rents +2.5%/yr · expenses +3.0%/yr.

Other income — Restaurant / Gym 4,000 sf @ $24 net (8% vacancy) + community cost recovery.

Opex yr. 1 (per unit / year) — See table below:

Property taxes	$900
Insurance	$550
Utilities (common)	$850
Repairs & maintenance	$1,050
Administration	$350
Management fee (% of EGI)	3.5%
Replacement reserve	$500

Community Bond — Cashflow Forecast

Tranche	Amount	Window	Purpose
Tranche 1	$300,000	2026Q3	Land closing
Tranche 2	$1,200,000	2026Q3–2027Q2	VTB repayment · Design & approvals
Tranche 3	$3,500,000	2027Q2–2028Q4	Predevelopment capital
Total	**$5,000,000**		**Series A 15% · Series B 35% · Series C 50%**

- Renewals: 80% of A, 75% of B and 65% of C roll-over at maturity
- Renewal balances repaid as balloons in 2034Q2, FY2032-33 refinancing campaign funds these maturities (assumed $4M raised at 4.5% interest)
- Interest accrues annually on outstanding balances, paid quarterly.

Total Raised	**$5.00M**
Minimum Cumulative Cash	**$0.16M**
Ending Cash (FY2039)	**$0.81M**
Total Community Bond interest (with expected renewals)	**$1.25M**

Community Bond — Cashflow Forecast

Cash Flow Statement — Development Through Operations

Fiscal years 2026–2039 · sources, uses, net and cumulative cash · concept-stage

Fiscal year	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039
CASH IN														
Community bond subscriptions	$600,000	$1,483,333	$2,333,333	$583,333	-	-	-	-	-	-	-	-	-	-
Government grants (not secured)	-	$1,283,696	$1,604,620	$2,888,316	$641,848	-	-	-	-	-	-	-	-	-
Philanthropy & impact capital (not secured)	$432,000	$600,000	$600,000	$600,000	$168,000	-	-	-	-	-	-	-	-	-
Construction loan draws	-	-	$1,800,000	$4,200,000	-	-	-	-	-	-	-	-	-	-
Term loan proceeds (completion)	-	-	-	-	$7,250,000	-	-	-	-	-	-	-	-	-
FY2032-33 refinancing / campaign (not secured)	-	-	-	-	-		$2,000,000	$2,000,000		-	-	-	-	-
Net operating income (operations)	-	-	-	-	$363,252	$588,596	$602,456	$616,636	$631,145	$645,989	$661,176	$676,714	$692,610	$708,874
Total cash in	**$1,032,000**	**$3,367,029**	**$6,337,953**	**$8,271,649**	**$8,423,100**	**$588,596**	**$2,602,456**	**$2,616,636**	**$631,145**	**$645,989**	**$661,176**	**$676,714**	**$692,610**	**$708,874**
CASH OUT														
Land cash at closing (deposit + cash portion)	$262,000	-	-	-	-	-	-	-	-	-	-	-	-	-
VTB repayment (incl. interest)	-	$644,000	-	-	-	-	-	-	-	-	-	-	-	-
Soft costs	$99,000	$673,200	$693,000	$514,800	-	-	-	-	-	-	-	-	-	-
Hard costs + development charges + contingency	-	-	$4,002,055	$10,405,343	$1,600,822	-	-	-	-	-	-	-	-	-
Construction loan interest	-	-	$96,525	$225,225	-	-	-	-	-	-	-	-	-	-
Construction loan repayment (completion)	-	-	-	-	$6,000,000	-	-	-	-	-	-	-	-	-
Bond interest paid	$3,319	$46,463	$130,828	$213,432	$214,469	$205,143	$189,823	$172,615	$78,651	-	-	-	-	-
FY2032-33 refinancing interest paid							$45,000	$180,000	$180,000	$180,000	$180,000	$180,000	$180,000	180000
Bond principal — cash maturities	-	-	$18,000	$97,000	$199,792	$326,667	$310,625	$408,333	$102,083	-	-	-	-	-
Bond principal — renewal balloons	-	-	-	-	-	-	-	-	$3,537,500	-	-	-	-	-
Term loan debt service	-	-	-	-	$366,866	$366,866	$366,866	$366,866	$366,866	$366,866	$366,866	$366,866	$366,866	$366,866
Total cash out	**$364,319**	**$1,363,663**	**$4,940,408**	**$11,455,800**	**$8,381,948**	**$898,675**	**$912,313**	**$1,127,813**	**$4,265,100**	**$546,866**	**$546,866**	**$546,866**	**$546,866**	**$546,866**
NET CASH FLOW	**$667,681**	**$2,003,367**	**$1,397,546**	**($3,184,151)**	**$41,152**	**($310,079)**	**$1,690,142**	**$1,488,823**	**($3,633,955)**	**$99,123**	**$114,310**	**$129,848**	**$145,745**	**$162,008**
CUMULATIVE CASH	**$667,681**	**$2,671,048**	**$4,068,594**	**$884,443**	**$925,595**	**$615,516**	**$2,305,658**	**$3,794,480**	**$160,525**	**$259,648**	**$373,958**	**$503,806**	**$649,551**	**$811,559**

Minimum cumulative cash	$160,525	OK — funded in every year
Ending cash (FY2039)	$811,559	

Note: grants, philanthropy and the FY2032-33 refinancing are targets, not commitments.

Project Level Proforma

USES

Cost component	Amount	Per unit / % of total	Per sf GFA	
Hard construction	$13,200,000	*66.6%*		
Soft costs	$1,980,000	*10.0%*		
Development charges + permits	$850,000	*4.3%*		
Contingency	$1,958,220	*9.9%*		
Construction loan interest (capitalized)	$321,750	*1.6%*		*avg utilization × 18-month drawperiod*
Community bond interest (FY2026-30)	$608,509	*3.1%*		
Total development cost (excl. land)	**$18,918,479**	$472,962	$498	
Land (closed)	$900,000	*4.5%*		
TOTAL USES (all-in)	**$19,818,479**	$495,462	$522	

SOURCES

Source	Amount	% of total	
Community bonds (3 tranches)	$5,000,000	*25.2%*	
Government grants (not secured)	$6,418,479	*32.4%*	
Philanthropy & impact capital (not secured)	$2,400,000	*12.1%*	
Construction loan (refinanced by term loan at completion)	$6,000,000	*30.3%*	
TOTAL SOURCES	**$19,818,479**		

SURPLUS / (GAP)	**-**

Note: the $7.25M term loan repays the $6.0M construction loan at completion; the ~$1.25M excess funds a liquidity reserve for bond maturities and is not a development source.

10-Year Operating Forecast

	Yr 1 (2030)	Yr 2 (2031)	Yr 5 (2034)	Yr 10 (2039)
Rental occupancy (4% vacancy)	65% (stabilization)	96%	96%	96%
Effective gross income (EGI – Residential/Commercial)	$551K	$789K	$850K	$962K
Operating expenses	($187K)	($201K)	($219K)	($253K)
Net operating income	**$363K**	**$588K**	**$631K**	**$709K**
Interest — term loan + bonds	($541K)	(529K)	($577K)	($487K)
DSCR (NOI ÷ term debt service)	0.99x	1.60x	1.72x	1.93x

10-Year Operating Forecast

Operating year	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Calendar year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
REVENUE										
Gross potential rent — Studio	$198,000	$202,950	$208,024	$213,224	$218,555	$224,019	$229,619	$235,360	$241,244	$247,275
Gross potential rent — One-bedroom	$174,000	$178,350	$182,809	$187,379	$192,063	$196,865	$201,787	$206,831	$212,002	$217,302
Gross potential rent — Two-bedroom	$210,000	$215,250	$220,631	$226,147	$231,801	$237,596	$243,536	$249,624	$255,865	$262,261
Gross potential rent — Three-bedroom	$126,000	$129,150	$132,379	$135,688	$139,080	$142,557	$146,121	$149,774	$153,519	$157,357
Total gross potential rent	**$708,000**	**$725,700**	**$743,843**	**$762,439**	**$781,500**	**$801,037**	**$821,063**	**$841,590**	**$862,629**	**$884,195**
Vacancy / stabilization ramp	($247,800)	($29,028)	($29,754)	($30,498)	($31,260)	($32,041)	($32,843)	($33,664)	($34,505)	($35,368)
Net residential rental income	**$460,200**	**$696,672**	**$714,089**	**$731,941**	**$750,240**	**$768,996**	**$788,220**	**$807,926**	**$828,124**	**$848,827**
Commercial income (restaurant, net)	$88,320	$90,528	$92,791	$95,111	$97,489	$99,926	$102,424	$104,985	$107,609	$110,300
Community space cost recovery	$2,000	$2,060	$2,122	$2,185	$2,251	$2,319	$2,388	$2,460	$2,534	$2,610
Effective gross income (EGI)	**$550,520**	**$789,260**	**$809,002**	**$829,237**	**$849,979**	**$871,240**	**$893,033**	**$915,370**	**$938,267**	**$961,736**
OPERATING EXPENSES										
Property taxes	$36,000	$37,080	$38,192	$39,338	$40,518	$41,734	$42,986	$44,275	$45,604	$46,972
Insurance	$22,000	$22,660	$23,340	$24,040	$24,761	$25,504	$26,269	$27,057	$27,869	$28,705
Utilities (common)	$34,000	$35,020	$36,071	$37,153	$38,267	$39,415	$40,598	$41,816	$43,070	$44,362
Repairs & maintenance	$42,000	$43,260	$44,558	$45,895	$47,271	$48,690	$50,150	$51,655	$53,204	$54,800
Administration	$14,000	$14,420	$14,853	$15,298	$15,757	$16,230	$16,717	$17,218	$17,735	$18,267
Management fee	$19,268	$27,624	$28,315	$29,023	$29,749	$30,493	$31,256	$32,038	$32,839	$33,661
Replacement reserve	$20,000	$20,600	$21,218	$21,855	$22,510	$23,185	$23,881	$24,597	$25,335	$26,095
Total operating expenses	**$187,268**	**$200,664**	**$206,546**	**$212,601**	**$218,835**	**$225,251**	**$231,857**	**$238,657**	**$245,657**	**$252,863**
NET OPERATING INCOME (NOI)	**$363,252**	**$588,596**	**$602,456**	**$616,636**	**$631,145**	**$645,989**	**$661,176**	**$676,714**	**$692,610**	**$708,874**
Interest Expense										
Interest — term loan	($326,250)	($324,422)	($322,512)	($320,516)	($318,431)	($316,251)	($313,974)	($311,593)	($309,106)	($306,507)
Interest — community bonds	($214,469)	($205,143)	($189,823)	($172,615)	($78,651)	-	-	-	-	-
Interest — FY2032-33 refinancing	-	-	($45,000)	($180,000)	($180,000)	($180,000)	($180,000)	($180,000)	($180,000)	($180,000)
NET INCOME / (LOSS)	**($177,467)**	**$59,031**	**$45,120**	**($56,495)**	**$54,063**	**$149,737**	**$167,202**	**$185,120**	**$203,504**	**$222,367**
Memo: economic occupancy (4% Vacancy)	65.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Memo: DSCR (NOI ÷ term-loan debt service)	0.99x	1.60x	1.64x	1.68x	1.72x	1.76x	1.80x	1.84x	1.89x	1.93x
Minimum DSCR for MLI SELECT COMPLIANCE	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x	1.10x

MODEL TAB 5 — FINANCING PLAN

Capital Stack & Coverage

Instrument	Amount	Terms	Repayment
Bonds — Series A	$0.75M	3.5% · 2-yr · $500 min	Cohorts +2 yrs; renewals balloon 2034Q2
Bonds — Series B	$1.75M	4.0% · 3-yr · $3K min	Cohorts +3 yrs; renewals balloon 2034Q2
Bonds — Series C	$2.5M	5.0% · 5-yr · $10K min	Cohorts +5 yrs; renewals balloon 2034Q2
Government grants	$6.4M	Non-repayable	
Philanthropy / impact	$2.4M	Non-repayable	
Construction loan	$6.0M	5.5% · draws FY28–29	Repaid at completion by term loan
Term loan	$7.5M	4.5% · 50-yr amortization	Serviced from operations
FY2032 refinancing	$4.0M	4.5% · 10-yr term (Interest only)	From operations. Funds renewal maturities

Term-loan sizing: annual debt service $366K vs stabilized NOI $588K → DSCR 1.60x (target ≥1.20x, passing).