



Phase 2 - Inclusionary Zoning Assessment Report

Town of Milton

Final Report

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.M.I.	Area Median Income
A.M.R.	Average market rent
A.R.U.	Additional Residential Unit
CMHC	Canada Mortgage and Housing Corporation
I.R.R.	Internal rate of return
IZ	Inclusionary zoning
M.T.S.A.	Major Transit Station Area
NHS	National Housing Strategy
P.P.S.	Provincial Planning/Policy Statement
P.P.U.	Persons per unit
R.G.I.	Rent-geared-to-income
SWOC	Strengths, weaknesses, opportunities, challenges
U.G.C.	Urban Growth Centre



Executive Summary

Overview

The Town of Milton retained Watson & Associates Economists Ltd., in association with Tim Welch Consulting Inc., to prepare an Inclusionary Zoning Assessment Report. The primary objective of this assignment is to provide an assessment of current and future housing needs, and the potential impacts on the housing market and viability of development, to help inform the development of inclusionary zoning (IZ) policies aligned to accommodate and support affordable housing in Milton. This study builds on the Residential and Non-Residential Needs Analysis prepared for the Town of Milton by Watson & Associates Economists Ltd. and Malone Given Parsons Ltd.

The Town of Milton is interested in a range of housing policy tools, including the implementation of IZ provisions within its major transit station areas (M.T.S.A.s). The purpose of this study is to support the implementation of IZ provisions within the Milton GO M.T.S.A. and the Milton Trafalgar GO M.T.S.A.

The outcomes of the study are to fulfill the Assessment Report requirements, as presented in the IZ regulations (Ontario Regulation 232/18), and provide the technical rationale required of the Town to potentially develop and implement IZ-related Official Plan amendments, in addition to an inclusionary zoning by-law. As part of Bill 108, the *More Homes, More Choice Act, 2019*, IZ is an affordable housing planning and policy tool for M.T.S.A.s. Therefore, the following sections present a report that is scoped to the requirements of the IZ regulations within the Town of Milton context.

Context

Over the past decade, Milton has experienced strong population and housing growth and is anticipated to experience further growth through 2051. To maintain a well-balanced, strong community and ensure long-term sustainability, it is vital that Milton offers a wide selection of housing options across a broad range of income groups. Housing affordability is a key component of quality of place and is directly linked to population and economic growth potential, and municipal competitiveness.

Average home prices and rental rates in Milton have also increased, eroding housing affordability across the housing continuum in the Town. While Milton's strong real-estate market is beneficial for many current and future residents, it also results in



affordability pressures on the Town's lower-income households and other vulnerable populations. Providing a broad market choice in housing and housing affordability is an increasingly important consideration.

Opportunities exist to utilize the IZ tool to help support an environment that is conducive to affordable housing, particularly for development by the private sector. This report focuses on the potential application and implementation of IZ in Milton's M.T.S.A.s.

Components of Inclusionary Zoning

Inclusionary zoning, in short, is the requirement that when constructing housing developments, a certain percentage of units must be offered at an affordable rate. This can take many forms and varies from region to region, but it ensures new affordable housing supply increases over time. In designing an IZ program, municipalities need to consider the following components:

Component	Consideration
Program type	Whether the program is mandatory or voluntary.
Affordability	How affordability is defined. The household income level(s) it should target. How long units will be kept affordable.
Set-aside rates	The percentage of affordable units required in new development. How the number of units is calculated. Whether rates should differ based on neighbourhood or level of affordability.
Minimum development size	The size of the development that will trigger an IZ requirement.
Alternative delivery of affordable housing units	Whether to accept cash-in-lieu of onsite affordable units. Whether affordable units can be provided offsite.
Incentives	Whether incentives should be offered to developers to make providing affordable housing economically feasible.
Monitoring and stewardship	Who is responsible for operating and monitoring the affordable units?



Definitive best practices for IZ programs are difficult to establish, given programs are designed based on local market conditions, needs, and goals that differ with each jurisdiction. Even with these local differences, however, the prevalence of common characteristics across IZ programs suggests potential best practices that may apply to IZ in Milton, which are explored herein.

Milton's Population and Housing Market Trends

Milton's population has experienced significant growth over the past two decades. Between 2001 and 2021, the Town grew at an annual average growth rate of 7.4%, or approximately 5,200 people per year. While Milton's population is younger than the provincial average, the Town's population is aging. The Town has experienced strong growth in larger households driven by the working-age population. Over the 2013 to 2022 period, Milton averaged 1,228 residential units constructed per year. While Milton's housing development remains highly oriented in grade-related ownership products, the housing sector is shifting gradually, with a greater share of higher-density housing and rental units. A range of demographic and economic factors are driving this shift, including an aging population and housing affordability considerations.

The Town has experienced strong appreciation in housing prices and market rents over the past five years in both the new construction and re-sale markets. These price increases have been significantly higher than the rate of income growth or inflation, which has eroded housing affordability in the community.

For Milton in 2024, the definition of an affordable ownership home (as defined by the Province) is a purchase price of no more than \$524,600. Affordable rental housing is defined by unit size, ranging from a bachelor unit at \$1,243 or less, a one-bedroom unit at \$1,451 or less, a two-bedroom unit at \$1,626 or less, and a three-bedroom unit at \$1,864 or less. Comparatively, there are fewer affordable housing options and rental options in Milton relative to the broader regional market area.

Milton is expected to experience relatively strong growth over the next three decades. Over the 2021 to 2051 period, the Town's population is forecast to increase by 192% (263,100 people) from 137,300 to 400,400 and its employment base is expected to grow by 227% (108,550) from 47,760 to 156,310. To accommodate the forecast population growth, Milton's housing base is expected to expand by 87,890 units, an increase of 220%.



Milton's Future Housing Needs

Milton is expected to realize household growth of approximately 81,745 housing units over the 2024 to 2051 period. Accommodating this level of growth requires a range of housing by structure type and tenure. Rental housing in the Town is expected to increase by approximately 20,745 units over the 2024 to 2051 period, accounting for nearly 25% of total housing growth over the forecast period. Ownership housing growth is expected to total 61,000 units (75% of total housing growth). Over the period, it is forecast that approximately 62% of the forecast housing growth will be headed by those aged 25 to 54, and 38% will be in households headed by those aged 65+.

To meet the affordability needs identified above, the Town of Milton will need to expand the development of purpose-built rental housing with a share identified as affordable units tied to the Provincial Planning Statement, 2024 definition of affordable units. Furthermore, the Town will need to continue to encourage a broader range of affordable units in the secondary market such as secondary suites.

Of the ownership housing growth anticipated over the 2024 to 2051 period, it is estimated that 24% (14,435 units) of new ownership homes need to be affordable. To help meet the affordable ownership projection of 14,435 units, the Town should encourage more moderately priced, higher-density, freehold and condominium units. For rental housing growth, 28% (5,875 units) of affordable units are needed. Within this projection, a range of affordable housing types are needed for low- and moderate-income households including near-market units.

Market Assessment of Milton's M.T.S.A.s

Milton is expected to experience significant population and employment growth over the 2021 to 2051 period. Numerous demographic and economic factors are anticipated to influence the manner in which Milton matures and evolves over the forecast period. The distribution of population, housing, and employment growth is expected to become more geographically diverse. This includes accommodating a range of residential and non-residential development in the Town's M.T.S.A.s, which are expected to be increasingly marketable.

Recent trends suggest that the local market is evolving to include more opportunities for high-density residential development, in part due to eroding housing affordability, an aging population base, and a growing younger-age population driven by Generation Z.



Housing location options within the Town's M.T.S.A.s that offer proximity to employment, transit, and services/amenities are anticipated to show strong market demand.

While the development of high-density market housing in Milton's M.T.S.A.s is generally considered favourable from a feasibility perspective, there are currently some economic headwinds. The potential introduction of affordable housing through a possible IZ program to these projects reduces their market viability. Many development projects may have marginal viability with an IZ program, which may result in projects not proceeding forward in the current environment. The pro forma analysis presented herein suggests that, with market improvements expected in 2025 either through reduced interest rates and/or higher revenue potential, the viability of these projects would improve to a point that they are considered financially viable within an IZ program framework.

Strategic Recommendations

Inclusionary Zoning Objectives and Goals

The goal of Milton's IZ policy is to increase the supply of affordable rental housing in new residential developments within Protected M.T.S.A.s fostering inclusive and mixed-income communities.

The objective is to require developers to integrate a percentage of affordable units into designated developments or areas, helping to meet local housing needs and improve long-term housing accessibility. The aim is to encourage private-sector engagement in affordable housing provisions while ensuring developments remain financially viable.

Inclusionary Zoning Approach

Based on the analysis presented herein, the following presents the recommended IZ approach for the Town of Milton:

- Year Adopted: 2025
- Mandatory/Voluntary: Mandatory
- Phased Implementation: Four-phased approach



1. Affordability

Affordable rental housing units will meet the provincial definition of affordability, consistent with the provincial bulletin's criteria and the P.P.S., 2024, ensuring alignment with provincial policy objectives.^[1] The IZ policy aims to provide housing options that are more accessible to low- and moderate-income households.

2. Set-Aside Rates

Milton should adopt a **phased approach** to set-aside rates for new developments, allowing the market to adjust incrementally. The set-aside rate refers to the percentage of residential floor area or units that must be dedicated to affordable housing.

Phases for Implementation

- Phase 1 (January 1, 2026): 2.5% of units to be set aside as affordable housing.
- Phase 2 (January 1, 2028): 3.5% of units to be set aside as affordable housing.
- Phase 3 (January 1, 2030): 5% of units to be set aside as affordable housing, ensuring deeper integration of affordability in developments.
- Phase 4 (January 1, 2031, and beyond): Review and assessment of the program's effectiveness, with a possibility of increasing set-aside rates based on the housing market and needs assessment.

For IZ units, developers are required to match the ratio of IZ units to market units. For example, if 40% of market units are two-bedroom units, then 40% of IZ units need to be two--bedroom units. Milton, however, reserves the right to adjust the number of required IZ units based on community needs and can revise these requirements following the five-year review.

3. Affected Developments and Threshold Size

Inclusionary zoning should apply to **all new** residential developments with:

- 100 or more units.
- A gross floor area of 8,000 square metres or more.

^[1] Province of Ontario. (2024). *Affordable residential units for the purposes of the development charges*.



All impacted developments will be located within Protected M.T.S.A.s, as defined by the Official Plan.

Inclusionary zoning units should be determined for all applicable developments at the **site plan approval** stage of the development process. This stage is after the zoning by-law amendment or rezoning has occurred but before the final building permits are issued.

Exemptions

Inclusionary zoning requirements will not apply to:

- Non-profit housing organizations.
- Co-operative housing organizations.

4. Affordability Period

Affordability should be maintained for 99 years.

5. Rental Price of Units

Rental unit prices must be set below Average Market Rent (A.M.R.), as determined annually by the Canada Mortgage and Housing Corporation (CMHC).

6. Monitoring and Stewardship

The Town of Milton should:

- Establish an internal affordable housing registry of IZ units to permit the Town to monitor and manage the units.
- Partner with non-profit housing providers to manage and maintain affordable units.
- Conduct a bi-annual review of the IZ program to ensure compliance and address emerging needs.
- Provide annual updated reports and information concerning affordable units.



Enforcement and Compliance Mechanisms

In accordance with subsections 35.2 (7) and 35.2 (8) of the Ontario *Planning Act*, agreements under the IZ policy will include mechanisms to ensure long-term compliance with affordability requirements.

Under subsection 35.2 (7), all IZ agreements between the municipality and the developer or property owner will be registered on the title of the property. This registration ensures that the terms of the IZ policy, including affordability requirements, are legally binding on current and future owners of the property. By recording these agreements on the title, the municipality safeguards the affordable housing commitments over the specified affordability period, providing continuity and enforceability beyond any ownership transfers.

Subsection 35.2 (8) grants municipalities the right to use enforcement remedies outlined in section 446 of the *Municipal Act* to address non-compliance with IZ agreements. In cases where the property owner or developer fails to meet the terms of the agreement, the municipality may apply the following measures:

- **Right of Entry:** Municipal staff are authorized to enter the property to assess and enforce compliance with affordability and maintenance standards.
- **Cost Recovery through Tax Roll:** If the municipality incurs costs to bring the property into compliance, it can add these costs to the property's tax roll, ensuring recovery of expenses related to enforcement actions.
- **Interest Charges and Liens:** For unpaid amounts due, as a result of enforcement costs, the municipality has the authority to charge interest and place a lien on the property, further incentivizing compliance with the IZ agreement.

7. Incentives

Incentives are often a tool used to aid the developer in building affordable units. With recent provincial policy changes, however, typical incentives such as development charge exemptions are already in place for affordable unit development. Hence, for the IZ policy, no additional incentives will be provided.



8. Offsite Units

On a case-by-case basis, affordable offsite units may be allowed by the municipality, provided the units are located within 500 to 800 metres of the major development and meet affordability criteria.

Offsite affordable units may be permitted under specific conditions where it is determined they can deliver equal or greater benefit to the community. Conditions include:

- **Economic or Structural Constraints:** If the primary development faces financial or structural challenges that make onsite affordable housing impractical (e.g., high costs due to unique building designs, heritage preservation, or limited available space), offsite units may be considered as an alternative.
- **Enhanced Affordability Objectives:** In cases where locating affordable units offsite allows for more units or deeper levels of affordability than what would be feasible onsite, the municipality may approve this approach to maximize community benefits.

Offsite units will be subject to the same monitoring and compliance standards as onsite units, with regular reporting to ensure long-term affordability. The municipality reserves the right to audit and enforce affordability compliance for offsite units.

Conclusions

The Town should also want to address the following:

- The Official Plan may include IZ policies where Protected M.T.S.A.s have been identified or in community Planning Permit Areas.
- The Official Plan must include IZ goals, objectives, measures, and procedures as presented herein.

The Town should assess the IZ policies at least every five years and update them if needed.



1. Introduction

1.1 Terms of Reference

The Town of Milton retained Watson & Associates Economists Ltd., in association with Malone Given Parsons Ltd. and Tim Welch Consulting Inc., to prepare a residential and non-residential needs analysis. This study was undertaken in two phases:

- **Phase 1** – Watson & Associates Economists Ltd. and Malone Given Parsons Ltd. assessed the Town of Milton’s long-term population, housing, and employment potential by planning policy area and development phase to the year 2051.
- **Phase 2** – Watson & Associates Economists Ltd. and Tim Welch Consulting Inc. have prepared an Inclusionary Zoning Assessment Report to support affordable housing development in Milton (as presented herein).

The primary objective of Phase 2 is to provide an assessment of current and future housing needs, and the potential impacts on the housing market and financial viability of development, to help inform the adoption of inclusionary zoning (IZ) policies aligned to accommodate and support affordable housing in Milton. The analysis builds on the demographic and growth analysis presented in Phase 1.

The Town of Milton is interested in a range of housing policy tools, including the implementation of IZ provisions within its major transit station areas (M.T.S.A.s). The purpose of this study is to support the implementation of IZ provisions within the Milton GO M.T.S.A. and the Milton Trafalgar GO M.T.S.A.

The assessment considers macro-economic conditions and demographic trends, in addition to regional and local real-estate development trends that are influencing current housing trends across Milton. This analysis will help inform the definition of market demand and assess the various other supply and policy-based factors that are likely to impact Milton’s housing needs over the coming decades.

This report provides an examination of the anticipated residential real-estate market demand against available housing supply. This examination is necessary to identify where barriers to housing choice and affordability exist and where ongoing unmet housing needs are likely to persist over the near to longer term.



The outcomes of the study are to fulfill the Assessment Report requirements, as presented in the inclusionary zoning regulations (Ontario Regulation 232/18), and provide the technical rationale required of the Town to potentially develop and implement IZ-related Official Plan Amendments, in addition to an inclusionary zoning by-law. As part of Bill 108, *the More Homes, More Choice Act, 2019*, IZ is an affordable housing planning and policy tool for M.T.S.A.s. Therefore, in the following sections we present a report that is scoped to the requirements of the IZ regulations within the Town of Milton context.

1.2 Local Housing Affordability Context

Over the past decade, Milton has experienced strong population and housing growth and is anticipated to experience further growth through 2051. To maintain a well-balanced, strong community and ensure long-term sustainability, it is vital that Milton offers a wide selection of housing options across a broad range of income groups. Housing affordability is a key component of quality of place and is directly linked to population and economic growth potential, and municipal competitiveness.

Average home prices and rental rates in Milton have also increased, eroding housing affordability across the housing continuum in the Town. While Milton's strong real-estate market is beneficial for many current and future residents, it also results in affordability pressures on the Town's lower-income households and other vulnerable populations. Providing a broad market choice in housing and housing affordability is an increasingly important consideration.

Looking forward, the increasing cultural diversity, an aging Baby Boom population,^[2] growing demands from new families, and eroding housing affordability will require that the Town of Milton promotes and supports a broad range of new housing products by location, type, built-form, density, and price/affordability.

In response to the housing affordability issue, new housing development activity is anticipated to densify, with a greater share of new housing development occurring through more compact, medium- and high-density housing forms. To accommodate future residents in Milton, there is also an increasing need to develop new and

^[2] The Baby Boom generation (Baby Boomers) is generally defined as people who were born between 1946 and 1964.



innovative approaches to housing development within areas that are pedestrian oriented and transit supportive. This includes options that provide greater opportunities for mixed-use development planned within intensification nodes and corridors, including secondary suites, live/work units, and a range of affordable housing opportunities. With this objective in mind, the planning and development of both existing and new communities should be designed to generate a unique sense of place and identity that fosters community health, individual well-being, and livability.

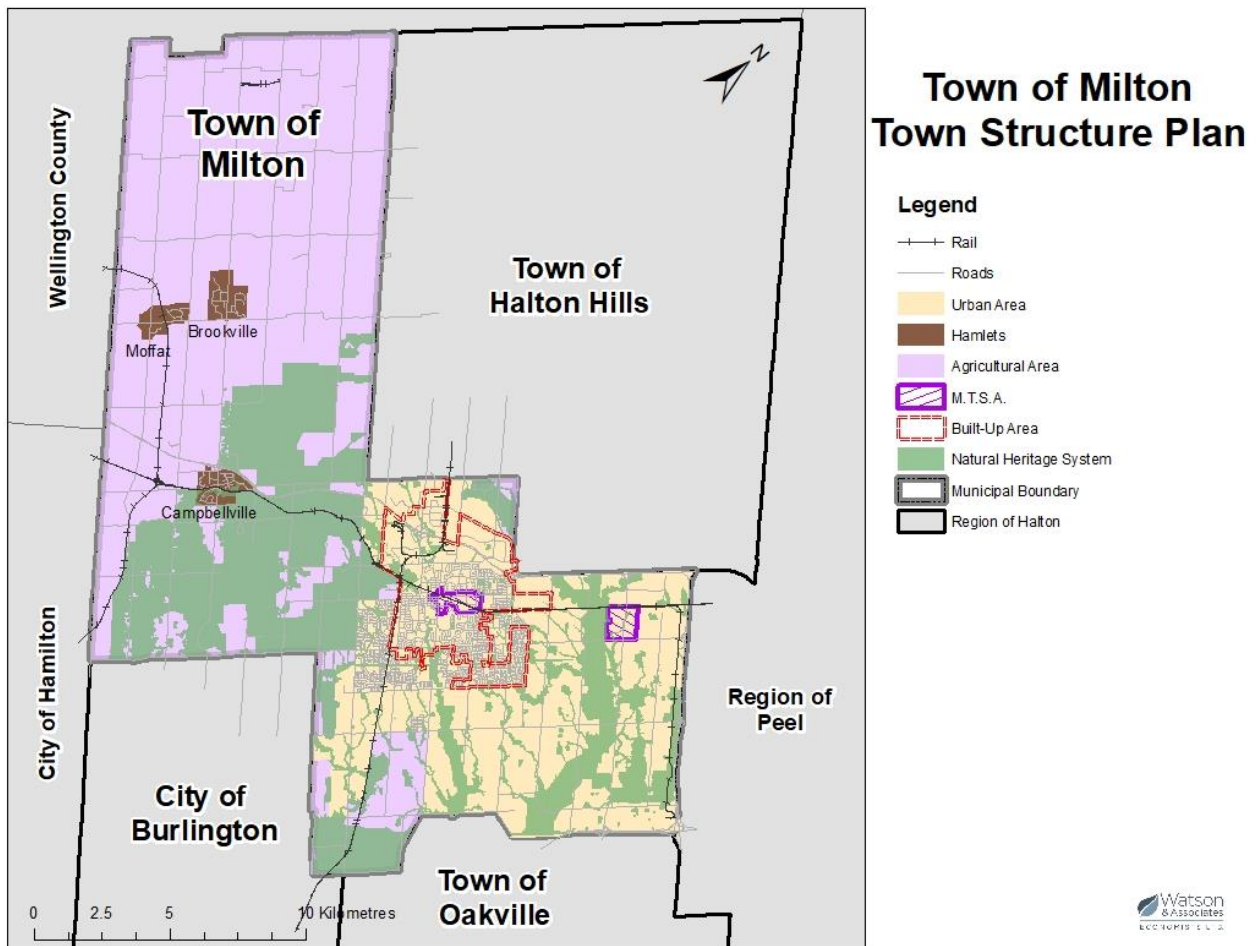
There is a recognized need to support affordable housing in Milton. Opportunities exist to utilize the IZ tool to help support an environment that is conducive to affordable housing, particularly for development by the private sector. This report focuses on the potential application and implementation of IZ in Milton's M.T.S.A.s.

1.3 Milton's Urban Structure

For the purpose of this report, the geographic context of housing demand and supply has been assessed both Town-wide and its Strategic Growth Areas, including Milton's two M.T.S.A.s, as illustrated in Figure 1. This includes the Milton GO Station and the Milton Trafalgar GO Station.



Figure 1



2. Housing and Planning Policy Context

The housing and homelessness system in the Province of Ontario is complex and requires the participation of four levels of government, in addition to the not-for-profit and private sectors. Engagement of all parties is paramount to success in responding to needs and building a healthy housing continuum in communities across Ontario.

2.1 National Housing Policy

Announced in 2017, the federal government has a [National Housing Strategy](#) (NHS) under which capital funding is provided for both housing and homelessness programs. Programs such as rehabilitation and renovations are eligible for funding under the NHS



and support is generally available to eligible governments, community housing providers or non-profits/agencies, and in some cases the private sector from any community across Canada. There are, however, some specific sub-programs of the NHS, such as the Affordable Housing Fund (formerly the Co-Investment Fund), the Rapid Housing Initiative, and the Housing Accelerator Fund, that provide targeted full capital funding to some of the larger regional/municipal governments, although applicants from non-designated communities can apply.

CMHC program funding can come in the form of forgivable loans and repayable loans at a reduced rate of interest. In addition, the federal government provides mortgage insurance. Funds are generally accessed through application processes undertaken by the private or not-for-profit housing proponent, unless otherwise directed to designated communities (large urban centres). The Town of Milton, along with not-for-profit and private-sector organizations, are required to apply for funding.

2.2 Provincial Housing Policy

2.2.1 Bill 23: More Homes Built Faster Act, 2022

On October 25, 2022, the Ontario government introduced the *More Homes Built Faster Act, 2022* (Bill 23). Following Bill 108 and Bill 109, Bill 23 is part of a long-term strategy to address the housing crisis by facilitating the construction of 1.5 million homes over the next 10 years. Bill 23 received Royal Assent by the provincial legislature on November 28, 2022. The Bill is intended to increase the housing supply and provide a mix of ownership and rental housing types for Ontarians.

To support the provincial commitment to getting 1.5 million homes built over the next 10 years, Bill 23 includes sweeping and substantive changes to a range of legislation through Bill 23 and through updates to regulations and consultations on various provincial plans and policies. Bill 23 exempts residential development with up to 10 residential units from site plan control approval. Furthermore, for developments that are subject to site plan control, Bill 23 limits the extent to which exterior design could be addressed through the site plan approval process. This identified need for additional housing relates to demand associated with both existing Ontario residents and newcomers to the Province through immigration.



In Bill 23, the Province of Ontario has assigned municipal housing targets, identifying the number of new housing units needed by 2031, impacting 50 of Ontario's largest and fastest growing single/lower-tier municipalities in Ontario, including the Town of Milton. Bill 23 also exempted new non-profit and co-operative housing from paying municipal development charges and municipal community benefits and parkland dedication fees.

2.2.2 Bill 134: Affordable Homes and Good Jobs Act, 2023

The Ontario Legislature has made changes to the *Development Charges Act* and the *Planning Act*, under Bill 134 (*Affordable Homes and Good Jobs Act, 2023*). These changes are with respect to the definition of an "affordable residential unit" for the purpose of exempting such developments from the payment of development charges, community benefits charges, and parkland dedication fees.

The definition under Bill 134 modifies the affordable residential unit definition by:

- Introducing an income-based test for affordable rent and ownership purchase price; and
- Increasing the threshold for the market test of affordable rent and purchase price.

The amendment provides the exemption based on the lesser of the two measures.

The new definition of an affordable residential unit is generally consistent with the Provincial Planning Statement, 2024 (P.P.S., 2024) and considers both income-based and market-price approaches to derive an affordable housing definition for both rental and ownership housing units.

In May 2024, the provincial government tabled a bulletin under the *Planning Act* that listed the definition of affordable for the purpose of exemption for the municipal development charges, community benefits charges, and parkland dedication fees.

2.2.3 Bill 185: Cutting Red Tape to Build More Homes Act, 2024

With respect to the proposed changes to the *Planning Act* under Bill 185 (*Cutting Red Tape to Build More Homes Act, 2024*) we have identified the following key impacts as they broadly relate to housing in Ontario.



Enhancing and Broadening the Framework for Additional Residential Units

Under subsection 35.1 (2) of the *Planning Act*, the Minister is authorized to make regulations regarding additional residential units (A.R.U.s) by establishing requirements and standards with respect to a second or third residential unit in a detached house, semi-detached house, or rowhouse, as well as a residential unit in a building or structure ancillary to such a house.

Bill 185 proposes to broaden provisions to allow the Minister to regulate any A.R.U.s in an existing home (as noted above) or ancillary structure for the purposes of an A.R.U. If approved, the Minister will have a new regulation-making power to remove zoning barriers to accommodate A.R.U. developments, which may include maximum lot coverage and limits on the number of bedrooms allowed per lot.^[3]

Implementing the Affordable Residential Unit Exemption

The *More Homes Built Faster Act* (Bill 23) identified an exemption for affordable residential units from development charges, community benefits charges, and parkland dedication fees. This exemption was subsequently revised through Bill 134, the *Affordable Homes and Good Jobs Act, 2023*, which received Royal Assent on December 4, 2023. The exemption is summarized as follows:

- Affordable Rental: Where the rent is no greater than the lesser of the income-based affordable rent^[4] set out in the Affordable Residential Units Bulletin and the average market rent identified in the Affordable Residential Units Bulletin.
- Affordable Owned Unit: Where the price of the residential unit is no greater than the lesser of the income-based affordable purchase price^[5] set out in the Affordable Residential Units Bulletin and 90% of the average purchase price identified in the Affordable Residential Units Bulletin.

^[3] Bill 185, Schedule 12, section 9.

^[4] Based on the 60th percentile of gross annual incomes for renter households in the applicable local municipality and where the rent is equal to 30% of the income of the household.

^[5] Based on the 60th percentile of gross annual incomes for households in the applicable local municipality and where the purchase price would result in annual accommodation costs equal to 30% of the income of the household.



This exemption came into force on June 1, 2024, and the Affordable Residential Units for the Purposes of the Development Charges Act Bulletin is posted on Ontario.ca.

For Milton in 2024, the definition of an affordable ownership home is a purchase price of no more than \$524,600.

For rental housing, the exemptions from paying development charges are no more than the following amounts per bedroom size:

- Bachelor unit \$1,243
- One-bedroom unit \$1,451
- Two-bedroom unit \$1,626
- Three-bedroom unit \$1,864

Note: no commentary has been provided on the Attainable Unit exemption at this time.

2.2.4 Provincial Planning Statement, 2024

On April 7, 2023, the Province of Ontario released a new Provincial Planning Statement (P.P.S., 2023), in concert with introducing Bill 97: *Helping Homebuyers, Protecting Tenants Act, 2023*. Bill 97 proposes amendments to seven provincial statutes, including the *Planning Act*. Since Bill 97, the Province introduced Bill 185: *Cutting Red Tape to Build More Homes Act, 2024*, together with a new P.P.S. on April 10, 2024 (P.P.S., 2024).

The new P.P.S., 2024 was released on August 20, 2024, and came into effect on October 20, 2024. It is intended to simplify and integrate existing provincial policies (A Place to Grow: Growth Plan for the Greater Golden Horseshoe (the Growth Plan, 2019) and the Provincial Policy Statement, 2020 (P.P.S., 2020) while providing municipalities and the Province with greater flexibility to deliver on housing objectives.

The following summarizes key highlights of the new P.P.S., 2024.

Providing for an Appropriate Range and Mix of Housing Options

- Generally unchanged from the P.P.S., 2020, the P.P.S., 2024 still requires planning authorities to maintain at all times the ability to accommodate residential growth for a minimum of 15 years through lands that are designated and available for residential development. It is noted, however, that the emphasis on



intensification and redevelopment in this regard has been removed. Planning authorities are also required to maintain at all times, where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units, available through lands suitably zoned, including units in draft approved or registered plans.

- The P.P.S., 2024 requires that municipalities unlock more opportunities for housing, stating that municipalities should support redevelopment of commercially designated retail lands (e.g., underutilized shopping malls and plazas) to support mixed-use residential.^[6]
- The P.P.S., 2024 requires municipalities to establish and maintain minimum targets for intensification and redevelopment within built-up areas, based on local conditions.^[7] Furthermore, municipalities are required to keep their zoning by-laws up to date by establishing minimum densities, heights, and other standards to accommodate growth and development.^[8]

No Significant Policy Change and Approach to Planning for Affordable Housing

- The P.P.S., 2024 carries forward a similar definition of affordable housing as established in the P.P.S., 2020. The definition of affordable housing in the P.P.S., 2024, however, is based on the municipality instead of the regional market area as defined in the P.P.S., 2020. Additionally, the P.P.S., 2024 carries forward the requirement of “establishing and implementing minimum targets for the provision of housing that is affordable to low- and moderate-income households.”^[9] The P.P.S., 2024 does not address the issue of attainable housing, an issue that was also lacking in the P.P.S., 2020.

2.3 Local Planning Initiatives

The Town of Milton’s current [Official Plan](#) offers a breakdown of housing policies that govern municipal actions and housing goals and objectives the Town is working to achieve. Subsection 2.7 of the Plan explains how the Town of Milton is committed to creating housing that is affordable, accessible, adequate, and appropriate for the full

^[6] Provincial Planning Statement, 2024, policy 2.4.1.3, p. 9.

^[7] Ibid., policy 2.3.1.4, p. 8.

^[8] Ibid., policy 6.1.6, p. 32.

^[9] Ibid., policy 2.2.1, p. 7.



range of present and expected households. In order to meet these commitments, some (not all) of the Town's housing goals include:

- Ensuring an appropriate mix of housing densities and types.
- Supporting the use of surplus public and not-for-profit lands, where appropriate for the development of assisted housing and affordable housing.
- Expediting the development approval process.
- Fostering the creation of additional housing accommodation through various forms of residential intensification.

These goals will assist in attaining the overall housing objective, which is to support residential growth over the next 10 years in the Town of Milton.

Moreover, the Town is currently in the process of undertaking its Official Plan review. The new draft Official Plan includes some similar and some updated housing goals from the current Official Plan. Additionally, the Town is also undertaking a Housing Needs Assessment, which will subsequently inform a Housing Strategy. When completed, the goals, objectives, targets, and actions of the Housing Strategy will further refine the housing policies of the new Official Plan.

2.4 Municipal Housing Pledge

In March 2023, the Town of Milton drafted a [Municipal Housing Pledge](#) to facilitate the construction of 21,000 units by 2031. In order to reach the desired number of units, the Town of Milton has implemented several housing initiatives, including:

- **Agerton Secondary Plan:** The Agerton Secondary Plan process is currently ongoing, which includes planning of the Milton Trafalgar GO M.T.S.A. It is anticipated that 6,570 units will be accommodated in this M.T.S.A. by 2051.
- **Milton Mobility Hub:** In 2022, Milton Council pre-zoned the mobility hub lands, which includes in part the Milton GO M.T.S.A., to facilitate high-density, mixed-use development, with the potential to yield 8,430 units by 2051, according to Phase 1 work.
- **Additional Residential Units:** An update of the Town's A.R.U. (secondary suites, tiny homes, coach houses, etc.) policies and regulations was completed to implement the Province's directive to facilitate housing creation and provide homeowners with clear criteria for adding A.R.U.s.



- **Streamlining Development Approvals Process:** Funding received through the Province’s Streamline Development Approval Fund is facilitating the modernization of the Town’s approach to managing and approving development applications. The first phase of Milton’s public-facing online portal was launched in 2023, providing residents, contractors, and the development industry with a single point of contact to complete and track building permit applications. This e-permitting system has improved efficiency in the approvals process.
- **Reporting and Monitoring:** The Town will monitor the Housing Pledge implementation through transparent data derived through the development approvals process and will report as necessary to Council and the Province.

3. Review of Inclusionary Zoning Best Practices

3.1 Introduction

Affordable housing in Ontario is a central priority for most municipalities as they struggle to meet the demands of the growing population of those in need of housing they can afford. Market prices continue to rise, and supply is not able to keep up with the demand to keep prices from continuously inflating. One method municipalities use to provide affordable housing, still relatively new in Ontario, is by implementing IZ policy.

Inclusionary zoning, in short, is the requirement that when constructing housing developments, a certain percentage of units must be offered at an affordable rate. This can take many forms and varies from region to region, but it ensures new affordable housing supply increases over time.

3.2 Provincial Policy

Inclusionary zoning in Ontario was first prescribed in an amendment to the 1990 Ontario *Planning Act*. Section 4 of the Act states that:

- (4) An official plan of a municipality that is prescribed for the purpose of this subsection shall contain policies that authorize inclusionary zoning by,
 - (a) authorizing the inclusion of affordable housing units within buildings or projects containing other residential units; and



(b) providing for the affordable housing units to be maintained as affordable housing units over time.^[10]

From this policy, in 2018, Ontario Regulation 232/18 was filed under the *Planning Act*, and this regulation was titled “Inclusionary Zoning.” This amendment offers much more insight and definitions around IZ and how it can operate in a municipality. First, before any implementation process, the municipality must conduct an assessment report, including information on demographics, population, household incomes, and an analysis of current housing supply and market prices (both to own and rent), and provide the potential impacts and overall viability of introducing IZ policy.^[11] If the assessment report is approved by the municipal council, then IZ policy can be prescribed through the municipality’s Official Plan; however, there is very specific information that must be outlined in the policy. Section 3 of Ontario Regulation 232/18: Inclusionary Zoning states:

- 3. (1)** Official plan policies described in subsection 16 (4) of the Act shall set out the approach to authorizing inclusionary zoning, including the following:
1. The minimum size, not to be less than 10 residential units, of development or redevelopment to which an inclusionary zoning by-law would apply.
 2. The locations and areas where inclusionary zoning by-laws would apply.
 3. The range of household incomes for which affordable housing units would be provided.
 4. The range of housing types and sizes of units that would be authorized as affordable housing units.
 5. For the purposes of clause 35.2 (2) (a) of the Act, the number of affordable housing units, or the gross floor area to be occupied by the affordable housing units, that would be required.

^[10] Ontario Planning Act, R.S.O. 1990, section 4. Retrieved from: <https://www.ontario.ca/laws/statute/90p13#BK32>

^[11] Ontario Regulation 232/18: Inclusionary Zoning, R.R.O. 1990, Reg. 232/18. Retrieved from <https://www.ontario.ca/laws/regulation/r18232>



6. For the purposes of clause 35.2 (2) (b) of the Act, the period of time for which affordable housing units would be maintained as affordable.
7. For the purposes of clause 35.2 (2) (e) of the Act, how measures and incentives would be determined.
8. For the purposes of clause 35.2 (2) (g) of the Act, how the price or rent of affordable housing units would be determined.
9. For the purposes of section 4, the approach to determine the percentage of the net proceeds to be distributed to the municipality from the sale of an affordable housing unit, including how net proceeds would be determined.
10. The circumstances in and conditions under which offsite units would be permitted, consistent with paragraphs 2, 3 and 4 of section 5.
11. For the purposes of paragraph 2 of section 5, the circumstances in which an offsite unit would be considered to be in proximity to the development or redevelopment giving rise to the by-law requirement for affordable housing units.^[12]

Once these requirements are fulfilled, then IZ policy can be in effect.

It should be noted that under provision 3 (1) is the possibility for offsite units. The Inclusionary Zoning Regulation defines an offsite unit as “an affordable housing unit that is required in an inclusionary zoning by-law and that is erected or located in or on lands, buildings or structures other than those that are the subject of the development or redevelopment giving rise to the by-law requirement for affordable housing units.”^[13] Offsite units are not always permitted and must be determined on a municipality-to-municipality basis.

3.3 Common Components of Inclusionary Zoning

Definitive best practices for IZ programs are difficult to establish given programs are designed based on local market conditions, needs, and goals that differ with each

^[12] Ontario Regulation 232/18: Inclusionary Zoning, R.R.O. 1990, Reg. 232/18.

Retrieved from <https://www.ontario.ca/laws/regulation/r18232>.

^[13] Ibid.



jurisdiction. Even with these local differences, however, the prevalence of common characteristics across IZ programs suggests potential best practices that may apply to IZ in Milton, which are explored herein.

Components of IZ programs are consistent even if implementation varies with locality. In designing an IZ program, municipalities need to consider the following:^[14]

Component	Consideration
Program type	Whether the program is mandatory or voluntary.
Affordability	How affordability is defined. The household income level(s) it should target. How long units will be kept affordable.
Set-aside rates	The percentage of affordable units required in new development. How the number of units is calculated. Whether rates should differ based on neighbourhood or level of affordability.
Minimum development size	The size of the development that will trigger an IZ requirement.
Alternative delivery of affordable housing units	Whether to accept cash-in-lieu of onsite affordable units. Whether affordable units can be provided offsite.
Incentives	Whether incentives should be offered to developers to make providing affordable housing economically feasible.
Monitoring and stewardship	Who is responsible for operating and monitoring the affordable units?

Program Type

Most IZ programs in the United States and Canada are mandatory,^[15] and research has shown mandatory IZ programs produce more affordable housing units than voluntary programs. They also benefit from being predictable and transparent for developers and

^[14] Adapted from Lincoln Institute of Land Policy

^[15] Thaden, E. & Wang, R. (2017). Inclusionary Housing in the United States: Prevalence, Impact, and Practices. *Working Paper, Lincoln Institute of Land Policy*. https://www.lincolninst.edu/sites/default/files/pubfiles/thaden_wp17et1_0.pdf



communities. Voluntary programs produce affordable units, but they typically require larger subsidies to be feasible, especially in lower-rent markets where market rents are not enough to offset the cost of providing affordable units.^[16]

Affordability

Affordability can be measured in two ways:

- Average Market Rent (A.M.R.): Affordability is based on average rents in the jurisdiction. Rent is deemed affordable if it is at a certain percentage of the A.M.R., for example, 80% A.M.R.
- Area Median Income (A.M.I.): Affordability is based on the median income of the area. Rent is deemed affordable if it does not exceed 30% of the A.M.I.

Area median income is the preferred measure as it is more closely tied to what households can afford to pay.^[17] Inclusionary zoning programs typically target multiple tiers of affordability, for example, 50% of A.M.I. A survey of IZ programs in the United States found approximately 40% serve multiple A.M.I. tiers and most programs are targeted at 80% A.M.I. or lower.^[18] That being said, Ontario tends to use the below A.M.R. definition of affordability.

Ensuring the long-term affordability of units is key to the preservation of affordable units. Accordingly, approximately 45% of IZ programs have affordability terms of between 30 and 99 years, with 20% to 25% providing affordability in perpetuity depending on whether the units are rental or ownership.^[19]

Additionally, it is more costly for developers to provide deeper levels of affordability, and a greater number of incentives may be required to achieve deeper affordability. Some jurisdictions may be able to stack rent-geared-to-income (R.G.I.) subsidies onto IZ units

^[16] Schuetz, J., Meltzer, R., & Been, V. (2017). The Effects of Inclusionary Zoning on Local Housing Markets: Lessons from the San Francisco, Washington DC and Suburban Boston areas. *Furman Center for Real Estate and Urban Policy, New York University*. https://furmancenter.org/files/publications/Long_working_paper_08.pdf

^[17] Meagher, S. (2019). Inclusionary Zoning: Best Practice. *Acorn Canada*. https://acorncanada.org/wp-content/uploads/2019/05/ACORN-IZ-Best-Practice-Report_0.pdf

^[18] Thaden & Wang, 2017.

^[19] Thaden & Wang, 2017.



in order to increase levels of affordability for a portion of the IZ units created (for example, 20% of the IZ units would receive R.G.I. subsidies).

Defining affordability may prove challenging given differing definitions of affordability across government programs. Recent government programs (Federal/Provincial Housing Agreements, CMHC's Affordable Housing Fund) measure affordability based on average or median market rents. Loans procured through CMHC Rental Construction Financing, however, require affordability to be based on the median area income. How affordability is defined in the IZ program, therefore, will have important implications for funding streams available to developers.

Set-Aside Rates

In Ontario, the typical "set-aside" rate for IZ is generally capped at 5%.^[20] This rate aims to standardize affordable housing contributions while preserving development viability. These rates are typically calculated as a percentage of the total number of units in the development, though some programs calculate rates as a percentage of floor area.^[21] Rates, however, may differ based on location and level of affordability. For example, set-aside rates may be higher in faster-growing or more expensive areas of a jurisdiction because they offer greater profitability for developers to offset additional affordable units.^[22] Ontario legislation only permits IZ to be implemented in M.T.S.A.s.

Set-aside rates may be lower in exchange for offering units that have deeper levels of affordability.^[23] The cost of providing an affordable unit increases with affordability and smaller set-aside rates help to offset this cost.

Many IZ programs mandate that IZ units must be provided to the same standard as non-IZ units in terms of size, finishes, and location in the building. Where this is not the case, minimum IZ unit sizes are often outlined in the legislation. It is also common to

^[20] Environmental Registry of Ontario. (2022). *Proposed Amendment to O. Reg 232/18: Inclusionary Zoning*. Retrieved from <https://ero.ontario.ca/notice/019-6173>; Aird & Berlis LLP. (2021, November 10). *City of Toronto Introduces Inclusionary Zoning Framework*. Retrieved from <https://www.airdberlis.com/insights/blogs/propertypulse/post/pp/2021/11/10/city-of-toronto-introduces-inclusionary-zoning-framework>

^[21] Meagher, 2019.

^[22] Ibid.

^[23] Thaden & Wang, 2017.



mandate an IZ unit mix at the same proportion as the non-IZ unit mix; for example, if 20% of non-IZ units are one-bedroom, then 20% of IZ units must also be one-bedroom. Some programs, however, are more explicit in their unit mix requirements, often to ensure larger family-size units are provided. Finally, some programs also allow a smaller number of larger units to be provided; for example, one 2-bedroom unit is equivalent to 2 one-bedroom units.

Occasionally, set-aside rates and threshold sizes are phased in to allow the market time to adjust to IZ requirements. For example, IZ programs may start with a lower set-aside rate and/or higher threshold size than desired and increase the set-aside rate/lower the threshold size over time as the program becomes more familiar.

Currently, in Ontario, there is no official set-aside rate. In 2022, a policy amendment was proposed to create a standardized 5% maximum across the Province, but that has not been enacted yet.^[24]

Minimum Development Size

Some IZ programs only apply to developments of certain sizes, recognizing that providing affordable units in smaller buildings may not be economically feasible from the perspective of the developer. Current Ontario legislation limits IZ programs to developments with 10 or more units. Municipalities may choose to set a higher minimum threshold in its initial IZ legislation and gradually lower it over time as land values adapt to and stakeholders become more familiar with IZ requirements.

Inclusionary zoning programs also offer developers the option for offsite units to provide developers flexibility. Current Ontario legislation requires municipalities to identify the circumstances and conditions under which offsite units would be permitted, including proximity to the development or redevelopment subject to the IZ by-law. The current legislation also mandates that offsite units must also be located on land subject to an IZ by-law. In the Milton context, this means offsite units would be located between 500 and 800 metres away from the main development.

Incentives

Jurisdictions sometimes provide incentives to developers to offset the perceived added cost of providing affordable units, thus making it feasible and desirable to produce them.

^[24] Environmental Registry of Ontario, 2022.



Many believe, however, that incentives are unnecessary as the added cost of providing affordable units is absorbed through lower land prices that developers would be willing to pay because of the cost of IZ and does not represent a cost burden to the developer.^[25]

Monitoring and Stewardship

Most IZ programs in the United States either bring the management of affordable units under the control of the jurisdiction or transfer management and/or ownership to third parties with an affordable housing mandate (housing authorities, housing non-profits, community land trusts).^[26] Affordable ownership units are more commonly managed by third parties, while affordable rental units are managed in-house by the municipality.

Oversight from third parties is preferable for ownership units because ensuring long-term ownership affordability is typically quite involved and beyond the capacity of municipal staffing levels. Affordable rentals are best managed in-house by the municipality because it is more efficient than working with multiple property managers, many of whom lack experience with affordable housing programs.^[27] If, however, the developer of a condominium development (or in some cases rental development) is not familiar with the management of affordable rental, there may be a need to link up with an experienced affordable rental provider/property manager and/or the municipality to facilitate that linkage.

3.4 Case Studies of Inclusionary Zoning Programs

The following case studies present in-depth looks at IZ programs with elements that may be applicable to the Milton context. Ontario jurisdictions were chosen to represent both new and established programs, as well as jurisdictions of varying sizes and housing market characteristics.

^[25] Meagher, 2019.

^[26] Hickey, R., Sturtevant, L., & Thaden, E. (2014). Achieving Lasting Affordability through Inclusionary Zoning. *Lincoln Institute of Land Policy*. <https://ihiusa.org/wp-content/uploads/Achieving-Lasting-Affordability-through-Inclusionary-Housing.pdf> ; Meagher, 2019.

^[27] Hickey, et al., 2014.



3.4.1 City of Toronto

Population: 2.79 million (2021 Census)

Year adopted: 2021^[28]

Mandatory/Voluntary: Mandatory

Affordability targets: See below for rental and ownership affordability targets.

Set-aside rates: An ownership housing building requires a minimum of 5% to 7% of the total gross floor area must be provided for residential affordable rental housing units (depending on the Overlay Area), or 7% to 10% of the total gross floor area for residential uses must be provided as affordable ownership housing units (depending on the Overlay Area). From January 2025 to January 2030, the number of affordable rental housing units is expected to increase by 1.5% per year and affordable ownership housing units will increase at a rate of 1.4 times the requirements for affordable rental housing units.

Affected developments: Developments located in both a Protected M.T.S.A. and an Inclusionary Market Area, as shown on Official Plan Map 37, to provide affordable housing.

Threshold size: 100 units or 8,000 square metres

Affordability period: 99 years

Rent or price of units: Rents and ownership prices based on new income-based definitions of affordable.

Monitoring and stewardship: Rental: not described; ownership: non-profit housing provider.

Incentives: none

On November 12, 2021, the City of Toronto adopted Amendment 557, by By-law 940-2021. Zoning By-law 941-2021 was also passed on this date, establishing its IZ policy. Toronto released the proposed IZ policy directions for public consultation in 2019 following consultation with other stakeholders.

Toronto's IZ by-law requires that affordable prices for rent or ownership are determined using new income-based definitions. The policy further explains that:

[28] City of Toronto. (2020). *Inclusionary Zoning Policy: Overview*.

<https://www.toronto.ca/community-people/community-partners/inclusionary-zoning-policy-overview/>



“For the purposes of Section 600.30, affordable rental housing unit means a dwelling unit where the total monthly shelter cost is at or below the lesser of one times the average City of Toronto rent, by dwelling unit type, as reported annually by the Canada Mortgage and Housing Corporation, or 30 percent of the before-tax monthly income of renter households in the City of Toronto as follows:

- (A) studio units: one-person households at or below the 50th percentile income;
- (B) one-bedroom units: one-person households at or below the 60th percentile income;
- (C) two-bedroom units: two-person households at or below the 60th percentile income;
- (D) three-bedroom units: three-person households at or below the 60th percentile income.”

As well, for Affordable Ownership Housing Units, the IZ policy states:

“For the purposes of Section 600.30, affordable ownership housing unit means a dwelling unit where the purchase price (which for new units is inclusive of Harmonized Sales Tax payable by the purchaser) is at or below an amount where the total monthly shelter cost is affordable, based on paying no more than 30 percent of before-tax monthly income, to all households in the City of Toronto as follows:

- (A) studio units: households earning at or below the 30th percentile income;
- (B) one-bedroom units: households earning at or below the 40th percentile income;
- (C) two-bedroom units: households earning at or below the 50th percentile income; and
- (D) three-bedroom units: households earning at or below the 60th percentile income.”

Before the passing of this legislation, public feedback was broadly supportive of these proposed directions. Lower thresholds, higher set-aside rates, a longer affordability period, and using an income-based definition of affordable were common suggestions and, fortunately, this feedback was considered and implemented.



3.4.2 Region of Waterloo

Population: 587,165 (2021 Census)

Year adopted: 2023

Mandatory/voluntary: Mandatory

Affordability targets: Housing that is affordable to moderate-income households whose incomes fall within the 30th to 60th percentile of the income range. Moderate-income renter households have annual incomes between \$40,600 and \$58,900.

Set-aside rates: M.T.S.A.s within Prime Market Areas should start at 2% and increase to 5% by 2031. M.T.S.A.s within Established Market Areas should start at 1% and increase to 3% by 2031. M.T.S.A.s within Emerging Market Areas should start at 0% and increase to 2% by 2031.

Affected developments: Condominium buildings and purpose-built rental buildings.

Threshold size: Affordable rental/ownership: 50+ residential units.

Affordability period: 25 years

Rent or price of units: Affordable rental units in condo buildings should not exceed 100% A.M.R. (\$1,063 to \$1,590 in 2022, depending on unit size). Affordable rental units in purpose-built rental buildings should not exceed 30% of the median renter household income in the regional market area as defined by CMHC, or A.M.R., whichever is greater (in 2023, this would be \$1,425 to \$1,590, depending on unit size).

Monitoring and stewardship: Rental: partnership with non-profit housing provider/government agency encouraged; ownership: partnership with non-profit housing provider/government agency required.

Incentives: IZ units are exempt from development charges. Community benefits charges and parkland dedication exemptions are forthcoming. Minimum required parking rates for developments within M.T.S.A.s should be reduced or eliminated, and no parking should be required for IZ affordable units. Additional heights and densities for developments in M.T.S.A.s should be considered where appropriate.

In a Staff Report^[29] presented in June 2023, Waterloo provided its implementation and policy directives for its IZ plans. Considering affordability has declined in the Cities of Waterloo and Kitchener within the Region, the goal of IZ is for more affordable housing units, specifically near ION rapid transit stops.

[29] City of Kitchener. (2023, August 14). *Affordable housing strategy update: Report to the Finance and Corporate Services Committee*. <https://pub-kitchener.escribemeetings.com/filestream.ashx?DocumentId=11065>



Individual eligibility for these units is meant to focus on low- or moderate-income households, having a gross annual income at or below the 60th percentile of regional renter household income range; and with a maximum income at the time of occupancy of 3.3 times the IZ unit rent. As well, Waterloo's IZ policy allows for offsite units, allowing developers to provide affordable units on an alternative site, as long as the alternative site is in an M.T.S.A. within the same municipality.

3.4.3 City of Mississauga

Population: 717,961 (2021 Census)

Year adopted: 2022^[30]

Mandatory/voluntary: Mandatory

Affordability targets: Rental units must be affordable to households with incomes in the 30th to 60th percentile of the income distribution for the Region of Peel, while ownership units must be affordable to households with incomes in the 50th to 70th percentile of the income distribution.

Set-aside rates: 5% to 10% depending on the location in the City. See below for further details.

Affected developments: New units in future developments located in protected M.T.S.A.s.

Threshold size: Developments with over 50 ownership units or 3,600 square metres of residential area. Rental-only buildings are exempt from IZ requirements.^[31]

Affordability period: Ownership units must stay affordable for 99 years and rental units must stay affordable for 25 years (plus a five-year phase-out).

Rent or price of units: For affordable ownership units, prices are no greater than approximately 50% to 60% of re-sale market prices. For affordable rental units, rents are no greater than the A.M.R. as established by CMHC.

Monitoring and Stewardship: The City of Mississauga will partner with non-profit organizations to manage and monitor compliance with rental units, while the City will oversee ownership units through agreements with non-profit or public sector organizations.

³⁰ City of Mississauga. (2022). *More affordable housing for Mississauga: Inclusionary zoning moves forward*. Retrieved from <https://www.mississauga.ca>

^[31] City of Mississauga. (2023). *Inclusionary zoning*. Retrieved November 4, 2024, from <https://www.mississauga.ca/services-and-programs/building-and-renovating/inclusionary-zoning/>



Incentives: None

Required Percent of Gross Floor Area for Residential Purposes to be Affordable Housing in Accordance with IZ Policy:^[32]

Market Area	Affordable Housing Provision	Applies January 1, 2023, to December 31, 2023	Applies January 1, 2024, to December 31, 2024	Applies January 1, 2025
IZ Area 1 Hurontario Street LRT M.T.S.A.s	Affordable Ownership Housing Units Provided	4%	7%	10%
	Affordable Rental Housing Units Provided	2%	3.5%	5%
IZ Area 2 Dundas Street BRT M.T.S.A.s excluding Dundas M.T.S.A.	Affordable Ownership Housing Units Provided	3%	5%	7%
	Affordable Rental Housing Units Provided	1.5%	2.5%	3.5%
IZ Area 3a Ninth Line M.T.S.A.s	Affordable Ownership Housing Units Provided	3%	4%	5%
	IZ Area 3b Lakeshore Road East M.T.S.A.s and portions of Clarkson GO M.T.S.A.	Affordable Rental Housing Units Provided	1.5%	2%

Additionally, parking rates for IZ units will be reduced by 30% to 50%. As well, the City will allow for offsite units, in accordance with the parameters described in the IZ regulation.

^[32] City of Mississauga, 2022.



3.4.4 City of Ottawa

Population: 1.02 million (2021 Census)

Year adopted: 2023^[33]

Mandatory/Voluntary: Mandatory

Affordability targets: Affordable rental housing must be provided to households earning between the 40th and 60th income percentiles for the City. Ownership housing must be affordable to households earning between the 50th and 75th income percentiles.

Set-aside rates: 10% of the total residential floor area in eligible developments must be allocated to affordable rental or ownership housing units.

Affected developments: Developments within designated M.T.S.A.s and certain areas targeted for intensification in the City's Official Plan.

Threshold size: Developments with 60 or more residential units.

Affordability period: 99 years for rental units and 40 years for ownership units.

Rent or price of units: Prices and rents are indexed to the local income distribution and capped based on annual updates provided by the City.

Monitoring and stewardship: The City will establish a registry of affordable units and partner with housing providers to monitor compliance.

Incentives: Developers are eligible for waivers on certain fees, as well as tax increment financing for developments with significant affordable housing components.

Ottawa's IZ policy, adopted in 2023, mandates that developments in M.T.S.A.s and other targeted intensification zones must include affordable housing. A minimum of 10% of the total residential floor area in qualifying developments must be set aside for affordable rental or ownership units, with rental units aimed at households earning between the 40th and 60th income percentiles and ownership units for those earning between the 50th and 75th percentiles. A unique aspect of Ottawa's policy is its long affordability periods: 99 years for rental units and 40 years for ownership, ensuring long-term housing stability. Additionally, the City provides ongoing monitoring by partnering with non-profit housing providers and maintains a registry of affordable units, enhancing oversight and transparency in the implementation of the policy.

^[33] City of Ottawa. (2024). *Inclusionary zoning policy*. Retrieved from <https://ottawa.ca/en/services-and-programs/inclusionary-zoning>



3.4.5 City of Victoria, British Columbia

Population: 91,867 (2021 Census)

Year adopted: 2019^[34]

Mandatory/voluntary: Mandatory

Affordability targets: Rental: low- to moderate- and moderate-income households; ownership: moderate-income households.

Set-aside rates: 20% of total units or 20% of total floor area (rental).

Affected developments: New multi-unit or mixed-strata residential developments requiring rezoning.

Threshold size: Affordable rental/ownership: 60+ units.

Affordability period: 60 years or the life of the building.

Rent or price of units: Rent: no more than 30% of household income; price: near moderate household income targets (\$55,000 to \$85,000).

Monitoring and stewardship: Rental: partnership with non-profit housing provider/government agency encouraged; ownership: partnership with non-profit housing provider/government agency required.

Incentives: Density bonusing

Inclusionary zoning requirements are based on density and location. Developments with 60+ units in high-growth areas requesting density beyond what is permitted in the Official Community Plan must provide 20% of the floor space or total units as affordable rental units. If IZ units are provided as a portion of the total floor area, 20% of the IZ floor area must be provided to 2- and 3-bedroom units. If IZ units are provided as a portion of total units, the developer must provide a range of sizes from studios to 3 bedrooms based on target percentages outlined in the policy.

All other developments requesting additional density are instead required to provide cash-in-lieu payments per square foot of bonus floor space ranging from \$35 in high-growth areas to \$5 in lower-growth areas. Projects that increase existing density to what is permitted under the Official Community Plan pay \$5 per square foot of bonus density regardless of location. This cash-in-lieu requirement for smaller, less central developments reflects an understanding that it is more costly and challenging to operate multiple affordable housing units dispersed throughout the City. Cash-in-lieu payments

^[34] City of Victoria. (2019). *Inclusionary housing and community amenity policy* [PDF]. Retrieved from <https://www.victoria.ca/media/file/inclusionary-housing-and-community-amenity-policyadopted-june-27-2019pdf>



are split 70:30 between the Victoria Housing Reserve Fund to accrue towards additional affordable housing and community amenities.

4. Factors Influencing Milton's Population and Housing Market Trends

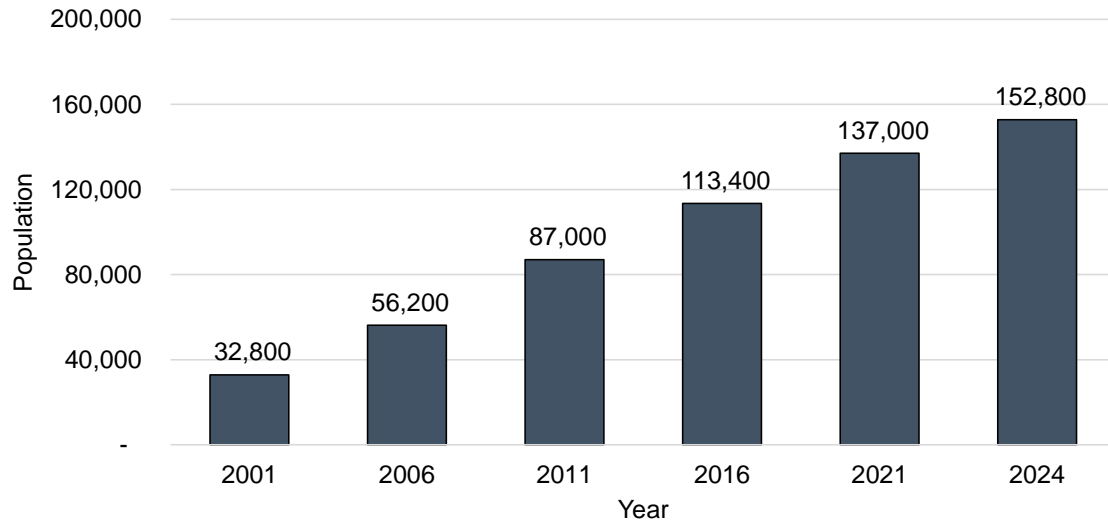
The following provides an overview and analysis of the macro-economic factors, local market considerations, and socio-economic and demographic trends that are influencing housing ownership and rental housing demand, supply, and affordability. The analysis relies largely on Statistics Canada Census data for the 2006 to 2021 period with supplemental data from the Canada Mortgage and Housing Corporation (CMHC) and the Town.

4.1 Local Population Growth Trends

Figure 2 and Figure 3 summarize historical population growth rates for Milton in accordance with Statistics Canada Census data. For comparative purposes, historical population growth rates have also been provided for the Province of Ontario. As illustrated, Milton's population base increased from 32,800 in 2001 to 137,000 in 2021, representing a four-fold increase over the period. Over the past two decades, Milton has consistently been one of the fastest growing municipalities in Canada; the Town's population base has grown by an average of 7.4% per year, representing a significantly higher growth rate than the provincial average of 1.1% during the same time period. As of 2024, the population of Milton is estimated to be 152,800, an increase of approximately 12% from 2021.



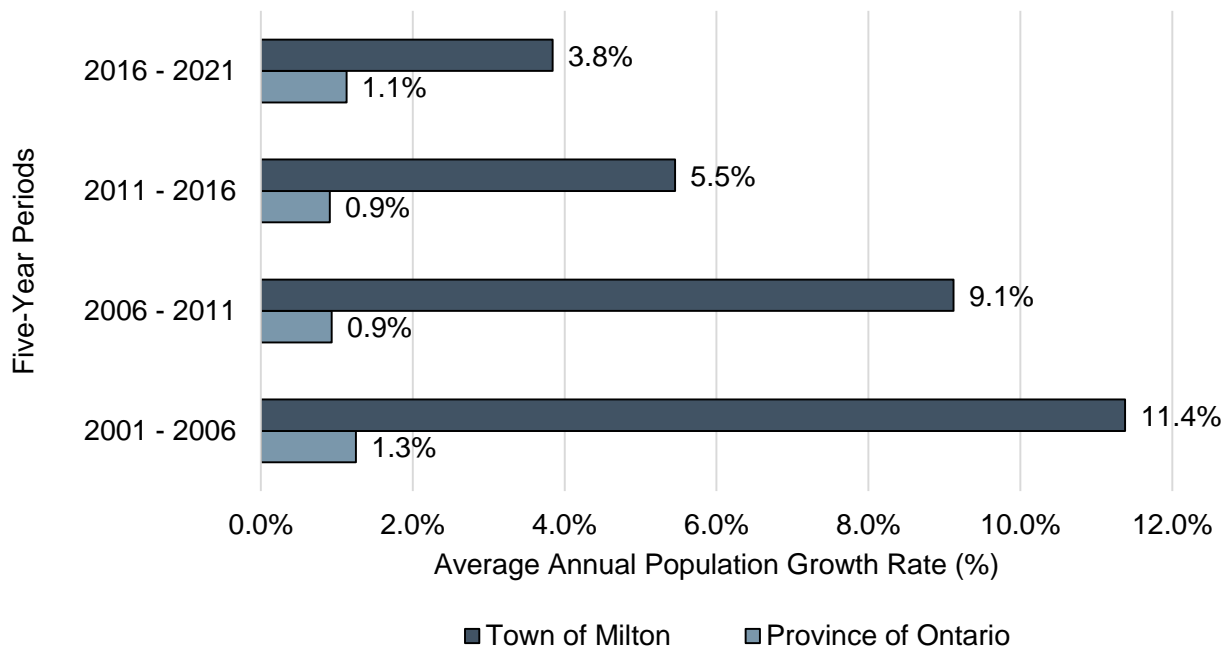
Figure 2
Town of Milton
Historical Population, 2001 to 2024



Note: Population metrics include net Census undercount.
Source: 2001 to 2021 data derived from Statistics Canada Census; 2024 population estimate based on Statistics Canada Table 17-10-0155-01, prepared by Watson & Associates Economists Ltd., 2023.



Figure 3
Town of Milton and the Province of Ontario
Average Annual Population Growth Rates in Five-Year Intervals, 2001 to 2021



Note: The Town of Milton's 2021 population includes a net Census undercount estimated at 3.0%, and the Province of Ontario's 2021 population includes a Census undercount estimated at 3.2%.

Source: Derived from Statistics Canada Census Data, 2001 to 2021 by Watson & Associates Economists Ltd., 2023.

4.2 Demographic Trends

Demographic trends strongly influence both housing need and form. Across the Province, the population is getting older on average, due to the aging of the Baby Boomers.

Milton has a younger age-profile than the provincial average. As of the 2021 Census, the Town's population had a median age of 36.0 years, compared to the Province of Ontario which had a median age of 41.6 years.^[35]

^[35] Statistics Canada Census 2021.



Similar to the Province, the average age of the population base in Milton is also aging, due to the large concentration of Baby Boomers. The aging of the local population base further reinforces the need to attract younger age groups to the Town, particularly those characterized as Millennials and Generation Z, as well as other future generations.^[36]

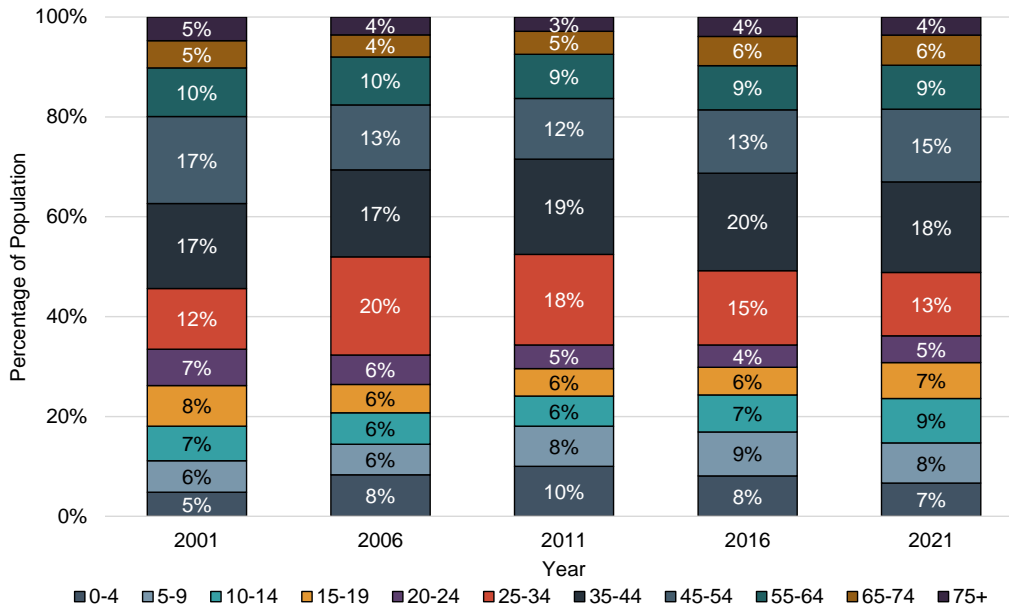
Figure 4 summarizes historical trends in permanent population structure over the 2001 to 2021 period by major age group in Milton. Key observations include:

- The share of the population in the 55+ age cohort decreased from 20% in 2001 to 18% in 2021;
- Similar to the 55+ population age group, the population share of the 0 to 19 age group increase from 26% in 2001 to 31% in 2021;
- In contrast to the 55+ population, the share of the 35 to 54 age group steadily declined from 34% in 2001 to 33% in 2021; and
- Lastly, the population share of the young adult age group (20 to 34) slightly declined from 19% in 2001 to 18% in 2021.

^[36] Millennials are generally defined as those born between 1980 and 1992. For the purposes of this study, we have assumed that those born between 1993 and 2005 comprise Generation Z.



Figure 4
Town of Milton
Historical Permanent Population by Major Age Group, 2001 to 2021



Source: Derived from Statistics Canada custom order data by Watson & Associates Economists Ltd., 2023.

4.3 Household Trends

To maintain well-balanced and healthy communities and ensure long-term sustainability, it is vital that municipalities offer a wide range of housing options to a broad range of income groups, including a provision for rental and affordable housing. As previously discussed, the availability of housing is a key factor in attracting and retaining people and businesses to a community. In an increasingly knowledge-based environment, the ability to cultivate, retain, and attract talented workers is increasingly important. Attracting and retaining people of working age and their families, which is necessary to support a broad range of employment opportunities, requires a diverse housing stock.

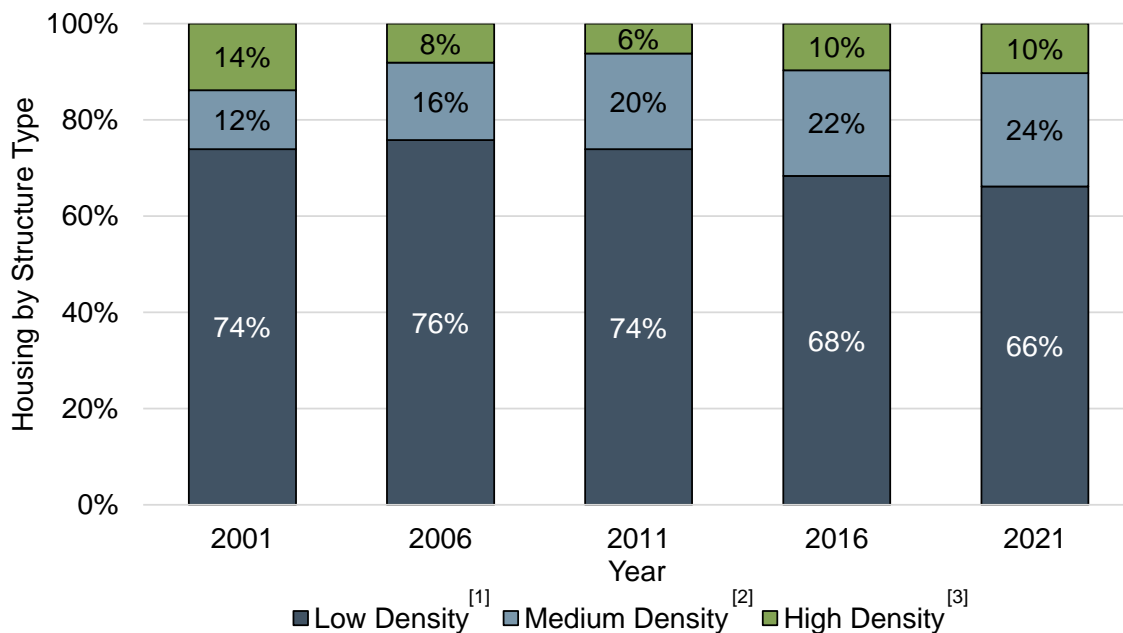
As shown in Figure 5, Milton’s 2021 housing base comprises approximately 40,000 occupied dwelling units, largely consisting of low-density housing (single detached/



semi-detached) which accounts for 66% of units.^[37] The Town's housing base comprises approximately 24% and 10% medium- and high-density units, respectively. Key observations include the following:

- Milton's housing base has historically been predominantly owner-occupied, low-density units (single and semi-detached).
- The local housing market is gradually becoming more diverse with a greater share of higher-density units.

Figure 5
Town of Milton
Housing by Structure Type, 2001 to 2021



^[1] Includes single and semi-detached units.

^[2] Includes townhouses and apartments in duplexes.

^[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Notes: Numbers may not add precisely due to rounding.

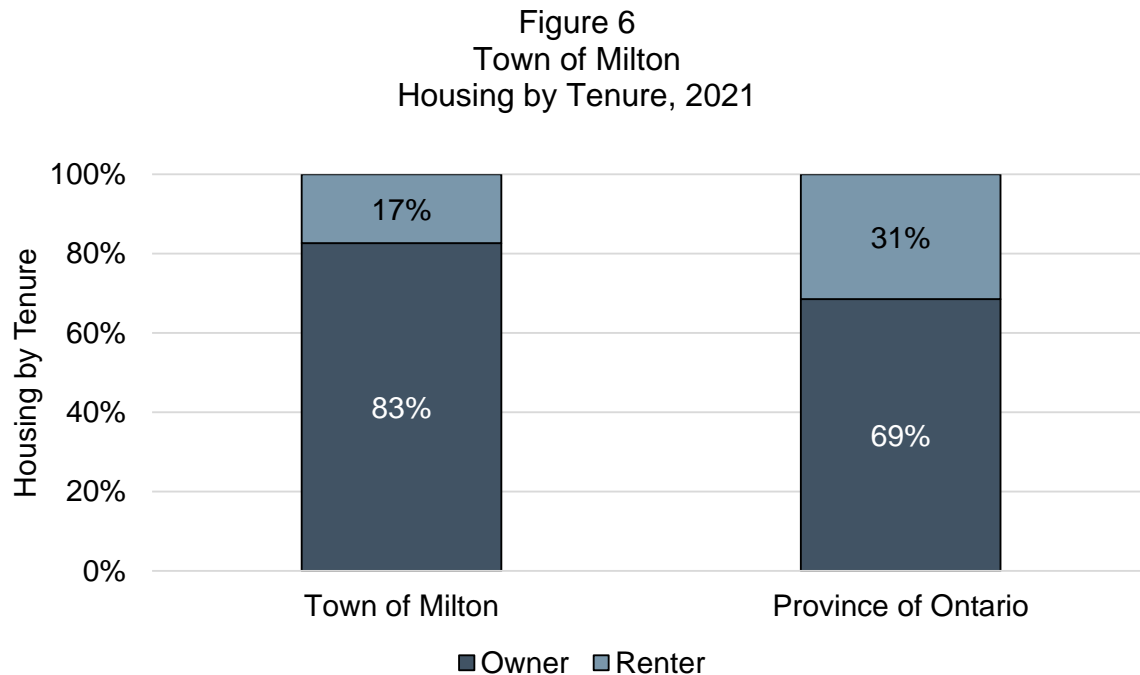
Source: Data derived from Statistics Canada Census, 2001-2021, by Watson & Associates Economists Ltd., 2023.

^[37] Statistics Canada. 2021.



4.3.1 Housing Tenure

Housing tenure falls under two categories – owner-occupied and renter-occupied. As shown in Figure 6, within Milton in 2021, 83% of housing units are owner-occupied and 17% are renter-occupied.^[38]



Source: Derived from Statistics Canada, Table 98-10-0232-01, by Watson & Associates Economists Ltd., 2022.

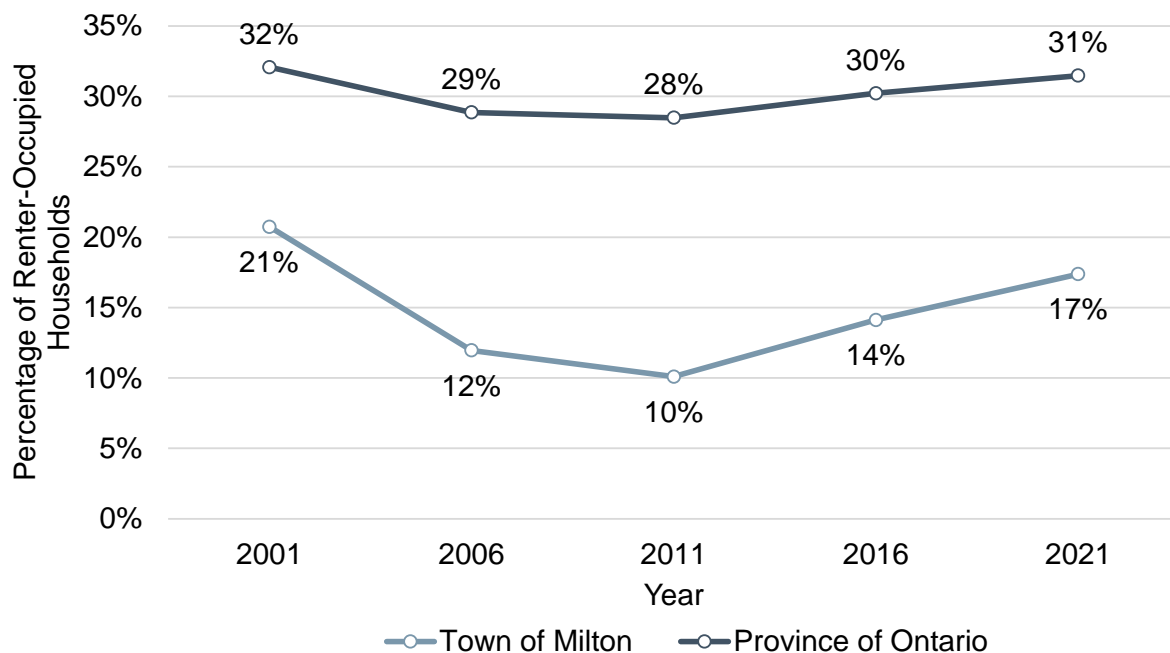
Figure 7 summarizes the historical share of renter-occupied units within Milton and the Province over the 2001 to 2021 period. Key findings include the following:

- The share of renter-occupied households in Milton decreased from 21% in 2001 to 10% in 2011 and increased by 7% from 2011 to 2021.
- Renter-occupied households as a proportion of total dwellings in Milton remained lower than the Province of Ontario throughout the 2001 to 2021 period.
- Over the 2001 to 2021 period, the number of renter-occupied housing units in Milton increased from 2,220 to 6,970.

^[38] Based on 2021 Census Profile data. Excludes non-Census dwelling units.



Figure 7
Town of Milton
Renter-Occupied Dwellings as a Share of Total Occupied Dwellings, 2001 to 2021



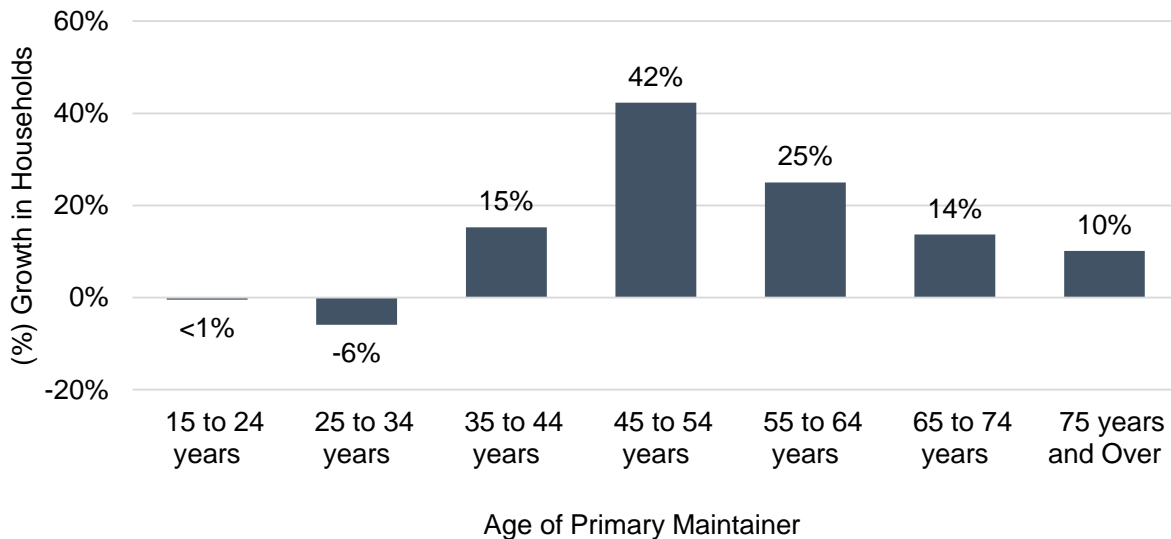
Note: The renter-occupied household metrics do not include non-Census dwelling units.
Source: Derived from Statistics Canada Census data, 2001-2021, by Watson & Associates Economists Ltd., 2023.

4.3.2 Household Growth by Age and Size

Figure 8 summarizes 2016 to 2021 household growth by age of primary household maintainer in Milton. Milton has experienced strong household growth in the 55+ age cohort, including empty nesters/young seniors (55 to 64 years of age) and seniors (aged 65+). Household growth in units maintained by those aged 55+ accounted for approximately 49% of the total housing increase over the 2016 to 2021 period, with 20% being renter-occupied and 80% owner-occupied households. During the same time period, moderately strong growth was experienced in households maintained by younger age groups (under-45 age group), while strong growth occurred in the number of households maintained by those aged 45 to 54.



Figure 8
Town of Milton
Growth in Number of Households by Age of Primary Maintainer, 2016 to 2021

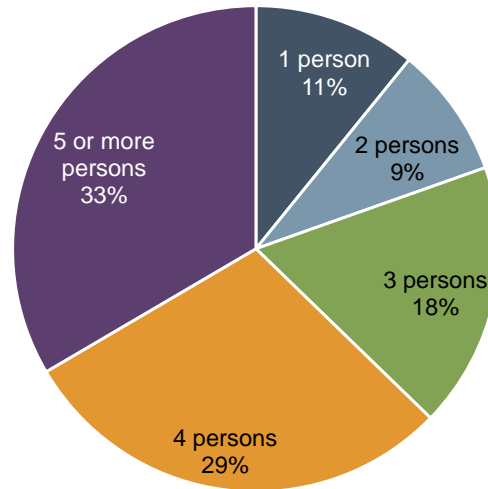


Source: Derived from Statistics Canada Census data, 2016-2021, by Watson & Associates Economists Ltd., 2023.

Figure 9 summarizes the 2016 to 2021 household growth by household size within the Town. As shown, 20% of the household growth comprised one- and two-person households (11% and 9%, respectively). In comparison, three-person households accounted for 18% of the total, four-person households 29%, and five-or-more-person households accounted for 33%.



Figure 9
Town of Milton
Share of Growth in Households by Size, 2016 to 2021



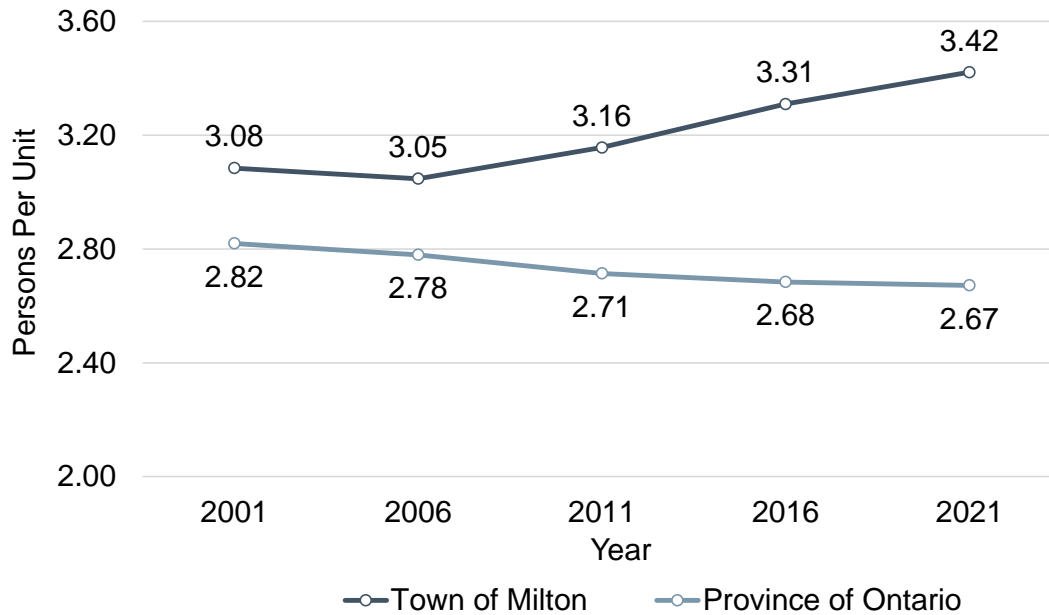
Source: Derived from Statistics Canada Census data, 2016-2021, by Watson & Associates Economists Ltd., 2023.

Figure 10 summarizes the average housing occupancy in the Town in comparison to the provincial average over the 2001 to 2021 period. This is expressed as the average number of persons per dwelling unit (P.P.U.).^[39] As shown, average P.P.U.s have increased in Milton in contrast to the average P.P.U.s which have declined in the Province over the past two decades. Milton's current (2021) P.P.U. of 3.42 is notably higher than the Province of Ontario's average of 2.67.

^[39] Average number of persons per unit (P.P.U.) is defined as the total population divided by the number of occupied dwelling units.



Figure 10
Town of Milton
Housing Occupancy Trends, 2001 to 2021



Note: Milton's 2021 P.P.U. includes the net Census undercount estimated at 3.0%, and the Province of Ontario 2021 P.P.U. includes a net Census undercount estimated at 3.2%.
Source: Derived from Statistics Canada Census data, 2001 to 2021, by Watson & Associates Economists Ltd., 2022.

4.4 Observations

Milton's population has experienced significant growth over the past two decades. Between 2001 and 2021, the Town grew at an annual average growth rate of 7.4%, or approximately 5,200 people per year. While Milton's population is younger than the provincial average, the Town's population is aging. The Town has experienced strong growth in larger households driven by the working-age population. While Milton's housing development remains highly oriented in grade-related ownership products, the housing sector is shifting gradually, with a greater share of higher-density housing and rental units. A range of demographic and economic factors are driving this shift, including an aging population and housing affordability considerations.



5. Milton's Housing Market

Milton has a large and diverse housing base comprising a range of housing typologies. The Town's 2021 housing base comprises approximately 40,030 occupied dwelling units, largely consisting of low-density housing (single detached/semi-detached) which accounts for 66% of units.^[40] The remainder of the Town's housing stock comprises approximately 24% medium-density and 10% high-density units, respectively.

5.1 Rental Housing Market

Milton's rental housing inventory includes a range of building typologies, dwelling unit sizes and geographic locations. Similar to other communities in Canada, Milton's rental market is characterized by both a primary and secondary market:

- **Primary rental market** – CMHC identifies the primary rental market as structures that have at least three rental units. These properties are typically operated by an owner, manager, or building superintendent.
- **Secondary rental market** – CMHC identifies rented condominiums, subsidized rental housing, and rentals in structures of less than three units as part of the secondary rental market. In fact, all rentals – except privately initiated, purpose-built rental structures of three units or more – are included in the secondary rental market.

The primary and secondary rental market supply in Milton totals approximately 7,000 dwelling units as of 2021. This includes approximately 710 (10%) units in the primary rental market and 6,250 (90%) units in the secondary rental market.^[41]

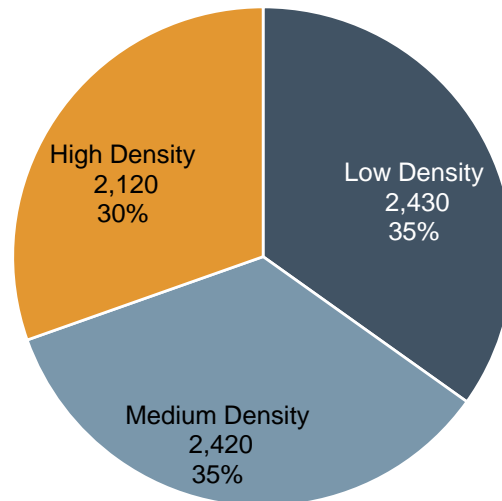
Approximately one-third (30%) of Milton's rental housing supply comprises high-density units (apartments), while medium-density dwellings (townhouses, duplexes) account for 35% and low-density dwellings (single and semi-detached) 35%, as shown in Figure 11.

^[40] Based on Statistics Canada, 2021.

^[41] Statistics Canada Census, 2021 and CMHC Rental Market Data.



Figure 11
Town of Milton
Renter-Occupied Housing by Structure Type, 2021



Source: Derived from Statistics Canada 2021 Census data by Watson & Associates Economists Ltd., 2023.

5.1.1 Vacancy Rate Trends

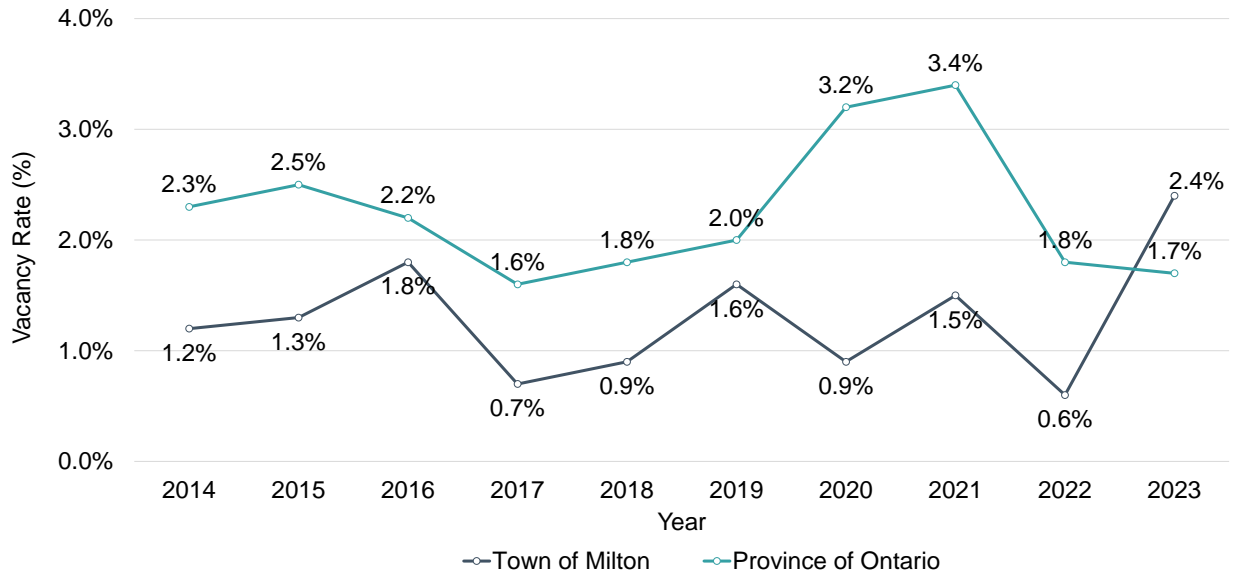
Figure 12 provides a summary of average rental vacancy rates for one-, two- and three-bedroom apartments in the primary rental market over the past decade. Key observations include the following:

- As of October 2023, the overall vacancy rate is at 2.4% in Milton, above the provincial average of 1.7%, indicative of a tight rental market (note that a healthy rental vacancy rate is generally considered to be 3%).^[42]
- Over the past decade, the Town's vacancy rate has generally been lower than the provincial average (10-year average of 1.3% vs. 2.3%) except in 2023 when it was 2.4%.

^[42] Canadian Mortgage and Housing Corporation (CMHC), 2023.



Figure 12
Town of Milton
Historical Vacancy Rates, 2014 to 2023



Source: Derived from CMHC Housing Market by Watson & Associates Economists Ltd., 2024.

Typically, a rental vacancy rate of approximately 3% is considered healthy. It is noted that low average rental vacancy rates currently experienced in Milton and more broadly across the Province continue to place an upward price pressure on rents.

5.2 Ownership Market Housing

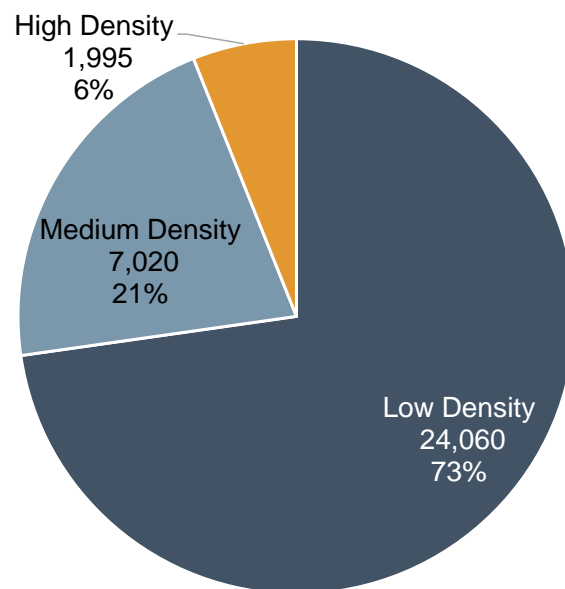
As shown in Figure 13, Milton has a strong tradition of home ownership, with approximately 33,100 (83%) of housing units defined as owner-occupied.^[43] Milton's owner-occupied households largely comprise freehold grade-related housing units, including detached dwellings (low density) and townhouses (medium density), which account for 73% and 21% of the total, respectively. High-density units, comprising condominiums, account for 6% of the total. The Town's condominium market is

^[43] 2021 Statistics Canada Census.



growing. Currently, Milton has 1,490 and 419 condominium units under construction and pre-construction, respectively.^[44]

Figure 13
Town of Milton
Ownership Housing by Structure Type, 2021



Source: Derived from Statistics Canada 2021 Census data by Watson & Associates Economists Ltd., 2023.

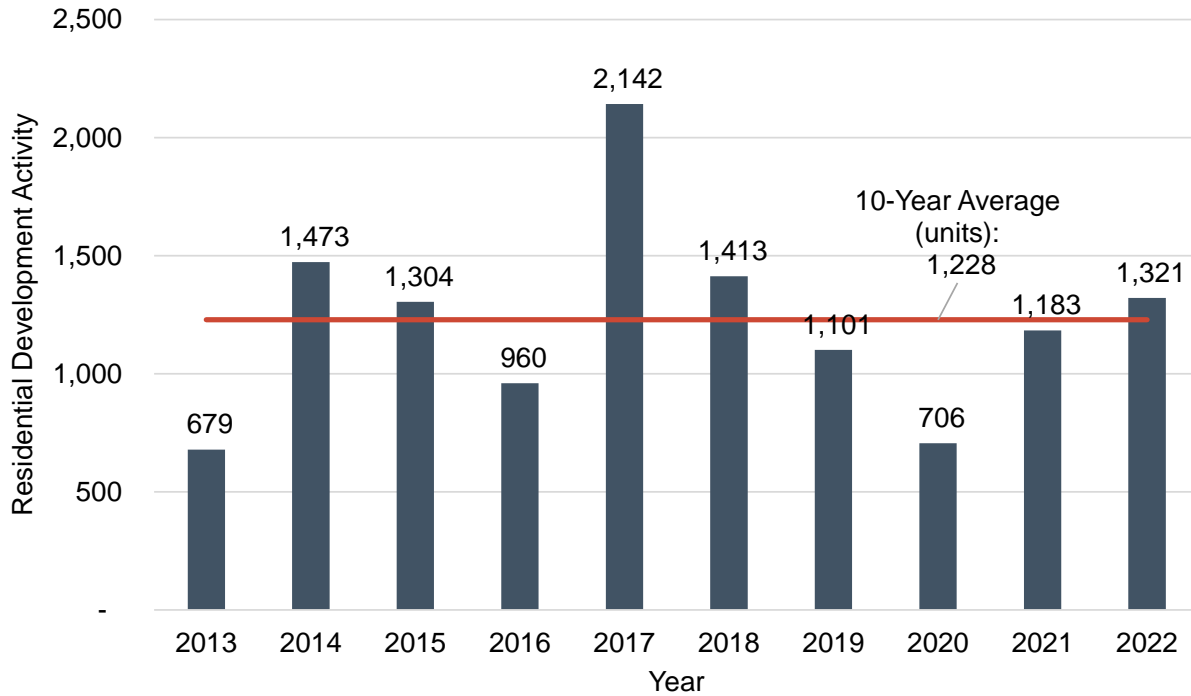
5.3 Housing Development Activity Trends

Over the 2013 to 2022 period, Milton averaged 1,228 residential units constructed per year, as illustrated in Figure 14. In the past five years, housing growth has slowed slightly, with an average of 1,145 units per year over the 2018 to 2022 period. Over the past decade, low-density housing construction has declined as a share of total housing development, with a significant increase in the share of high-density units (i.e., apartments and condominiums).

^[44] Altus Data Studio



Figure 14
Town of Milton
Housing Development Activity, 2013 to 2022

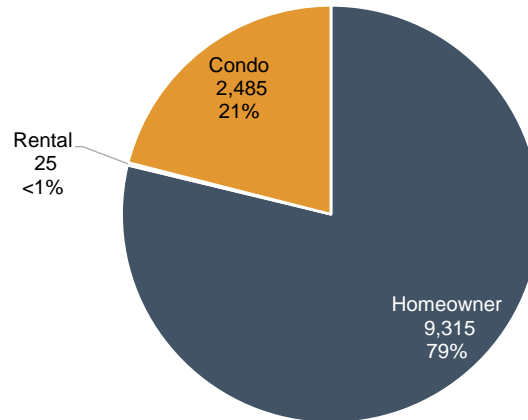


Source: Derived from the Town of Milton's building permits data by Watson & Associates Economists Ltd., 2023.

Over the past decade (i.e., 2013 to 2022), 9,315 (79%) of new housing completions have been in the home-ownership market, as presented in Figure 15. This is compared to 25 units (<1%) for purpose-built rentals and 2,485 (21%) for condominiums.



Figure 15
Town of Milton
Housing Completions by Intended Market, 2013 to 2022



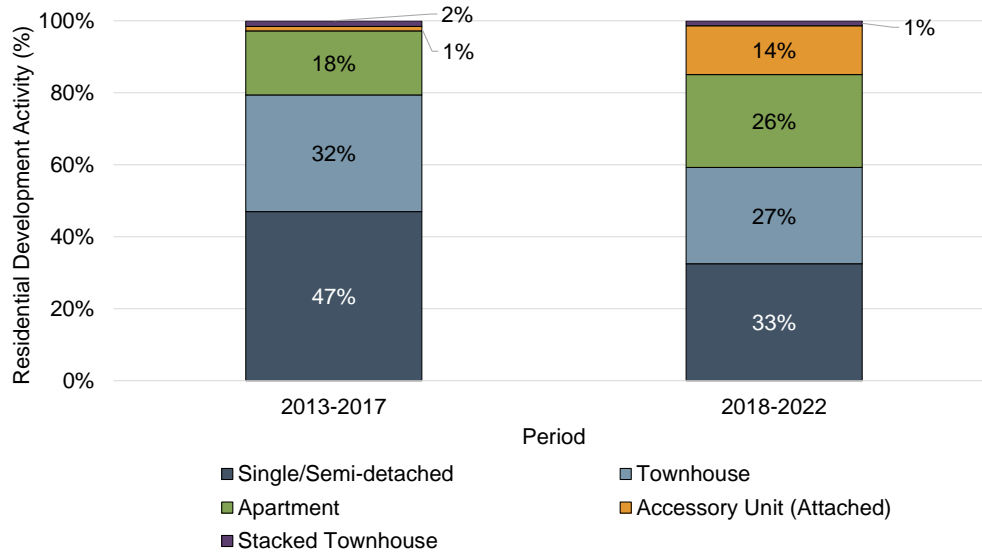
Source: Derived from CMHC Absorbed Housing Units by Intended Market by Watson & Associates Economists Ltd., 2023.

Building permit activity by housing type and location in Milton over the past decade (2013 to 2022) is presented in Figure 16 and Figure 17, respectively. As illustrated:

- There has been a shift to higher-density development, with the share of ground-oriented units (i.e., single/semi-detached, townhouse, and stacked townhouse units) decreasing from 81% over the 2013 to 2017 period to 61% over the 2018 to 2022 period.
- Milton experienced strong accessory unit growth, accounting for 14% of housing unit development over the 2018 to 2022 period.
- The share of development activity within the built-up area increased to 34% between 2018 and 2022. On the contrary, fewer developments occurred in rural and designated growth areas compared to the previous period (i.e., 2013 to 2017), as shown in Figure 17.

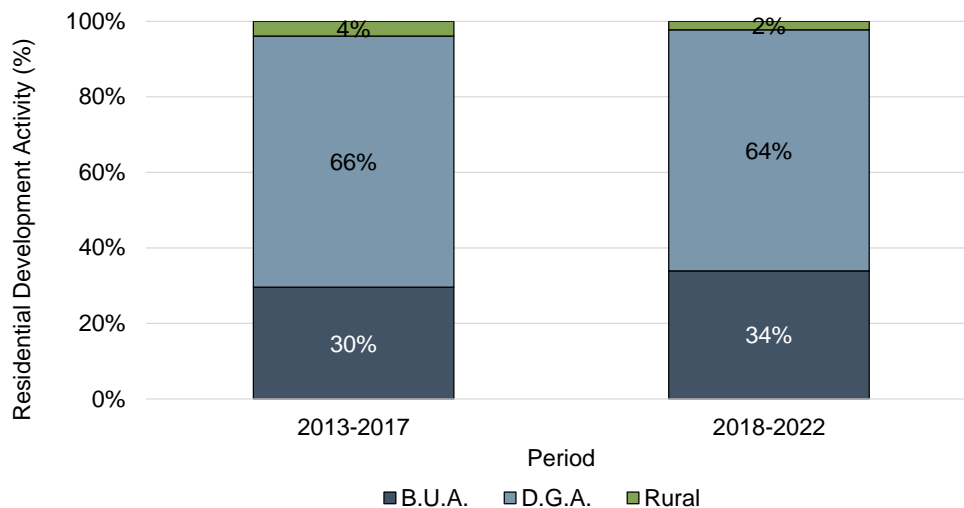


Figure 16
Town of Milton
Residential Development Activity by Type (Units), 2013 to 2022



Source: Adapted from the Town of Milton's building permits data by Watson & Associates Economists Ltd., 2023.

Figure 17
Town of Milton
Residential Development Activity (Units) by Policy Area, 2013 to 2022



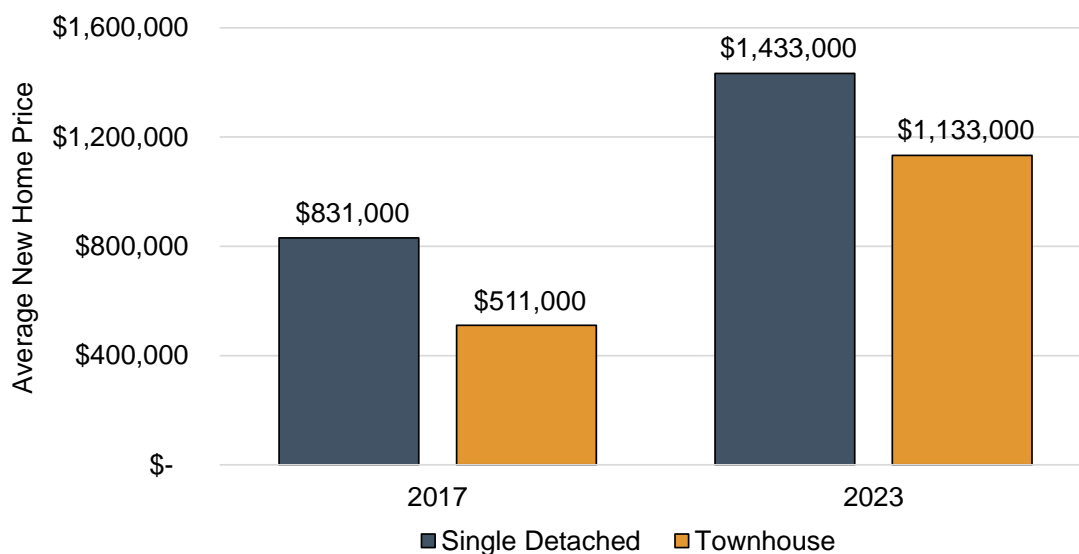
Note: B.U.A. means built-up area; D.G.A. means designated greenfield area.
Source: Adapted from the Town of Milton's building permits data by Watson & Associates Economists Ltd., 2023.



5.4 Housing Cost and Affordability Trends

Average home prices and rental rates in Milton have also increased, which has eroded housing affordability across the housing continuum in the Town. Figure 18 summarizes historical trends in housing prices within Milton over the 2017 to 2023 period for single detached and townhouse dwellings. As illustrated, over the period, the average price of single detached units increased by 72%, rising from an average of \$831,000 to \$1,433,000. The average prices of townhouse units increased by 122% from an average of \$511,000 in 2017 to \$1,133,000 over the period.

Figure 18
Town of Milton
New Single Detached and Townhouse Housing Prices, 2017 and 2023



Source: Derived from CMHC Market Absorption Survey by Watson & Associates Economists Ltd., 2024.

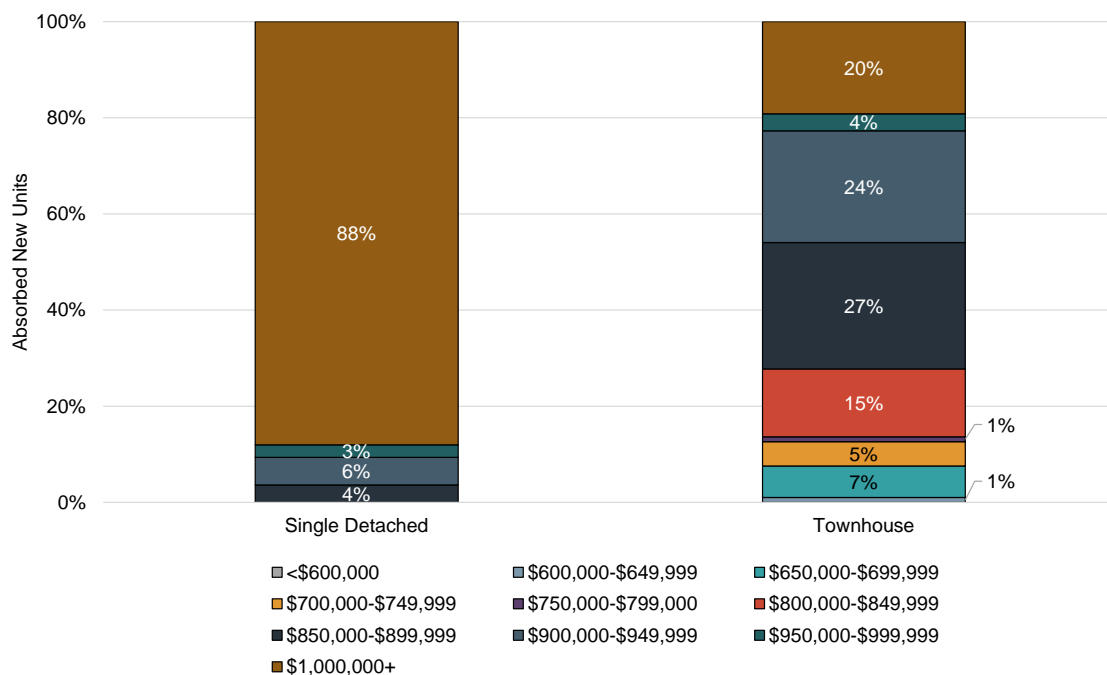
Figure 19 provides a summary of recently (i.e., 2023) absorbed prices for new dwelling units by price point for detached houses and townhouses within Milton. Key observations include the following:

- With respect to low-density dwelling units (detached houses), 100% of low-density dwelling units (detached houses) were priced over \$750,000 in 2023.



- In 2023, 20% of the medium-density units were priced above \$1,000,000, 28% were priced between \$900,000 and \$1,000,000, 42% were priced between \$800,000 and \$900,000, and relatively few (14%) were priced between \$600,000 and \$800,000.

Figure 19
Town of Milton
Price Range of Absorbed New Single Detached Units and Townhouses, 2023



Source: Derived from CMHC (Q1-Q3) Market Absorption Survey by Watson & Associates Economists Ltd., 2023.

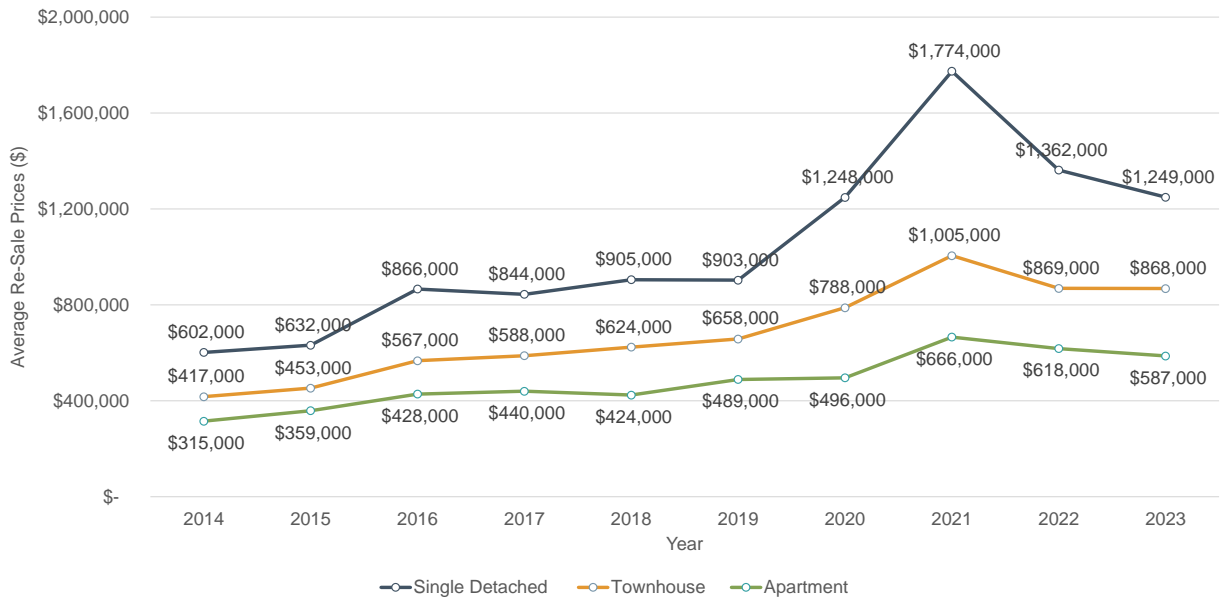
Similar to the new home market, the re-sale market experienced strong price appreciation over the 2018 to 2023 period, as illustrated in Figure 20. Key observations include the following:

- The average annual re-sale prices of single detached dwellings increased by 38%, rising from approximately \$905,000 in 2018 to \$1,249,000 in 2023.
- The average annual re-sale prices of townhouses increased 39%, rising from an average of approximately \$624,000 in 2018 to \$868,000 in 2023.
- The average annual re-sale prices of condominiums increased by 38%, rising from approximately \$424,000 in 2018 to \$587,000 in 2023.



- While average re-sale prices of dwellings in Milton have declined marginally from their peak in 2021, prices remain significantly higher than the historical average.

Figure 20
Town of Milton
Average Re-sale Prices for Single Detached, Townhouses, and Apartments,
2014 to 2023



Note: Housing prices are seasonally adjusted.

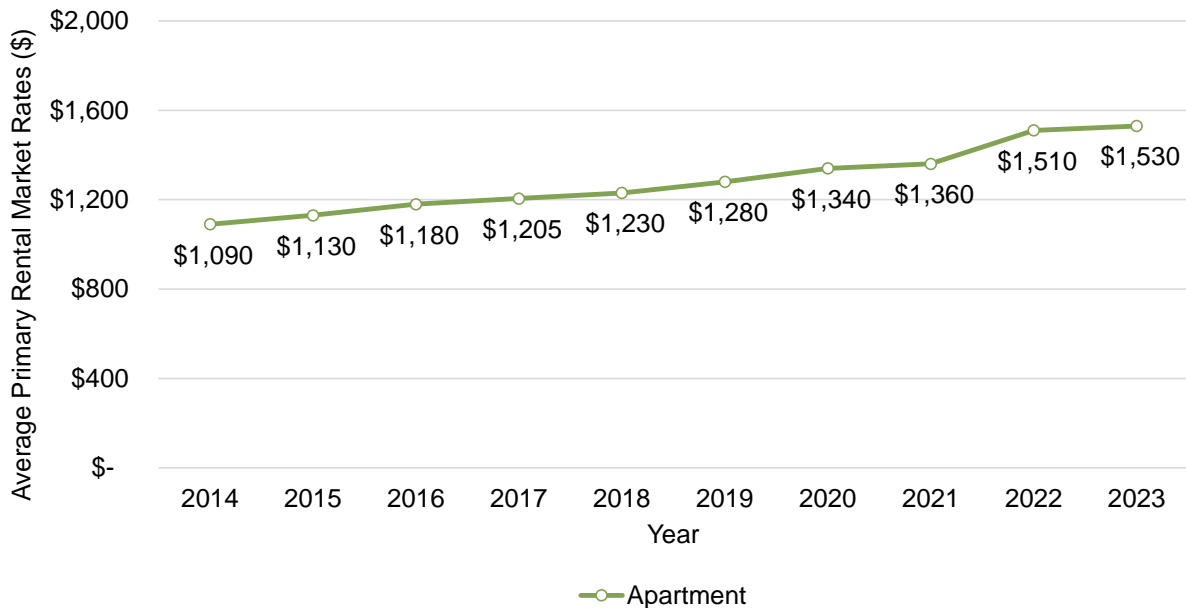
Source: Derived from Toronto Regional Real Estate Board (TRREB) Market Watch Archive data by Watson & Associates Economists Ltd., 2024.

Appreciation in home prices primarily impacts carrying costs through increased mortgage costs. As such, the erosion of housing affordability attributed to higher housing prices is most impacted by lower- and middle-income households and first-time home buyers who often can only meet the minimum down payment requirements for a mortgage.

Figure 21 illustrates the average rental market rates over the 2014 to 2023 period for apartments in Milton. As shown, over the 2018 to 2023 period, the average primary rental market rates for apartments increased 24%, rising from approximately \$1,230 in 2018 to \$1,530 in 2023.



Figure 21
Town of Milton
Average Primary Rental Market Rates – Apartments, 2014 to 2023



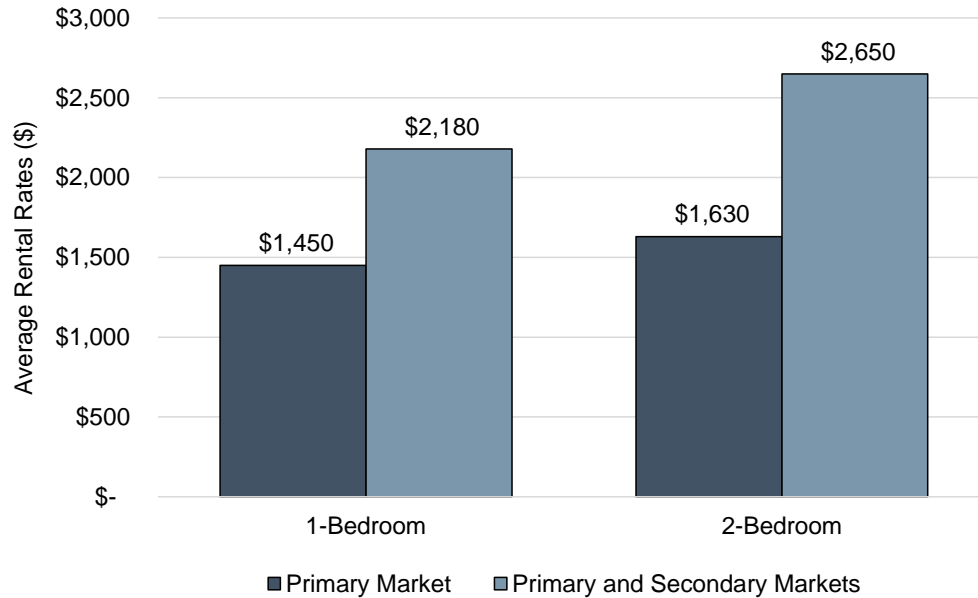
Note: Numbers have been rounded.

Source: Derived from CMHC Rental Market Survey by Watson & Associates Economists Ltd., 2024.

Figure 22 compares the average apartment rental rates of Milton’s purpose-built units with the average rental rates of units in both primary and secondary markets. As shown in Figure 22, the average apartment rental rates are higher for units in primary and secondary markets than the purpose-built inventory average. The average rental rates of units in both primary and secondary markets are higher by 50% and 63% for one-bedroom and two-bedroom units, respectively, than the Milton inventory of purpose-built units in 2023.



Figure 22
Town of Milton
Average Primary and Secondary Rental Rates



Source: Derived from CMHC Rental Market Survey, October 2023 and zumper.com, Rental Market Trends, December 2023, by Watson & Associates Economists Ltd., 2024.

5.5 Observations

Milton has historically been a highly desirable location for middle- and upper-income households and families. Milton's existing housing base largely reflects this demographic base, comprising a large share of low-density housing (single detached/semi-detached dwellings) and high levels of home ownership relative to the provincial average. Comparatively, there are fewer affordable housing options and rental options in Milton relative to the broader regional market area.

The Town has experienced strong appreciation in housing prices and market rents over the past five years in both the new construction and re-sale market. These price increases have been significantly higher than the rate of income growth or inflation, which has eroded housing affordability in the community.



6. Assessment of Milton’s Future Housing Needs

6.1 Demographic Factors Influencing Milton’s Future Housing Needs

Population growth in Milton will drive demand for a broad range of housing, including rental and affordable housing. Long-term population growth in Milton will be heavily driven by net migration. To a lesser extent, natural increases (i.e., births less deaths) also contribute to population growth.

6.1.1 Growth Outlook

Milton is expected to experience relatively strong growth over the next three decades, as illustrated in Figure 23. Over the 2021 to 2051 period, the Town’s population is forecast to increase by 192% (263,100 people) from 137,300 to 400,400 and its employment base is expected to grow by 227% (108,550) from 47,760 to 156,310. To accommodate the forecast population growth, Milton’s housing base is expected to expand by 87,890 units, an increase of 220%.

Figure 23
Town of Milton
Population, Housing, and Employment 2021 to 2051

Metric	2021	2031	2041	2051	2021-2051 Incremental Growth
Population	137,300	245,850	333,950	400,400	263,100
Housing	40,030	70,025	100,140	127,920	87,890
Employment	47,760	86,610	124,230	156,310	108,550

Notes:

- Population figures include a net Census undercount estimated at approximately 3.3%.
- Employment figures include work at home and no fixed place of work.
- Figures have been rounded.

Source: 2021 population and housing units from Statistics Canada Census data, growth forecasts estimated by Watson & Associates Economists Ltd., 2024.

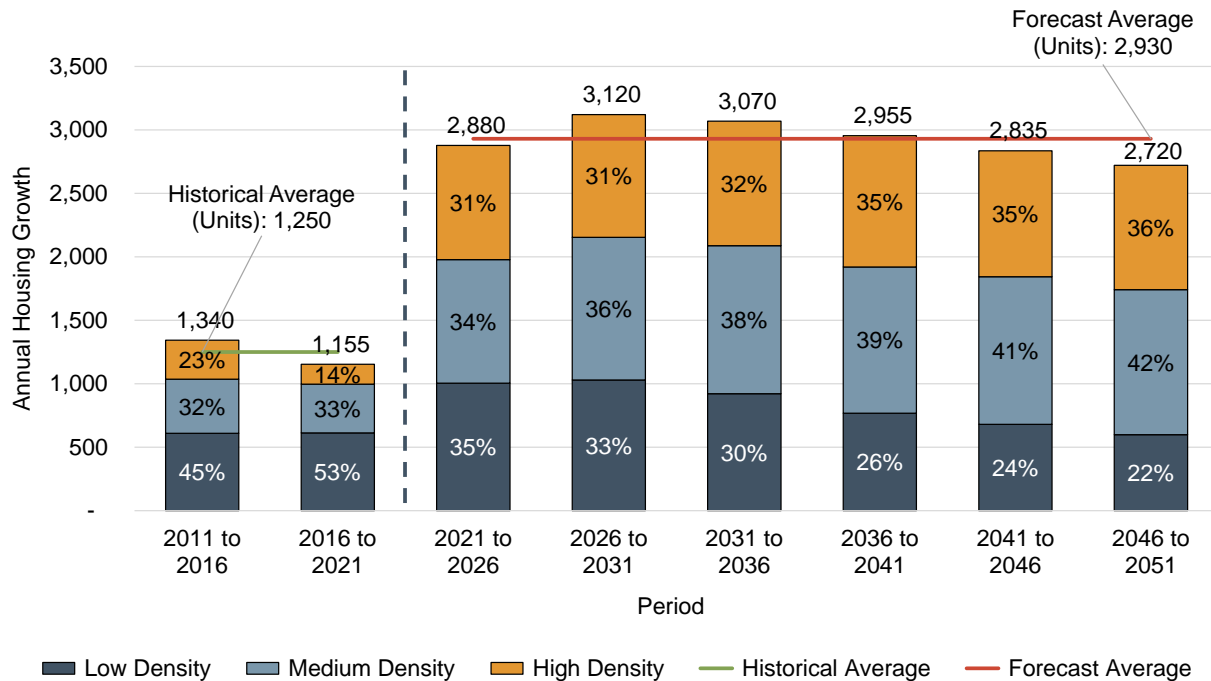
Figure 24 summarizes the Town’s annual household forecast from 2021 to 2051 in five-year growth increments and by structure type. Housing trends between 2011 and 2021 are also provided for historical context. Key observations are as follows:



- Over the 2021 to 2051 period, housing development is anticipated to average approximately 2,930 units across the Town annually.
- New housing is forecast to comprise 28% low-density (singles and semi-detached), 38% medium-density (townhouses), and 33% high-density (apartments) units. A steady increase in the share of medium- and high-density housing forms is anticipated, largely driven by the housing needs associated with the 65+ age group (including seniors' housing), continued upward pressure on local housing prices, and declining housing affordability. This trend is further reflected in recent building activity and development applications.
- The long-term housing outlook for Milton remains very positive given the strong long-term population growth outlook for Southern Ontario as a whole. As such, average annual new housing construction activity over the next two to three decades is anticipated to remain well above historical levels experienced over the past 15 years.



Figure 24
Town of Milton
Five-Year Incremental Housing Growth – Historical and Forecast, 2011 to 2051



Notes:

- Low density includes singles and semi-detached units.
- Medium density includes townhouses and apartments in duplexes.
- High density includes bachelor, 1-bedroom, and 2-bedroom+ apartments.
- Figures may not add due to rounding.

Source: Historical 2001 to 2021 figures from Statistics Canada Census Profiles. Forecast prepared by Watson & Associates Economists Ltd., 2024.

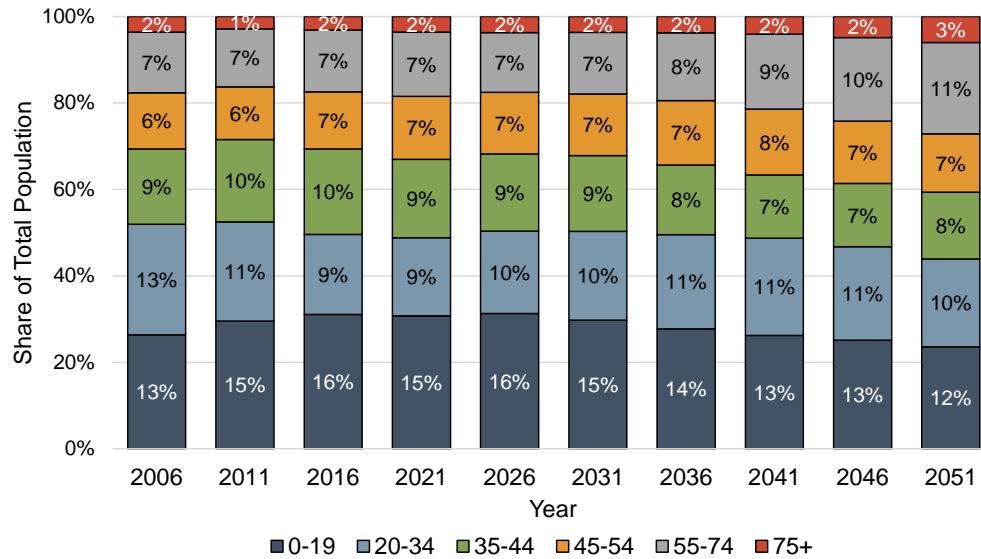
Demographic trends strongly influence both housing need and form. Across the Greater Golden Horseshoe, the population is getting older on average, due to the aging of the Baby Boomers.

Over the next 30 years (2021 to 2051), the population aged 55+ years is anticipated to steadily increase in Milton, driven by the aging of the existing population as well as immigration from this age group. This demographic group represents the strongest market segment for higher-density dwellings such as apartments and condominiums. Population growth in the 55+ age group, and most notably the 75+ age group, will continue to drive demand across a broad range of multiple-dwelling housing forms within the Town’s built-up area, including low-, mid- and high-rise apartments/



condominiums, seniors' housing facilities, and affordable/assisted housing projects, given the diversity of this age group with respect to age, income, health, mobility, and lifestyle/life stage.

Figure 25
Town of Milton
Population Age Structure, 2021 to 2051

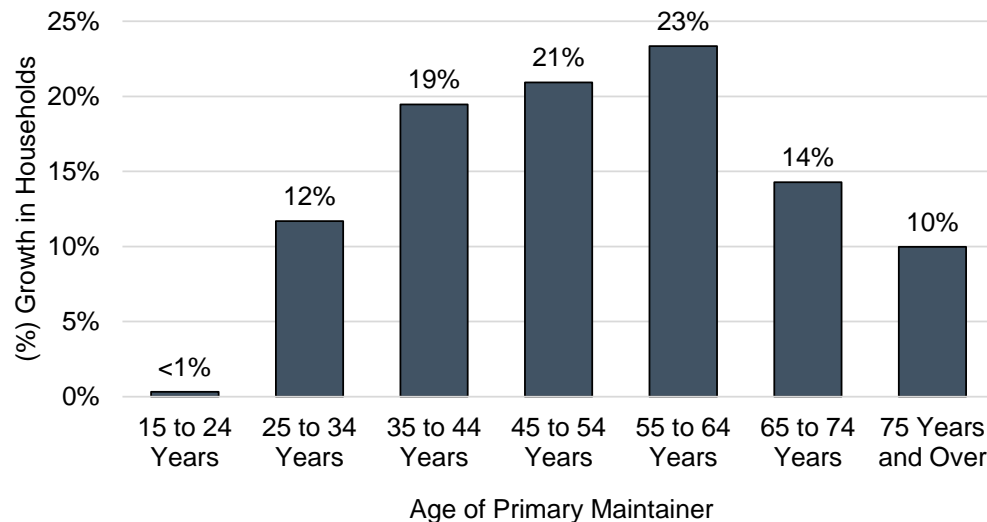


Source: Historical 2001 to 2021 figures from Statistics Canada Census Profiles. Forecast prepared by Watson & Associates Economists Ltd., 2024.

Figure 26 summarizes 2021 to 2051 household growth by age of primary household maintainer in the Town of Milton. Historical trends illustrate strong household growth in the 55+ age group, which includes empty nesters/young seniors (55 to 64 years of age) and seniors (aged 65+). Over the forecast, the 55+ age group will account for 47% of the Town's household growth, primarily driven by the seniors age group which will account for 24% of the growth. Most of the Town's household growth will be driven by the 35 to 44 and 45 to 55 age groups, accounting for 40% of the Town's overall housing growth. During this same period, moderate growth is anticipated in households maintained by the younger age groups (15 to 24 and 25 to 34 years of age).



Figure 26
Town of Milton
Growth in the Number of Households by Age of Maintainer, 2021 to 2051



Note: Figures have been rounded.


Source: Forecast prepared by Watson & Associates Economists Ltd.

6.2 Milton's Residential Supply Opportunities

As shown in Figure 27, the Town of Milton has approximately 34,330 units in the residential supply pipeline. Of the total residential units in development approvals, approximately 505 (1%) are purpose-built rental units, 6,415 (19%) are low-density units (single and semi-detached, and mobile homes), 12,160 (35%) are medium-density units (townhouses, stacked townhouses, and units in duplexes), and 15,250 (44%) are high-density condominiums.



Figure 27
Town of Milton
Residential Units in Development Approvals by Intended Market as of December 2023

	Type	Units	Share
<p>More Affordable</p>  <p>Less Affordable</p>	Purpose-Built Rentals	505	1%
	Condominiums	15,250	44%
	Townhouses/Stacked Townhouses	12,160	35%
	Single/Semi-Detached	6,415	19%
	Total	34,330	100%

Note: Numbers have been rounded.

Source: Data adapted from the Town of Milton's Residential Housing Supply data by Watson & Associates Economists Ltd., 2024.

7. Milton's Future Housing Affordability Needs

This section provides an analysis of forecast housing demand for the Town of Milton over the 2024 to 2051 period by housing type and tenure (i.e., rental vs. ownership). Further to this, a breakdown of market and affordable housing needs is also displayed. The housing forecast presented herein has been adapted from the Town of Milton Phase 1 – Residential and Non-Residential Needs Analysis Study.

7.1 Forecast Housing Growth

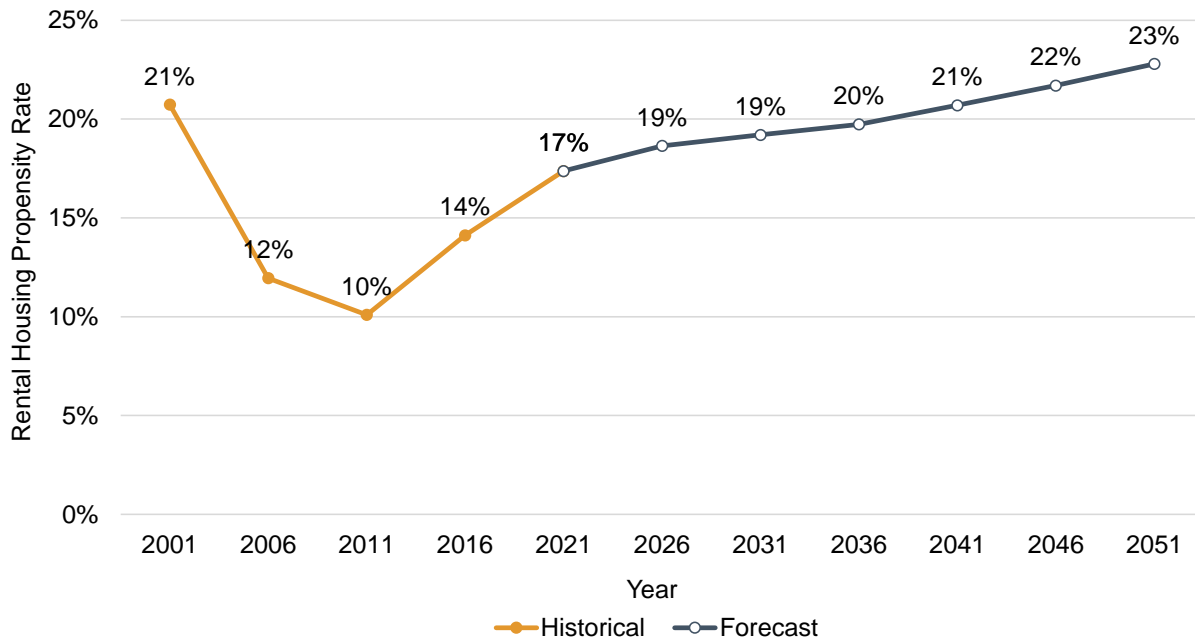
Milton is expected to realize household growth of approximately 81,745 housing units over the 2024 to 2051 period. Accommodating this level of growth requires a range of housing by structure type and tenure. Building on the housing forecast, the following explores the Town's housing needs in greater detail by generating a housing forecast by both type and tenure. A tenure forecast provides greater insight into the Town's rental housing needs between 2024 and 2051 by various structure types.

With affordability concerns increasing throughout the Province, the pressure for primary rental dwellings will continue to grow. Based on a rental housing propensity analysis (as shown in Figure 28), the percentage of renter households in the Town is forecast to



increase from 17% in 2021 to 23% in 2051, which is higher than the rental housing propensity increases observed between 2011 and 2021.

Figure 28
Town of Milton
Rental Housing Propensity Rate Forecast, 2021 to 2051



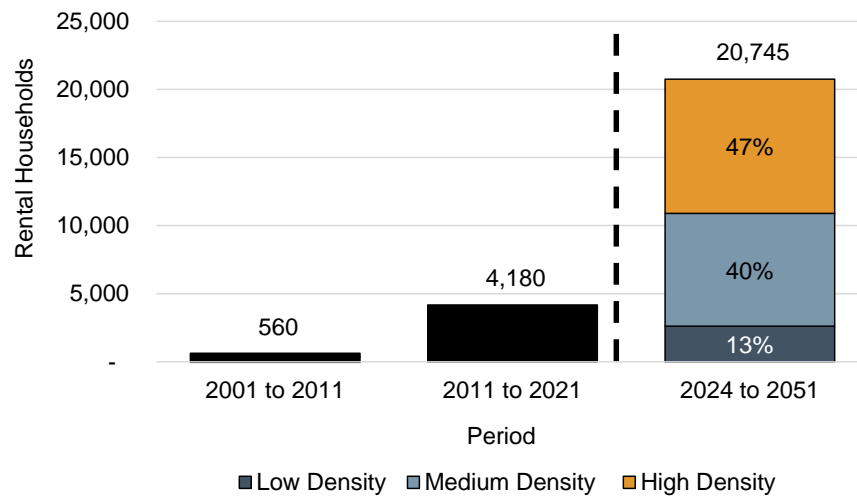
Source: Historical data from Statistics Canada Census. Forecast by Watson & Associates Economists Ltd, 2024.

Based on the above rental housing propensity forecast, demand for rental housing in the Town is expected to increase by approximately 20,745 units over the 2024 to 2051 period, accounting for nearly 25% of total housing growth over the forecast period. As shown in Figure 29, rental dwelling growth in the Town between 2024 and 2051 is forecast to comprise 13% low-density (singles and semi-detached), 40% medium-density (townhouses and duplexes), and 47% high-density households (apartments and secondary units).

As shown in Figure 30, ownership dwellings within the Town are forecast to have a wider range of structure types. Low-density housing forms are forecast to represent 33% of ownership dwelling growth, while high-density and medium-density units are expected to account for 29% and 38% of ownership dwellings, respectively.

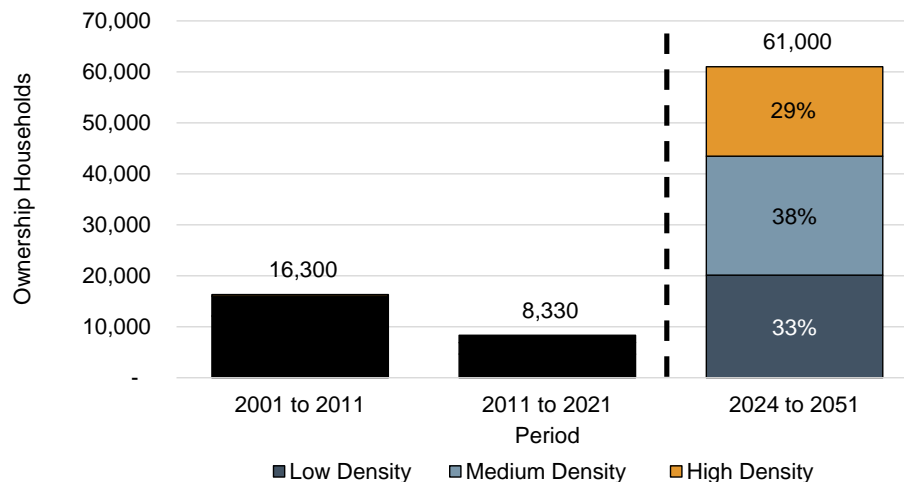


Figure 29
Town of Milton
Rental Housing Growth by Structure Type, Historical, and Forecast, 2001 to 2051



Note: 2021 to 2024 has been excluded for the purposes of this figure.
Source: Historical data from Statistics Canada Census housing information prepared by Watson & Associates Economists Ltd., 2024.

Figure 30
Town of Milton
Ownership Housing Growth by Structure Type, Historical, and Forecast, 2001 to 2051



Note: 2021 to 2024 has been excluded for the purpose of this figure.
Source: Historical data from Statistics Canada Census housing information prepared by Watson & Associates Economists Ltd., 2024.



7.2 Anticipated Housing Growth by Age of Primary Household Maintainer

The forecast housing growth in Milton over the forecast period (2024 to 2051) by the primary age of household maintainer is presented in Figure 31. As shown in the figure, over the period, it is anticipated that approximately 62% of the forecast housing growth will be headed by those aged 25 to 54, and 38% will be in households headed by those aged 65+.

Figure 31
Town of Milton
Housing Growth Forecast by Age of Primary Maintainer, 2024 to 2051

Age Cohort	Owner			Renter			Total Households		
	2024	2051	2024-2051	2024	2051	2024-2051	2024	2051	2024-2051
15-24	46	29	(17)	129	391	262	175	420	245
25-34	3,990	9,763	5,773	1,518	5,257	3,739	5,508	15,020	9,512
35-44	10,758	21,368	10,610	2,647	7,314	4,667	13,405	28,682	15,277
45-54	10,829	24,251	13,422	1,692	4,967	3,275	12,521	29,218	16,697
55-64	6,326	21,811	15,485	1,159	5,149	3,990	7,485	26,960	19,475
65-74	3,702	13,257	9,555	698	3,314	2,616	4,400	16,571	12,171
75+	2,146	8,316	6,170	533	2,728	2,195	2,679	11,044	8,365
Total	37,795	98,795	61,000	8,375	29,120	20,745	46,170	127,915	81,745

Source: Watson & Associates Economists Ltd., 2024.

7.3 Forecast Housing Affordability Needs

Building on the review of recent growth trends and forecast population and housing growth in Milton, a forecast of affordable housing needs through 2051 has been prepared.

There are a number of key factors that are anticipated to influence the residential real-estate market and housing needs within Milton over the coming decades. This includes demographic trends, household income, and housing affordability. Phase 1 of the study identified a housing forecast by age group (age of primary household maintainer) and



anticipated future housing needs by tenure (i.e., rental and home ownership) and affordability needs. Our approach encompassed the following steps:

- 1. Housing Forecast by Population Age Group** – This forecast was prepared in Phase 1 of the study.
- 2. Housing Forecast by Tenure** – Housing forecast by tenure (rental and ownership by housing type) by age of primary maintainer was prepared by Watson in Phase 1 of the study, based on forecast housing propensity rates by tenure and age of population for Milton. In forecasting rental housing propensity rates by housing type, consideration has been given to broader rental housing trends, including demographic and economic considerations and housing affordability.
- 3. Housing Forecast by Tenure and Housing Structure Type** – Informed by the housing forecast by tenure, a housing by structure type projection from 2024 to 2051 for rental and ownership housing was prepared. This was informed by historical rental and ownership housing propensity rates by structure type for Milton and the forecast growth outlook for both rental and ownership housing in the Town.
- 4. Housing Forecast by Tenure and Income** – A renter- and owner-occupied housing forecast by household income decile to 2051 was then prepared, based on current (2021 Census) distribution of household income by housing tenure.
- 5. Housing Affordability Needs** – Based on anticipated household incomes, Milton's housing affordability needs were then assessed by tenure for the 2024 to 2051 period.

The housing forecast by tenure and type has been examined from an affordability perspective. As previously discussed, housing affordability is often measured through the shelter cost-to-income ratio. A ratio of 30% is commonly accepted as the upper limit for affordable housing. Households spending more than 30% on housing are generally considered in need of more affordable housing alternatives. Forecast housing affordability needs in Milton over the next two decades for owner and renter households are identified and explored below using this measure.



The Bank of Canada has progressively increased the prime interest rate from 2.45% in November 2021 to what is now 5.95% as of October 2024, increasing the cost of borrowing and resulting in a recent reduction of housing prices. While housing prices have begun to stabilize and interest rates have declined in recent months, affordability changes persist in the market. The cost of a dwelling in Milton has a direct impact on the type and tenure of housing required to accommodate the Town's growing population across a wide range of income groups.

The housing forecast by tenure and type has been examined from an affordability perspective. As mentioned earlier, rental housing demand in Milton is anticipated to increase by 20,745 units over the 2024 to 2051 forecast period. As shown in Figure 32, households with an approximate income of less than \$106,300 can afford a maximum rent of \$2,660 per month or a maximum purchase price of \$365,000.^[45]^[46] With a significant number of households unable to afford a new ownership dwelling, diversity of dwelling tenure and type is required to provide more housing options within the Town. Under the 27-year forecast for the Town, it is forecast that 34% of new housing units will serve households with an income of \$106,300 or less.^[47] The following observations can also be made:

- To accommodate the lowest income segments of Milton's population, it is forecast that 18% of new rental units will accommodate households with a household income under \$47,200. Under the affordability threshold, the maximum rent these households could afford is \$1,180 per month.

^[45] Affordability in this context was calculated by assuming a maximum of 30% of household income is spent on shelter costs (property taxes, mortgage payment, monthly maintenance/fees, property insurance, and a down payment of 10%).

^[46] The Province of Ontario Provincial Planning Statement (2024) defines affordability as follows: (Ownership) housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for low- and moderate-income households; or (ownership) housing for which the purchase price is at least 10% below the average purchase price of a re-sale unit in the municipality. In the case of rental housing, the least expensive of a (rental) unit for which the accommodation cost does not exceed 30% of gross annual household income for low- and moderate-income households; or a (rental) unit for which the accommodation cost is at or below the average market rent of a unit in the municipality.

^[47] Households with an income of less than \$106,300 represent 35% of Milton's housing stock, according to the 2021 Census.



- It is important to recognize that many households with income below \$47,200 can rely on savings (or use of equity from selling their home) to cover expenses and, as such, would not require affordable housing. This would largely represent retirees. Figure 32 details the affordable housing need assumptions for rental dwellings.
- Household incomes less than \$130,900 are defined as having limited home ownership options. These households can afford a dwelling cost up to \$450,000. Based on local price data, many of these households would not be able to afford a low- or medium-density dwelling type at average prices, unless purchasing a dwelling with a substantial down payment to significantly reduce the purchase price.
- Households with an income greater than \$130,900 have the widest range of market housing options in Milton. It is anticipated that 54% of new ownership households in the Town will be purchased by this \$130,900-and-greater household income group.

Figure 32
Town of Milton
Housing Affordability Forecast Needs by Tenure, 2024 to 2051

Household Income		Home Ownership (Dwelling Cost)		Rent (Month)		Forecast Growth, 2024 to 2051		Rental Type	Ownership Type
						Rental Dwellings	Ownership Dwellings		
Less than	\$23,600	Less than	\$80,000	Less than	\$590	963	480	Rental Assistance	Home Ownership - Need for Sufficient Pre-Existing Equity or Affordable Dwellings
\$23,600 to	\$35,400	\$80,000 to	\$120,000	\$590 to	\$885	1,318	1,384		
\$35,400 to	\$47,200	\$120,000 to	\$160,000	\$885 to	\$1,180	1,406	1,643	Potential Need for Rental Assistance	
\$47,200 to	\$60,000	\$160,000 to	\$205,000	\$1,180 to	\$1,500	2,188	1,953	Free Market	
\$60,000 to	\$70,900	\$205,000 to	\$240,000	\$1,500 to	\$1,775	961	2,299		
\$70,900 to	\$94,500	\$240,000 to	\$325,000	\$1,775 to	\$2,365	3,044	5,670	Home Ownership - Wide Options	
\$94,500 to	\$106,300	\$325,000 to	\$365,000	\$2,365 to	\$2,660	1,254	3,000		
\$106,300 to	\$130,900	\$365,000 to	\$450,000	\$2,660 to	\$3,275	3,380	11,604		
\$130,900 and	Greater	\$450,000 and	Greater	\$3,275 and	Greater	6,231	32,966		
Total						20,745	61,000		

Note: Numbers may not add due to rounding.

Source: Household income, ownership prices, and rental rates derived from Statistics Canada data, CMHC data, and Provincial Policy Statement – Housing Table; forecast by Watson & Associates Economists Ltd., 2024.

To meet the affordability needs identified above, the Town of Milton will need to expand the development of purpose-built rental housing with a share identified as affordable units tied to the P.P.S., 2024 definition of affordable units. Furthermore, the Town will



need to continue to encourage a broader range of affordable units in the secondary market such as secondary suites.

7.3.1 The Extent of Milton’s Housing Needs

Figure 33 displays the results of an analysis of Milton’s 27-year housing needs to determine the split between affordable and market-based units. Many households cannot afford to buy new homes, so diverse rental options are needed.

Figure 33
Town of Milton
Forecast Housing Need by Type, Tenure, and Market, 2024 to 2051

Units	Owner	Renter	Total Units
Affordable*	14,440	5,875	21,310
Total	61,000	20,745	81,745
% Affordable	24%	28%	25%

* The Province determines housing affordability by comparing two benchmarks: 1) 30% of the gross annual income for a household at or below the 60th income percentile, and 2) the average market rent or price of a unit. The lower of these two values establishes what is considered an affordable rent or housing price.

Note: Numbers may not add due to rounding.

Source: Watson & Associates Economists Ltd., 2024.

As shown in the figure, it is estimated that 24% (14,437 units) of new ownership homes need to be affordable; for rentals, it is projected that 28% (5,875 units) need to be affordable. Within this projection, a range of affordable housing types are needed, as illustrated in Figure 34. Of the anticipated renter household growth in Milton, approximately 11% (2,280 households) are expected to fall within the less-than-80% A.M.R. range. These households collectively will need a range of social housing options, provided by public housing providers in Milton.

Over the forecast period, 17% (3,595 households) of renter household growth is anticipated to comprise those requiring rental housing between 80% and 100% A.M.R. This reflects moderate-income households that generally earn too much to be eligible for social housing but cannot typically afford market housing in Milton. With respect to addressing affordable housing needs, the Town has the greatest potential role in supporting development of rental units to address the needs of this income group. To



achieve the affordable housing needs of those in the 80% to 100% A.M.R. range, Milton needs more rental housing with affordable units and additional affordable options.

Figure 34
Town of Milton
Forecast Rental Affordable Housing Need, 2024 to 2051

Affordable Units	Affordable Housing Need, 2024-2051	% Share of Total Rental Housing Growth
Less than 80% A.M.R.	2,280	11%
80 to 100% A.M.R.	3,595	17%

Note: Numbers may not add due to rounding. A.M.R. means affordable market rent.

Source: Watson & Associates Economists Ltd., 2024.

Figure 35 illustrates that of the total 20,745 renter housing units projected to grow over the 2024 to 2051 period, 47% (9,850 units) are forecast to be high-density dwellings (i.e., apartments), 40% medium-density units (townhouses and duplexes), and 13% low-density units (singles and semi-detached). For the high-density and medium-density rental units forecast during this period, it is estimated that 30% and 8%, respectively, need to be affordable housing dwellings in the 80% to 100% A.M.R. range.



Figure 35
Town of Milton
Affordable Renter Housing Needs, 2024 to 2051

Total Affordable Renter Households

Housing Type	Total Renter Households	Affordable	% Affordable
Low Density (singles/semis)	2,612	-	0%
Medium Density (towns/rows)	8,282	950	11%
High Density (apartments)	9,850	4,923	50%
Bachelor	-	659	-
1 Bedroom	-	2,755	-
2 Bedrooms	-	875	-
3 Bedrooms	-	634	-
Total	20,745	5,875	28%

Affordable Renter Households (80% to 100% A.M.R.)

Housing Type	Total Renter Households	Affordable (80% to 100% A.M.R.)	% Affordable (80% to 100% A.M.R.)
Low Density (singles/semis)	2,612	-	0%
Medium Density (towns/rows)	8,282	688	8%
High Density (apartments)	9,850	2,907	30%
Bachelor	-	346	-
1 Bedroom	-	1,518	-
2 Bedrooms	-	586	-
3 Bedrooms	-	457	-
Total	20,745	3,595	17%

Note: Numbers may not add due to rounding.
Source: Watson & Associates Economists Ltd., 2024.

Figure 36 illustrates that of the total 61,000 owner housing units projected to grow over the 2024 to 2051 period, 29% (17,524 units) are forecast to be high-density dwellings (i.e., apartments), 38% medium-density units (townhouses and duplexes), and 33% low-density units (singles and semi-detached). For the high-density and medium-density rental units forecast during this period, it is estimated that 63% and 15% need to be affordable housing dwellings, respectively.



Figure 36
Town of Milton
Affordable Owner Housing Needs, 2024 to 2051

Housing Type	Total Owner Households	Affordable	% Affordable
Low Density (singles/semis)	20,139	-	0%
Medium Density (towns/rows)	23,335	3,473	15%
High Density (apartments)	17,524	10,965	63%
Bachelor	-	1,161	-
1 Bedroom	-	5,064	-
2 Bedrooms	-	2,424	-
3 Bedrooms	-	2,316	-
Total	61,000	14,440	24%

Note: Numbers may not add due to rounding.

Source: Watson & Associates Economists Ltd., 2024.

7.4 Observations

As previously mentioned, population age structure influences the socio-economic characteristics of the population related to income/affordability, lifestyle, family size, lifestyle decisions, health, and mobility. Propensities for high-density housing (rental apartments and apartment condominium units) are highest among younger age groups, while propensities for low-density housing (single and semi-detached housing) tend to be highest among population age groups between 35 and 64 years of age.

As the average age of the Town's population continues to increase, it is anticipated that the demand for higher-density housing forms will also continue to gradually increase.

The aging of the Town's population is also anticipated to drive the need for seniors' housing and other housing forms geared to older adults (e.g., assisted living, affordable housing, adult lifestyle housing). Given the diversity of the 55 to 74 and 75+ population age groups, forecast housing demand across the Town within this broad 55+ demographic group is anticipated to vary considerably.

Within the 55+ age group, housing demand for the population aged 55 to 74 years is anticipated to be relatively stronger for ground-oriented housing forms (i.e., single



detached, semi-detached and townhouses) that provide proximity to urban amenities, municipal services, and community infrastructure. With respect to the 75+ age group, the physical and socio-economic characteristics of this age group (on average) are considerably different than those of younger seniors, empty nesters, and working adults with respect to income, mobility, and health. Typically, these characteristics represent a key driver behind the propensity for medium- and high-density housing forms (including seniors' housing) that are in proximity to urban amenities, health care services, and transportation.

Housing demand associated with younger generations in Milton is anticipated to be strong across a range of housing types that are affordable to new home buyers/renters and cater to a broad range of lifestyle preferences towards urban and suburban living. This includes housing options such as townhouses (including back-to-back townhouses and stacked townhouses), higher-density developments (i.e., purpose-built apartments and condominiums), and to a lesser extent, low-density housing forms. Demand for low-density housing is anticipated to be strongest for “move-up” home buyers with growing families, typically working-age homeowners approaching 40 years of age and older.

Accommodating younger generations, such as Millennials and Generation Z, and other working-age adults is a key objective for the Town, recognizing that the accommodation of skilled labour and the attraction of new businesses are inextricably linked and positively reinforce one another. To ensure that economic growth is not constrained by future labour shortages, continued effort is required by the Town to explore ways to attract and accommodate new skilled and unskilled working-age residents to Milton within a diverse range of housing options by structure type, tenure, and location.

8. Assessment of Milton's Major Transit Station Areas

Building on the market scan, an assessment of market demand opportunities and constraints in each of the M.T.S.A.s has been prepared. The evaluation considers both the broader regional and local site factors, which are anticipated to drive market demand for residential and mixed-use development within the subject locations of study.



8.1 Major Transit Station Area Profile

8.1.1 Overview

The following provides a brief profile of each of Milton's M.T.S.A.s, while Figure 37 provides a summary of existing population and employment characteristics.

Milton GO M.T.S.A.

Outlined in the Town's current Official Plan on Schedule K, the Downtown Milton Urban Growth Centre (U.G.C.)/Milton GO M.T.S.A. is situated along Main Street and bounded by Main Street to the north, Thompson Road to the east, Nipissing Road to the south, and Ontario Street to the west. There are four distinct sub-areas that comprise the Milton GO M.T.S.A.^[48] The first sub-area is along Main Street and is primarily characterized with auto-oriented commercial businesses in one- or two-storey multi-tenant plazas. The second sub-area is Milton Common, which is located on the southwest corner of Thompson Road South and Main Street. Milton Common predominantly features smaller commercial retailers alongside a major big-box grocery store. There are also several banks located within Milton Corners. The third sub-area is Milton Mall, located at the western end of the Milton GO M.T.S.A., more specifically on the southeast corner of Main Street and Ontario Street. Milton Mall is classified as a community mall; it is anchored by a Rona+ with smaller retail shops enclosed within the shopping centre. The final sub-area is located south of the GO rail line along Nipissing Road. This sub-area comprises small- to medium-scale industrial businesses.

Over the next several decades, it is expected that the Milton GO M.T.S.A. will be a focus of intensification and transit-supportive developments to achieve a minimum long-term density of 250 people and jobs per hectare.^[49] Each of the sub-areas within the Milton GO M.T.S.A. will continue to have a distinct character and built form, serving as a destination site for transit riders.

^[48] Milton Major Transit Station Area & Mobility Hub Study, May 2020.

^[49] Phase 1 – Residential and Non-Residential Needs Analysis Final Report, Watson & Associates Economists Ltd., October 2024.



Milton Trafalgar GO M.T.S.A.

The Milton Trafalgar GO is a proposed M.T.S.A. situated along Trafalgar Road and bounded by Highway 401 to the north, Eighth Line to the east, Derry Road to the south, and Sixth Line to the west. The existing conditions surrounding the proposed Milton Trafalgar GO M.T.S.A. include Regional Employment Area, Agricultural Area, Natural Heritage System, and Greenbelt Plan Protected Countryside Official Plan designations. Canadian Pacific Railway lands, including a new fuel transloading operation, are also located in the surrounding area, along with a few transportation and warehousing type businesses.

The proposed Milton Trafalgar GO M.T.S.A. would share the same commuter rail line as the Milton GO Station and is part of the Trafalgar Corridor, which is envisioned to be developed as a mixed-use, higher-density corridor to support the extension of higher-order transit.^[50] The Trafalgar Corridor consists of two Secondary Plans – Agerton and Trafalgar Secondary Plans – which will represent the Town’s next phase of growth and development (years 2021 to 2031).^[51] The Agerton Secondary Plan most affects the proposed Milton Trafalgar GO M.T.S.A. As of March 2019, the Preliminary Preferred Land Use Concept and Secondary Plan Framework envisions the area to the north of the proposed M.T.S.A. will be an Employment Area with office employment uses being prioritized, while the area to the south will be a mixed-use area.^[52] It is planned that the Preliminary Preferred Land Use Concept and Secondary Plan Framework will be provided as input into the Region’s Municipal Comprehensive Review.

^[50] Council Report No. PD-017-19. March 25, 2019. Town of Milton.
<https://calendar.milton.ca/Meetings/Detail/2019-03-25-1800-Council-Meeting/d959f29f-817d-4099-9280-ab5100b01c52>

^[51] Trafalgar and Agerton Secondary Plans. Town of Milton.
<https://www.milton.ca/en/business-and-development/trafalgar-and-agerton-secondary-plans.aspx>

^[52] Council Report No. PD-017-19. March 25, 2019. Town of Milton.
<https://calendar.milton.ca/Meetings/Detail/2019-03-25-1800-Council-Meeting/d959f29f-817d-4099-9280-ab5100b01c52>



Figure 37
Town of Milton
Major Transit Station Area Demographic and Economic Characteristics Table

	Milton GO M.T.S.A.	Milton Trafalgar GO M.T.S.A.
Population, 2021 (including undercount)	130	240
Employment, 2021	4,810	980
Gross Land Area (hectare)	132	153

Note: Population and employment metrics have been rounded to the nearest 10.
M.T.S.A. means Major Transit Station Area.

Source: Derived from Milton Major Transit Station Area & Mobility Hub Study (May 2020) and Town of Milton Draft Population, Employment and Housing Analysis Agerton and Trafalgar Secondary Plans (2019) by Watson & Associates Economists Ltd., 2024.

8.2 Development Opportunities and Constraints

8.2.1 Units in Development Approvals

Milton currently has approximately 57,860 housing units at various stages of the planning process to potentially meet forecast need for the short term. Of this, approximately 18% of the units (10,630 units) are located within Milton's M.T.S.A.s, as illustrated in Figure 38. Key observations include the following:

- Most of the housing units identified in the M.T.S.A.s are high density, accounting for 84% of the total development approvals; the remaining 16% are identified as medium-density units.
- All the housing units in the development approvals stage are currently proposed or being planned through the secondary plan process.
- Between the two M.T.S.A.s, approximately 4,060 units in total housing supply have been identified for the Milton U.G.C./M.T.S.A., all of which are high-density units.



Figure 38
Town of Milton
Residential Units in the Development Approvals Process
in Major Transit Station Areas, 2024

	Low Density ^[1]	Medium Density ^[2]	High Density ^[3]	Total Units
Registered	0	0	0	0
Draft Approved	0	0	0	0
Proposed	0	1,650	8,981	10,631
Total	0	1,650	8,981	10,631

^[1] Includes single and semi-detached dwellings.

^[2] Includes row townhouses, back-to-back townhouses, and apartments in duplexes.

^[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units, and stacked townhouses.

Source: Data provided by the Town of Milton Development Finance Department, summarized by Watson & Associates Economists Ltd.

8.3 Market Potential

An assessment of Milton M.T.S.A.s, including a strengths, weakness, opportunities, challenges (SWOC) analysis which identifies the key market attributes, development characteristics, and market potential for residential and non-residential development, was undertaken. These observations are summarized in Figure 39.



Figure 39
Town of Milton
Strengths, Weaknesses, Opportunities, Challenges (SWOC)

	Milton GO M.T.S.A.	Milton Trafalgar GO M.T.S.A.
Strengths/ Opportunities	<ul style="list-style-type: none"> • Designated as an Urban Growth Centre • Located adjacent to the historic Downtown core • Opportunities for intensification and redevelopment • Little under 8,400 housing units that are either in active development approvals process or can be accommodated on vacant designated lands • Active GO train line intersects this area 	<ul style="list-style-type: none"> • Located adjacent to a developing Employment Area • Easily accessible from Highway 401 to the north at the Trafalgar Road exit, and Highway 407 to the east at the Derry Road East exit • Identified as an office-priority Employment Area that is located north and south of the M.T.S.A. • Potential to create a high-quality urban space that is transit-supportive
Challenges/ Weaknesses	<ul style="list-style-type: none"> • Historically, over the past decade, has experienced minimal development activity in the area • Pace of growth will need to be monitored to ensure the livability of this area • There are distinct characteristics that comprise the Milton GO M.T.S.A. and will need to be planned accordingly to allow for better connectivity and cohesion • Existing industrial uses may pose a challenge in redeveloping the lands into residential or office-type uses 	<ul style="list-style-type: none"> • No existing GO train station • Limited development in the area that consists of small-scale industrial uses • No existing office development in the area • Surrounded by a natural heritage system to the west of the area and Parkway Belt West Plan area

Note: M.T.S.A. means Major Transit Station Area.



8.4 Growth Outlook to 2051 for Major Transit Station Areas

As discussed in section 6, Milton is expected to experience significant population and employment growth over the 2021 to 2051 period. Numerous demographic and economic factors are anticipated to influence the manner in which Milton matures and evolves over the forecast period. The distribution of population, housing, and employment growth is expected to become more geographically diverse. This includes accommodating a range of residential and non-residential development in Milton's M.T.S.A.s, which are expected to be increasingly marketable.

As shown in Figure 40, strong population, housing, and employment growth is expected in Milton's M.T.S.A.s over the next 30 years. As shown in the table below, the Milton U.G.C./M.T.S.A. is expected to grow by 15,100 residents and 6,100 jobs between 2021 and 2051. This results in a forecast annual growth of 707 people and jobs per year. Of the forecast growth expected in the Milton U.G.C./M.T.S.A., approximately 71% is population and 29% is related to employment. Over the forecast period, the Trafalgar M.T.S.A. is expected to accommodate 20,700 new residents and jobs, which is approximately 690 people and jobs per year. Approximately 68% of the forecast growth is expected to be residents, while the remaining 32% of the growth will be related to employment.



Figure 40
Town of Milton
Major Transit Station Areas Population and Employment Growth, 2021 to 2051

M.T.S.A.	2021	2051	2021-2051	2021-2051 % Growth
Milton GO M.T.S.A.				
Population	100	15,200	15,100	15,100%
Employment	5,100	11,200	6,100	120%
Milton Trafalgar GO M.T.S.A.				
Population	-	14,100	14,100	-
Employment	-	6,600	6,600	-
Total				
Population	100	29,300	29,200	29,200%
Employment	5,100	17,800	12,700	249%

Notes: Values have been rounded to the nearest 100. Population figures include a net Census undercount. M.T.S.A. means Major Transit Station Area. U.G.C. means Urban Growth Centre. Source: Derived from Town of Milton Phase 1 – Residential and Non-Residential Needs Analysis by Watson & Associates Economists Ltd.

Figure 41 summarizes 2021 to 2051 growth in the M.T.S.A.s as a share of forecast Town of Milton growth. From 2021 to 2051, the Milton U.G.C. and Milton Trafalgar GO M.T.S.A., together, are expected to accommodate 10% and 8% of Milton’s housing growth, respectively. Over the same period, the Milton U.G.C. is forecast to accommodate 280 new units per year, while the Milton Trafalgar GO M.T.S.A. is expected to average 220 new units per year. Together, the M.T.S.A.s account for 17% of Town-wide housing growth.



Figure 41
Town of Milton
2021 to 2051 Growth in Major Transit Station Areas
as a Share of Forecast Town of Milton Growth

Location	Housing Growth, 2021-2051	% Share of Town-wide Housing Growth
Milton U.G.C.	8,400	10%
Milton Trafalgar GO	6,600	8%
Milton M.T.S.A.s Total	15,000	17%
Other Milton Locations	72,890	83%
Town of Milton Total	87,890	100%

Note: Values have been rounded to the nearest 100. M.T.S.A. means Major Transit Station Area. U.G.C. means Urban Growth Centre.

Source: Derived from Town of Milton Phase 1 – Residential and Non-Residential Needs Analysis by Watson & Associates Economists Ltd.

8.5 Development Feasibility

8.5.1 Prototypical Residential Development Assessment

8.5.1.1 Development Parameters

For the purposes of this analysis, prototypical condominium development scenarios were prepared. The residential feasibility analysis involves the assessment of two potential sites in the Milton Downtown Area, as presented in Appendix B. This includes:

- Site 1: High-Rise Condominium Building; and
- Site 2: Mid-Rise Condominium Building.

In consultation with Town staff, development parameters for each site were adapted from conceptual plans. The development parameters and characteristics of the two sites are summarized in Figure 42 and Figure 43.



Figure 42
Town of Milton
Development Parameters of Site 1: High-Rise Condominium

Parameter	Site 1
Parcel Size (hectares)	1.21
Building Height (number of floors)	20
Residential Gross Floor Area (sq.ft.)	436,500
Retail/Office Gross Floor Area (sq.ft.)	14,800
Building Gross Floor Area (sq.ft.)	451,200
Floor Space Index	3.47
Parking Type	Underground Parking
Parking Spaces	546

Unit Type	Units (#)	Share (%)
1 Bedroom	102	18%
1 Bedroom + Den	266	47%
2 Bedrooms	134	24%
2 Bedrooms + Den	68	12%
Total Units	570	100%

Source: Watson & Associates Economists Ltd., 2024.



Figure 43
Town of Milton
Development Parameters of Site 2: Mid-Rise Condominium

Parameter	Site 2
Parcel Size (hectares)	0.41
Building Height (number of floors)	8
Residential Gross Floor Area (sq.ft.)	171,097
Retail/Office Gross Floor Area (sq.ft.)	2,691
Building Gross Floor Area (sq.ft.)	173,788
Floor Space Index	3.93
Parking Type	Underground Parking
Parking Spaces	169

Unit Type	Units (#)	Share (%)
1 Bedroom	32	18%
1 Bedroom + Den	82	47%
2 Bedrooms	41	23%
2 Bedrooms + Den	21	12%
Total Units	176	100%

Source: Watson & Associates Economists Ltd., 2024.

8.5.1.2 Potential Revenue

The residential revenue generation potential by building space type is illustrated in Figure 44. The scenarios assume high-quality new build with amenities offered. The developments are anticipated to achieve relatively high premiums. Based on a review of new condominium developments in Milton, an estimate of base-year sales revenue by unit type for the prototypical developments was derived.

Under the condo development scenarios, it is assumed that the residential units at Site 1 will be offered for sale at between \$912 and \$1,065 per sq.ft., depending on unit size, and the residential units at Site 2 will be offered for sale between \$843 and \$985. Parking and locker spaces for condominium owners are sold at \$45,000 and \$7,500 per space, respectively.



Figure 44
Town of Milton
Market Sale Price for Condominium Residential Units

Site 1: High-Rise Condominium

Unit	Size (sq.ft.)	Unit Sale Price/sq.ft.	Unit Sale Price
1 Bedroom	520	\$1,065	\$554,000
1 Bedroom + Den	605	\$1,024	\$619,800
2 Bedrooms	700	\$956	\$669,000
2 Bedrooms + Den	939	\$912	\$856,500

Site 2: Mid-Rise Condominium

Unit	Size (sq.ft.)	Unit Sale Price/sq.ft.	Unit Sale Price
1 Bedroom	574	\$985	\$565,400
1 Bedroom + Den	694	\$947	\$657,500
2 Bedrooms	986	\$884	\$871,500
2 Bedrooms + Den	1,036	\$843	\$873,500

Notes: Purchase prices include parking and a locker. Numbers have been rounded.

Source: Watson & Associates Economists Ltd., 2024.

For both sites, it is assumed that retail space will be leased at net market rents of \$28.5 per sq.ft., consistent with market values in Milton. Utilizing the rental revenue data identified above, annual revenue from the long-term lease of non-residential space was also calculated. The rental revenue analysis reflects a stabilized vacancy rate of 3% and 5% for non-residential space, and market rents are assumed to appreciate by 2% annually over the course of the 25-year cash flow period.^[53]

^[53] A vacancy rate of 50% (“lease up” period) is assumed in the first year of occupancy (Year 2). Once full operations are achieved (Year 3 onward), a 3% vacancy is assumed.



8.5.1.3 Development Costs

The development scenarios are subject to an assessment of total development cost by using various cost component inputs, as identified below:

- Land Cost – based on market value from a survey of recent sales transactions, existing real-estate listings, Altus data, and MPAC property value assessments within the perimeter of the subject sites.
- Construction Costs – reflects hard construction costs (e.g., materials, labour) and soft costs (e.g., engineering, consulting services), based on local data.^[54]
- Development Charges – on a per unit basis, as per the current municipal development charge schedules.
- Parkland Dedication – cash-in-lieu of parkland dedication on a sq.ft. basis as per the average of area municipal by-laws and calculated at the market price of land;
- Building Permit Fees – on a sq.ft. basis as per local by-laws.
- Planning Fees – including charges for Zoning By-law amendments, Official Plan amendments, Plan of Condominium applications, and Site Plan Control applications.
- Site Preparation – reflects demolition and other various costs related to the preparation of a site which may be required.

In accordance with the development cost assumptions above and the development parameters identified in Figure 42 and Figure 43, the total development costs of the condominium developments are summarized in Figure 45. As shown:

Site 1: High-Rise Condominium Building

- Development costs for the high-rise condominium building development scenario are \$280.8 million.
- Approximately 75% of the development costs for the high-rise condominium building development scenario are attributed to construction costs. Land costs account for approximately 2% and all remaining costs (development charges,

^[54] The analysis contained herein has assumed conventional building materials and methods utilizing concrete in the construction cost for all scenarios. Building construction cost data derived from RSMeans 2024 Construction Cost data and reflects pre-cast concrete construction of a mid-rise to high-rise apartment building.



parkland dedication fees, building permit fees/planning fees, site preparation and contingency) account for approximately 23% of the total.

Site 2: Mid-Rise Condominium Building

- Development costs for the mid-rise condominium building development scenario are \$97.3 million.
- Approximately 76% of the development costs for the mid-rise condominium building development scenario are attributed to construction costs. Land costs account for approximately 2% and all remaining costs (development charges, parkland dedication fees, building permit fees/planning fees, site preparation and contingency) account for approximately 23%.



Figure 45
Town of Milton
Prototypical Condominium Development – Total Development Costs

Site 1: High-Rise Condominium

Type of Cost	Millions (\$)	Share (%)
Land Cost	6.8	2%
Construction Costs	211.6	75%
Planning Fees	0.4	<1%
Development Charges	26.3	9%
Building Permit Fees	0.8	<1%
Parkland Dedication	0.3	<1%
Site Preparation	1.7	1%
Net HST Cost on Sale of Units	27.3	10%
Contingency	5.5	2%
Total Cost	280.8	100%

Site 2: Mid-Rise Condominium

Type of Cost	Millions (\$)	Share (%)
Land Cost	2.3	2%
Construction Costs	74.0	76%
Planning Fees	0.3	<1%
Development Charges	8.1	8%
Building Permit Fees	0.3	<1%
Parkland Dedication	0.1	<1%
Site Preparation	0.6	1%
Net HST Cost on Sale of Units	9.8	10%
Contingency	1.9	2%
Total Cost	97.3	100%

Note: Numbers may not add due to rounding.
Source: Watson & Associates Economists Ltd., 2024.



8.5.1.4 Cash Flow Analysis and Return on Investment

Utilizing the development costs and operating costs, along with the potential revenue streams identified above, a 25-year cash flow analysis was prepared for each development scenario, with detailed cash flow tables which are presented in Appendix B. The forecast cash flow analysis is summarized as an internal rate of return (I.R.R.) for the projects utilizing a discount rate of 10% as well as a residual land value analysis. The findings of this analysis are summarized below.

Figure 46
Town of Milton
Project Feasibility (I.R.R.) of Market Reference Scenario

Scenario	I.R.R.
Site 1 - High-Rise Condominium	13.7%
Site 2 - Mid-Rise Condominium	11.1%

Note: I.R.R. means internal rate of return.
Source: Watson & Associates Economists Ltd., 2024.

A project is considered financially feasible if the project generates an I.R.R. of between 12% and 15%. For the purposes of this analysis, a minimum of 12% I.R.R. is used as the threshold for feasibility. The I.R.R. of 13.7% for Site 1 and 11.1% for Site 2 under the market reference scenarios illustrate that project feasibility is above the minimum 10% I.R.R. threshold.

8.5.2 Sensitivity Analysis

8.5.2.1 Impact of Affordable Units and Interest Rates on Condominium Development Feasibility^[55]

The first scenario, known as the market reference scenario, involves a conventional condominium development where all units are market units with no affordable housing

^[55] Bank of Canada policy interest rates influence mortgage interest rates (mortgage rates are the interest rates that lenders charge borrowers for mortgages). Mortgage interest rates are typically priced 2.0% to 2.5% higher than the Bank of Canada policy interest rate to provide lenders a provision for profit and account for risk.



component. This scenario serves as a baseline for comparison and focuses on maximizing the number of market units without any affordable housing obligations.

Building on the market reference scenario in subsection 8.5.1, the following presents three additional scenarios to assess the impacts of different configurations of market and affordable units on overall project feasibility. Scenario 2 introduces affordable housing by incorporating 2.5% affordable units within the development. These affordable units are proportionately distributed across unit types based on their share of the total units. Each affordable unit is sold at \$524,600, which is lower than the market price, slightly reducing the total number of market units compared to the reference scenario.^[56]

The third scenario increases the affordable housing component to 5% of the total units. These affordable units are proportionately distributed across unit types based on their share of the total units and are sold at \$524,600 each.^[57] This higher percentage of affordable units further reduces the number of market units available, presenting a more significant impact on overall project revenue compared to the 2.5% scenario.

The fourth scenario increases the share of affordable housing units to 10% of the total units. Similar to the previous scenarios, these affordable units are proportionately distributed across unit types based on their share of the total units and are sold at \$524,600 each.^[58] This higher share results in a more significant reduction in the number of market units, further affecting project revenue compared to the 5% scenario.

The analysis for all scenarios is conducted within the context of the prototypical development pro forma analysis presented in subsection 8.5.1. The inclusion of affordable units in scenarios 2 to 4 evaluates the cumulative impact of affordability requirements and financial incentives on project viability. This approach highlights potential trade-offs and identifies opportunities for mitigating costs through supportive policies or programs.

The affordable housing component qualifies for a range of financial incentives that reduce development costs, which are reflected in the pro forma analysis. These

^[56] The affordable housing prices are based on the *Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin*.

^[57] *Ibid.*

^[58] *Ibid.*



incentives include mandatory municipal fee exemptions under the *More Homes Built Faster Act (Bill 23)*, such as the exemption of development charges and parkland dedication fees for affordable housing units.^[59]

Site 1: High-Rise Condominium Development:

- **Market Reference Scenario:** The I.R.R. ranges from 13.7% to 16.4% across interest rates (3.5% to 5.5%), demonstrating high financial feasibility without affordable units.
- **2.5% Affordable Units Scenario:** The I.R.R. ranges from 13.5% to 16.2% across interest rates, with a small reduction in financial feasibility due to the inclusion of 2.5% affordable units.
- **5% Affordable Units Scenario:** The I.R.R. ranges from 13.3% to 16.0% across interest rates, showing a more noticeable reduction in financial feasibility due to the inclusion of 5% affordable units.
- **10% Affordable Units Scenario:** The I.R.R. ranges from 12.8% to 15.5% across interest rates, reflecting the greatest reduction in financial feasibility due to the higher proportion of affordable units

Site 2: Mid-Rise Condominium Development:

- **Market Reference Scenario:** The I.R.R. ranges from 11.1% at a 5.5% interest rate to 13.9% at a 3.5% interest rate, demonstrating strong financial feasibility without affordable units.
- **2.5% Affordable Units Scenario:** The I.R.R. ranges from 10.6% to 13.4% across interest rates, with a modest reduction in financial feasibility due to the inclusion of 2.5% affordable units.
- **5% Affordable Units Scenario:** The I.R.R. ranges from 10.4% to 13.2% across interest rates, showing a more noticeable reduction in financial feasibility with 5% affordable units.
- **10% Affordable Units Scenario:** The I.R.R. ranges from 9.7% to 12.5% across interest rates, showing the most significant reduction in financial feasibility with the inclusion of 10% affordable units.

^[59] The *Development Charges Act* defines these developments as the “development of a building or structure with four or more residential units all of which are intended for use as rented residential premises.”



Figure 47
 Prototypical Condominium Development I.R.R.
 Varying Interest Rates with and without Affordable Housing Units

Site 1: High-Rise Condominium

Scenarios	5.5% Interest Rate (Baseline Scenario)	4.5% Interest Rate	3.5% Interest Rate
Market Only Units	13.7%	15.1%	16.4%
2.5% Affordable Units	13.5%	14.8%	16.2%
5% Affordable Units	13.3%	14.7%	16.0%
10% Affordable Units	12.8%	14.2%	15.5%

Site 2: Mid-Rise Condominium

Scenarios	5.5% Interest Rate (Baseline Scenario)	4.5% Interest Rate	3.5% Interest Rate
Market Only Units	11.1%	12.5%	13.9%
2.5% Affordable Units	10.6%	12.1%	13.4%
5% Affordable Units	10.4%	11.8%	13.2%
10% Affordable Units	9.7%	11.1%	12.5%

Source: Watson & Associates Economists Ltd., 2024.

The pro forma analysis presented herein, suggests that there are opportunities and financial challenges to constructing condominium buildings with affordable housing units in the Milton GO M.T.S.A. Similar observations would likely be observed with comparable purpose-built rental development scenarios in both the Milton GO M.T.S.A. and the Milton Trafalgar GO M.T.S.A.

The market reference scenarios for condominium development offer more favourable financial opportunity relative to the condominium development with affordable housing units which offer less favourable feasibility. Despite these challenges, all sites and scenarios for condominium development meet and, in many cases, significantly exceed the minimum 10% I.R.R. threshold required for a development to be considered feasible.



The stronger financial viability of market reference condominium development scenarios compared to those with affordable housing is due to the lower sale price of affordable units (i.e., \$524,600) compared to market units. This lower price results in reduced revenue, directly impacting the overall profitability of the development and making it financially less attractive compared to the market reference scenarios.

8.5.2.2 Impact of Affordable Units and Market Revenue Increases on Condominium Development Feasibility

To further analyze the feasibility of the condominium developments units, potential increases in market revenue by 5% and 10% were factored in to assess how higher market revenues could impact the financial feasibility of the projects, even with the inclusion of affordable units.

As shown in Figure 48, for Site 1, the I.R.R. starts at 13.7% under the Market Reference Scenario and increases as market revenues rise, reaching 18.9% with a 5% increase and 23.6% with a 10% increase. This highlights a significant improvement in financial feasibility with higher market revenue, even with the inclusion of affordable units. The addition of 2.5% affordable units results in a slight decrease in I.R.R., from 13.7% to 13.5% under the Market Reference Scenario, but the overall trend remains positive with increasing market revenues. The I.R.R. further declines with the inclusion of 5% and 10% affordable units; however, the growth in market revenue offsets this reduction, resulting in higher I.R.R.s compared to the Market Reference Scenario.

Similarly, for Site 2, the I.R.R. begins at 11.1% under the Market Reference Scenario and increases with higher market revenue, reaching 16.4% with a 5% increase and 21.2% with a 10% increase. This highlights the positive impact of rising market revenue, even with the inclusion of affordable units. Adding 2.5% affordable units results in a slight decrease in I.R.R. from 11.1% to 10.6%, but the growth in market revenue offsets this reduction, resulting in improved I.R.R.s of 15.9% with a 5% increase and 20.6% with a 10% increase. Although the inclusion of 5% and 10% affordable units continues to reduce the I.R.R., the higher market revenues sustain a relatively strong performance, as shown in Figure 48.



Figure 48
 Prototypical Condominium Development I.R.R.
 Increased Market Revenue with and without Affordable Housing Units

Site 1: High-Rise Condominium

Scenarios	Market Reference	5% More Market Revenue	10% More Market Revenue
Market Only	13.7%	18.9%	23.6%
2.5% Affordable Units	13.5%	18.5%	23.2%
5% Affordable Units	13.3%	18.3%	22.8%
10% Affordable Units	12.8%	17.6%	22.0%

Site 2: Mid-Rise Condominium

Scenarios	Market Reference	5% More Market Revenue	10% More Market Revenue
Market Only	11.1%	16.4%	21.2%
2.5% Affordable Units	10.6%	15.9%	20.6%
5% Affordable Units	10.4%	15.6%	20.2%
10% Affordable Units	9.7%	14.7%	19.2%

Source: Watson & Associates Economists Ltd., 2024.

8.6 Observations

Milton’s M.T.S.A.s represent a significant opportunity for the Town to accommodate future population and employment growth in a more diversified capacity. Given the strong growth in housing and employment identified for Milton, which is increasingly oriented to high-density developments and knowledge-based sectors, respectively, the M.T.S.A.s offer strong market attributes to accommodate these high-growth residential and non-residential development sectors.

Recent trends suggest that the local market is evolving to include more opportunities for high-density residential development, in part due to eroding housing affordability, and an aging population base. Housing location options within Milton’s M.T.S.A.s that offer proximity to employment, transit, and services/amenities are anticipated to show strong market demand.



While the development of high-density market housing in Milton's M.T.S.A.s is generally considered favourable from a feasibility perspective, there are currently some economic headwinds, due to relatively high interest rates. The potential introduction of affordable housing to these projects reduces their market viability. Many development projects may have marginal viability with affordable units included, which may result in projects not proceeding forward in the current environment. The analysis suggests that with market improvements expected in 2025, either through reduced interest rates and/or higher revenue potential, the viability of these project would improve to a point that they are considered viable with a provision for affordable housing units.

To be successful, it is critical that the M.T.S.A.s be developed comprehensively as complete communities within a mixed-use framework that balances both residential and non-residential development, including affordable housing. While the market potential for residential development is highly favourable in the M.T.S.A.s, feasibility challenges persist for inclusion of affordable housing.

9. Policy and Strategic Recommendations

9.1 Inclusionary Zoning Objectives and Goals

The goal of Milton's IZ policy is to increase the supply of affordable rental housing in new residential developments within Protected M.T.S.A.s fostering inclusive and mixed-income communities.

The objective is to require and incentivize developers to integrate a percentage of affordable units into designated developments or areas, helping to meet local housing needs and improve long-term housing accessibility. The aim is to encourage private-sector engagement in affordable housing provisions while ensuring developments remain financially viable.

9.2 Inclusionary Zoning Approach

The following presents the proposed IZ approach for the Town of Milton:

- Year Adopted: 2025
- Mandatory/Voluntary: Mandatory
- Phased Implementation: Four-phased approach



1. Affordability

Affordable rental housing units will meet the provincial definition of affordability, consistent with the provincial bulletin's criteria and the P.P.S., 2024, ensuring alignment with provincial policy objectives.^[60] The IZ policy aims to provide housing options that are more accessible to low- and moderate-income households.

In addition, the recommendation to target Milton's IZ policy exclusively toward affordable rental units in the primary and secondary market, rather than ownership units, is grounded in both demographic data and practical implementation considerations. Milton's demographic trends and housing needs analysis highlight a significant and growing demand for rental housing, driven by several key factors. With an influx of young professionals, new immigrants, and lower- to middle-income families, there is an increasing need for stable, long-term rental options. While homeownership remains a goal for Milton, the current high cost of housing has placed ownership beyond the reach of a substantial portion of Milton's population. As a result, focusing the IZ policy on affordable rental units ensures that the policy directly addresses the most pressing housing gap in the municipality.

Targeting affordable rental units also aligns with best practices in rapidly growing urban areas, where rental housing plays a critical role in fostering socio-economic diversity and providing flexible living options for a range of household types, including young families, seniors, and single individuals. Rental housing is essential for maintaining a balanced housing market, especially in Milton's transit-oriented developments and M.T.S.A.s, where mid- and high-rise rental buildings are anticipated to dominate future construction. By ensuring a stable supply of affordable rental units, the policy can directly support workforce retention and reduce the displacement of lower-income households, thereby promoting more equitable community development.

From an administrative standpoint, focusing on affordable rental units avoids the significant complexities associated with implementing and monitoring affordable ownership units. The Ontario P.P.S. and related provincial guidelines emphasize the challenges of maintaining long-term affordability in ownership units created through IZ. Ownership units require extensive ongoing monitoring to ensure compliance with resale restrictions, eligibility criteria for buyers, and price controls. These responsibilities

^[60] Province of Ontario. (2024). *Affordable residential units for the purposes of the development charges*.



are administratively burdensome and difficult to sustain over time, particularly as units change hands. Moreover, ownership units are more susceptible to speculative pressures and potential legal challenges, making it far more challenging to enforce affordability over the long term. Even with strict re-sale restrictions, ownership units often revert to market rates within a short period, undermining the long-term affordability goals of the policy.

In contrast, affordable rental units provide built-in affordability control mechanisms, as the rental rates can be capped and monitored through agreements with landlords or developers. This approach ensures that the units remain affordable throughout the policy's 99-year affordability period, without the need for complex re-sale controls or constant oversight. Moreover, rental units offer greater flexibility in serving a broader range of income levels, making it easier for Milton to meet its housing needs across various demographics.

Overall, targeting the IZ policy exclusively toward affordable rental units maximizes the policy's impact by directly addressing Milton's most urgent housing needs, ensuring long-term affordability, and minimizing administrative burdens. This approach reflects a practical, sustainable solution to the affordability crisis, ensuring that Milton can effectively manage its housing challenges while promoting equitable and inclusive community development.

2. Set-Aside Rates

Milton should adopt a phased approach to set-aside rates for new developments, allowing the market to adjust incrementally. The set-aside rate refers to the percentage of residential floor area or units that must be dedicated to affordable housing.

Phases for Implementation

- Phase 1 (January 1, 2026): 2.5% of units to be set aside as affordable housing.
- Phase 2 (January 1, 2028): 3.5% of units to be set aside as affordable housing.
- Phase 3 (January 1, 2030): 5% of units to be set aside as affordable housing, ensuring deeper integration of affordability in developments.
- Phase 4 (January 1, 2031, and beyond): Review and assessment of the program's effectiveness, with a possibility of increasing set-aside rates based on the housing market and needs assessment.



For IZ units, developers are required to match the ratio of IZ units (including floor area) to market units. For example, if 40% of market units are two-bedroom units, then 40% of IZ units need to be two-bedroom units. Milton, however, reserves the right to adjust the number of required IZ units based on community needs and can revise these requirements following the five-year review.

3. Affected Developments and Threshold Size

Inclusionary zoning should apply to all new residential developments with:

- 100 or more units.
- A gross floor area of 8,000 square metres or more.

All impacted developments will be located within Protected M.T.S.A.s as defined by the Official Plan.

Inclusionary zoning units should be determined for all applicable developments at the site plan approval stage of the development process. This stage is after the zoning by-law amendment or rezoning has occurred but before the final building permits are issued.

Exemptions

Inclusionary zoning requirements will not apply to:

- Non-profit housing organizations.
- Co-operative housing organizations.

The recommendation to implement an IZ by-law in Milton that applies to all new residential developments with 100 or more units or a gross floor area of 8,000 square metres or more is both balanced and well-justified. This approach represents a thoughtful middle ground based on best practices in comparable municipalities and aligns with the City of Toronto's IZ policy, which similarly targets large developments with a focus on ensuring both affordability and economic viability. By setting thresholds at 100 units or 8,000 square metres, Milton can effectively capture larger residential projects, which are better equipped to incorporate affordable units without jeopardizing developers' financial returns. At the same time, this ensures that the policy is not overly restrictive, allowing smaller developments to proceed unburdened by mandatory affordability requirements, thereby maintaining a steady flow of new housing supply.



This recommendation is also consistent with the anticipated density patterns in Milton's M.T.S.A.s, where mid- to high-rise residential developments are expected to dominate new construction. The proposed thresholds ensure that developments in these key areas contribute to the affordable housing stock, which is critical for fostering mixed-income communities near transit hubs.

Furthermore, the thresholds are well-supported by Watson's viability analysis of mid-rise buildings, which concluded that developments at this scale are financially viable under IZ requirements. Watson's analysis indicates that large developments can absorb the costs associated with providing affordable units without compromising profitability, making 100 units or 8,000 square metres an appropriate threshold for Milton. Applying the by-law at this scale ensures that it remains economically feasible for developers, while generating a meaningful number of affordable units. By adopting a threshold that is neither too high nor too low, Milton can maximize the impact of IZ without stifling new development.

It is recommended that upon the five-year review, Milton staff gauge whether the IZ policy is capturing the targeted developments and assess whether that should reduce the threshold.

4. Affordability Period

Affordability should be maintained for 99 years.

The recommendation to set an affordability period of 99 years for units created through Milton's IZ by-law is driven by the goal of ensuring a lasting generational impact on housing affordability in Milton. By establishing a long-term affordability period, the policy ensures that affordable housing units remain available for future generations, contributing to the sustainability of Milton's housing supply. A shorter affordability period risks losing affordable units over time as they revert to market rates, undermining the policy's long-term effectiveness and creating a situation where the municipality continually struggles to keep pace with the growing demand for affordable housing.

A 99-year affordability period ensures that affordability is maintained regardless of changes in tenancy. This approach protects against speculative pressures that could otherwise erode the stock of affordable units. By decoupling affordability from specific tenants and tying it instead to the unit itself, the policy guarantees that the benefit of affordability will extend beyond the first occupants, ensuring stable, predictable housing



costs for multiple generations of households. This long-term stability is particularly important in rapidly growing municipalities like Milton, where rising housing costs are a major concern for middle- and low-income families.

Additionally, a 99-year affordability period aligns with best practices in other jurisdictions and reflects a commitment to generational equity. Many leading municipalities in Ontario and Canada have adopted similar long-term affordability periods to ensure that housing remains accessible for decades to come. This approach not only secures a lasting public benefit but also reduces administrative burdens associated with the expiration and renewal of affordability terms. Instead of repeatedly renegotiating affordability requirements, the municipality can focus on building additional affordable units and addressing other pressing housing needs.

5. Rental Price of Units

Rental unit prices must be set below A.M.R., as determined annually by CMHC.

6. Monitoring and Stewardship

The Town of Milton should:

- Establish an internal affordable housing registry of IZ units to permit the Town to monitor and manage the units.
- Partner with non-profit housing providers to manage and maintain affordable units.
- Conduct a bi-annual review of the IZ program to ensure compliance and address emerging needs.
- Provide annual updated reports and information concerning affordable units.

Enforcement and Compliance Mechanisms

In accordance with subsections 35.2 (7) and 35.2 (8) of the Ontario *Planning Act*, agreements under the IZ policy will include mechanisms to ensure long-term compliance with affordability requirements.

Under subsection 35.2 (7), all IZ agreements between the municipality and the developer or property owner will be registered on the title of the property. This registration ensures that the terms of the IZ policy, including affordability requirements, are legally binding on current and future owners of the property. By recording these



agreements on the title, the municipality safeguards the affordable housing commitments over the specified affordability period, providing continuity and enforceability beyond any ownership transfers.

Subsection 35.2 (8) grants municipalities the right to use enforcement remedies outlined in section 446 of the *Municipal Act* to address non-compliance with IZ agreements. In cases where the property owner or developer fails to meet the terms of the agreement, the municipality may apply the following measures:

- **Right of Entry:** Municipal staff are authorized to enter the property to assess and enforce compliance with affordability and maintenance standards.
- **Cost Recovery through Tax Roll:** If the municipality incurs costs to bring the property into compliance, it can add these costs to the property's tax roll, ensuring recovery of expenses related to enforcement actions.
- **Interest Charges and Liens:** For unpaid amounts due, as a result of enforcement costs, the municipality has the authority to charge interest and place a lien on the property, further incentivizing compliance with the IZ agreement.

7. Offsite Units

On a case-by-case basis, affordable offsite units may be allowed by the municipality, provided the units are located within 500 to 800 metres of the major development and meet affordability criteria.

Offsite affordable units may be permitted under specific conditions where it is determined they can deliver equal or greater benefit to the community. Conditions include:

- **Economic or Structural Constraints:** If the primary development faces financial or structural challenges that make onsite affordable housing impractical (e.g., high costs due to unique building designs, heritage preservation, or limited available space), offsite units may be considered as an alternative.
- **Enhanced Affordability Objectives:** In cases where locating affordable units offsite allows for more units or deeper levels of affordability than what would be feasible onsite, the municipality may approve this approach to maximize community benefits.



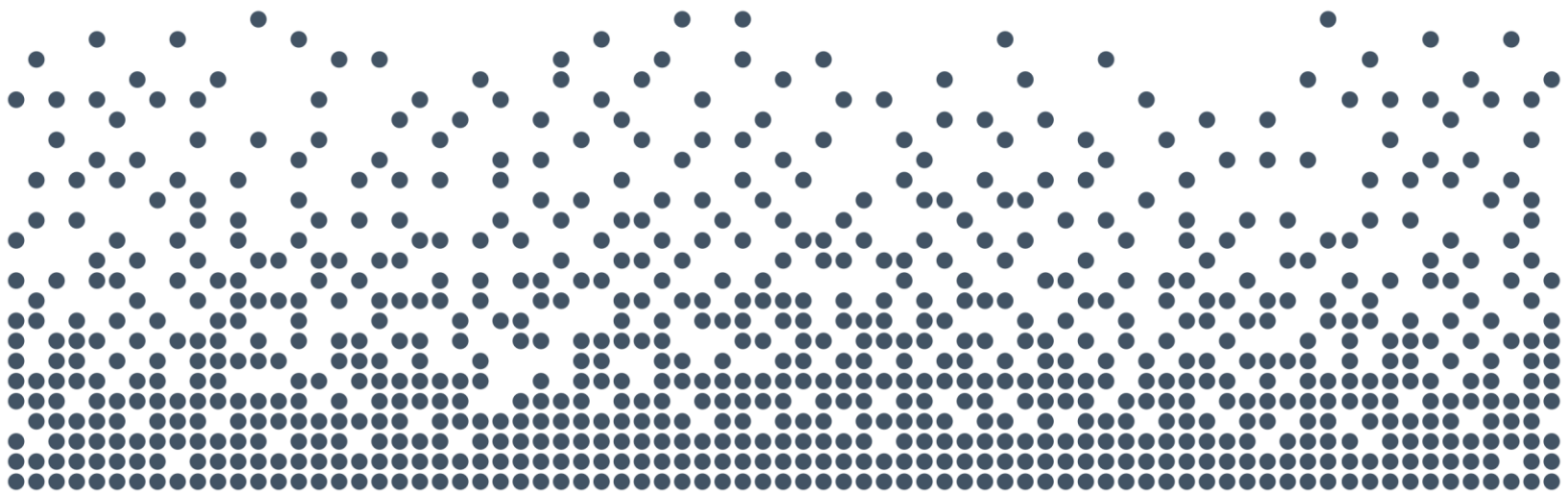
Offsite units will be subject to the same monitoring and compliance standards as onsite units, with regular reporting to ensure long-term affordability. The municipality reserves the right to audit and enforce affordability compliance for offsite units.

9.3 Conclusions

The Town should also want to address the following:

- The Official Plan may include IZ policies where M.T.S.A.s have been identified or in community Planning Permit Areas.
- The Official Plan must include IZ goals, objectives, measures, and procedures as presented herein.
- The Town should assess the IZ policies at least every five years and update them if needed.

While effective, IZ is one of many tools that Milton can implement to address its housing needs. Although IZ serves a critical function in generating affordable housing within new residential developments, it works most effectively when integrated into a comprehensive housing strategy that includes a variety of complementary approaches. Inclusionary zoning directly contributes to Milton's affordable housing stock by requiring private developers to include affordable units in larger projects, ensuring that new growth remains inclusive. However, IZ alone cannot solve all of Milton's housing challenges, especially given the diverse range of needs across income levels, household types, and demographics. By adopting a multi-faceted approach, Milton can better respond to its current and future housing needs, ensuring that residents across all income levels have access to safe, affordable, and appropriate housing.



Appendices



Appendix A

Planning Act Requirements and How Addressed



Appendix A: Planning Act Requirements and How Addressed

The table below sets out a comprehensive list of the provisions and requirements and outlines how each issue is or will be addressed.

Planning Act Requirements	How Addressed
16 (4) Official Plan may include inclusionary zoning (IZ) policies where Protected Major Transit Station Areas (P.M.T.S.A.s) have been identified or in Community Planning Permit System areas.	See Affected Development in the IZ Policy.
16 (6) Official Plan must include IZ goals and objectives and the measures and procedures to attain these.	Included in IZ Policy.
16 (9) Prepare an assessment report before adopting IZ policies.	Milton has completed an assessment report.
16 (10) Assessment reports must be updated every five years to determine if IZ policies should be amended.	Milton staff must plan and budget an assessment report update every five years.
16 (15) Where there is no upper tier planning authority, IZ policies can only apply where (Area Municipal) Official Plans have P.M.T.S.A.s identified and delineated and include minimum targets for people and jobs per hectare, regulations regarding use, and minimum densities for buildings.	The Town's OP already identifies the MTSA's as PMTSA's. The Town's new OP will include all the other policy components required.
17 (24.1.2-24.1.3); 17 (36.1.2); 34 (11.0.6); 34 (19.3-19.3.1) IZ zoning by-laws and Official Plan policies, requirements, and standards cannot be appealed except by the Minister.	No action required.
35.2 (1) Council may pass zoning by-laws to give effect to IZ policies under section 16 (4). It must include any prescribed provincial standards.	Contents of the zoning by-law must include the information prescribed in subsection 35.2 (2). Much of the content is the same as what is noted in the list for the Official Plan Amendment and is noted below.



Planning Act Requirements	How Addressed
35.2 (2) (a) An IZ by-law shall require and specify the number of affordable housing units required; or the gross floor area required.	See Set-Aside Rates in the IZ policy.
35.2 (2) (b) An IZ by-law shall require that units be maintained as affordable for a period of time.	See Affordability Period in the IZ Policy.
35.2 (2) (c) & (d) May require that the affordable housing units meet additional requirements and standards specified in the by-law.	See Set-Aside Rates in the IZ policy.
35.2 (2) (e) & (f) May provide for measures and incentives to support those policies.	See Incentives in the IZ Policy.
35.2 (2) (g) Shall require that when the affordable housing units are sold or leased, they be priced or leased at the rent determined under the by-law.	See Rent and Price of Unit in the IZ Policy.
35.2 (2) (h) Shall include the prescribed provisions and provisions about the prescribed matters.	Covered above.
35.2 (2) (i) Shall require that the owners of any lands, buildings, or structures that are to be developed or redeveloped to enter into agreements with the municipality, dealing with the matters mentioned in clauses (a) to (h) and ensuring continued compliance.	Under subsection 35.2 (7), all IZ agreements between the municipality and the developer or property owner will be registered on the title of the property.
35.2 (3-4) Council shall establish a procedure to ensure that affordability is maintained.	See Monitoring and Stewardship in the IZ Policy.
35.2 (5) Council may authorize the provision of required affordable units offsite.	See Offsite Units in the IZ Policy.
35.2 (6) Council may not accept cash in lieu of affordable units.	Cash in lieu not included in by-law or policy.
35.2 (7) Agreements may be registered on title.	See Enforcement and Compliance Mechanisms in the IZ Policy.
35.2 (8) The remedies for non-compliance with an agreement outlined in section 446 of the <i>Municipal Act</i> are applicable (<i>viz.</i> right of entry, adding cost	See Enforcement and Compliance Mechanisms in the IZ Policy.



Planning Act Requirements	How Addressed
to tax roll, charge interest and apply liens).	
35.2 (9) Municipalities shall provide prescribed reports and information concerning affordable units.	See Monitoring and Stewardship in the IZ Policy.

Ontario Regulation 232/18 Requirements	How Addressed
1. An analysis of demographics and population in the municipality.	Provided in Housing Needs Assessment.
2. An analysis of household incomes in the municipality.	Provided in Housing Needs Assessment.
3. An analysis of housing supply by housing type currently in the municipality and planned for in the Official Plan.	Provided in Housing Needs Assessment.
4. An analysis of housing types and sizes of units that may be needed to meet anticipated demand for affordable housing.	Provided in Housing Needs Assessment.
5. An analysis of the current average market price and the current average market rent for each housing type, taking into account location in the municipality.	Provided in Housing Needs Assessment.
6. An analysis of potential impacts on the housing market and on the financial viability of development or redevelopment in the municipality from IZ by-laws, taking into account: <ul style="list-style-type: none"> i. value of land, ii. cost of construction, iii. market price, iv. market rent, and v. housing demand and supply. 	See pro formas in Appendix B from Watson & Associates Economists Ltd.
7. A written opinion on the analysis described in paragraph 6 from a person independent of the municipality and who, in the opinion of the council of the municipality, is qualified to review the analysis.	The Town of Milton will obtain an independent written opinion on the inclusionary zoning financial impact analysis presented herein.



Official Plan Policies	How Issues are Addressed
Official plan policies described in subsection 16 (4) of the Act shall set out the approach to authorizing IZ, including the following:	
1. The minimum size, not to be less than 10 residential units, of development or redevelopment to which an IZ by-law would apply.	See Threshold Size in the IZ Policy.
2. The locations and areas where IZ by-laws would apply.	See affected developments in the IZ Policy.
3. The range of household incomes for which affordable housing units would be provided.	See Affordability in the IZ Policy.
4. The range of housing types and sizes of units that would be authorized as affordable housing units.	See Set-Aside Rates in the IZ Policy.
5. The number of affordable housing units, or the gross floor area to be occupied by the affordable housing units, that would be required.	See Set-Aside Rates in the IZ Policy.
6. The period of time for which affordable housing units would be maintained as affordable.	See Affordability Period in the IZ Policy.
7. How incentives would be determined	See Incentives in the IZ Policy.
8. How the price or rent of affordable housing units would be determined	See Rent and Price of Unit in the IZ Policy.
9. The approach to determine the percentage of the net proceeds to be distributed to the municipality from the sale of an affordable housing unit, including how net proceeds would be determined.	N/A as this policy recommends rental units and not ownership units.
10. The circumstances in and conditions under which offsite units would be permitted.	See Offsite Units.
11. The circumstances in which an offsite unit would be considered to be in proximity to the development or redevelopment giving rise to the by-law requirement for affordable housing units.	See Offsite Units in the IZ Policy.



Official Plan Policies	How Issues are Addressed
12. The procedure required under subsection 35.2 (3) of the Act to monitor and ensure that the required affordable housing units are maintained for the required period of time	See Monitoring and Stewardship in the IZ Policy.
13. Net proceeds of sale: A by-law and registered agreement may require a portion of the proceeds of a sale of an affordable ownership housing unit be distributed to the municipality (no more than 50%).	See Sale of Affordable Units in IZ Policy.



Appendix B

Cash Flow Tables

Town of Milton
Market Reference Scenario - 5.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,195,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$387,728	\$470,812	\$5,215,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$387,728	\$141,244	\$5,219,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																	
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,066,366	\$906,785	\$14,013,949	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,782,136	\$8,507,455	\$333,956,848	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,856,608	\$79,856,608	\$79,856,608	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$125,269,844	-\$71,349,153	\$254,100,240	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	13.7%
10% Discount Rate - Net Present Value	\$8,455,857
Average Cash-on-Cash Return	8.86%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq.ft.)	451,234
Construction G.F.A. above grade (sq.ft.) ^[1]	451,234
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq.ft.)	\$0
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Construction costs derived from 2024 RSMeans construction cost data.

^[4] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$438,727
Development Charges ^[1]	\$26,268,327
Building Permit Fees ^[2]	\$842,984
Parkland Dedication ^[3]	\$339,593
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,348,992
Total Development Cost	\$275,275,968
Contingency	\$5,505,519
Total Development Cost with Contingency	\$280,781,487

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$210,586,116
Initial Equity Required	\$70,195,372
Loan Amount	\$210,586,116
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,856,608

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ^[1] [2]	
1 Bedroom	102	\$553,990	\$56,507,021
1 Bedroom + Den	266	\$619,792	\$164,864,618
2 Bedroom	134	\$659,036	\$89,650,788
2 Bedroom + Den	68	\$856,498	\$58,241,886
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	570	\$369,284,312	

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
Market Reference Scenario - 4.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,195,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$387,728	\$470,812	\$5,215,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$387,728	\$141,244	\$5,219,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$746,902																	
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,066,366	\$906,785	\$14,013,949	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,782,136	\$8,507,455	\$333,956,848	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$78,692,893	\$78,692,893	\$78,692,893	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,106,129	-\$70,185,438	\$255,263,955	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	15.1%
10% Discount Rate - Net Present Value	\$11,639,243
Average Cash-on-Cash Return	9.00%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

⁽²⁾ Construction costs derived from 2024 RSMMeans construction cost data.

⁽³⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$438,727
Development Charges ⁽¹⁾	\$26,268,327
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$339,593
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,348,992
Total Development Cost	\$275,275,968
Contingency	\$5,505,519
Total Development Cost with Contingency	\$280,781,487

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$210,586,116
Initial Equity Required	\$70,195,372
Loan Amount	\$210,586,116
Interest Rate	4.50%
Periods (year)	3
Payment	\$78,692,893

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	102	\$553,990	\$56,507,021
1 Bedroom + Den	266	\$619,792	\$164,864,618
2 Bedroom	134	\$659,036	\$89,650,788
2 Bedroom + Den	68	\$856,498	\$58,241,886
Affordable Units⁽²⁾			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	570	\$369,284,312	

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
Market Reference Scenario - 3.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,195,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,848,502	\$9,416,240	\$347,685,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$387,728	\$470,812	\$5,215,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$387,728	\$141,244	\$5,219,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																	
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,066,366	\$906,785	\$14,013,949	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,782,136	\$8,507,455	\$333,956,848	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$77,534,990	\$77,534,990	\$77,534,990	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$122,948,226	-\$69,027,534	\$256,421,858	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	16.4%
10% Discount Rate - Net Present Value	\$14,806,730
Average Cash-on-Cash Return	9.13%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq.ft.)	451,234
Construction G.F.A. above grade (sq.ft.) ^[1]	451,234
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq.ft.)	\$0
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
^[2] Construction costs derived from 2024 RSMMeans construction cost data.
^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$438,727
Development Charges ^[1]	\$26,268,327
Building Permit Fees ^[2]	\$842,984
Parkland Dedication ^[3]	\$339,593
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,348,992
Total Development Cost	\$275,275,968
Contingency	\$5,505,519
Total Development Cost with Contingency	\$280,781,487

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$210,586,116
Initial Equity Required	\$70,195,372
Loan Amount	\$210,586,116
Interest Rate	3.50%
Periods (year)	3
Payment	\$77,534,990

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ^[1] [2]	
1 Bedroom	102	\$553,990	\$56,507,021
1 Bedroom + Den	266	\$619,792	\$164,864,618
2 Bedroom	134	\$659,036	\$89,650,788
2 Bedroom + Den	68	\$856,498	\$58,241,886
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	570	\$369,284,312	

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
Market Reference Scenario - 5% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$70,737,014	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$27,140,927	\$9,887,052	\$365,069,507	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Effective Residential Gross Revenue		\$27,140,927	\$9,887,052	\$365,069,507	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941	
Sales Commission	5.00%	\$407,114	\$494,353	\$5,476,043	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$407,114	\$148,306	\$5,480,326	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$243,852	\$248,729																								
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887	
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																		
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$1,105,139	\$939,388	\$14,535,477	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828	
Net Operating Income		\$26,035,788	\$8,947,664	\$350,819,582	-1,178,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$80,472,798	\$80,472,798	\$80,472,798	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$125,174,024	-\$71,525,134	\$270,346,784	-1,178,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	

Financial Feasibility	
Before-Tax IRR	18.9%
10% Discount Rate - Net Present Value	\$21,818,590
Average Cash-on-Cash Return	9.74%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$438,727
Development Charges ⁽¹⁾	\$26,268,327
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$339,593
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$29,473,078
Total Development Cost	\$277,400,055
Contingency	\$5,548,001
Total Development Cost with Contingency	\$282,948,056

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$212,211,042
Initial Equity Required	\$70,737,014
Loan Amount	\$212,211,042
Interest Rate	5.50%
Periods (year)	3
Payment	\$80,472,798

Revenue from Sale of Condominium Units			
Unit Type	Market Units		Total Revenue
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
	1 Bedroom	102	
1 Bedroom + Den	266	\$650,781	\$173,107,849
2 Bedroom	134	\$702,468	\$94,133,328
2 Bedroom + Den	68	\$899,323	\$61,153,980
Affordable Units⁽²⁾			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	570		\$387,727,528

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
Market Reference Scenario - 10% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$71,278,656	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$26,433,352	\$10,357,864	\$382,453,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$26,433,352	\$10,357,864	\$382,453,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$26,433,352	\$10,357,864	\$382,453,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	4.00%	\$426,500	\$517,893	\$5,736,807	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$426,500	\$155,368	\$5,741,090	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,815	\$776,017	\$791,517	\$807,317	\$823,417	\$839,817	\$856,517	\$873,517	\$890,817	\$908,417	\$926,317	\$944,517	\$963,017	\$981,817	\$1,000,917	\$1,020,317	\$1,040,117
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,143,912	\$969,990	\$15,057,005	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$27,289,441	\$9,387,874	\$367,682,316	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$91,088,988	\$91,088,988	\$91,088,988	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$125,078,204	-\$71,701,115	\$286,593,328	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	23.6%
10% Discount Rate - Net Present Value	\$35,181,323
Average Cash-on-Cash Return	10.60%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.

⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200

Other Development Costs	
Planning Fees	\$438,727
Development Charges ⁽¹⁾	\$26,268,327
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$339,593
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$31,597,165
Total Development Cost	\$279,524,141
Contingency	\$5,590,483
Total Development Cost with Contingency	\$285,114,624

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-law 045-2021.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$213,835,968
Initial Equity Required	\$71,278,656
Loan Amount	\$213,835,968
Interest Rate	5.50%
Periods (year)	3
Payment	\$81,088,988

Revenue from Sale of Condominium Units			
Unit Type	Market Units		Total Revenue
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
	1 Bedroom	102	
1 Bedroom + Den	266	\$681,771	\$181,351,080
2 Bedroom	134	\$735,939	\$98,615,867
2 Bedroom + Den	68	\$942,148	\$64,056,074
Affordable Units⁽²⁾			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	570		\$406,190,744

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
2.5% Affordable Units Scenario - 5.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,963,516	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$385,783	\$468,451	\$5,189,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$385,783	\$468,451	\$5,193,411	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,915	\$776,327	\$792,147	\$808,384	\$825,057	\$842,185	\$859,786	\$877,780	\$896,186	\$915,023	\$934,321	\$954,109	\$974,427	\$995,305	\$1,016,783	\$1,038,891	\$1,061,669
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,062,478	\$995,716	\$13,961,647	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,656,411	\$8,463,308	\$332,265,737	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,592,841	\$79,592,841	\$79,592,841	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,899,945	-\$71,129,533	\$252,672,897	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	13.5%
10% Discount Rate - Net Present Value	\$7,845,787
Average Cash-on-Cash Return	8.82%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq. ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.

⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$432,442
Development Charges ⁽¹⁾	\$25,593,321
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$330,662
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,135,974
Total Development Cost	\$274,366,728
Contingency	\$5,487,335
Total Development Cost with Contingency	\$279,854,063

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,890,547
Initial Equity Required	\$69,963,516
Loan Amount	\$209,890,547
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,592,841

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	99	\$553,990	\$54,845,049
1 Bedroom + Den	259	\$619,792	\$160,526,075
2 Bedroom	131	\$699,036	\$91,643,681
2 Bedroom + Den	66	\$956,498	\$56,528,889
Affordable Units⁽²⁾			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	7	\$524,600	\$3,672,200
2 Bedroom	3	\$524,600	\$1,573,800
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	570		\$367,412,695

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
2.5% Affordable Units Scenario - 4.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,963,516	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$385,783	\$468,451	\$5,189,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$385,783	\$468,451	\$5,189,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,915	\$776,324	\$792,137	\$808,364	\$825,014	\$842,100	\$859,642	\$877,652	\$896,142	\$915,134	\$934,640	\$954,674	\$975,250	\$996,382	\$1,018,084	\$1,040,370	\$1,063,255
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,062,478	\$995,716	\$13,961,647	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,656,411	\$8,463,308	\$332,265,737	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$78,432,969	\$78,432,969	\$78,432,969	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$123,740,074	-\$69,969,662	\$253,832,768	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	14.8%
10% Discount Rate - Net Present Value	\$11,018,658
Average Cash-on-Cash Return	8.95%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq. ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
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Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$432,442
Development Charges ⁽¹⁾	\$28,593,321
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$330,662
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,135,974
Total Development Cost	\$274,366,728
Contingency	\$5,487,335
Total Development Cost with Contingency	\$279,854,063

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,890,547
Initial Equity Required	\$69,963,516
Loan Amount	\$209,890,547
Interest Rate	4.50%
Periods (year)	3
Payment	\$78,432,969

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	99	\$53,990	\$5,484,049
1 Bedroom + Den	259	\$619,792	\$160,526,075
2 Bedroom	131	\$699,036	\$91,643,681
2 Bedroom + Den	66	\$856,498	\$56,528,889
Affordable Units⁽²⁾			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	7	\$524,600	\$3,672,200
2 Bedroom	3	\$524,600	\$1,573,800
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	570		\$367,412,695

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
2.5% Affordable Units Scenario - 3.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,963,516	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,718,889	\$9,369,024	\$345,941,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$385,783	\$468,451	\$5,189,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$385,783	\$468,451	\$5,193,411	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,915	\$776,327	\$792,139	\$808,362	\$825,007	\$842,074	\$859,564	\$877,489	\$895,850	\$914,659	\$933,918	\$953,638	\$973,820	\$994,477	\$1,015,612	\$1,037,237	\$1,059,364
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,062,478	\$995,716	\$13,961,647	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,656,411	\$8,463,308	\$332,265,737	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$77,278,891	\$77,278,891	\$77,278,891	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$122,585,995	-\$68,815,583	\$254,986,847	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	16.2%
10% Discount Rate - Net Present Value	\$14,175,654
Average Cash-on-Cash Return	9.09%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.

⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$432,442
Development Charges ⁽¹⁾	\$28,593,321
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$330,662
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$27,135,974
Total Development Cost	\$274,366,728
Contingency	\$5,487,335
Total Development Cost with Contingency	\$279,854,063

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,890,547
Initial Equity Required	\$69,963,516
Loan Amount	\$209,890,547
Interest Rate	3.50%
Periods (year)	3
Payment	\$77,278,891

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	99	\$553,990	\$54,845,049
1 Bedroom + Den	259	\$619,792	\$160,526,075
2 Bedroom	131	\$699,036	\$91,643,681
2 Bedroom + Den	66	\$956,498	\$56,528,889
Affordable Units⁽²⁾			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	7	\$524,600	\$3,672,200
2 Bedroom	3	\$524,600	\$1,573,800
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	570		\$367,412,695

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
2.5% Affordable Units Scenario - 5% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$70,490,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$26,977,292	\$9,827,442	\$362,868,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Effective Residential Gross Revenue		\$26,977,292	\$9,827,442	\$362,868,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941	
Sales Commission	5.00%	\$404,659	\$491,372	\$5,443,027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$404,659	\$147,412	\$5,447,310	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$243,852	\$248,729																								
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887	
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																		
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$1,100,230	\$935,513	\$14,469,446	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828	
Net Operating Income		\$25,877,062	\$8,891,929	\$348,684,572	-1,178,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$80,192,810	\$80,192,810	\$80,192,810	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$124,806,648	-\$71,300,881	\$268,491,762	-1,178,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	

Financial Feasibility	
Before-Tax IRR	18.5%
10% Discount Rate - Net Present Value	\$20,856,756
Average Cash-on-Cash Return	9.68%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq. ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject site.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$432,442
Development Charges ⁽¹⁾	\$25,593,321
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$330,662
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$29,204,145
Total Development Cost	\$276,434,900
Contingency	\$5,528,698
Total Development Cost with Contingency	\$281,963,598

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$211,472,699
Initial Equity Required	\$70,490,900
Loan Amount	\$211,472,699
Interest Rate	5.50%
Periods (year)	3
Payment	\$80,192,810

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	99	\$581,690	\$57,587,302
1 Bedroom + Den	259	\$650,781	\$168,552,379
2 Bedroom	131	\$702,468	\$92,025,865
2 Bedroom + Den	66	\$899,323	\$59,355,333
Affordable Units⁽²⁾			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	7	\$524,600	\$3,672,200
2 Bedroom	3	\$524,600	\$1,573,800
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	570		\$385,389,880

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
2.5% Affordable Units Scenario - 10% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$71,018,283	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$26,235,694	\$10,285,860	\$379,795,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$26,235,694	\$10,285,860	\$379,795,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$26,235,694	\$10,285,860	\$379,795,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	4.00%	\$423,535	\$514,293	\$5,696,926	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$423,535	\$154,288	\$5,701,210	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,815	\$776,017	\$791,517	\$807,317	\$823,427	\$839,847	\$856,578	\$873,620	\$890,973	\$908,638	\$926,615	\$944,906	\$963,512	\$982,434	\$1,001,672	\$1,021,237	\$1,041,128
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,137,982	\$965,310	\$14,977,245	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$27,097,713	\$9,320,550	\$365,103,407	-\$1,785,230	-\$1,820,935	-\$1,857,353	-\$1,894,500	-\$1,932,390	-\$1,210,218	-\$1,234,422	-\$1,259,110	-\$1,284,293	-\$1,309,979	-\$1,336,178	-\$1,362,902	-\$1,390,160	-\$1,417,963	-\$1,446,322	-\$1,475,249	-\$1,504,754	-\$1,534,849	-\$1,565,546	-\$1,596,856	-\$1,628,794	-\$1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$80,792,780	\$80,792,780	\$80,792,780	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,713,350	-\$71,472,230	\$284,310,628	-\$1,785,230	-\$1,820,935	-\$1,857,353	-\$1,894,500	-\$1,932,390	-\$1,210,218	-\$1,234,422	-\$1,259,110	-\$1,284,293	-\$1,309,979	-\$1,336,178	-\$1,362,902	-\$1,390,160	-\$1,417,963	-\$1,446,322	-\$1,475,249	-\$1,504,754	-\$1,534,849	-\$1,565,546	-\$1,596,856	-\$1,628,794	-\$1,661,369

Financial Feasibility	
Before-Tax IRR	23.2%
10% Discount Rate - Net Present Value	\$33,867,725
Average Cash-on-Cash Return	10.52%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq.ft.)	451,234
Construction G.F.A. above grade (sq.ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq.ft.)	\$0
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.

⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200

Other Development Costs	
Planning Fees	\$432,442
Development Charges ⁽¹⁾	\$28,593,321
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$330,662
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$31,272,317
Total Development Cost	\$278,503,072
Contingency	\$5,570,061
Total Development Cost with Contingency	\$284,073,133

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$213,054,850
Initial Equity Required	\$71,018,283
Loan Amount	\$213,054,850
Interest Rate	5.50%
Periods (year)	3
Payment	\$80,792,780

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	99	\$609,389	\$60,329,554
1 Bedroom + Den	259	\$681,771	\$176,578,683
2 Bedroom	131	\$735,939	\$96,408,049
2 Bedroom + Den	66	\$942,148	\$62,181,778
Affordable Units⁽²⁾			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	7	\$524,600	\$3,672,200
2 Bedroom	3	\$524,600	\$1,573,800
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	570		\$403,387,064

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
5% Affordable Units Scenario - 5.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,763,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$384,167	\$466,488	\$5,167,383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$384,167	\$139,946	\$5,171,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty		\$0	\$0																							
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
Property Taxes	2.00% Inflation	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,059,245	\$903,164	\$13,918,159	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,551,874	\$8,426,601	\$330,859,622	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,365,067	\$79,365,067	\$79,365,067	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,576,492	-\$70,938,466	\$251,494,555	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	13.3%
10% Discount Rate - Net Present Value	\$7,369,102
Average Cash-on-Cash Return	8.78%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$426,995
Development Charges ⁽¹⁾	\$24,992,407
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$322,978
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$26,958,855
Total Development Cost	\$273,581,564
Contingency	\$5,471,631
Total Development Cost with Contingency	\$279,053,195

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,289,896
Initial Equity Required	\$69,763,299
Loan Amount	\$209,289,896
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,365,067

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	97	\$53,990	\$5,373,069
1 Bedroom + Den	253	\$619,792	\$156,807,324
2 Bedroom	127	\$659,036	\$84,967,538
2 Bedroom + Den	65	\$856,498	\$55,672,391
Affordable Units⁽²⁾			
1 Bedroom	5	\$524,600	\$2,623,000
1 Bedroom + Den	13	\$524,600	\$6,819,800
2 Bedroom	7	\$524,600	\$3,672,200
2 Bedroom + Den	3	\$524,600	\$1,573,800
Total	570		\$365,873,122

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
5% Affordable Units Scenario - 4.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,763,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$384,167	\$466,498	\$5,167,383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$384,167	\$139,946	\$5,171,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																	
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,059,245	\$903,164	\$13,918,159	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,551,874	\$8,426,601	\$330,859,622	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$78,208,515	\$78,208,515	\$78,208,515	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$123,419,940	-\$69,781,914	\$252,651,107	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	14.7%
10% Discount Rate - Net Present Value	\$10,532,892
Average Cash-on-Cash Return	8.92%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ^[1]	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq. ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Construction costs derived from 2024 RSMeans construction cost data.

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Net HST Cost on Sale of units	\$26,958,855
Total Development Cost	\$273,581,564
Contingency	\$5,471,631
Total Development Cost with Contingency	\$279,053,195

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,289,896
Initial Equity Required	\$69,763,299
Loan Amount	\$209,289,896
Interest Rate	4.50%
Periods (year)	3
Payment	\$78,208,515

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ^[1]	
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1 Bedroom + Den	253	\$619,792	\$156,807,324
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2 Bedroom + Den	65	\$856,498	\$55,672,391
Affordable Units^[2]			
1 Bedroom	5	\$524,600	\$2,623,000
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2 Bedroom + Den	3	\$524,600	\$1,573,800
Total	570		\$365,873,122

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
5% Affordable Units Scenario - 3.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,763,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,611,119	\$9,329,765	\$344,492,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$384,167	\$466,498	\$5,167,383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$384,167	\$139,946	\$5,171,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty		\$0	\$0																							
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
Property Taxes	2.00% Inflation	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,059,245	\$903,164	\$13,918,159	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,551,874	\$8,426,601	\$330,859,622	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$77,057,739	\$77,057,739	\$77,057,739	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$122,269,164	-\$68,631,138	\$253,801,883	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	16.0%
10% Discount Rate - Net Present Value	\$13,680,853
Average Cash-on-Cash Return	9.06%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq. ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
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Development Cost	
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Parking Construction Cost	Custom Total
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Planning Fees	\$426,995
Development Charges ⁽¹⁾	\$24,992,407
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$322,978
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$26,958,855
Total Development Cost	\$273,581,564
Contingency	\$5,471,631
Total Development Cost with Contingency	\$279,053,195

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,289,896
Initial Equity Required	\$69,763,299
Loan Amount	\$209,289,896
Interest Rate	3.50%
Periods (year)	3
Payment	\$77,057,739

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	97	\$53,990	\$53,737,069
1 Bedroom + Den	253	\$619,792	\$156,807,324
2 Bedroom	127	\$699,036	\$89,967,538
2 Bedroom + Den	65	\$856,498	\$55,672,391
Affordable Units⁽²⁾			
1 Bedroom	5	\$524,600	\$2,623,000
1 Bedroom + Den	13	\$524,600	\$6,819,800
2 Bedroom	7	\$524,600	\$3,672,200
2 Bedroom + Den	3	\$524,600	\$1,573,800
Total	570		\$365,873,122

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
5% Affordable Units Scenario - 5% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,278,421	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$26,840,264	\$9,777,525	\$361,025,319	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$26,840,264	\$9,777,525	\$361,025,319	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$402,604	\$498,876	\$5,415,380	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$402,604	\$146,663	\$5,419,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty		\$0	\$0																							
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
Property Taxes	2.00% Inflation	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	2.00%	\$1,096,119	\$932,268	\$14,414,151	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$25,744,145	\$8,845,256	\$346,896,720	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,951,087	\$79,951,087	\$79,951,087	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,485,363	-\$71,105,831	\$266,945,633	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	18.3%
10% Discount Rate - Net Present Value	\$20,077,566
Average Cash-on-Cash Return	9.62%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject site.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200

Other Development Costs	
Planning Fees	\$426,995
Development Charges ⁽¹⁾	\$24,992,407
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$322,978
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$28,978,942
Total Development Cost	\$275,601,651
Contingency	\$5,512,033
Total Development Cost with Contingency	\$281,113,684

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$210,835,269
Initial Equity Required	\$70,278,421
Loan Amount	\$210,835,269
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,951,087

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	97	\$581,690	\$56,423,922
1 Bedroom + Den	253	\$650,781	\$164,647,691
2 Bedroom	127	\$702,468	\$89,215,915
2 Bedroom + Den	65	\$899,323	\$58,456,010
Affordable Units⁽²⁾			
1 Bedroom	5	\$524,600	\$2,623,000
1 Bedroom + Den	13	\$524,600	\$6,819,800
2 Bedroom	7	\$524,600	\$3,672,200
2 Bedroom + Den	3	\$524,600	\$1,573,800
Total	570	\$383,432,338	

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
5% Affordable Units Scenario - 10% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,793,543	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$26,069,409	\$10,225,285	\$377,558,410	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$26,069,409	\$10,225,285	\$377,558,410	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$26,069,409	\$10,225,285	\$377,558,410	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$421,041	\$511,264	\$5,663,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$421,041	\$153,379	\$5,667,659	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,815	\$776,017	\$791,517	\$807,317	\$823,427	\$839,847	\$856,577	\$873,617	\$890,967	\$908,627	\$926,597	\$944,877	\$963,467	\$982,277	\$1,001,307	\$1,020,557	\$1,040,027
Property Taxes	2.00% Inflation	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,132,993	\$961,373	\$14,910,144	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$26,936,416	\$9,263,912	\$362,933,818	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$80,537,108	\$80,537,108	\$80,537,108	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$124,394,235	-\$71,273,196	\$282,396,710	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369

Financial Feasibility	
Before-Tax IRR	22.8%
10% Discount Rate - Net Present Value	\$32,786,031
Average Cash-on-Cash Return	10.45%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200

Other Development Costs	
Planning Fees	\$426,995
Development Charges ⁽¹⁾	\$24,992,407
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$322,978
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$30,999,028
Total Development Cost	\$277,621,737
Contingency	\$5,552,435
Total Development Cost with Contingency	\$283,174,172

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$212,380,629
Initial Equity Required	\$70,793,543
Loan Amount	\$212,380,629
Interest Rate	5.50%
Periods (year)	3
Payment	\$80,537,108

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	97	\$609,389	\$59,110,775
1 Bedroom + Den	253	\$681,771	\$172,488,057
2 Bedroom	127	\$735,939	\$93,464,292
2 Bedroom + Den	65	\$942,148	\$61,239,630
Affordable Units⁽²⁾			
1 Bedroom	5	\$524,600	\$2,623,000
1 Bedroom + Den	13	\$524,600	\$6,819,800
2 Bedroom	7	\$524,600	\$3,672,200
2 Bedroom + Den	3	\$524,600	\$1,573,800
Total	570		\$400,991,554

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
10% Affordable Units Scenario - 5.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,311,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$380,309	\$461,804	\$5,115,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$380,309	\$138,541	\$5,119,779	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,815	\$776,017	\$791,517	\$807,317	\$823,427	\$839,847	\$856,577	\$873,617	\$890,967	\$908,627	\$926,597	\$944,877	\$963,467	\$982,277	\$1,001,307	\$1,020,557	\$1,040,027
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,051,529	\$897,075	\$13,814,384	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,302,420	\$8,339,007	\$327,504,244	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$78,851,260	\$78,851,260	\$78,851,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$123,860,494	-\$70,512,253	\$248,652,984	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	12.8%
10% Discount Rate - Net Present Value	\$6,124,160
Average Cash-on-Cash Return	8.63%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq.ft.)	451,234
Construction G.F.A. above grade (sq.ft.) ^[1]	451,234
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq.ft.)	\$0
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Construction costs derived from 2024 RSMeans construction cost data.
^[4] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$414,844
Development Charges ^[1]	\$23,973,441
Building Permit Fees ^[2]	\$842,984
Parkland Dedication ^[3]	\$305,592
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$26,536,200
Total Development Cost	\$271,810,406
Contingency	\$5,436,208
Total Development Cost with Contingency	\$277,246,614

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$207,934,960
Initial Equity Required	\$69,311,653
Loan Amount	\$207,934,960
Interest Rate	5.50%
Periods (year)	3
Payment	\$78,851,260

Revenue from Sale of Condominium Units			
Unit Type	Market Units		Total Revenue
	# Units	Sale Price Less ^[1]	
	1 Bedroom	92	
1 Bedroom + Den	239	\$619,792	\$148,130,239
2 Bedroom	121	\$699,036	\$80,953,324
2 Bedroom + Den	61	\$856,498	\$52,246,397
Affordable Units^[2]			
1 Bedroom	10	\$524,600	\$5,246,000
1 Bedroom + Den	27	\$524,600	\$14,164,200
2 Bedroom	13	\$524,600	\$6,819,800
2 Bedroom + Den	7	\$524,600	\$3,672,200
Total	570		\$362,199,277

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
10% Affordable Units Scenario - 4.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$69,311,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Effective Residential Gross Revenue		\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941	
Sales Commission	5.00%	\$380,309	\$461,804	\$5,115,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$380,309	\$138,541	\$5,119,779	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$243,852	\$248,729																								
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887	
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																		
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$1,051,529	\$897,075	\$13,814,384	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828	
Net Operating Income		\$24,302,420	\$8,339,007	\$327,504,244	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$77,702,196	\$77,702,196	\$77,702,196	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$122,711,429	-\$69,363,189	\$249,802,048	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369	

Financial Feasibility	
Before-Tax IRR	14.2%
10% Discount Rate - Net Present Value	\$9,267,469
Average Cash-on-Cash Return	8.83%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq.ft.)	451,234
Construction G.F.A. above grade (sq.ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq.ft.)	\$0
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$414,844
Development Charges ⁽¹⁾	\$23,973,441
Building Permit Fees ⁽²⁾	\$842,984
Parkland Dedication ⁽³⁾	\$305,592
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$26,536,200
Total Development Cost	\$271,810,406
Contingency	\$5,436,208
Total Development Cost with Contingency	\$277,246,614

⁽¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$207,934,960
Initial Equity Required	\$69,311,653
Loan Amount	\$207,934,960
Interest Rate	4.50%
Periods (year)	3
Payment	\$77,702,196

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	92	\$53,990	\$50,967,117
1 Bedroom + Den	239	\$619,792	\$148,130,239
2 Bedroom	121	\$659,036	\$90,953,324
2 Bedroom + Den	61	\$856,498	\$52,246,397
Affordable Units⁽²⁾			
1 Bedroom	10	\$524,600	\$5,246,000
1 Bedroom + Den	27	\$524,600	\$14,164,200
2 Bedroom	13	\$524,600	\$6,819,800
2 Bedroom + Den	7	\$524,600	\$3,672,200
Total	570		\$362,199,277

⁽¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
10% Affordable Units Scenario - 3.5% Interest Rate
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,311,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$25,353,949	\$9,236,082	\$341,033,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$380,309	\$461,804	\$5,115,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$380,309	\$138,541	\$5,119,779	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,815	\$775,917	\$791,217	\$806,815	\$822,711	\$838,904	\$855,404	\$872,211	\$889,334	\$906,773	\$924,537	\$942,626	\$961,040	\$979,789	\$998,873	\$1,018,292	\$1,038,046
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,051,529	\$897,075	\$13,814,384	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$24,302,420	\$8,339,007	\$327,504,244	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$76,558,870	\$76,558,870	\$76,558,870	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$121,568,103	-\$68,219,863	\$250,945,374	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	15.5%
10% Discount Rate - Net Present Value	\$12,395,079
Average Cash-on-Cash Return	8.97%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ⁽¹⁾	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

⁽¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ⁽¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ⁽²⁾	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ⁽³⁾	Not Selected

⁽¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
⁽²⁾ Reflects Town of Milton Building Permit, Effective January 2024.
⁽³⁾ Construction costs derived from 2024 RSMeans construction cost data.
⁽⁴⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$49,140,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$211,584,200
Other Development Costs	
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Total Development Cost	\$271,810,406
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Total Development Cost with Contingency	\$277,246,614

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Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$207,934,960
Initial Equity Required	\$69,311,653
Loan Amount	\$207,934,960
Interest Rate	3.50%
Periods (year)	3
Payment	\$76,558,870

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ⁽¹⁾⁽²⁾	
1 Bedroom	92	\$53,990	\$50,967,117
1 Bedroom + Den	239	\$619,792	\$148,130,239
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2 Bedroom + Den	61	\$856,498	\$52,246,397
Affordable Units⁽²⁾			
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Total	570		\$362,199,277

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⁽²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/Office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
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After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
10% Affordable Units Scenario - 5% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$69,799,072	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue		\$26,516,989	\$9,659,760	\$356,676,991	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Residential Unit Sales	2.00%	\$26,516,989	\$9,659,760	\$356,676,991	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$26,516,989	\$9,659,760	\$356,676,991	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue		\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses		\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,362	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$397,755	\$482,988	\$5,350,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$397,755	\$144,896	\$5,354,438	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902	\$760,811	\$776,004	\$791,581	\$807,543	\$823,891	\$840,626	\$857,750	\$875,264	\$893,169	\$911,466	\$930,156	\$949,241	\$968,722	\$988,601	\$1,008,879	\$1,029,558	\$1,050,639
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,086,421	\$924,614	\$14,283,702	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$25,430,569	\$8,735,147	\$342,678,842	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,405,764	\$79,405,764	\$79,405,764	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$123,774,267	-\$70,670,617	\$263,273,078	\$-1,785,230	\$-1,820,935	\$-1,857,353	\$-1,894,500	\$-1,932,390	\$-1,210,218	\$-1,234,422	\$-1,259,110	\$-1,284,293	\$-1,309,979	\$-1,336,178	\$-1,362,902	\$-1,390,160	\$-1,417,963	\$-1,446,322	\$-1,475,249	\$-1,504,754	\$-1,534,849	\$-1,565,546	\$-1,596,856	\$-1,628,794	\$-1,661,369

Financial Feasibility	
Before-Tax IRR	17.6%
10% Discount Rate - Net Present Value	\$18,149,143
Average Cash-on-Cash Return	9.50%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ^[1]	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	0
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Construction costs derived from 2024 RSMeans construction cost data.
^[4] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$6,791,900
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	\$162,444,200
Building Construction Cost	\$0
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	\$414,844
Planning Fees	\$414,844
Development Charges ^[1]	\$23,973,441
Building Permit Fees ^[2]	\$842,984
Parkland Dedication ^[3]	\$305,592
Community Benefits Charge (CBC)	\$0
Contributions	\$0
Additional Costs	\$0
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$28,447,643
Total Development Cost	\$273,721,849
Contingency	\$5,474,437
Total Development Cost with Contingency	\$279,196,286

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$209,397,216
Initial Equity Required	\$69,799,072
Loan Amount	\$209,397,216
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,405,764

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ^[1]	
1 Bedroom	92	\$581,690	\$53,515,472
1 Bedroom + Den	239	\$650,781	\$155,536,751
2 Bedroom	121	\$702,468	\$85,000,990
2 Bedroom + Den	61	\$899,323	\$54,858,717
Affordable Units^[2]			
1 Bedroom	10	\$524,600	\$5,246,000
1 Bedroom + Den	27	\$524,600	\$14,164,200
2 Bedroom	13	\$524,600	\$6,819,800
2 Bedroom + Den	7	\$524,600	\$3,672,200
Total	570		\$378,814,131

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
10% Affordable Units Scenario - 10% More Market Revenue
Site 1 - Pro Forma for Development of a Mid to High-End High-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$70,286,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$27,680,029	\$10,083,439	\$372,320,906	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$27,680,029	\$10,083,439	\$372,320,906	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$300,581	\$306,593	\$312,725	\$318,979	\$325,359	\$331,866	\$338,504	\$345,274	\$352,179	\$359,223	\$366,407	\$373,735	\$381,210	\$388,834	\$396,611	\$404,543	\$412,634	\$420,887	\$429,304	\$437,890	\$446,648	\$455,581	\$464,693
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$15,029	\$15,330	\$15,636	\$15,949	\$16,268	\$16,593	\$16,925	\$17,264	\$17,609	\$17,961	\$18,320	\$18,687	\$19,060	\$19,442	\$19,831	\$20,227	\$20,632	\$21,044	\$21,465	\$21,895	\$22,332	\$22,779	\$23,235
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$285,552	\$291,263	\$297,089	\$303,030	\$309,091	\$315,273	\$321,578	\$328,010	\$334,570	\$341,262	\$348,087	\$355,049	\$362,149	\$369,392	\$376,780	\$384,316	\$392,002	\$399,842	\$407,839	\$415,996	\$424,316	\$432,802	\$441,458
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$9,017	\$9,198	\$9,382	\$9,569	\$9,761	\$9,956	\$10,155	\$10,358	\$10,565	\$10,777	\$10,992	\$11,212	\$11,436	\$11,665	\$11,898	\$12,136	\$12,379	\$12,627	\$12,879	\$13,137	\$13,399	\$13,667	\$13,941
Sales Commission	5.00%	\$415,200	\$504,172	\$5,584,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$415,200	\$515,252	\$5,589,097	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$243,852	\$248,729																							
Condo Warranty	2.00% Inflation	\$0	\$0	\$1,351,174	\$1,378,197	\$1,405,761	\$1,433,876	\$1,462,554	\$1,491,805	\$1,521,641	\$1,552,074	\$1,583,115	\$1,614,778	\$1,647,073	\$1,680,015	\$1,713,615	\$1,747,887	\$1,782,845	\$1,818,502	\$1,854,872	\$1,891,969	\$1,929,809	\$1,968,405	\$2,007,773	\$2,047,928	\$2,088,887
After Construction Customer Service	2.00% Inflation	\$0	\$0	\$675,587	\$689,099	\$702,881	\$716,938	\$731,277	\$745,902																	
Property Taxes	2.00%	\$47,059	\$48,000	\$1,543,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$1,121,312	\$952,153	\$14,753,019	\$2,076,493	\$2,118,023	\$2,160,384	\$2,203,591	\$2,247,663	\$1,531,796	\$1,562,432	\$1,593,681	\$1,625,554	\$1,658,065	\$1,691,227	\$1,725,051	\$1,759,552	\$1,794,743	\$1,830,638	\$1,867,251	\$1,904,596	\$1,942,688	\$1,981,542	\$2,021,172	\$2,061,596	\$2,102,828
Net Operating Income		\$26,558,717	\$9,131,286	\$357,853,439	-1,785,230	-1,820,935	-1,857,353	-1,894,500	-1,932,390	-1,210,218	-1,234,422	-1,259,110	-1,284,293	-1,309,979	-1,336,178	-1,362,902	-1,390,160	-1,417,963	-1,446,322	-1,475,249	-1,504,754	-1,534,849	-1,565,546	-1,596,856	-1,628,794	-1,661,369
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$79,960,267	\$79,960,267	\$79,960,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$123,688,039	-\$70,828,980	\$277,893,173	-\$1,785,230	-\$1,820,935	-\$1,857,353	-\$1,894,500	-\$1,932,390	-\$1,210,218	-\$1,234,422	-\$1,259,110	-\$1,284,293	-\$1,309,979	-\$1,336,178	-\$1,362,902	-\$1,390,160	-\$1,417,963	-\$1,446,322	-\$1,475,249	-\$1,504,754	-\$1,534,849	-\$1,565,546	-\$1,596,856	-\$1,628,794	-\$1,661,369

Financial Feasibility	
Before-Tax IRR	22.0%
10% Discount Rate - Net Present Value	\$30,174,127
Average Cash-on-Cash Return	10.29%

Development Parameters	
Site size (ha)	1.21
Total Development G.F.A. (sq. ft.)	451,234
Construction G.F.A. above grade (sq. ft.) ^[1]	451,234
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	546
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$360
Underground Construction Cost (\$ per sq. ft.)	\$0
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Construction costs derived from 2024 RSMeans construction cost data.
^[4] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	
Project Land Cost (based on site size)	\$6,791,900
Construction Costs	
Building Construction Cost	\$162,444,200
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total
	First Floor
	Underground
	Structured
	Surface
Total Construction Cost	\$211,584,200
Other Development Costs	
Planning Fees	\$414,844
Development Charges ^[1]	\$23,973,441
Building Permit Fees ^[2]	\$842,984
Parkland Dedication ^[3]	\$305,592
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$1,661,246
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of units	\$30,359,087
Total Development Cost	\$275,633,293
Contingency	\$5,512,666
Total Development Cost with Contingency	\$281,145,959

^[1] Reflects Town of Milton Development Charges (DC) By-law 045-2021.
^[2] Reflects Town of Milton Building Permit, Effective January 2024.
^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$210,859,469
Initial Equity Required	\$70,286,490
Loan Amount	\$210,859,469
Interest Rate	5.50%
Periods (year)	3
Payment	\$79,960,267

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price Less ^[1]	
1 Bedroom	92	\$609,389	\$56,063,828
1 Bedroom + Den	239	\$681,771	\$162,943,263
2 Bedroom	121	\$735,939	\$89,049,656
2 Bedroom + Den	61	\$942,148	\$57,471,037
Affordable Units^[2]			
1 Bedroom	10	\$524,600	\$5,246,000
1 Bedroom + Den	27	\$524,600	\$14,164,200
2 Bedroom	13	\$524,600	\$6,819,800
2 Bedroom + Den	7	\$524,600	\$3,672,200
Total	570		\$395,428,985

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.
^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	10,340	\$28.5	\$294,688
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$1,324,680
After Construction Customer Service	\$1,162	\$662,340
Total	\$3,486	\$1,987,020

Town of Milton
Market Reference Scenario - 5.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,336,241	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$132,386	\$160,754	\$1,780,709	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$132,386	\$48,226	\$1,781,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$417,204	\$425,549	\$434,060	\$442,741	\$451,596	\$460,627	\$469,840	\$479,237	\$488,822	\$498,598	\$508,570	\$518,741	\$529,116	\$539,698	\$550,492	\$561,502	\$572,732	\$584,187	\$595,871	\$607,788	\$619,944	\$632,343	\$644,990
Condo Warranty	2.00% Inflation	\$0	\$409,024	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$248,400	\$257,287	\$267,285	\$278,404	\$290,654	\$304,046	\$318,581	\$334,271	\$351,127	\$369,161	\$388,385	\$408,811	\$430,451	\$453,318	\$477,425
After Construction Customer Service	2.00% Inflation	\$0	\$204,512	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$248,400	\$257,287	\$267,285	\$278,404	\$290,654	\$304,046	\$318,581	\$334,271	\$351,127	\$369,161	\$388,385	\$408,811	\$430,451	\$453,318	\$477,425
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$369,540	\$929,380	\$4,727,833	\$639,688	\$652,482	\$665,532	\$678,842	\$692,419	\$711,348	\$730,774	\$750,799	\$771,434	\$792,679	\$814,534	\$837,009	\$860,104	\$883,819	\$908,154	\$933,109	\$958,684	\$984,889	\$1,011,724	\$1,039,189	\$1,066,884	\$1,094,809
Net Operating Income		\$8,456,191	\$2,285,707	\$114,028,459	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$658,610	-\$671,922	-\$685,558	-\$699,520	-\$713,818	-\$728,452	-\$743,422	-\$758,728	-\$774,371	-\$790,351	-\$806,668	-\$823,322	-\$840,313	-\$857,641	-\$875,306	-\$893,308	-\$911,647
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,685,724	\$27,685,724	\$27,685,724	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,565,774	-\$25,400,017	\$86,342,735	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$658,610	-\$671,922	-\$685,558	-\$699,520	-\$713,818	-\$728,452	-\$743,422	-\$758,728	-\$774,371	-\$790,351	-\$806,668	-\$823,322	-\$840,313	-\$857,641	-\$875,306	-\$893,308	-\$911,647

Financial Feasibility	
Before-Tax IRR	11.1%
10% Discount Rate - Net Present Value	\$798,096
Average Cash-on-Cash Return	8.45%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ^[1]	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$266,995
Development Charge ^[1]	\$8,077,576
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$115,622
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,832,428
Total Development Cost	\$95,436,241
Contingency	\$1,908,725
Total Development Cost with Contingency	\$97,344,966

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,008,724
Initial Equity Required	\$24,336,241
Loan Amount	\$73,008,724
Interest Rate	5.50%
Periods (year)	3
Payment	\$27,685,724

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	32	\$565,365	\$18,091,676
1 Bedroom + Den	82	\$657,480	\$53,913,386
2 Bedroom	41	\$871,542	\$35,735,237
2 Bedroom + Den	21	\$873,504	\$18,343,575
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	176		\$128,081,874

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$409,024
After Construction Customer Service	\$1,162	\$204,512
Total	\$3,486	\$613,536

Town of Milton
Market Reference Scenario - 4.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$24,336,241	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069	
Sales Commission	5.00%	\$132,386	\$160,754	\$1,780,709	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$132,386	\$48,226	\$1,781,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$88,756	\$90,531	\$417,204	\$425,549	\$434,060	\$442,741	\$451,596	\$460,627	\$469,840	\$479,237	\$488,822	\$498,598	\$508,570	\$518,741	\$529,116	\$539,698	\$550,492	\$561,502	\$572,732	\$584,187	\$595,871	\$607,788	\$619,944	\$632,343	\$644,990	
Condo Warranty		\$0	\$409,024	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$239,614	\$244,400	\$249,277	\$254,246	\$259,307	\$264,461	\$269,709	\$275,053	\$280,494	\$286,033	\$291,672	\$297,412	\$303,254	\$309,199	\$315,248	\$321,403	\$327,665	
After Construction Customer Service	2.00% Inflation	\$0	\$204,512	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$239,614	\$244,400	\$249,277	\$254,246	\$259,307	\$264,461	\$269,709	\$275,053	\$280,494	\$286,033	\$291,672	\$297,412	\$303,254	\$309,199	\$315,248	\$321,403	
Property Taxes	2.00% Inflation	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$369,540	\$929,380	\$4,727,833	\$639,688	\$652,482	\$665,532	\$678,842	\$692,419	\$71,348	\$480,774	\$490,390	\$500,198	\$510,202	\$520,406	\$530,814	\$541,430	\$552,259	\$563,304	\$574,570	\$586,061	\$597,783	\$609,738	\$621,933	\$634,372	\$647,059	
Net Operating Income		\$8,456,191	\$2,285,707	\$114,028,459	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$27,282,272	\$27,282,272	\$27,282,272	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$43,162,323	-\$24,996,565	\$86,746,187	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526	

Financial Feasibility	
Before-Tax IRR	12.5%
10% Discount Rate - Net Present Value	\$1,902,553
Average Cash-on-Cash Return	8.59%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ^[1]	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

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^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$266,995
Development Charge ^[1]	\$8,077,576
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$115,622
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
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Net HST Cost on Sale of Units	\$9,832,428
Total Development Cost	\$95,436,241
Contingency	\$1,908,725
Total Development Cost with Contingency	\$97,344,966

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

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Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,008,724
Initial Equity Required	\$24,336,241
Loan Amount	\$73,008,724
Interest Rate	4.50%
Periods (year)	3
Payment	\$27,282,272

Revenue from Sale of Condominium Units			
Unit Type	Market Units		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	32	\$565,365	\$18,091,676
1 Bedroom + Den	82	\$657,480	\$53,913,386
2 Bedroom	41	\$871,542	\$35,735,237
2 Bedroom + Den	21	\$873,504	\$18,343,575
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	176		\$128,081,874

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$409,024
After Construction Customer Service	\$1,162	\$204,512
Total	\$3,486	\$613,536

Town of Milton
Market Reference Scenario - 3.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,336,241	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,825,731	\$3,215,088	\$118,713,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$132,386	\$160,754	\$1,780,709	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$132,386	\$48,226	\$1,781,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$417,204	\$425,549	\$434,060	\$442,741	\$451,596	\$460,627	\$469,840	\$479,237	\$488,822	\$498,598	\$508,570	\$518,741	\$529,116	\$539,698	\$550,492	\$561,502	\$572,732	\$584,187	\$595,871	\$607,788	\$619,944	\$632,343	\$644,990
Condo Warranty	2.00% Inflation	\$0	\$409,024	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$247,400	\$254,277	\$261,254	\$268,331	\$275,508	\$282,785	\$290,162	\$297,639	\$305,216	\$312,893	\$320,670	\$328,547	\$336,524	\$344,601	\$352,778	\$361,055
After Construction Customer Service	2.00% Inflation	\$0	\$204,512	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$247,400	\$254,277	\$261,254	\$268,331	\$275,508	\$282,785	\$290,162	\$297,639	\$305,216	\$312,893	\$320,670	\$328,547	\$336,524	\$344,601	\$352,778
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$369,540	\$929,380	\$4,727,833	\$639,688	\$652,482	\$665,532	\$678,842	\$692,419	\$71,348	\$480,774	\$490,390	\$500,198	\$510,202	\$520,406	\$530,814	\$541,430	\$552,259	\$563,304	\$574,570	\$586,061	\$597,783	\$609,738	\$621,933	\$634,372	\$647,059
Net Operating Income		\$8,456,191	\$2,285,707	\$114,028,459	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$26,880,835	\$26,880,835	\$26,880,835	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$42,760,886	-\$24,595,128	\$87,147,623	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526

Financial Feasibility	
Before-Tax IRR	13.9%
10% Discount Rate - Net Present Value	\$3,000,699
Average Cash-on-Cash Return	8.73%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ^[1]	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$266,995
Development Charge ^[1]	\$8,077,576
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$115,622
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,832,428
Total Development Cost	\$95,436,241
Contingency	\$1,908,725
Total Development Cost with Contingency	\$97,344,966

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,008,724
Initial Equity Required	\$24,336,241
Loan Amount	\$73,008,724
Interest Rate	3.50%
Periods (year)	3
Payment	\$26,880,835

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	32	\$565,365	\$18,091,676
1 Bedroom + Den	82	\$657,480	\$53,913,386
2 Bedroom	41	\$871,542	\$35,735,237
2 Bedroom + Den	21	\$873,504	\$18,343,575
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	176		\$128,081,874

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$409,024
After Construction Customer Service	\$1,162	\$204,512
Total	\$3,486	\$613,536

Town of Milton
Market Reference Scenario - 5% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,521,180	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,267,018	\$3,375,842	\$124,649,597	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,267,018	\$3,375,842	\$124,649,597	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$139,005	\$168,792	\$1,869,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$139,005	\$50,638	\$1,870,380	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$417,204	\$425,549	\$434,060	\$442,741	\$451,596	\$460,627	\$469,840	\$479,237	\$488,822	\$498,598	\$508,570	\$518,741	\$529,116	\$539,698	\$550,492	\$561,502	\$572,732	\$584,187	\$595,871	\$607,788	\$619,944	\$632,343	\$644,990
Condo Warranty	2.00% Inflation	\$0	\$409,024	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$248,402	\$258,294	\$269,292	\$281,396	\$294,606	\$308,922	\$324,344	\$340,872	\$358,506	\$377,246	\$397,092	\$418,044	\$440,102	\$463,266	\$487,536
After Construction Customer Service	2.00% Inflation	\$0	\$204,512	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$248,402	\$258,294	\$269,292	\$281,396	\$294,606	\$308,922	\$324,344	\$340,872	\$358,506	\$377,246	\$397,092	\$418,044	\$440,102	\$463,266	\$487,536
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$382,779	\$939,829	\$4,905,903	\$639,688	\$652,482	\$666,532	\$678,842	\$692,419	\$711,348	\$726,774	\$742,790	\$759,398	\$776,606	\$794,414	\$812,822	\$831,830	\$851,438	\$871,646	\$892,454	\$913,862	\$935,870	\$958,478	\$981,686	\$1,005,494	\$1,029,902
Net Operating Income		\$8,884,239	\$2,436,013	\$119,743,694	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$658,610	-\$671,922	-\$685,556	-\$699,514	-\$713,796	-\$728,402	-\$743,330	-\$758,578	-\$774,146	-\$790,034	-\$806,252	-\$822,800	-\$839,678	-\$856,896	-\$874,454	-\$892,352	-\$910,590
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,896,116	\$27,896,116	\$27,896,116	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,533,058	-\$25,460,104	\$91,847,788	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$658,610	-\$671,922	-\$685,556	-\$699,514	-\$713,796	-\$728,402	-\$743,330	-\$758,578	-\$774,146	-\$790,034	-\$806,252	-\$822,800	-\$839,678	-\$856,896	-\$874,454	-\$892,352	-\$910,590

Financial Feasibility	
Before-Tax IRR	16.4%
10% Discount Rate - Net Present Value	\$5,361,477
Average Cash-on-Cash Return	9.32%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$266,995
Development Charge ^[1]	\$8,077,576
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$115,622
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$10,557,678
Total Development Cost	\$96,161,491
Contingency	\$1,923,230
Total Development Cost with Contingency	\$98,084,721

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,563,540
Initial Equity Required	\$24,521,180
Loan Amount	\$73,563,540
Interest Rate	5.50%
Periods (year)	3
Payment	\$27,896,116

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	32	\$593,633	\$18,996,260
1 Bedroom + Den	82	\$690,354	\$56,609,055
2 Bedroom	41	\$915,119	\$37,519,899
2 Bedroom + Den	21	\$917,179	\$19,260,754
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	176		\$132,385,968

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$409,024
After Construction Customer Service	\$1,162	\$204,512
Total	\$3,486	\$613,536

Town of Milton
Market Reference Scenario - 10% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,706,119	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,708,304	\$3,536,597	\$130,585,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,708,304	\$3,536,597	\$130,585,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$145,625	\$176,830	\$1,958,779	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$145,625	\$53,049	\$1,959,415	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$417,204	\$425,549	\$434,060	\$442,741	\$451,596	\$460,627	\$469,840	\$479,237	\$488,822	\$498,598	\$508,570	\$518,741	\$529,116	\$539,698	\$550,492	\$561,502	\$572,732	\$584,187	\$595,871	\$607,788	\$619,944	\$632,343	\$644,990
Condo Warranty		\$0	\$409,024	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$247,400	\$254,277	\$261,245	\$268,304	\$275,454	\$282,696	\$290,031	\$297,459	\$304,981	\$312,598	\$320,311	\$328,120	\$336,025	\$344,027	\$352,126	\$360,322
After Construction Customer Service	2.00% Inflation	\$0	\$204,512	\$208,602	\$212,774	\$217,030	\$221,370	\$225,798	\$230,314	\$234,919	\$240,614	\$247,400	\$254,277	\$261,245	\$268,304	\$275,454	\$282,696	\$290,031	\$297,459	\$304,981	\$312,598	\$320,311	\$328,120	\$336,025	\$344,027	\$352,126
Property Taxes	2.00% Inflation	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$396,017	\$950,278	\$5,083,974	\$639,688	\$652,482	\$665,532	\$678,842	\$692,419	\$71,348	\$480,774	\$490,390	\$500,198	\$510,202	\$520,406	\$530,814	\$541,430	\$552,259	\$563,304	\$574,570	\$586,061	\$597,783	\$609,738	\$621,933	\$634,372	\$647,059
Net Operating Income		\$9,312,287	\$2,586,318	\$125,543,707	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$28,106,509	\$28,106,509	\$28,106,509	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,500,341	-\$25,520,191	\$97,437,198	-\$596,451	-\$608,380	-\$620,548	-\$632,959	-\$645,618	-\$423,610	-\$432,082	-\$440,724	-\$449,538	-\$458,529	-\$467,700	-\$477,054	-\$486,595	-\$496,327	-\$506,253	-\$516,378	-\$526,706	-\$537,240	-\$547,985	-\$558,944	-\$570,123	-\$581,526

Financial Feasibility	
Before-Tax IRR	21.2%
10% Discount Rate - Net Present Value	\$9,924,058
Average Cash-on-Cash Return	19.18%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ^[1]	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
	First Floor \$0
	Underground \$15,210,000
	Structured \$0
	Surface \$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$266,995
Development Charge ^[1]	\$8,077,576
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$115,622
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$11,282,927
Total Development Cost	\$96,886,740
Contingency	\$1,937,735
Total Development Cost with Contingency	\$98,824,475

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$74,118,356
Initial Equity Required	\$24,706,119
Loan Amount	\$74,118,356
Interest Rate	5.50%
Periods (year)	5
Payment	\$28,106,509

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	32	\$621,901	\$19,900,844
1 Bedroom + Den	82	\$723,228	\$59,304,725
2 Bedroom	41	\$958,697	\$39,306,561
2 Bedroom + Den	21	\$960,854	\$20,177,932
Affordable Units^[2]			
1 Bedroom	0	\$524,600	\$0
1 Bedroom + Den	0	\$524,600	\$0
2 Bedroom	0	\$524,600	\$0
2 Bedroom + Den	0	\$524,600	\$0
Total	176		\$138,690,062

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$409,024
After Construction Customer Service	\$1,162	\$204,512
Total	\$3,486	\$613,536

Town of Milton
2.5% Affordable Units Scenario - 5.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,246,961	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Retail Space Rental Income	5.00%	\$131,333	\$159,476	\$1,766,552	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$131,333	\$47,843	\$1,767,187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty		\$0	\$397,404	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
After Construction Customer Service	2.00% Inflation	\$0	\$198,702	\$202,676	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,804	\$237,452	\$242,190	\$247,020	\$251,944	\$256,964	\$262,082	\$267,299	\$272,617	\$278,037	\$283,560	\$289,188	\$294,922	\$300,762	\$306,708	\$312,760
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$367,435	\$910,289	\$4,681,740	\$621,554	\$633,985	\$646,665	\$659,598	\$672,790	\$686,000	\$699,360	\$712,880	\$726,560	\$740,400	\$754,400	\$768,560	\$782,880	\$797,360	\$812,000	\$826,800	\$841,760	\$856,880	\$872,160	\$887,600	\$903,200	\$918,960
Net Operating Income		\$8,388,130	\$2,279,238	\$113,130,756	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,140	-\$664,020	-\$677,104	-\$690,396	-\$703,896	-\$717,600	-\$731,512	-\$745,632	-\$760,000	-\$774,624	-\$789,504	-\$804,640	-\$820,032	-\$835,680	-\$851,584	-\$867,744
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,584,155	\$27,584,155	\$27,584,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,442,986	-\$25,304,917	\$85,546,601	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,140	-\$664,020	-\$677,104	-\$690,396	-\$703,896	-\$717,600	-\$731,512	-\$745,632	-\$760,000	-\$774,624	-\$789,504	-\$804,640	-\$820,032	-\$835,680	-\$851,584	-\$867,744

Financial Feasibility	
Before-Tax IRR	10.6%
10% Discount Rate - Net Present Value	\$476,994
Average Cash-on-Cash Return	8.42%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
	First Floor \$0
	Underground \$15,210,000
	Structured \$0
	Surface \$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$264,900
Development Charge ^[1]	\$7,848,219
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$112,271
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,717,111
Total Development Cost	\$95,086,121
Contingency	\$1,901,722
Total Development Cost with Contingency	\$96,987,844

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,740,883
Initial Equity Required	\$24,246,961
Loan Amount	\$72,740,883
Interest Rate	5.50%
Periods (year)	3
Payment	\$27,584,155

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ^[1]	
1 Bedroom	31	\$565,365	\$17,526,311
1 Bedroom + Den	80	\$657,480	\$52,598,425
2 Bedroom	40	\$871,542	\$34,861,695
2 Bedroom + Den	20	\$873,504	\$17,470,071
	Affordable Units^[2]		
1 Bedroom	1	\$524,600	\$524,600
1 Bedroom + Den	2	\$524,600	\$1,049,200
2 Bedroom	1	\$524,600	\$524,600
2 Bedroom + Den	1	\$524,600	\$524,600
Total	171		\$125,079,503

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$397,404
After Construction Customer Service	\$1,162	\$198,702
Total	\$3,486	\$596,106

Town of Milton
2.5% Affordable Units Scenario - 4.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,246,961	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$131,333	\$159,476	\$1,766,552	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$131,333	\$47,843	\$1,767,187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty		\$0	\$397,404	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
After Construction Customer Service	2.00% Inflation	\$0	\$198,702	\$202,676	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,804	\$237,454	\$242,196	\$247,034	\$251,962	\$256,984	\$262,106	\$267,324	\$272,644	\$278,062	\$283,576	\$289,182	\$294,886	\$300,686	\$306,588	\$312,588
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$367,435	\$910,289	\$4,681,740	\$621,554	\$633,985	\$646,665	\$659,598	\$672,790	\$686,000	\$699,467	\$713,103	\$726,916	\$740,907	\$755,076	\$769,424	\$783,954	\$798,668	\$813,569	\$828,660	\$843,944	\$859,424	\$875,104	\$890,988	\$907,072	\$923,360
Net Operating Income		\$8,388,130	\$2,279,238	\$113,130,756	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,137	-\$664,016	-\$677,100	-\$690,391	-\$703,891	-\$717,602	-\$731,528	-\$745,672	-\$760,037	-\$774,626	-\$789,443	-\$804,491	-\$819,774	-\$835,296	-\$851,060	-\$867,070
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,182,184	\$27,182,184	\$27,182,184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,041,015	-\$24,902,945	\$85,948,573	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,137	-\$664,016	-\$677,100	-\$690,391	-\$703,891	-\$717,602	-\$731,528	-\$745,672	-\$760,037	-\$774,626	-\$789,443	-\$804,491	-\$819,774	-\$835,296	-\$851,060	-\$867,070

Financial Feasibility	
Before-Tax IRR	12.1%
10% Discount Rate - Net Present Value	\$1,576,593
Average Cash-on-Cash Return	8.56%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ^[1]	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$15,210,000
Underground	\$0
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$264,900
Development Charge ^[1]	\$7,848,219
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$112,271
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,717,111
Total Development Cost	\$95,086,121
Contingency	\$1,901,722
Total Development Cost with Contingency	\$96,987,844

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,740,883
Initial Equity Required	\$24,246,961
Loan Amount	\$72,740,883
Interest Rate	4.50%
Periods (year)	3
Payment	\$27,182,184

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ^[1]	
1 Bedroom	31	\$565,365	\$17,526,311
1 Bedroom + Den	80	\$657,480	\$52,598,425
2 Bedroom	40	\$871,542	\$34,861,695
2 Bedroom + Den	20	\$873,504	\$17,470,071
Affordable Units^[2]			
1 Bedroom	1	\$524,600	\$524,600
1 Bedroom + Den	2	\$524,600	\$1,049,200
2 Bedroom	1	\$524,600	\$524,600
2 Bedroom + Den	1	\$524,600	\$524,600
Total	171		\$125,079,503

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$397,404
After Construction Customer Service	\$1,162	\$198,702
Total	\$3,486	\$596,106

Town of Milton
2.5% Affordable Units Scenario - 3.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,246,961	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,755,565	\$3,189,527	\$117,770,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$131,333	\$159,476	\$1,766,552	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$131,333	\$47,843	\$1,767,187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty		\$0	\$397,404	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
After Construction Customer Service	2.00% Inflation	\$0	\$198,702	\$202,676	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,804	\$237,454	\$242,196	\$247,034	\$251,962	\$256,984	\$262,106	\$267,324	\$272,644	\$278,062	\$283,576	\$289,182	\$294,886	\$300,686	\$306,580	\$312,566
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$367,435	\$910,289	\$4,681,740	\$621,554	\$633,985	\$646,665	\$659,598	\$672,790	\$686,000	\$699,367	\$712,893	\$726,580	\$740,430	\$754,446	\$768,626	\$782,974	\$797,494	\$812,190	\$827,066	\$842,128	\$857,382	\$872,824	\$888,460	\$904,296	\$920,338
Net Operating Income		\$8,388,130	\$2,279,238	\$113,130,756	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,135	-\$664,007	-\$677,080	-\$690,354	-\$703,829	-\$717,508	-\$731,394	-\$745,490	-\$759,800	-\$774,328	-\$789,078	-\$804,054	-\$819,270	-\$834,732	-\$850,446	-\$866,418
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$26,782,220	\$26,782,220	\$26,782,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$42,641,050	-\$24,502,981	\$86,348,537	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,135	-\$664,007	-\$677,080	-\$690,354	-\$703,829	-\$717,508	-\$731,394	-\$745,490	-\$759,800	-\$774,328	-\$789,078	-\$804,054	-\$819,270	-\$834,732	-\$850,446	-\$866,418

Financial Feasibility	
Before-Tax IRR	13.4%
10% Discount Rate - Net Present Value	\$2,664,710
Average Cash-on-Cash Return	8.73%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ¹⁾	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ²⁾	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ³⁾	Not Selected

¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

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First Floor	\$15,210,000
Underground	\$0
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$264,900
Development Charge ¹⁾	\$7,848,219
Building Permit Fees ²⁾	\$315,388
Parkland Dedication ³⁾	\$112,271
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,717,111
Total Development Cost	\$95,086,121
Contingency	\$1,901,722
Total Development Cost with Contingency	\$96,987,844

¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,740,883
Initial Equity Required	\$24,246,961
Loan Amount	\$72,740,883
Interest Rate	3.50%
Periods (year)	3
Payment	\$26,782,220

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ¹⁾	
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2 Bedroom + Den	20	\$873,504	\$17,470,071
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1 Bedroom + Den	2	\$524,600	\$1,049,200
2 Bedroom	1	\$524,600	\$524,600
2 Bedroom + Den	1	\$524,600	\$524,600
Total	171		\$125,079,503

¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$397,404
After Construction Customer Service	\$1,162	\$198,702
Total	\$3,486	\$596,106

Town of Milton
2.5% Affordable Units Scenario - 5% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,426,582	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,184,163	\$3,345,659	\$123,535,126	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,184,163	\$3,345,659	\$123,535,126	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$137,762	\$167,283	\$1,853,027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$137,762	\$50,185	\$1,853,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Condo Warranty		\$0	\$397,404	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
After Construction Customer Service	2.00% Inflation	\$0	\$198,702	\$202,676	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,802	\$237,446	\$242,176	\$247,000	\$251,928	\$256,960	\$262,096	\$267,336	\$272,680	\$278,128	\$283,680	\$289,336	\$295,096	\$300,960	\$306,928	\$312,900
Property Taxes	2.00% Inflation	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$380,293	\$920,437	\$4,854,691	\$621,554	\$633,985	\$646,665	\$659,598	\$672,790	\$686,000	\$699,467	\$713,103	\$726,903	\$740,866	\$754,992	\$769,280	\$783,728	\$798,336	\$813,104	\$828,032	\$843,120	\$858,368	\$873,776	\$889,344	\$905,072	\$920,960
Net Operating Income		\$8,803,870	\$2,425,222	\$118,722,825	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,135	-\$664,008	-\$677,081	-\$690,354	-\$703,827	-\$717,500	-\$731,373	-\$745,446	-\$759,719	-\$774,192	-\$788,865	-\$803,738	-\$818,811	-\$834,084	-\$849,557	-\$865,230
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,788,498	\$27,788,498	\$27,788,498	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,411,210	-\$25,363,276	\$90,934,327	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$638,462	-\$651,135	-\$664,008	-\$677,081	-\$690,354	-\$703,827	-\$717,500	-\$731,373	-\$745,446	-\$759,719	-\$774,192	-\$788,865	-\$803,738	-\$818,811	-\$834,084	-\$849,557	-\$865,230

Financial Feasibility	
Before-Tax IRR	15.9%
10% Discount Rate - Net Present Value	\$4,902,373
Average Cash-on-Cash Return	9.27%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$264,900
Development Charge ^[1]	\$7,848,219
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$112,271
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$10,421,507
Total Development Cost	\$95,790,517
Contingency	\$1,915,810
Total Development Cost with Contingency	\$97,706,327

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,279,745
Initial Equity Required	\$24,426,582
Loan Amount	\$73,279,745
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,788,498

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ^[1]	
1 Bedroom	31	\$593,633	\$18,402,627
1 Bedroom + Den	80	\$690,354	\$55,228,347
2 Bedroom	40	\$915,119	\$36,604,780
2 Bedroom + Den	20	\$917,179	\$18,343,575
Affordable Units^[2]			
1 Bedroom	1	\$524,600	\$524,600
1 Bedroom + Den	2	\$524,600	\$1,049,200
2 Bedroom	1	\$524,600	\$524,600
2 Bedroom + Den	1	\$524,600	\$524,600
Total	171		\$131,202,328

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$397,404
After Construction Customer Service	\$1,162	\$198,702
Total	\$3,486	\$596,106

Town of Milton
2.5% Affordable Units Scenario - 10% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$24,606,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$9,612,761	\$3,501,791	\$129,300,146	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,612,761	\$3,501,791	\$129,300,146	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069	
Sales Commission	5.00%	\$144,191	\$175,090	\$1,939,502	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$144,191	\$52,527	\$1,940,138	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$88,756	\$90,531	\$405,352	\$413,459	\$421,728	\$430,163	\$438,766	\$447,541	\$456,492	\$465,622	\$474,935	\$484,433	\$494,122	\$504,004	\$514,084	\$524,366	\$534,853	\$545,551	\$556,462	\$567,591	\$578,943	\$590,521	\$602,332	\$614,379	\$626,666	
Condo Warranty	2.00% Inflation	\$0	\$397,404	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,802	\$237,446	\$242,176	\$247,000	\$251,926	\$256,954	\$262,084	\$267,316	\$272,650	\$278,086	\$283,624	\$289,264	\$295,006	\$300,850	\$306,796	\$312,844	\$318,994	
After Construction Customer Service	2.00% Inflation	\$0	\$198,702	\$202,676	\$206,730	\$210,864	\$215,081	\$219,383	\$223,771	\$228,244	\$232,802	\$237,446	\$242,176	\$247,000	\$251,926	\$256,954	\$262,084	\$267,316	\$272,650	\$278,086	\$283,624	\$289,264	\$295,006	\$300,850	\$306,796	\$312,844	
Property Taxes	2.00%	\$16,012	\$16,332	\$58,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$393,151	\$930,586	\$5,027,641	\$621,564	\$633,985	\$646,665	\$659,598	\$672,790	\$686,000	\$699,160	\$712,503	\$726,033	\$739,754	\$753,669	\$767,778	\$782,082	\$796,582	\$811,278	\$826,171	\$841,261	\$856,548	\$872,032	\$887,713	\$903,591	\$919,666	
Net Operating Income		\$9,219,610	\$2,571,205	\$124,314,894	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$640,262	-\$648,468	-\$626,837	-\$435,374	-\$444,081	-\$452,963	-\$462,022	-\$471,262	-\$480,688	-\$490,301	-\$500,107	-\$510,110	-\$520,312	-\$530,718	-\$541,332	-\$552,159	-\$563,202	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$27,992,841	\$27,992,841	\$27,992,841	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$43,379,434	-\$25,421,636	\$96,322,053	-\$578,317	-\$589,883	-\$601,681	-\$613,714	-\$625,989	-\$640,262	-\$648,468	-\$426,837	-\$435,374	-\$444,081	-\$452,963	-\$462,022	-\$471,262	-\$480,688	-\$490,301	-\$500,107	-\$510,110	-\$520,312	-\$530,718	-\$541,332	-\$552,159	-\$563,202	

Financial Feasibility	
Before-Tax IRR	20.6%
10% Discount Rate - Net Present Value	\$9,333,761
Average Cash-on-Cash Return	10.11%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq.ft.) ¹⁾	173,788
Construction G.F.A. below grade (sq.ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

¹⁾ Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ¹⁾	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq.ft.) ²⁾	\$338
Underground Construction Cost (\$ per sq.ft.)	\$43
First Floor Parking Cost (\$ per sq.ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ³⁾	Not Selected

¹⁾ Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

²⁾ Construction costs derived from 2024 RSMMeans construction cost data.

³⁾ Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
	First Floor \$0
	Underground \$15,210,000
	Structured \$0
	Surface \$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$264,900
Development Charge ¹⁾	\$7,848,219
Building Permit Fees ²⁾	\$315,389
Parkland Dedication ³⁾	\$112,271
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$11,125,903
Total Development Cost	\$96,494,913
Contingency	\$1,929,898
Total Development Cost with Contingency	\$98,424,811

¹⁾ Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

²⁾ Reflects Town of Milton Building Permit, Effective January 2024.

³⁾ Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,818,608
Initial Equity Required	\$24,606,203
Loan Amount	\$73,818,608
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,992,841

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ¹⁾	
1 Bedroom	31	\$621,901	\$19,276,943
1 Bedroom + Den	80	\$723,228	\$57,858,268
2 Bedroom	40	\$958,697	\$38,347,864
2 Bedroom + Den	20	\$960,854	\$19,217,078
Affordable Units²⁾			
1 Bedroom	1	\$524,600	\$524,600
1 Bedroom + Den	2	\$524,600	\$1,049,200
2 Bedroom	1	\$524,600	\$524,600
2 Bedroom + Den	1	\$524,600	\$524,600
Total	171		\$137,325,153

¹⁾ Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

²⁾ The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$397,404
After Construction Customer Service	\$1,162	\$198,702
Total	\$3,486	\$596,106

Town of Milton
5% Affordable Units Scenario - 5.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,181,023	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$130,647	\$158,643	\$1,757,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$130,647	\$47,593	\$1,757,958	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$395,870	\$403,788	\$411,863	\$420,101	\$428,503	\$437,073	\$445,814	\$454,730	\$463,825	\$473,101	\$482,564	\$492,215	\$502,059	\$512,100	\$522,342	\$532,789	\$543,445	\$554,314	\$565,400	\$576,708	\$588,242	\$600,007	\$612,007
Condo Warranty	2.00% Inflation	\$0	\$388,108	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,905	\$227,359	\$231,898	\$236,522	\$241,231	\$246,025	\$250,904	\$255,868	\$260,917	\$266,051	\$271,270	\$276,574	\$281,963	\$287,437	\$292,995	\$298,638	\$304,366
After Construction Customer Service	2.00% Inflation	\$0	\$194,054	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,905	\$227,359	\$231,898	\$236,522	\$241,231	\$246,025	\$250,904	\$255,868	\$260,917	\$266,051	\$271,270	\$276,574	\$281,963	\$287,437	\$292,995	\$298,638	\$304,366
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$366,063	\$895,262	\$4,649,059	\$607,047	\$619,188	\$631,571	\$644,203	\$657,087	\$670,222	\$683,618	\$697,275	\$711,194	\$725,375	\$739,818	\$754,523	\$769,490	\$784,719	\$799,211	\$813,966	\$828,984	\$844,265	\$859,810	\$875,619	\$891,693	\$908,032
Net Operating Income		\$8,343,760	\$2,277,602	\$112,505,767	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,487	-\$634,924	-\$647,596	-\$660,505	-\$673,741	-\$687,304	-\$699,997	-\$712,920	-\$726,073	-\$739,456	-\$753,069	-\$766,912	-\$780,985	-\$795,288	-\$809,821	-\$824,584	-\$839,577
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,509,142	\$27,509,142	\$27,509,142	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,346,406	-\$25,231,540	\$85,039,015	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,487	-\$634,924	-\$647,596	-\$660,505	-\$673,741	-\$687,304	-\$699,997	-\$712,920	-\$726,073	-\$739,456	-\$753,069	-\$766,912	-\$780,985	-\$795,288	-\$809,821	-\$824,584	-\$839,577

Financial Feasibility	
Before-Tax IRR	10.4%
10% Discount Rate - Net Present Value	\$311,425
Average Cash-on-Cash Return	8.42%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$263,224
Development Charge ^[1]	\$7,668,972
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$109,791
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,641,933
Total Development Cost	\$94,827,541
Contingency	\$1,896,551
Total Development Cost with Contingency	\$96,724,092

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,543,069
Initial Equity Required	\$24,181,023
Loan Amount	\$72,543,069
Interest Rate	5.50%
Periods (year)	3
Payment	\$27,509,142

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Market Units	
1 Bedroom	30	\$565,365	\$16,960,947
1 Bedroom + Den	78	\$657,480	\$51,283,465
2 Bedroom	39	\$871,542	\$33,990,152
2 Bedroom + Den	20	\$873,504	\$17,470,071
Affordable Units^[2]			
1 Bedroom	2	\$524,600	\$1,049,200
1 Bedroom + Den	4	\$524,600	\$2,098,400
2 Bedroom	2	\$524,600	\$1,049,200
2 Bedroom + Den	1	\$524,600	\$524,600
Total	167		\$124,426,035

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$388,108
After Construction Customer Service	\$1,162	\$194,054
Total	\$3,486	\$582,162

Town of Milton
5% Affordable Units Scenario - 4.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,181,023	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$130,647	\$158,643	\$1,757,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$130,647	\$47,593	\$1,757,958	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$395,870	\$403,788	\$411,863	\$420,101	\$428,503	\$437,073	\$445,814	\$454,730	\$463,825	\$473,101	\$482,564	\$492,215	\$502,059	\$512,100	\$522,342	\$532,789	\$543,445	\$554,314	\$565,400	\$576,708	\$588,242	\$600,007	\$612,007
Condo Warranty	2.00% Inflation	\$0	\$388,108	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,357	\$231,896	\$236,521	\$241,233	\$246,033	\$250,921	\$255,898	\$260,965	\$266,123	\$271,372	\$276,713	\$282,146	\$287,672	\$293,291	\$298,994	\$304,782
After Construction Customer Service	2.00% Inflation	\$0	\$194,054	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,357	\$231,896	\$236,521	\$241,233	\$246,033	\$250,921	\$255,898	\$260,965	\$266,123	\$271,372	\$276,713	\$282,146	\$287,672	\$293,291	\$298,994	\$304,782
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$366,063	\$895,262	\$4,649,059	\$607,047	\$619,188	\$631,571	\$644,203	\$657,087	\$670,222	\$683,617	\$697,273	\$711,191	\$725,371	\$739,814	\$754,521	\$769,492	\$784,728	\$799,230	\$814,000	\$829,036	\$844,339	\$859,900	\$875,728	\$891,824	\$908,189
Net Operating Income		\$8,343,760	\$2,277,602	\$112,505,767	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,484	-\$634,917	-\$647,574	-\$660,453	-\$673,564	-\$686,907	-\$700,482	-\$714,289	-\$728,328	-\$742,599	-\$757,103	-\$771,840	-\$786,803	-\$801,992	-\$817,417	-\$833,078	-\$848,975
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,108,264	\$27,108,264	\$27,108,264	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$42,945,527	-\$24,830,662	\$85,439,893	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,484	-\$634,917	-\$647,574	-\$660,453	-\$673,564	-\$686,907	-\$700,482	-\$714,289	-\$728,328	-\$742,599	-\$757,103	-\$771,840	-\$786,803	-\$801,992	-\$817,417	-\$833,078	-\$848,975

Financial Feasibility	
Before-Tax IRR	11.8%
10% Discount Rate - Net Present Value	\$1,408,043
Average Cash-on-Cash Return	8.56%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

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Total Development Cost with Contingency	\$96,724,092

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Financing % of Total Development Cost	75%
Loan Balance	\$72,543,069
Initial Equity Required	\$24,181,023
Loan Amount	\$72,543,069
Interest Rate	4.50%
Periods (year)	5
Payment	\$27,108,264

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
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Source Type	# Units	Cost per Unit	Revenue
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Storage	0	\$7,500	\$0
Other Total			\$0

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Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
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After Construction Customer Service	\$1,162	\$194,054
Total	\$3,486	\$582,162

Town of Milton
5% Affordable Units Scenario - 3.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																									
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
Required Equity		\$24,181,023	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																											
Revenue from Residential Unit Sales	2.00%	\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,709,822	\$3,172,864	\$117,154,826	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																											
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982	
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449	
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533	
Expenses																											
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069	
Sales Commission	5.00%	\$130,647	\$158,643	\$1,757,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Marketing & Advertising	1.50%	\$130,647	\$47,593	\$1,757,958	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Insurance		\$88,756	\$90,531	\$395,870	\$403,788	\$411,863	\$420,101	\$428,503	\$437,073	\$445,814	\$454,730	\$463,825	\$473,101	\$482,564	\$492,215	\$502,059	\$512,100	\$522,342	\$532,789	\$543,445	\$554,314	\$565,400	\$576,708	\$588,242	\$600,007	\$612,007	
Condo Warranty	2.00% Inflation	\$0	\$388,108	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,905	\$227,359	\$231,899	\$236,526	\$241,241	\$246,044	\$250,936	\$255,917	\$260,986	\$266,144	\$271,392	\$276,730	\$282,158	\$287,676	\$293,284	\$298,982	\$304,770	
After Construction Customer Service	2.00% Inflation	\$0	\$194,054	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,905	\$227,359	\$231,899	\$236,526	\$241,241	\$246,044	\$250,936	\$255,917	\$260,986	\$266,144	\$271,392	\$276,730	\$282,158	\$287,676	\$293,284	\$298,982	\$304,770	
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Expenses		\$366,063	\$895,262	\$4,649,059	\$607,047	\$619,188	\$631,571	\$644,203	\$657,087	\$670,222	\$683,618	\$697,275	\$711,194	\$725,375	\$739,818	\$754,523	\$769,490	\$784,719	\$799,211	\$813,966	\$828,984	\$844,264	\$859,806	\$875,610	\$891,676	\$908,004	
Net Operating Income		\$8,343,760	\$2,277,602	\$112,505,767	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,485	-\$634,918	-\$647,575	-\$660,450	-\$673,543	-\$686,854	-\$699,383	-\$712,130	-\$725,095	-\$738,278	-\$751,679	-\$765,298	-\$779,134	-\$793,187	-\$807,457	-\$821,944	-\$836,648	
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Debt Service (Mortgage Payments)		\$26,709,387	\$26,709,387	\$26,709,387	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Before-Tax Cash Flow		-\$42,546,651	-\$24,431,785	\$85,838,770	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,485	-\$634,918	-\$647,575	-\$660,450	-\$673,543	-\$686,854	-\$699,383	-\$712,130	-\$725,095	-\$738,278	-\$751,679	-\$765,298	-\$779,134	-\$793,187	-\$807,457	-\$821,944	-\$836,648	

Financial Feasibility	
Before-Tax IRR	13.2%
10% Discount Rate - Net Present Value	\$2,499,185
Average Cash-on-Cash Return	8.73%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$263,224
Development Charge ^[1]	\$7,668,972
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$109,791
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,641,933
Total Development Cost	\$94,827,541
Contingency	\$1,896,551
Total Development Cost with Contingency	\$96,724,092

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,543,069
Initial Equity Required	\$24,181,023
Loan Amount	\$72,543,069
Interest Rate	3.50%
Periods (year)	3
Payment	\$26,709,387

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	30	\$565,365	\$16,960,947
1 Bedroom + Den	78	\$657,480	\$51,283,465
2 Bedroom	39	\$871,542	\$33,990,152
2 Bedroom + Den	20	\$873,504	\$17,470,071
Affordable Units^[2]			
1 Bedroom	2	\$524,600	\$1,049,200
1 Bedroom + Den	4	\$524,600	\$2,098,400
2 Bedroom	2	\$524,600	\$1,049,200
2 Bedroom + Den	1	\$524,600	\$524,600
Total	167		\$124,426,035

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$388,108
After Construction Customer Service	\$1,162	\$194,054
Total	\$3,486	\$582,162

Town of Milton
5% Affordable Units Scenario - 5% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,356,607	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,128,789	\$3,325,487	\$122,790,293	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,128,789	\$3,325,487	\$122,790,293	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$136,932	\$166,274	\$1,841,854	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$136,932	\$49,882	\$1,842,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$395,870	\$403,788	\$411,863	\$420,101	\$428,503	\$437,073	\$445,814	\$454,730	\$463,825	\$473,101	\$482,564	\$492,215	\$502,059	\$512,100	\$522,342	\$532,789	\$543,445	\$554,314	\$565,400	\$576,708	\$588,242	\$600,007	\$612,007
Condo Warranty	2.00% Inflation	\$0	\$388,108	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,356	\$231,894	\$236,518	\$241,228	\$246,034	\$250,927	\$255,908	\$260,977	\$266,135	\$271,383	\$276,721	\$282,150	\$287,670	\$293,281	\$298,984	\$304,780
After Construction Customer Service	2.00% Inflation	\$0	\$194,054	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,356	\$231,894	\$236,518	\$241,228	\$246,034	\$250,927	\$255,908	\$260,977	\$266,135	\$271,383	\$276,721	\$282,150	\$287,670	\$293,281	\$298,984	\$304,780
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$378,632	\$905,182	\$4,818,123	\$607,047	\$619,188	\$631,571	\$644,203	\$657,087	\$670,222	\$683,618	\$697,275	\$711,194	\$725,375	\$739,818	\$754,523	\$769,490	\$784,719	\$800,211	\$815,966	\$831,985	\$848,268	\$864,815	\$881,627	\$898,704	\$916,047
Net Operating Income		\$8,750,157	\$2,420,305	\$118,014,560	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,484	-\$634,917	-\$647,575	-\$660,450	-\$673,542	-\$686,852	-\$699,379	-\$712,124	-\$725,097	-\$738,299	-\$751,730	-\$765,389	-\$779,276	-\$793,391	-\$807,734	-\$822,305	-\$837,104
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,708,893	\$27,708,893	\$27,708,893	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,315,344	-\$25,288,588	\$90,305,667	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,484	-\$634,917	-\$647,575	-\$660,450	-\$673,542	-\$686,852	-\$699,379	-\$712,124	-\$725,097	-\$738,299	-\$751,730	-\$765,389	-\$779,276	-\$793,391	-\$807,734	-\$822,305	-\$837,104

Financial Feasibility	
Before-Tax IRR	15.6%
10% Discount Rate - Net Present Value	\$4,643,230
Average Cash-on-Cash Return	9.25%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$15,210,000
Underground	\$0
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$263,224
Development Charge ^[1]	\$7,668,972
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$109,791
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$10,330,500
Total Development Cost	\$95,516,107
Contingency	\$1,910,322
Total Development Cost with Contingency	\$97,426,430

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,069,822
Initial Equity Required	\$24,356,607
Loan Amount	\$73,069,822
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,708,893

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	30	\$593,633	\$17,808,994
1 Bedroom + Den	78	\$690,354	\$53,847,638
2 Bedroom	39	\$915,119	\$35,689,660
2 Bedroom + Den	20	\$917,179	\$18,343,575
Affordable Units^[2]			
1 Bedroom	2	\$524,600	\$1,049,200
1 Bedroom + Den	4	\$524,600	\$2,098,400
2 Bedroom	2	\$524,600	\$1,049,200
2 Bedroom + Den	1	\$524,600	\$524,600
Total	167		\$130,411,267

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$388,108
After Construction Customer Service	\$1,162	\$194,054
Total	\$3,486	\$582,162

Town of Milton
5% Affordable Units Scenario - 10% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,532,192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,547,755	\$3,478,111	\$128,425,760	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,547,755	\$3,478,111	\$128,425,760	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$143,216	\$173,906	\$1,926,386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$143,216	\$52,172	\$1,927,022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$395,870	\$403,788	\$411,863	\$420,101	\$428,503	\$437,073	\$445,814	\$454,730	\$463,825	\$473,101	\$482,564	\$492,215	\$502,059	\$512,100	\$522,342	\$532,789	\$543,445	\$554,314	\$565,400	\$576,708	\$588,242	\$600,007	\$612,007
Condo Warranty		\$0	\$388,108	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,356	\$231,894	\$236,518	\$241,228	\$246,044	\$250,956	\$255,964	\$261,068	\$266,268	\$271,564	\$276,956	\$282,444	\$288,028	\$293,708	\$299,484	\$305,356
After Construction Customer Service	2.00% Inflation	\$0	\$194,054	\$197,935	\$201,894	\$205,932	\$210,050	\$214,251	\$218,536	\$222,904	\$227,356	\$231,894	\$236,518	\$241,228	\$246,044	\$250,956	\$255,964	\$261,068	\$266,268	\$271,564	\$276,956	\$282,444	\$288,028	\$293,708	\$299,484	\$305,356
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$391,201	\$915,103	\$4,987,187	\$607,047	\$619,188	\$631,571	\$644,203	\$657,087	\$670,222	\$683,614	\$697,263	\$711,170	\$725,336	\$739,761	\$754,445	\$769,388	\$784,590	\$799,951	\$815,472	\$831,154	\$846,996	\$862,998	\$879,160	\$895,492	\$911,994
Net Operating Income		\$9,156,554	\$2,563,008	\$123,438,573	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,488	-\$634,921	-\$647,576	-\$660,449	-\$673,540	-\$686,861	-\$699,999	-\$713,444	-\$727,186	-\$741,225	-\$755,560	-\$770,191	-\$785,118	-\$799,951	-\$815,490	-\$831,134	-\$847,482
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,908,644	\$27,908,644	\$27,908,644	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,284,282	-\$25,345,636	\$95,529,929	-\$563,809	-\$575,086	-\$586,587	-\$598,319	-\$610,285	-\$622,488	-\$634,921	-\$647,576	-\$660,449	-\$673,540	-\$686,861	-\$699,999	-\$713,444	-\$727,186	-\$741,225	-\$755,560	-\$770,191	-\$785,118	-\$799,951	-\$815,490	-\$831,134	-\$847,482

Financial Feasibility	
Before-Tax IRR	20.2%
10% Discount Rate - Net Present Value	\$8,976,036
Average Cash-on-Cash Return	10.07%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$263,224
Development Charge ^[1]	\$7,668,972
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$109,791
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$11,019,066
Total Development Cost	\$96,204,674
Contingency	\$1,924,093
Total Development Cost with Contingency	\$98,128,767

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,996,575
Initial Equity Required	\$24,532,192
Loan Amount	\$73,996,575
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,908,644

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		
	Market Units		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	30	\$621,901	\$18,657,041
1 Bedroom + Den	78	\$723,228	\$56,411,811
2 Bedroom	39	\$958,697	\$37,389,168
2 Bedroom + Den	20	\$960,854	\$19,217,078
Affordable Units^[2]			
1 Bedroom	2	\$524,600	\$1,049,200
1 Bedroom + Den	4	\$524,600	\$2,098,400
2 Bedroom	2	\$524,600	\$1,049,200
2 Bedroom + Den	1	\$524,600	\$524,600
Total	167		\$136,396,499

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$388,108
After Construction Customer Service	\$1,162	\$194,054
Total	\$3,486	\$582,162

Town of Milton
10% Affordable Units Scenario - 5.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,038,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$128,952	\$156,594	\$1,734,512	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$128,952	\$46,975	\$1,735,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$376,906	\$384,444	\$392,133	\$399,076	\$407,976	\$416,135	\$424,458	\$432,947	\$441,606	\$450,438	\$459,447	\$468,636	\$478,008	\$487,569	\$497,320	\$507,266	\$517,412	\$527,760	\$538,315	\$549,081	\$560,063	\$571,264	\$582,690
Condo Warranty	2.00% Inflation	\$0	\$369,516	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068																	
After Construction Customer Service	2.00% Inflation	\$0	\$184,758	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068																	
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$362,671	\$864,697	\$4,574,992	\$578,032	\$599,593	\$601,385	\$613,412	\$625,680	\$425,965	\$434,485	\$443,174	\$452,038	\$461,078	\$470,300	\$479,706	\$489,300	\$499,086	\$509,068	\$519,249	\$529,634	\$540,227	\$551,031	\$562,052	\$573,293	\$584,759
Net Operating Income		\$8,234,096	\$2,266,983	\$111,101,531	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,346,670	\$27,346,670	\$27,346,670	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,150,781	-\$25,075,687	\$83,754,861	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226

Financial Feasibility	
Before-Tax IRR	9.7%
10% Discount Rate - Net Present Value	-\$222,893
Average Cash-on-Cash Return	8.38%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$259,872
Development Charge ^[1]	\$7,303,414
Building Permit Fees ^[2]	\$315,388
Parkland Dedication ^[3]	\$104,443
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,456,128
Total Development Cost	\$94,267,478
Contingency	\$1,885,350
Total Development Cost with Contingency	\$96,152,828

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,114,621
Initial Equity Required	\$24,038,207
Loan Amount	\$72,114,621
Interest Rate	5.50%
Periods (year)	3
Payment	\$27,346,670

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ^[1]	
1 Bedroom	29	\$565,365	\$16,395,582
1 Bedroom + Den	74	\$657,480	\$48,653,544
2 Bedroom	37	\$871,542	\$32,247,068
2 Bedroom + Den	19	\$873,504	\$16,596,568
Affordable Units^[2]			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	8	\$524,600	\$4,196,800
2 Bedroom	4	\$524,600	\$2,098,400
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	169		\$122,810,961

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$369,516
After Construction Customer Service	\$1,162	\$184,758
Total	\$3,486	\$554,274

Town of Milton
10% Affordable Units Scenario - 4.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,038,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$128,952	\$156,594	\$1,734,512	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$128,952	\$46,975	\$1,735,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$376,906	\$384,444	\$392,133	\$399,076	\$407,976	\$416,135	\$424,458	\$432,947	\$441,606	\$450,438	\$459,447	\$468,636	\$478,008	\$487,569	\$497,320	\$507,266	\$517,412	\$527,760	\$538,315	\$549,081	\$560,063	\$571,264	\$582,690
Condo Warranty	2.00% Inflation	\$0	\$369,516	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,526	\$290,018
After Construction Customer Service	2.00% Inflation	\$0	\$184,758	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,526	\$290,018
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$362,671	\$864,697	\$4,574,992	\$578,032	\$599,593	\$601,385	\$613,412	\$625,680	\$425,965	\$434,485	\$443,174	\$452,038	\$461,078	\$470,300	\$479,706	\$489,300	\$499,086	\$509,068	\$519,249	\$529,634	\$540,227	\$551,031	\$562,052	\$573,293	\$584,759
Net Operating Income		\$8,234,096	\$2,266,983	\$111,101,531	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$26,948,159	\$26,948,159	\$26,948,159	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$42,752,270	-\$24,681,176	\$84,153,372	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226

Financial Feasibility	
Before-Tax IRR	11.1%
10% Discount Rate - Net Present Value	\$867,248
Average Cash-on-Cash Return	8.51%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
Custom Total	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$259,872
Development Charge ^[1]	\$7,303,414
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$104,443
Community Benefits Charge (CBC)	\$0
Contributions	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,456,128
Total Development Cost	\$94,267,478
Contingency	\$1,885,350
Total Development Cost with Contingency	\$96,152,828

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^[2] Reflects Town of Milton Building Permit, Effective January 2024.

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Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,114,621
Initial Equity Required	\$24,038,207
Loan Amount	\$72,114,621
Interest Rate	4.50%
Periods (year)	3
Payment	\$26,948,159

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
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	# Units	Sale Price ^[1]	
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2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	169		\$122,810,961

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$369,516
After Construction Customer Service	\$1,162	\$184,758
Total	\$3,486	\$554,274

Town of Milton
10% Affordable Units Scenario - 3.5% Interest Rate
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,038,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,596,767	\$3,131,679	\$115,634,134	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$128,952	\$156,594	\$1,734,512	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$128,952	\$46,975	\$1,735,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$376,906	\$384,444	\$392,133	\$399,076	\$407,976	\$416,135	\$424,458	\$432,947	\$441,606	\$450,438	\$459,447	\$468,636	\$478,008	\$487,569	\$497,320	\$507,266	\$517,412	\$527,760	\$538,315	\$549,081	\$560,063	\$571,264	\$582,690
Condo Warranty	2.00% Inflation	\$0	\$369,516	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,530	\$290,028
After Construction Customer Service	2.00% Inflation	\$0	\$184,758	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,530	\$290,028
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$362,671	\$864,697	\$4,574,992	\$578,032	\$599,593	\$601,385	\$613,412	\$625,680	\$425,965	\$434,485	\$443,174	\$452,038	\$461,078	\$470,300	\$479,706	\$489,300	\$499,086	\$509,068	\$519,249	\$529,634	\$540,227	\$551,031	\$562,052	\$573,293	\$584,759
Net Operating Income		\$8,234,096	\$2,266,983	\$111,101,531	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$26,551,638	\$26,551,638	\$26,551,638	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$42,355,749	-\$24,284,656	\$84,549,893	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226

Financial Feasibility	
Before-Tax IRR	12.5%
10% Discount Rate - Net Present Value	\$1,951,946
Average Cash-on-Cash Return	8.65%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$259,872
Development Charge ^[1]	\$7,303,414
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$104,443
Community Benefits Charge (CBC)	\$0
Contributions	
	\$0
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$9,456,128
Total Development Cost	\$94,267,478
Contingency	\$1,885,350
Total Development Cost with Contingency	\$96,152,828

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,114,621
Initial Equity Required	\$24,038,207
Loan Amount	\$72,114,621
Interest Rate	3.50%
Periods (year)	3
Payment	\$26,551,638

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Sale Price ^[1]	
1 Bedroom	29	\$565,365	\$16,395,582
1 Bedroom + Den	74	\$657,480	\$48,653,544
2 Bedroom	37	\$871,542	\$32,247,068
2 Bedroom + Den	19	\$873,504	\$16,596,568
Affordable Units^[2]			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	8	\$524,600	\$4,196,800
2 Bedroom	4	\$524,600	\$2,098,400
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	169		\$122,810,961

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$369,516
After Construction Customer Service	\$1,162	\$184,758
Total	\$3,486	\$554,274

Town of Milton
10% Affordable Units Scenario - 5% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,205,266	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$8,995,392	\$3,276,893	\$120,995,988	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$8,995,392	\$3,276,893	\$120,995,988	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$134,931	\$163,845	\$1,814,940	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$134,931	\$49,153	\$1,815,576	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$376,906	\$384,444	\$392,133	\$399,076	\$407,976	\$416,135	\$424,458	\$432,947	\$441,606	\$450,438	\$459,447	\$468,636	\$478,008	\$487,569	\$497,320	\$507,266	\$517,412	\$527,760	\$538,315	\$549,081	\$560,063	\$571,264	\$582,690
Condo Warranty	2.00% Inflation	\$0	\$369,516	\$184,453	\$196,067	\$199,888	\$203,988	\$208,068	\$212,222	\$216,451	\$220,755	\$225,134	\$229,588	\$234,117	\$238,721	\$243,400	\$248,154	\$252,984	\$257,890	\$262,872	\$267,931	\$273,068	\$278,284	\$283,580	\$288,957	\$294,415
After Construction Customer Service	2.00% Inflation	\$0	\$184,758	\$188,453	\$196,067	\$199,888	\$203,988	\$208,068	\$212,222	\$216,451	\$220,755	\$225,134	\$229,588	\$234,117	\$238,721	\$243,400	\$248,154	\$252,984	\$257,890	\$262,872	\$267,931	\$273,068	\$278,284	\$283,580	\$288,957	\$294,415
Property Taxes	2.00%	\$16,012	\$16,332	\$58,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$374,630	\$874,136	\$4,735,848	\$578,032	\$599,593	\$601,385	\$613,412	\$625,680	\$425,965	\$434,485	\$443,174	\$452,038	\$461,078	\$470,300	\$479,706	\$489,300	\$499,086	\$509,068	\$519,249	\$529,634	\$540,227	\$551,031	\$562,052	\$573,293	\$584,759
Net Operating Income		\$8,620,762	\$2,402,757	\$116,302,530	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,536,722	\$27,536,722	\$27,536,722	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,121,227	-\$25,133,965	\$88,765,808	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226

Financial Feasibility	
Before-Tax IRR	14.7%
10% Discount Rate - Net Present Value	\$3,898,696
Average Cash-on-Cash Return	9.17%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	\$0
First Floor	\$0
Underground	\$15,210,000
Structured	\$0
Surface	\$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$259,872
Development Charge ^[1]	\$7,303,414
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$104,443
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$565,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$10,111,264
Total Development Cost	\$94,922,613
Contingency	\$1,898,452
Total Development Cost with Contingency	\$96,821,066

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$72,615,799
Initial Equity Required	\$24,205,266
Loan Amount	\$72,615,799
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,536,722

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	Market Units		
	# Units	Sale Price ^[1]	
1 Bedroom	29	\$593,633	\$17,215,361
1 Bedroom + Den	74	\$690,354	\$51,086,221
2 Bedroom	37	\$915,119	\$33,859,421
2 Bedroom + Den	19	\$917,179	\$17,426,396
Affordable Units^[2]			
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	8	\$524,600	\$4,196,800
2 Bedroom	4	\$524,600	\$2,098,400
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	169		\$128,565,599

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$369,516
After Construction Customer Service	\$1,162	\$184,758
Total	\$3,486	\$554,274

Town of Milton
10% Affordable Units Scenario - 10% More Market Revenue
Site 2 - Pro Forma for Development of a Mid to High-End Mid-Rise Condominium Building
25-Year Cash Flow

ANNUAL CASH FLOW	Annual Rate of Increase	Occupancy																								
		Construction Year 1	Start Year 2	Year 3	Stabilized Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
Required Equity		\$24,372,326	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential Revenue																										
Revenue from Residential Unit Sales	2.00%	\$9,394,017	\$3,422,106	\$126,357,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue Related to Residential Unit Sales	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Residential Gross Revenue		\$9,394,017	\$3,422,106	\$126,357,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Residential Operating Revenue																										
Retail Space Rental Income	2.00%	\$0	\$0	\$44,621	\$45,513	\$46,423	\$47,352	\$48,299	\$49,265	\$50,250	\$51,255	\$52,280	\$53,326	\$54,392	\$55,480	\$56,590	\$57,721	\$58,876	\$60,053	\$61,254	\$62,480	\$63,729	\$65,004	\$66,304	\$67,630	\$68,982
Office Space Rental Income	2.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Loss		\$0	\$0	\$2,231	\$2,276	\$2,321	\$2,368	\$2,415	\$2,463	\$2,512	\$2,563	\$2,614	\$2,666	\$2,720	\$2,774	\$2,829	\$2,886	\$2,944	\$3,003	\$3,063	\$3,124	\$3,186	\$3,250	\$3,315	\$3,381	\$3,449
Effective Non-Residential Gross Rental Revenue		\$0	\$0	\$42,389	\$43,237	\$44,102	\$44,984	\$45,884	\$46,801	\$47,737	\$48,692	\$49,666	\$50,659	\$51,673	\$52,706	\$53,760	\$54,835	\$55,932	\$57,051	\$58,192	\$59,356	\$60,543	\$61,753	\$62,989	\$64,248	\$65,533
Expenses																										
Property Management	3.00% of Effective Gross Rent	\$0	\$0	\$1,339	\$1,365	\$1,393	\$1,421	\$1,449	\$1,478	\$1,507	\$1,538	\$1,568	\$1,600	\$1,632	\$1,664	\$1,698	\$1,732	\$1,766	\$1,802	\$1,838	\$1,874	\$1,912	\$1,950	\$1,989	\$2,029	\$2,069
Sales Commission	5.00%	\$140,910	\$171,105	\$1,895,368	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing & Advertising	1.50%	\$140,910	\$51,332	\$1,896,003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$88,756	\$90,531	\$376,906	\$384,444	\$392,133	\$399,076	\$407,976	\$416,135	\$424,458	\$432,047	\$441,606	\$450,438	\$459,447	\$468,636	\$478,008	\$487,569	\$497,320	\$507,266	\$517,412	\$527,760	\$538,315	\$549,081	\$560,063	\$571,264	\$582,690
Condo Warranty	2.00% Inflation	\$0	\$369,516	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,526	\$290,018
After Construction Customer Service	2.00% Inflation	\$0	\$184,758	\$188,453	\$192,222	\$196,067	\$199,988	\$203,988	\$208,068	\$212,222	\$216,458	\$220,774	\$225,174	\$229,658	\$234,226	\$238,878	\$243,614	\$248,434	\$253,338	\$258,326	\$263,398	\$268,554	\$273,794	\$279,118	\$284,526	\$290,018
Property Taxes	2.00%	\$16,012	\$16,332	\$538,634	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses		\$386,589	\$883,575	\$4,896,704	\$578,032	\$599,593	\$601,385	\$613,412	\$625,680	\$425,965	\$434,485	\$443,174	\$452,038	\$461,078	\$470,300	\$479,706	\$489,300	\$499,086	\$509,068	\$519,249	\$529,634	\$540,227	\$551,031	\$562,052	\$573,293	\$584,759
Net Operating Income		\$9,007,428	\$2,538,532	\$121,503,529	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226
Sale of Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Debt Service (Mortgage Payments)		\$27,726,775	\$27,726,775	\$27,726,775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Before-Tax Cash Flow		-\$43,091,673	-\$25,188,243	\$93,776,754	-\$534,795	-\$545,491	-\$556,400	-\$567,528	-\$578,879	-\$378,228	-\$385,792	-\$393,508	-\$401,378	-\$409,406	-\$417,594	-\$425,946	-\$434,465	-\$443,154	-\$452,017	-\$461,058	-\$470,279	-\$479,684	-\$489,278	-\$499,064	-\$509,045	-\$519,226

Financial Feasibility	
Before-Tax IRR	19.2%
10% Discount Rate - Net Present Value	\$8,020,064
Average Cash-on-Cash Return	9.95%

Development Parameters	
Site size (ha)	0.41
Total Development G.F.A. (sq. ft.)	173,788
Construction G.F.A. above grade (sq. ft.) ^[1]	173,788
Construction G.F.A. below grade (sq. ft.)	0
Residential Parking	
(First Floor sq.ft. - Custom)	0
(Underground Spaces)	169
(Structured Spaces)	0
(Surface Spaces)	0

^[1] Includes Building G.F.A., as well as outdoor amenity space including balconies

Unit Construction Costs	
Land cost per ha ^[1]	\$5,625,014
Building G.F.A. Construction Cost (\$ per sq. ft.) ^[2]	\$338
Underground Construction Cost (\$ per sq. ft.)	\$43
First Floor Parking Cost (\$ per sq. ft.)	Not Selected
Underground Parking Cost (\$ per space)	\$90,000
Structured Parking Cost (\$ per space)	Not Selected
Surface Parking Cost (\$ per space) ^[3]	Not Selected

^[1] Based on market value from a survey of recent sales transactions, existing real estate listings and Municipal Property Assessment Corporation (M.P.A.C.) property value assessments within the perimeter of the subject sites.

^[2] Construction costs derived from 2024 RSMMeans construction cost data.

^[3] Parking cost based on Watson Estimates from previous analysis.

Development Cost	
Land Cost	\$2,312,400
Project Land Cost (based on site size)	\$2,312,400
Construction Costs	
Building Construction Cost	\$58,740,222
Underground Construction Cost	\$0
Parking Construction Cost	Custom Total \$0
	First Floor \$0
	Underground \$15,210,000
	Structured \$0
	Surface \$0
Total Construction Cost	\$73,950,222
Other Development Costs	
Planning Fees	\$259,872
Development Charge ^[1]	\$7,303,414
Building Permit Fees ^[2]	\$315,389
Parkland Dedication ^[3]	\$104,443
Community Benefits Charge (CBC)	\$0
Contributions	
Additional Costs	
Site Cleanup (Remediation)	\$0
Site Preparation	\$665,609
Heritage Buildings (Rehabilitation)	\$0
Net HST Cost on Sale of Units	\$10,766,398
Total Development Cost	\$95,577,749
Contingency	\$1,911,555
Total Development Cost with Contingency	\$97,489,304

^[1] Reflects Town of Milton Development Charges (DC) By-laws 045-2021.

^[2] Reflects Town of Milton Building Permit, Effective January 2024.

^[3] Reflects Town of Milton By-law No. 031-2024.

Initial Project Financing	
Financing % of Total Development Cost	75%
Loan Balance	\$73,116,978
Initial Equity Required	\$24,372,326
Loan Amount	\$73,116,978
Interest Rate	5.50%
Periods (year)	5
Payment	\$27,726,775

Revenue from Sale of Condominium Units			
Unit Type	Unit Space		Total Revenue
	# Units	Market Units Sale Price ^[1]	
1 Bedroom	29	\$621,901	\$18,035,140
1 Bedroom + Den	74	\$723,228	\$53,518,898
2 Bedroom	37	\$958,697	\$35,471,775
2 Bedroom + Den	19	\$960,854	\$18,256,224
	Affordable Units^[2]		
1 Bedroom	3	\$524,600	\$1,573,800
1 Bedroom + Den	8	\$524,600	\$4,196,800
2 Bedroom	4	\$524,600	\$2,098,400
2 Bedroom + Den	2	\$524,600	\$1,049,200
Total	169		\$134,200,237

^[1] Purchase prices of 1-bedroom+den units and larger units include parking and a locker.

^[2] The affordable housing price is based on the Ontario Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin

Other One-Time Revenue Sources			
Source Type	# Units	Cost per Unit	Revenue
Parking	0	\$45,000	\$0
Storage	0	\$7,500	\$0
Other Total			\$0

Non-Residential Rental Revenue (Not adjusted for vacancy)			
Component	GLA(sq.ft.)	Rent (\$/sq.ft.)	Annual Revenue
Retail	1,535	\$28.5	\$43,746
Office	0	\$18.5	\$0

Assumptions	
Retail/office vacancy rate	5%
Annual appreciation in rental rates	2%
Annual appreciation in property management costs	3%
Sales Commissions, Marketing & Advertising	4%
Discount Rate	10%

Other Costs		
Type	Annual Cost per Unit	Total Annual Cost
Condo Warranty	\$2,324	\$369,516
After Construction Customer Service	\$1,162	\$184,758
Total	\$3,486	\$554,274