



Google

Things to do in oakville



- Visit Oakwoods' Food Market, Oakville's extensively curated retail destination!
- Visit the Oakwoods amphitheatre for an elevated park experience!
- Tour Oakwoods' luxury apartment buildings and sign a lease!

OAKWOODS

Team 6

Executive Summary

Oakwoods looks to redefine mixed use living, creating a destination for residents and the public through the delivery of 1,791 residential rental units, a dynamic and diverse roster of retailers across 337,988 SF, and community-inspired POPs.

Across two phases, the project will retain and strategically renovate 55% of existing retail area while delivering 1,694,886 SF of new gross buildable area. Oakwoods has been envisioned with sustainability at the forefront and will supply 15% of residential units as affordable and achieve net zero through a number of innovative approaches. These include sustainable building material procurement and reusing materials from existing retail buildings slated for demolition.

\$1.30B
Construction Costs

17.20%
Project IRR

6.47%
Yield on Cost

\$83.82M
Stabilized NOI

2.63x
Equity Multiple

48.40%
Profit on Cost

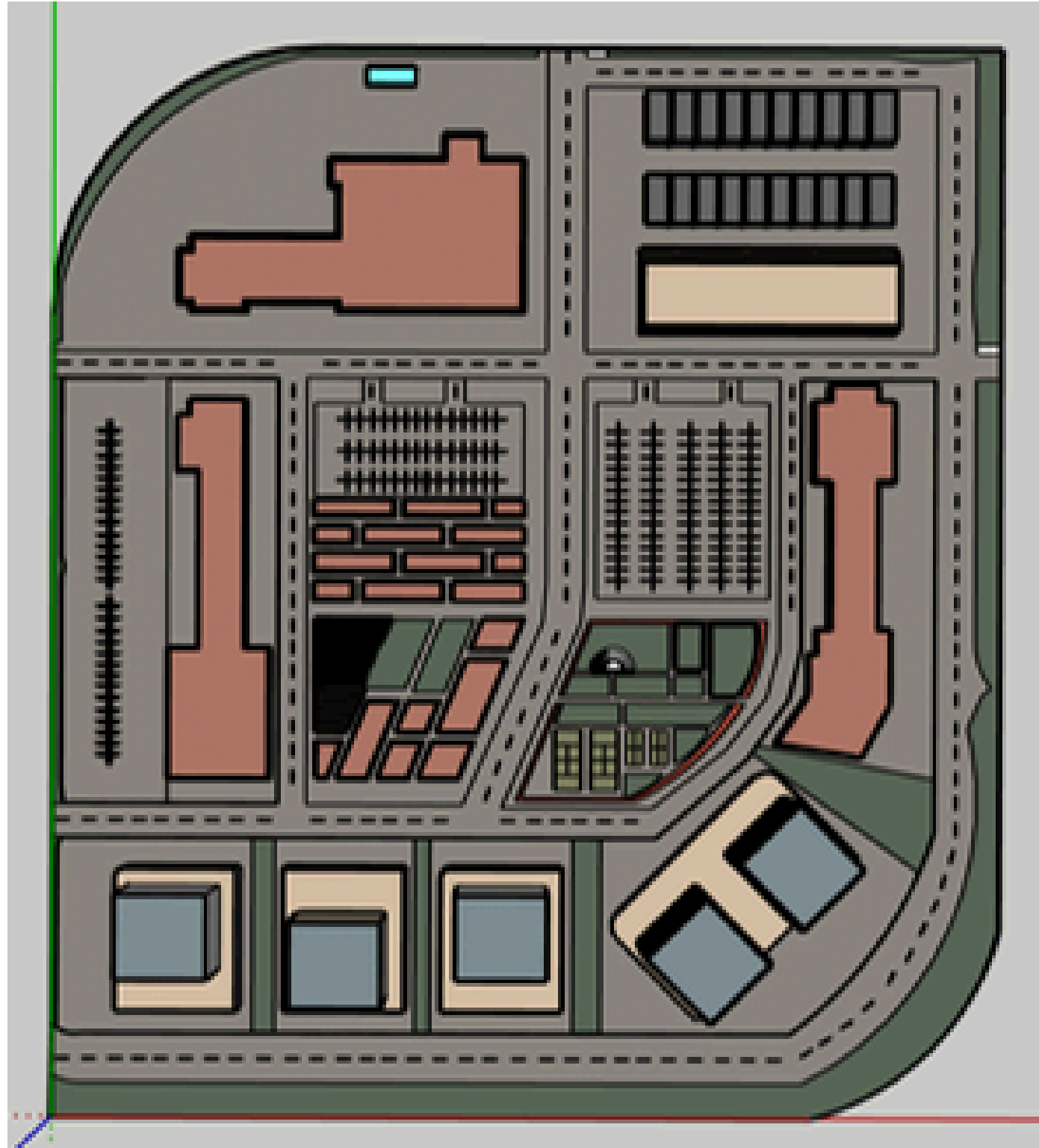
Market Analysis

Population	224,000
Median Age	41.2
Avg. Household Income (3km)	\$171,470
Households with Young Children	70%
Population Growth (2021-2051)	36.6%
New Housing Units (2023-2032)	33,000

Highest and Best-Use Analysis

	Retail	Oakwoods
NOI	\$4,900,000	\$84,000,000
Implied Property Value	\$98,000,000	\$1,680,000,000
Unlevered Total Cost	\$67,000,000	\$1,057,000,000
Implied Land Value	\$31,000,000	\$623,000,000

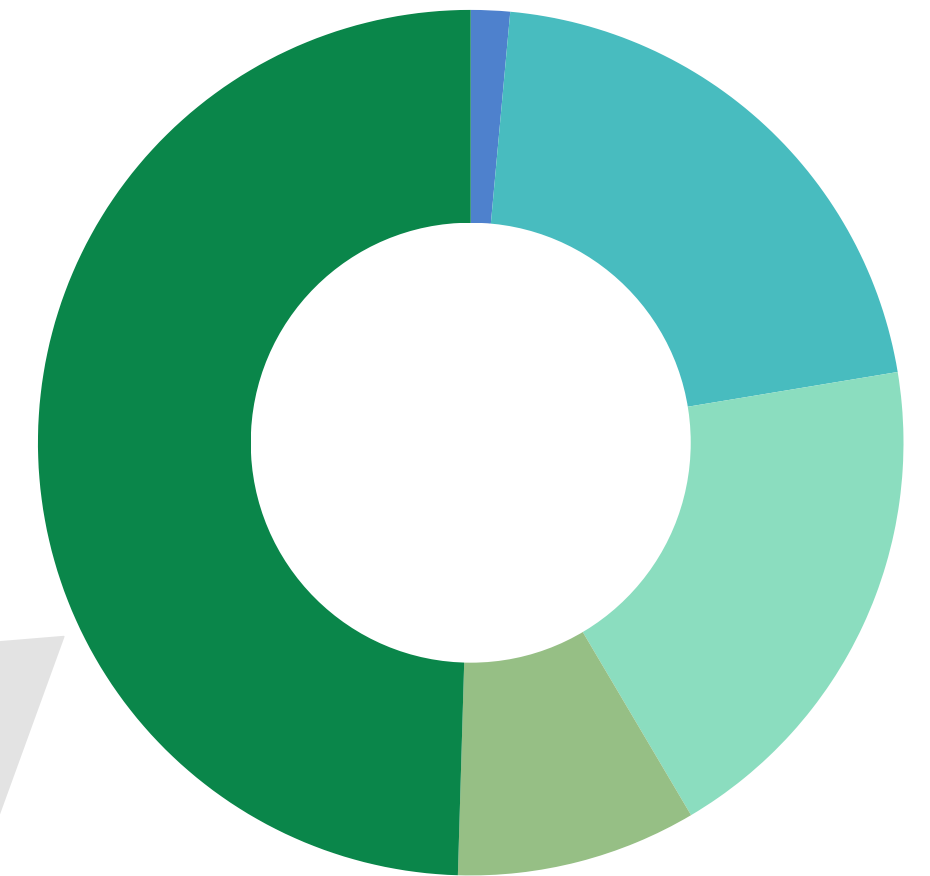
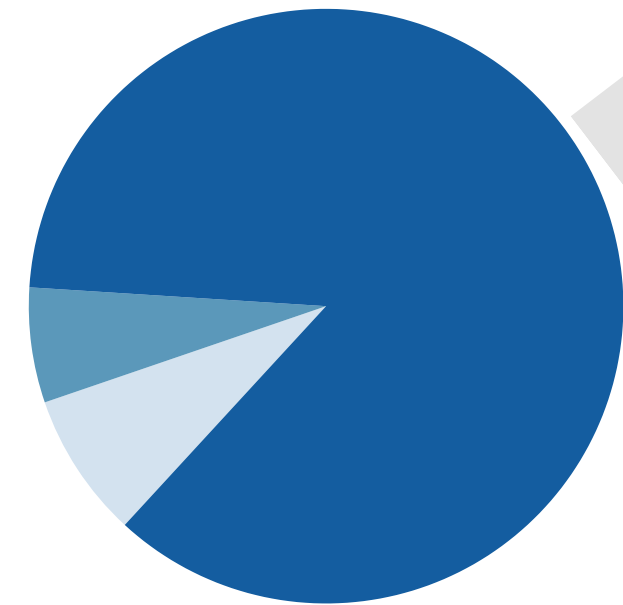
Proposed Site Plan



- Residential Tower
- Retail
- Residential Podium
- Landscaping
- Townhouse
- Geo Exchange Plant

Development Stats

- Existing Parking Area (Surface)
123,509 SF
- Existing Retail Rentable Area
156,314 SF
- Gross Buildable Area (New Development)
1,694,886 SF



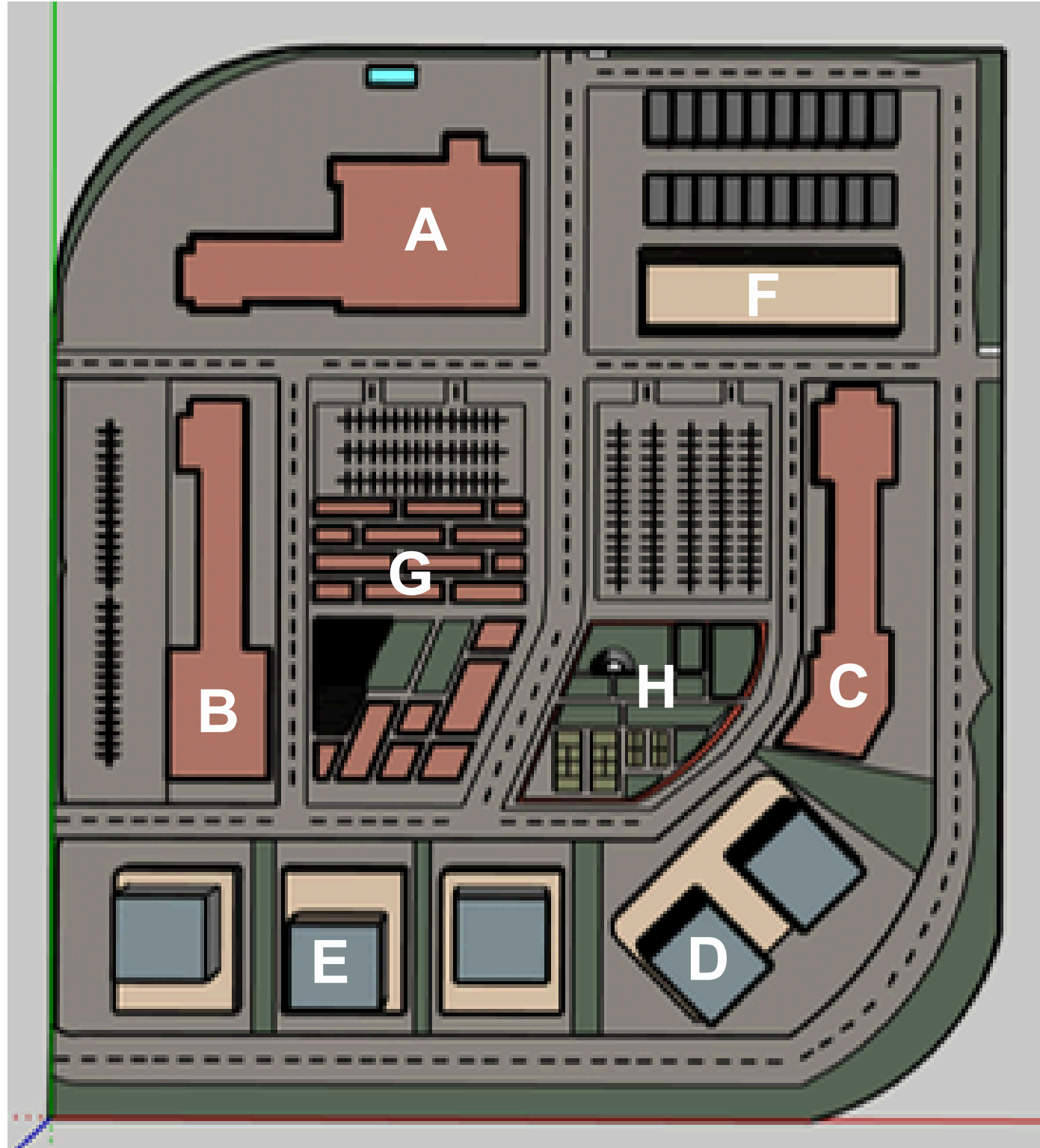
- Residential Rentable Area
1,281,061 SF
- Residential Common Area*
232,151 SF
- New Retail Rentable Area
181,674 SF
- Parking Area (U/G & Surface)
417,913 SF
- POPS Area
37,674 SF

*82% Building Efficiency

On-Site Infrastructure Applications

- Geothermal Exchange Plant
- Electric Vehicle Charging Stations
- Roof-Mounted Solar Panels
- Rainwater Harvesting System

Area Allocation



metro

LCBO

Fit 4 Less



Renovated Retail	Block	Retail Rentable Area
Metro	A	60,757 SF
Hockey Life	C	40,624 SF
<i>Total</i>		<i>101,399 SF</i>

Phase 1

New Development	Block	Retail Rentable Area	Residential Rentable Area	Number of Residential Units
Mixed Use High-Rise	D	31,108 SF	459,404 SF	664
Mixed Use Mid-Rise	F	16,057 SF	192,937 SF	202 + 38 Towns
<i>Total</i>		<i>47,165 SF</i>	<i>652,341 SF</i>	<i>904 Units</i>

Renovated Retail	Block	Retail Rentable Area
LCBO / Fit 4 Less	B	54,915 SF

Phase 2

New Development	Block	Retail Rentable Area	Residential Rentable Area	Number of Residential Units
Mixed Use High-Rise	E	43,231 SF	628,720 SF	887
Retail & Food Market	G	91,278 SF		
<i>Total</i>		<i>134,509 SF</i>	<i>628,720 SF</i>	<i>887 Units</i>

Park Development	Block	Outdoor Amenity Area
Park / POPS	H	37,674 SF

Zoning Amendment & Justification

Current Zoning
C3 - Core Commercial
Proposed ZBA
MU3 - Urban Centre

Current OP Designation
Core Commercial
Proposed OPA
Urban Centre

Rationale

1

Ontario: Built Up Area (Provincial Growth Plan)

- Encourages intensification in delineated areas

2

Halton: Urban Area (Regional Official Plan)

- Accommodates growth and promotes intensification
- Emphasis on active transportation and transit usage

3

Oakville

- Close proximity to Midtown Oakville and Oakville GO
- Requirement for new housing supply

Nearby Developments



530, 550, 588 Kerr Street & 131, 171 Speers Road

- 1,874 residential units
- 11 towers from 8-28 storeys
- 85,000 SF of retail space
- Zoned: MU3 - Urban Centre



3064 Trafalgar Road

- 698 residential units
- 2 towers, 20 storeys (potential permission for 30 storeys)
- Zoned: TUC - Trafalgar Urban Core



3005 & 3010 Dundas Street West

- 690 residential units
- 2 towers from 27-30 storeys
- 29,000 SF of retail space
- Zoned: FD - Future Development

Achieving Net Zero

Geothermal Partnership

Reference: Oakridge Geothermal Partnership with Creative Energy & Corix

Expected to Eliminate 140K tonnes of GHG Emissions over 30 Yrs

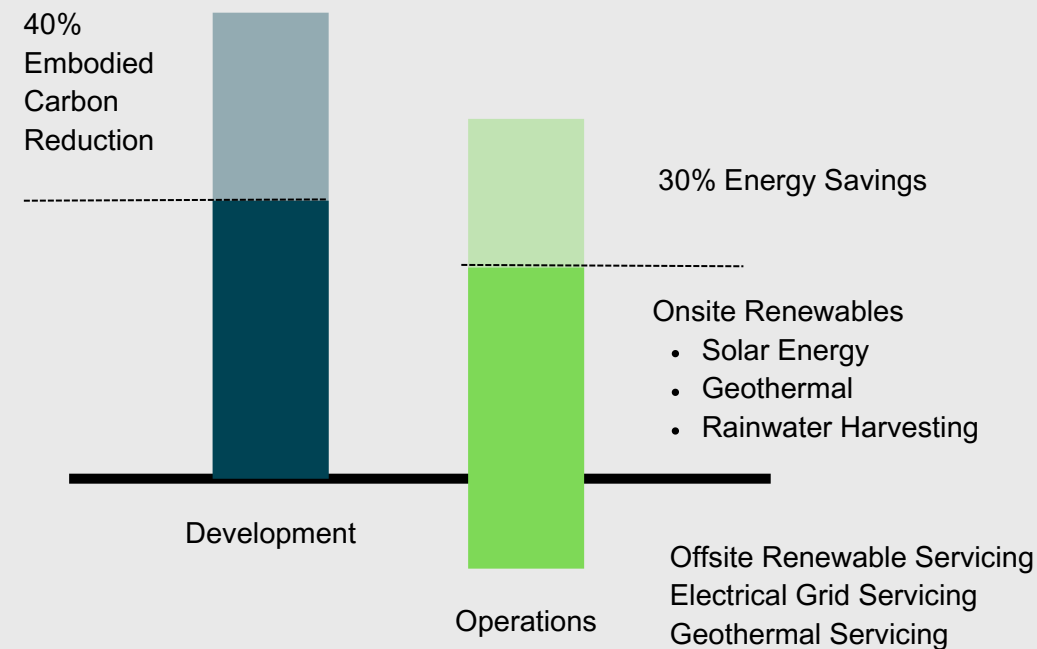


Impact

- Reduced Utility Costs
- Added NRA
- Lower GHG Emissions
- Revenue Split
- Supports Sale Value

Targets & Life Cycle Assessment

NAIOP Estimated Embodied Carbon:
83,049 Tonnes of CO₂e at 0.049 PSF

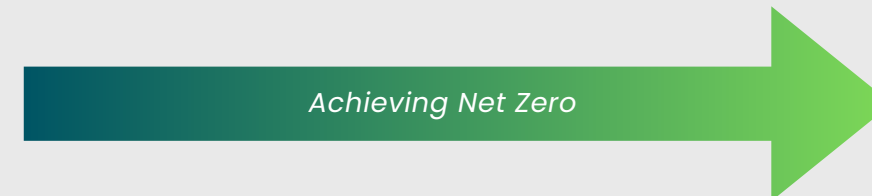


Target: 40% Reduction in Embodied Carbon

Achieved Via:

- Recycling Building Materials
- Sustainable Building Materials Procurement
 - Low Carbon Concrete
 - 30% CO₂ Emission Reduction in Building Materials

$$\text{Net Emissions} = \text{Embodied Carbon} - \text{Operational Carbon} + \text{Avoided Emissions}$$



Scope 1 & 2 Carbon Emissions

- Onsite Renewable Energy
- Embodied Carbon Assessment
- Rainwater Harvesting System
- EV Chargers
- Solar Panels

Scope 3 Carbon Emissions

- Bike Sharing Amenities
- Public and Retail Spaces Supporting Connectivity
- Tenant Education Programs

Project Timeline



Development Risk Factors



Entitlement Risk

Mitigation:

- Development precedent in Oakville
- Project will provide 1,791 units of housing towards provincial target of 42,000 homes before 2031



Construction Risk

Mitigation:

- Conservative timeline
- Hire experienced construction team
- Contingency of \$46.2M (5% of construction costs) built into pro forma



Leasing Risk

Mitigation:

- Marketing and pre-leasing efforts
- Underwritten staggered occupancy of 70% in Yr 1 Ph 1 and 80% in Yr 1 Ph 2
- 5% vacancy built into pro forma

Pro Forma Assumptions

Residential Unit Allocation & Potential Rent

Unit Type	% Allocation	Rent / Month (Source: TRREB)	Average Rent PSF / Year
1	22%	\$2,350	\$51.59
1 + 1	20%	\$2,450	\$50.14
2	25%	\$3,012	\$48.25
2 + 1	14%	\$3,309	\$47.76
3	19%	\$3,809	\$38.08

Affordability Inputs:
X 15% of Units will be affordable at 20% of household median area income (\$171,470) **=**

Residential PGI of \$47.42 PSF per Year @ Acquisition*

**Underwritten 5% Annual Residential Rent Growth*

Oakville Retail Market Rents

\$32.00 Net Rents

3% Annual Rent Growth

Additional Sources of Income

- Parking: \$150 per month per space
- Storage Locker: \$50 per month per unit
- Telehealth: \$12 per unit per month
- Bike Rental: \$30,000 per year
- Geothermal: \$0.67 PSF per year

Financing Assumptions

Current Loan

- 65% LTV on assumed \$77M purchase in 2019
- 1.20 DSCR

Construction Loans

- Interest-Only Facility
- 65% LTC
- Interest Rates:
 - Phase 1: 8.00%
 - Phase 2: 7.25%

Permanent Loans

- Amortization: 25-Years
- Interest Rates:
 - Phase 1: 6.00%
 - Phase 2: 5.25%

Pro Forma: Construction & Operations

Year Beginning Proforma Year	June 2024 1	June 2025 2	June 2026 3	June 2027 4	June 2028 5	June 2029 6	June 2030 7	June 2031 8	June 2032 9	June 2033 10
CONSTRUCTION COSTS										
Development Charges	-	-	-	-	36,852,736	-	-	43,893,260	-	-
Consultants / Entitlements (Soft Costs)	80,513,251	80,513,251	-	-	-	-	-	-	-	-
Site Works / Improvements Costs	-	5,445,000	-	-	-	-	-	-	-	-
Geothermal Costs	-	-	30,000,000	-	-	-	-	-	-	-
OPA and ZBA Application Fees	-	180,221	-	-	-	-	-	-	-	-
Municipal Engineering Fee	-	435,600	-	-	-	-	-	-	-	-
Municipal Landscaping Review Fee	-	136,161	-	-	-	-	-	-	-	-
Misc. Municipal Review Fee	-	35,000	-	-	-	-	-	-	-	-
Phase 1 Demolition Costs	-	1,028,520	-	-	-	-	-	-	-	-
Phase 1 Hard Costs	-	-	108,642,782	108,642,782	108,642,782	-	-	-	-	-
Phase 2 Demolition Costs	-	-	-	-	1,751,673	-	-	-	-	-
Phase 2 Hard Costs	-	-	-	-	-	132,977,110	132,977,110	132,977,110	-	-
Surface Level Parking Improvements	-	-	-	-	-	-	-	629,893	-	-
Developer's Fee	-	-	1,534,649	543,214	551,972	664,886	664,886	668,035	-	-
Contingency	4,025,663	4,349,339	6,932,139	5,432,139	5,519,723	6,648,855	6,648,855	6,680,350	-	-
Financing Costs	5,444,444	5,683,637	7,160,644	7,414,064	7,677,018	32,741,467	32,741,467	32,741,467	53,507,031	53,507,031
Total Construction Costs	89,983,358	97,806,728	154,270,214	122,032,200	160,995,904	173,032,318	173,032,318	217,590,115	53,507,031	53,507,031
RENTAL INCOME										
Existing Commercial PGI	6,877,193	7,179,331	6,607,033	6,805,244	7,009,401	5,218,870	5,375,436	5,536,699	5,702,800	5,873,884
Residential PGI Phase 1	-	-	-	-	-	27,670,313	41,505,469	43,580,742	45,759,779	48,047,768
Commercial PGI Phase 1	-	-	-	-	-	1,749,672	1,802,162	1,856,227	1,911,913	1,969,271
Residential PGI Phase 2	-	-	-	-	-	-	-	-	35,345,178	46,390,546
Commercial PGI Phase 2	-	-	-	-	-	-	-	-	5,452,524	5,616,100
ADDITIONAL INCOME										
Residential U/G Parking Income	-	-	2,342,485	2,354,609	2,472,340	5,143,096	5,400,250	5,670,263	5,953,776	6,251,465
Residential U/G Storage Locker Income	-	-	162,431	170,552	179,080	356,260	374,073	392,777	412,416	433,036
Bike Rental Income	-	-	33,075	34,729	36,465	38,288	40,203	42,213	44,324	46,540
Telehealth Income	-	-	-	-	-	166,141	174,448	183,171	181,042	400,094
Geothermal Income	-	-	-	-	-	973,999	998,349	1,023,307	1,048,890	1,075,112
Total Potential Gross Income	6,877,193	7,179,331	9,045,024	9,345,134	9,697,286	41,316,638	55,670,390	58,285,399	102,012,642	116,103,816
Vacancy Allowance	(343,860)	(358,967)	(452,251)	(468,257)	(484,864)	(2,065,832)	(2,783,520)	(2,914,270)	(5,100,632)	(5,805,191)
Total Effective Gross Income	6,533,333	6,820,364	8,592,772	8,896,877	9,212,422	39,250,806	52,886,871	55,371,129	96,912,010	110,298,626
Operating Expenses Residential	-	-	-	-	-	(8,669,697)	(12,651,900)	(13,284,495)	(24,022,095)	(27,867,461)
ESG OpEx Discount	-	-	-	-	-	433,485	632,595	664,225	1,201,105	1,393,373
Net Operating Income	6,533,333	6,820,364	8,592,772	8,896,877	9,212,422	31,014,594	40,867,566	42,750,859	74,091,020	83,824,538
Capital Expenditures	(326,667)	(341,018)	(429,639)	(444,844)	(460,621)	(1,550,730)	(2,043,378)	(2,137,543)	(3,704,551)	(4,191,227)
Property Before Debt Cash Flow	6,206,667	6,479,346	8,163,134	8,452,033	8,751,800	29,463,864	38,824,187	40,613,316	70,386,469	79,633,311

Assumes 70% of Residential Occupancy Achieved Yr 1 Ph 1, 80% Yr 1 Ph2

Total Levered Development Costs*
\$1,295,757,214

Total Unlevered Development Costs*
\$1,057,138,946

*Note: Includes 5% Sustainability Premium Across all Construction Costs to Generate a 5% OpEx Discount

Stabilized NOI Ph 1
\$40,867,566

Stabilized NOI Ph 1 & 2
\$83,824,538

Pro Forma: Debt Financing

Year Beginning Proforma Year	June 2024 1	June 2025 2	June 2026 3	June 2027 4	June 2028 5	June 2029 6	June 2030 7	June 2031 8	June 2032 9	June 2033 10
DEBT FINANCING										
Existing Loan										
Property Value	98,000,000									
Approximate OLB	38,000,000	36,000,000	34,000,000	32,000,000	30,000,000	-	-	-	-	-
Debt Service	(5,444,444)	(5,683,637)	(7,160,644)	(7,414,064)	(7,677,018)	-	-	-	-	-
Construction Ph 1 Financing										
Borrowed - End of Period	-	59,880,009	95,621,221	74,501,788	99,657,276	-	-	-	-	-
Construction Ph 1 Interest	-	(4,790,401)	(12,823,330)	(19,809,340)	(29,366,669)	-	-	-	-	-
Refinancing Loan Phase 1										
OLB Beginning	-	-	-	-	-	426,450,034	418,775,232	410,633,036	-	-
OLB Ending	-	-	-	-	-	418,775,232	410,633,036	401,994,979	-	-
Principal	-	-	-	-	-	(7,674,802)	(8,142,197)	(8,638,057)	-	-
Interest	-	-	-	-	-	(25,066,665)	(24,599,270)	(24,103,410)	-	-
Debt Service	-	-	-	-	-	(32,741,467)	(32,741,467)	(32,741,467)	-	-
Construction Ph 2 Financing										
Borrowed - End of Period	-	-	-	-	-	91,189,053	91,189,053	120,151,621	-	-
Construction Ph 2 Interest	-	-	-	-	-	(6,611,206)	(13,701,725)	(23,406,093)	-	-
Refinancing Loan Phase 2										
OLB Beginning	-	-	-	-	-	-	-	-	748,243,730	733,242,875
OLB Ending	-	-	-	-	-	-	-	-	733,242,875	717,444,139
Principal	-	-	-	-	-	-	-	-	(15,000,855)	(15,798,736)
Interest	-	-	-	-	-	-	-	-	(38,506,176)	(37,708,294)
Debt Service	-	-	-	-	-	-	-	-	(53,507,031)	(53,507,031)
Permanent Financing DS	(5,444,444)	(5,683,637)	(7,160,644)	(7,414,064)	(7,677,018)	(32,741,467)	(32,741,467)	(32,741,467)	(53,507,031)	(53,507,031)
Property Before Debt Cash Flow	6,206,667	6,479,346	8,163,134	8,452,033	8,751,800	29,463,864	38,824,187	40,613,316	70,386,469	79,633,311
CF Available to Fund Construction	762,222	795,709	1,002,490	1,037,969	1,074,783	(3,277,603)	6,082,721	7,871,849	16,879,438	26,126,280
Required Equity to Funded Construction	(84,538,913)	(32,243,082)	(51,488,350)	(40,116,347)	(53,661,610)	(49,101,798)	(49,101,798)	(64,697,027)	-	-
Actual Equity Contribution	(83,776,691)	(31,447,373)	(50,485,859)	(39,078,378)	(52,586,828)	(52,379,400)	(43,019,077)	(56,825,178)	-	-
Project CFs Before Debt Repayment	(83,776,691)	(31,447,373)	(50,485,859)	(39,078,378)	(52,586,828)	(52,379,400)	(43,019,077)	(56,825,178)	16,879,438	26,126,280
DISPOSITION										
Property Sale	-	-	-	-	-	-	-	-	-	1,754,690,094
Closing Costs	-	-	-	-	-	-	-	-	-	(4,386,725)
Outstanding Permanent Debt Repayment	-	-	-	-	-	-	-	-	-	(717,444,139)
Net Sale Proceeds	-	-	-	-	-	-	-	-	-	1,032,859,229
Equity CFs After Sale & Debt Repayment	(83,776,691)	(31,447,373)	(50,485,859)	(39,078,378)	(52,586,828)	(52,379,400)	(43,019,077)	(56,825,178)	16,879,438	1,058,985,510
Project Level IRR	17.20%									

IRR Sensitivity (Construction Costs)

		Potential Gross Income				
		-10%	-5%	0%	5%	10%
Construction Costs	-10%	16.97%	18.55%	20.16%	21.80%	23.48%
	-5%	15.45%	17.08%	18.73%	20.42%	22.13%
	0%	13.81%	15.50%	17.20%	18.93%	20.69%
	5%	12.02%	13.78%	15.55%	17.33%	19.14%
	10%	10.06%	11.90%	13.74%	15.59%	17.47%

IRR Sensitivity (Interest Rates)

		Potential Gross Income				
		-10%	-5%	0%	5%	10%
Interest Rates	-2.0%	5.30%	12.64%	17.83%	21.51%	24.06%
	-1.0%	4.79%	12.26%	17.52%	21.24%	23.83%
	0.0%	4.26%	11.86%	17.20%	20.98%	23.59%
	1.0%	3.73%	11.46%	16.88%	20.70%	23.35%
	2.0%	3.17%	11.06%	16.56%	20.43%	23.10%

Permanent Loan DSCR: 1.57
 Stabilized Yield on Cost: 6.47%
 Stabilized Profit on Cost: 48.40%

Returns from Additional Scenario Analysis

Unlevered IRR
 14.28%

50-Year Hold IRR
 13.11%

Assumes Sale in Yr 10 at a 5% Cap Rate →

17.20% Project Level IRR and 2.63x Equity Multiple



THANK YOU

We Welcome Any Questions!