



Whistler 2020 Development Corporation

Project Plan: Lot 3 – 1600 Mount Fee Road February 25, 2025 – Rev.1



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1. Background

Lot 3 in Cheakamus Phase 2 was zoned in 2020 for three storey townhome buildings with a site Gross Floor Area (GFA) of 4,300 sq.m and a maximum Floor Space Ratio (FSR) of 0.50. Subsequent to rezoning, several alternate site options were investigated, including options for higher density with underground parking. Based on these concepts a DP and associated Site Alteration permit to permit site grading were issued in 2022. The site is currently cleared and partially graded for a concept with underground parking.

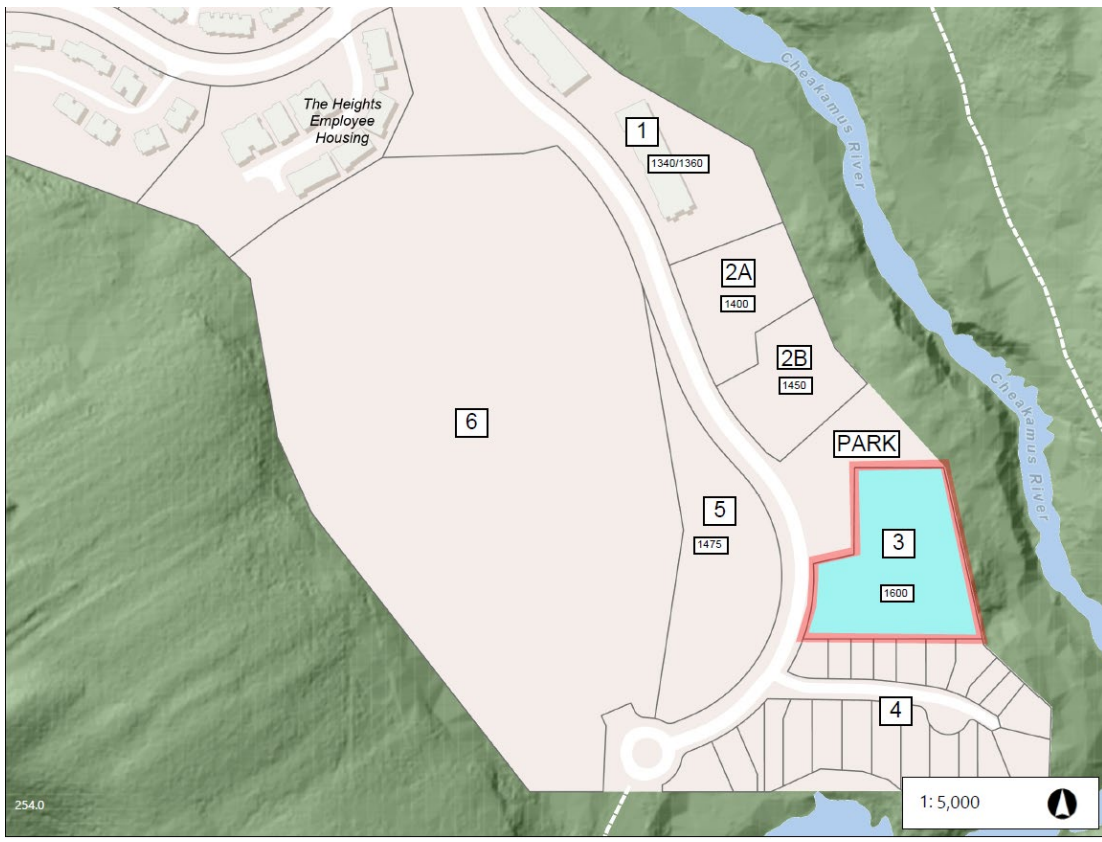
To kick off the most recent design phase, Siegrist Architecture was retained to develop preliminary site design concepts. Siegrist is also the project architect for the Lot 5 project currently under construction. The focus was on maximizing the site density and number of units, while being sensitive to the interface with the adjacent single-family/duplex lots and Park. Several concepts were shared with RMOW Planning Staff in March 2024. These site concepts included:

- 5 Storey and 3 Storey Apartment Buildings (152 Units)
- Hybrid – 5 Storey Apartment (95 Units) + 30/37 Townhomes (Stacked)

Based on feedback received, WDC advanced the hybrid design option with a 5-storey apartment building and 4 townhome buildings. All buildings are located on top of a common parkade structure that will provide parking for all apartment and townhome units. WHA input was received to optimize the unit mix for the apartment building to align with waitlist demand. Using standard unit plans developed on previous rental projects, an apartment building design was developed that included 105 units in a 5-storey building, stepped to 3 storeys at the south end.

The initial townhome buildings were presented as 3-storey, 6 plex buildings (with 24 3-bedroom units). Based on feedback from the WDC Planning and Development Committee the townhomes were revised to 2-storey, 5 plex buildings. This created a more efficient, 3-bedroom floorplan which is simpler to construct and therefore more cost-effective.

A zoning amendment application to increase the permitted density to 8,800 sq.m. with an FSR of 1.04 was submitted on Nov.25.2024. A Development Permit application was submitted on Dec.13.2024. A Preliminary version of the Project Plan was endorsed by the WDC Board on December 12, 2024. The WHA Board received a copy of the Project Plan for review at their Jan.28.2025 meeting.



Lot 3 – Location Context Plan

2. Project Summary (December 2024)

Project Description

Lot 3 is proposed to be a five-building WHA operated rental development. Building 1 (apartment) includes 105 units with a gross floor area of 73,358 sq.ft. Buildings 2 through 5 (townhomes) include 20 units with a gross floor area of 25,932 sq.ft. Unit types include:

Apartment Units

- 14 - Studio (1 bath) – Standard & Accessible
- 75 - 1 bed (1 bath) - Standard
- 8 - 2 bed (1 bath) – Standard & Accessible
- 8 - 2 bed (2 bath) - Standard

Townhome Units

- 20 - 3 bed (2 bath)

Preliminary floorplans are included in Appendix IV.

The buildings will be constructed over a combined one-storey parking structure. The apartment building offers a range of unit types, focused on providing one bed units to meet the strong demand for this unit type from the WHA Rental Waitlist. A total of 13 accessible units are provided. The townhome units will be suitable for families and groups of unrelated adults/roommates. The unit designs are influenced by feedback from the WHA on recent employee housing buildings and the WDC Planning & Development Committee.

Cheakamus Crossing Phase 2 - Lot 3 - 1600 Mount Fee Road						
Rezoning Submission - Nov.2024						
Current Zoning: RM-CD2						
GFA = 4,300 sq.m. / FSR = 0.50 / Site Area = 8,480 sq.m.						
			Floor Area		Total	
Unit	Type	Qty.	sq.m.	sq.ft	sq.m.	sq.ft
Buildings 2 through 5 - Townhomes						
D1-A	2 Level - 3 Bed - Mid.	12	120.16	1,293.54	1,441.94	15,522.48
D1-B	2 Level - 3 Bed - End	3	121.20	1,304.69	363.59	3,914.07
D1-C	2 Level - 3 Bed - End	4	121.27	1,305.50	485.09	5,222.00
D1-D	2 Level - 3 Bed - End	1	121.20	1,304.69	121.20	1,304.69
Total	Townhomes	20			2,411.83	25,963.24
Building 1 - Apartments			Efficiency:	84.10%		
A1-A	Studio	4	38.33	412.61	153.32	1,650.44
A1-B	Studio -Accessible	3	38.32	412.50	114.96	1,237.50
A1-C	Studio -Accessible	4	38.53	414.81	154.13	1,659.24
A1-D	Studio -Accessible	2	38.61	415.65	77.22	831.30
A1-E	Studio -Accessible	1	38.33	412.61	38.33	412.61
B1-A	1 Bed	55	53.22	572.92	2,927.14	31,510.60
B1-B	1 Bed	5	53.23	573.03	266.16	2,865.15
B1-C	1 Bed	5	53.30	573.82	266.52	2,869.10
B1-D	1 Bed	5	53.23	572.97	266.13	2,864.85
B2-A	1 Bed	5	52.84	568.82	264.20	2,844.10
C1-A	2 Bed / 2 Bath	5	77.29	831.99	386.43	4,159.95
C1-B	2 Bed / 2 Bath	3	77.28	831.87	231.83	2,495.61
C2-A	2 Bed / 1 Bath	5	73.04	786.32	365.22	3,931.60
C2-B	2 Bed / 1 Bath - Acc.	3	73.15	787.51	219.46	2,362.53
Total	Apartments	105			5,731.05	61,694.58
Total Units		125				
Unit Mix - Summary						
Apartments - Studio		14		Common (Apt. Bldg)	1,083.46	11,663.39
Apartments - 1 Bed		75		Total (Apt. Bldg.)	6,814.51	73,357.97
Apartments - 2 Bed		16				
Townhomes - 3 Bed		20		Total Project		99,321.21
				FSR Exclusions (Storage)		3,969.02
				Total Zoning Area		95,352.19
				Total Site Area		91,286.87
				FSR - Calculated		1.04
				FSR - Permitted		0.50

Lot 3 – Project Statistics Table

Project Specifications

Project specifications are preliminary at this time and will be further developed in consultation between WDC and WHA. They will generally follow the standards set for recent WHA projects.

As a rental property all specifications are geared to consider initial costs as well as long term durability and maintenance costs.

Interior (Apartment Units)

- Appliances - Each unit includes a standard appliance package – 30” Fridge, 30” Range, Dishwasher, Hood Fan. Accessible units will be provided with a modified appliance package.
- Millwork – Durable finishes on millwork surfaces, laminate countertops. Double sink (single in Studios) in kitchens with space for garbage/recycling under the sink.
- Bathrooms will include vanity/sink, toilet and combo tub/showers. Accessible studio units will replace the tub/shower with an accessible shower.
- Flooring – Vinyl Plank
- In suite storage will include bedroom closets. Some units will also include a linen/pantry closet. All units, except accessible units, will include an in-suite storage room ranging from 30 to 45 sq.ft. As the accessible units require additional circulation space under the updated BC Building Code, they will be provided with a storage locker in the parkade.

Interior (Townhome Units)

- Appliances - Each unit includes a standard appliance package – 30” Fridge, 30” Range, Dishwasher, Microwave/Hood Fan. Townhome units will also include a stacked washer/dryer unit.
- Millwork – Durable finishes on millwork surfaces, laminate countertops. Double sink in kitchens with space for garbage/recycling under the sink.
- Bathrooms will include vanity/sink, toilet and combo tub/showers.
- Flooring – Vinyl Plank on ground floor and carpet on second floor.
- In suite storage will include bedroom closets. All units will include an exterior accessed storage room, approximately 80 sq.ft. in size. Each unit will also have a storage locker in the parkade.

Exterior

- Exterior finishes will primarily be Hardie Panel material for durability, ease of maintenance and fire resistance.

- Profiled metal siding panels will also be used to provide texture and relief to the façade with low long term maintenance costs and fire resistance. Stone accents will be used at the townhome entrances to help define the entries.

Common Facilities

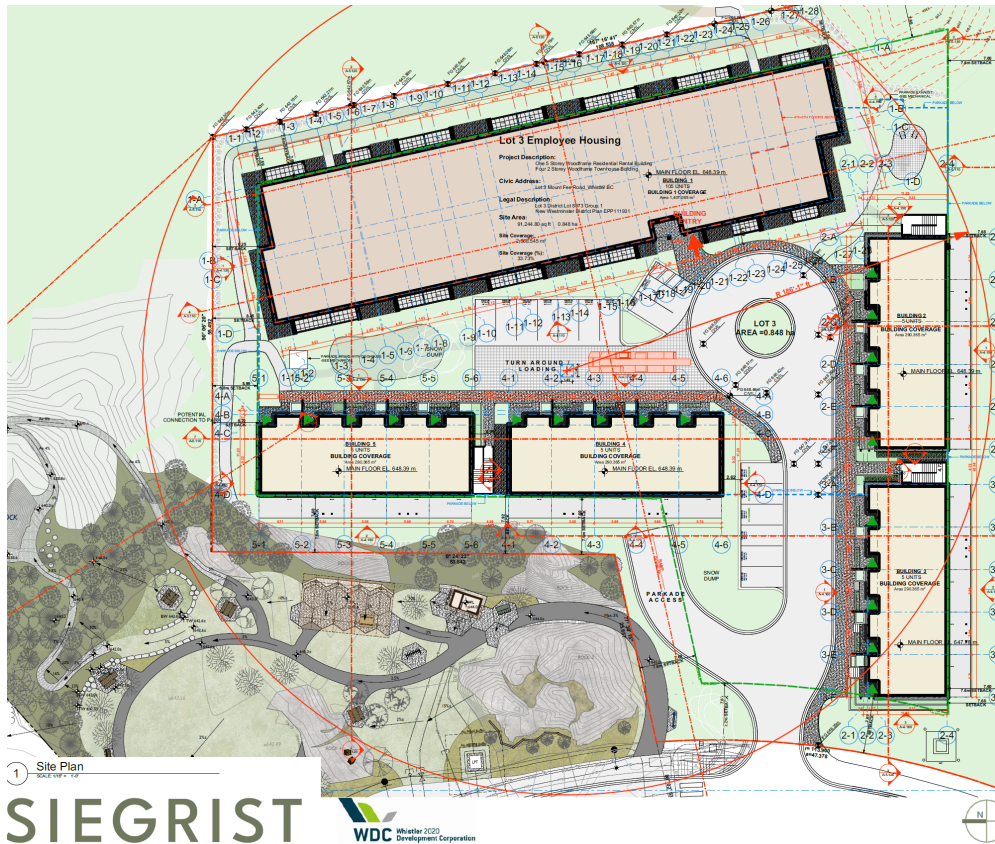
- A common laundry room for the apartment building will be located on the ground floor, adjacent to the main entrance lobby.
- A Canada Post mailroom/parcel room to service the apartment building will be located on the ground floor, adjacent to the main entrance lobby. The townhomes will be serviced by a Canada Post mailbox unit located near the property entrance from Mount Fee Road. (Subject to Canada Post review).
- Parking – A total of 160 parking stalls will be provided for residents (1 per apartment unit and 2 per townhome unit) and 15 stalls for visitors. Parking is located in a single level parkade with a single access. All residential stalls will be pre-ducted for a managed EV charging system. 3 visitor stalls will be provided with a level 2 EV charger. Low profile curbs on the main driveway will permit short term drop off/unloading for the townhome units.
- The apartment building will be serviced by two elevators connecting to all levels and the parkade. Access to the townhomes from the parkade will be provided by three enclosed stairwells located adjacent to the townhome blocks.
- A central Garbage/Recycling Room for all residents is located in the parkade adjacent to the entrance.
- A bike storage room is located in the parkade with approximately 128 spots. Electrical outlets will be provided to allow for e-bike charging. A bike wash/repair station is located at the entrance to the parkade.
- A landscaped courtyard will be provided with pathways, lawn and seating areas. Path connections will be provided to the adjacent trail network.

Mechanical Systems & Energy

- Domestic Hot Water (DHW) will be provided by the DES with electric back-up.
- Heating will be provided in units using electric baseboard heaters.
- Cooling
 - The updated BC Building Code (2024) requires that all multi-family units have one room capable of being maintained at a temperature of 26 deg.C. or less. The mechanical consultant has advised that this cannot be achieved without a mechanical cooling system. For the apartments, a single Packaged Terminal Heat Pumps (PTAC – e.g. Innova) will be provided

in the primary living area. For the townhomes, split cooling units will be used to provide cooling to the upper level bedrooms.

- The buildings will be designed to Step 4 per the covenant registered on title at rezoning (requiring current Step Code for Part 3 Buildings +1).



Lot 3 –Site Plan (Nov.2024 Rezoning Package)

Current Site Status

Lot 3 has all required underground service connections to the property line, ready for construction. The site is currently cleared and partially graded for an earlier development concept with underground parking. There is no existing vegetation on site. The site is currently being used as a staging area and source of backfill for the Lot 5 project. Work to complete the blasting, excavation, structural fill and foundation preparation is anticipated to start in Q2 - 2025, subject to approvals.



Lot 3 – Current Site Conditions

3. Project Financials

Project Budget

At this early stage of design development, the project budget is primarily based on comparable costing analysis from the current Lot 5 project. Adjustments have been made for some divisions (siteworks and concrete) based on preliminary drawings and assumed specifications as described above. Allowances have also been added to account for key specification differences from Lot 5 related to mechanical cooling and increased Step Code requirements. With Lot 5 we have seen a stabilization in construction costs following a period of significant increases. With that consideration, an allowance of 2.5% has also been made for inflation, assuming a one-year gap between Lot 5 and Lot 3. Land/Infrastructure costs have been applied as well as an estimate for construction period finance costs. Based on this, our current forecast for total project costs, including 10% contingency, is **\$62.9M**.

Construction Year	2021	2023	2023	2024	2025
Project	Lot 1	Lot 2A	Lot 2B	Lot 5	Lot 3
Number of units	100	30	48	104	125
Gross SqFt	93,325	24,527	37,162	79,948	98,370
Net SqFt	79,000	20,178	30,751	66,320	87,658
Efficiency	85%	82%	83%	83%	89%
Project Cost (Incl. Contingency)*	\$ 35,598,024	\$ 12,344,756	\$ 16,092,273	\$ 41,200,660	\$ 57,016,447
Project Cost (per Gross Sq.Ft)	381	\$ 503	\$ 433	\$ 515	\$ 580
<i>*Lot 1, 2A and 2B Costs are Final</i>					
Lot 3 Cost Summary					
Project Costs	\$ 57,016,447	<i>Includes Construction, Soft Costs, Contingency</i>			
Land/Infrastructure Allocation	\$ 3,262,392				
Land Transfer Costs (PTT)	\$ 78,000				
Const'n Monitoring & Interest	\$ 2,551,841	<i>Interest Rate per B.C. Housing (2025)</i>			
Total Project Costs	\$ 62,908,680				

Table 3.1 - Lot 3 Project Costs

Given that Lot 3 includes a 5-storey building and 2 level townhomes versus 4 storey buildings on Lot 5, it is expected that some cost efficiencies will be realized. As design proceeds through the Building Permit and Construction drawing stage the project budget will be refined. The project schedule will also factor into the overall project costs.

WHA Rental Waitlist and Demand

The WHA Rental Waitlist continues to exceed the available supply across all housing types. Additionally, in 2024 the WHA initiated a pilot project to expand eligibility to include qualified employees who had applied for Permanent Residency. The delivery of 48 WHA rental units at Lot 2B (The Hemlocks) in Fall 2024 and 104 units at Lot 5 in 2026 (Q2/Q3) will help to address demand. Despite the addition of these units it is expected that demand will continue to exceed supply. This is due to both projected population growth and the continued decline in affordable, private rental housing options.

The highest waitlist demand continues to be for studio and one-bedroom units. ***WHA waitlist data is shown in Appendix I.*** The demand for one bed units was reinforced during the tenant selection process for the recently completed Hemlocks project. Based on this high demand the unit mix for the Lot 3 apartment building was weighted towards one bed units (over 70%).

The 20 townhome units present an opportunity to add an alternate housing type to the WHA rental inventory. Although the economics of larger townhome units are

challenging, the WHA expects that there will be sufficient rental demand for these units at a rate that can support the proposed model. Rental rates will need to be established that align with any requirements under RMOW or project funding requirements (e.g. B.C. Housing or CMHC).

Rental Rate Assumptions for Equity Modelling

Apartment Units

To establish rental rate assumptions for the apartment units an assessment of projected rents under the RMOW’s K-01 policy was carried out with input from WHA Staff. The K-01 rental policy establishes a minimum and maximum rent by project and unit type with actual rents based on verified income, per Rent Geared to Income (RGI) standards. Actual rents will not be below the minimum or above the maximum. Based on this model and assuming growth in rental rates from 2024 to 2028 (building occupancy) the following rates were established:

Rentable Area		61,690	sf		
			Projected	Gross Rent	
Unit Type	Qty.	Avg.sf	Rent \$/month	\$/month	
Studio	14	413	1,700.00	23,800.00	
1 Bed	66	573	2,150.00	141,900.00	
Below Market Units			-	-	
1 Bed	9	573	2,000.00	18,000.00	
2 Bed/1& 2 Bath	16	810	2,600.00	41,600.00	
				225,300.00	
			Avg.Rent/sf	3.65	

Table 3.3 – Lot 3 Rental Rates – Apartments (Projected to 2028)

Townhome Units

The rental rate assumption for the townhomes is based on feedback on allowable rents under potential funding programs. For the purposes of equity modelling a rate of \$4,798.00/month was established. For comparison, the WHA tracks advertised rents from print and online sources. (refer to Appendix II). For 2025, advertised rents for 3 – bedroom units were \$10,500/month (average) and \$10,000/month (median).

Project Funding and Financing/Equity Requirements

Financing for the construction and operation phases of the Lot 3 project will require a combination of equity (cash, grants, etc.) and third-party debt from either a government loan program (CMHC, BC Housing) or a conventional lender. As a rental project, Lot 3 is expected to qualify for government loan programs. These programs offer significantly better terms than conventional financing and would be the preferred path. Identification of the project equity requirements and sources is critical to ensure that sufficient funds are available to proceed with the project. The funding programs utilized on recent WHA projects from both CMHC (ACLP for Lot 2B) and BC Housing (BC Builds for Lot 5) will provide guidance on expected rates, terms, etc.. These programs provide financing for both construction and takeout (operations phase). With the proposed project being a WHA rental property the WHA and RMOW will take the lead on funding applications with WDC providing support. Funding applications are expected to be submitted in March 2025.

Construction Phase

For the CMHC Apartment Construction Loan Program (ACLP) there is typically a single loan for both construction and take out with the interest rate set at the first payment draw. For B.C Housing there is a different interest rate for construction and takeout. For the purposes of the model we have assumed a B.C. Housing lending program. Construction Phase interest costs are calculated based on a detailed cash flow using a rate of 3.65% (per B.C. Housing 2025 forecast). An allowance will be added to cover construction monitoring/QS costs and fees. Progress draws will start after equity has been spent (including land value).

Operational Phase

For the Operational Phase the available takeout mortgage amount will be based on the project's Net Operating Income (NOI). NOI is calculated using projected rental revenue and operating costs. Operating cost projections were reviewed with WHA staff and are based on similar projects. Terms (Interest Rate, DSR) are per B.C. Housing and WHA input. Revenue projections are based on two scenarios:

- 1) Economic Rent – This is the minimum required rental rate for the project to be viable with typical financing standards.
- 2) Projected Rent per Table 3.3 (K-01) applied to the apartments, plus townhome rent at \$4,798/month.

The projected mortgage amount and equity requirement at completion are included in Table 3.4 below for the two NOI/rental revenue scenarios:

Lot 3 - 1600 Mount Fee Road - Apartments + Townhomes				Rev.H
Number of Units:	125			
Gross sf	98,370			
Net sf	87,658	Efficiency		89.1%
Total Project Cost (Excl. GST):	\$ 62,908,680	\$ 718		Per Net sq.ft.
Apt. Average Economic Rent	\$ 4.10	per sq.ft		
Apt. Projected Avg. K-01 Policy	\$ 3.65	per sq.ft		
TH Rent (Monthly)	\$ 4,798.00	per month		Unit - 1,300sf
Interest Rate*	4.52%			
Amortization Period	35.00	years		
	Net Op. Income[†]	Calc. Mortgage ^{††}		Equity Required
Apt. at Econ. Rent + TH	\$ 3,262,614	\$ 52,090,572		\$ 10,818,107
Apt. at K-01 + TH	\$ 2,929,461	\$ 46,771,485		\$ 16,137,195
		Equity Difference		\$ 5,319,088
<i>* Interest Rate per B.C. Housing (2028 Projection)</i>				
<i>† Includes Ancillary Income - Parking & Laundry</i>				
<i>†† Mortgage assumptions - 1.1 DSR, Rate and Amortization Period as noted</i>				

Table 3.4 - Lot 3 Take Out Financing - Equity Requirements

(See Appendix III for Details)

With the assumptions outlined above it is expected that the project will require equity of approximately **\$16.1M**. As these assumptions are subject to further refinement, a range of +/- 25% (**\$12.1M - \$20.1M**) should be considered for planning purposes.

The economic rent scenario is provided to demonstrate the additional equity required to achieve the RMOW's K-01 rental policy. WDC will work with WHA and the RMOW to refine these assumptions and confirm the equity requirements and source(s) of equity. If sufficient equity is not available alternative options to proceed are outlined in the Project Risks & Risk Mitigation section of this Project Plan.

WDC Funding Requirements

As with previous projects delivered to the WHA, WDC will enter into a Development and Construction Services Agreement (DCSA) with the WHA. WDC will require access to sufficient funds to meet its contractual obligations under the DCSA. Funds will be provided through funding agreements between the RMOW and WDC and will be sourced from the Cheakamus Crossing Affordable Employee Housing Reserve Fund (CCA EH). Funds advanced under these agreements will be transferred back to the CCA EH at project completion or earlier, per the agreement terms. It is anticipated that the following funding agreements will be required:

1. Parcel Level Funding Agreement

This agreement would provide funding to allow the project to proceed through initial construction until such time as WHA has finalized construction financing and is able to make the draw payments. This has been the case on recent WHA projects and allows the projects to stay on schedule. Based on forecasted project costs and assuming WHA can make draw payments by 2025 – Q3, the agreement would need to provide up to \$9.0M. Once the first draw payment is received, WDC would transfer back funds advanced under this agreement to the CCA EH and the agreement would be closed.

2. Credit Line Funding Agreement

This agreement would provide funds to cover statutory lien holdback amounts on each progress draw (10%) under the DCSA. Based on the project budget (Table 3.1) the DCSA value would be approximately \$58.0M. A credit line agreement for \$6.0M would cover the lien holdback amount. The funds advanced under this agreement would be transferred back to the CCA EH at the end of the lien period (55 days after Notice of Project completion). This line of credit would also provide WDC with access to funds to make month-end payments to subcontractors and suppliers in the event receipt of a draw payment from WHA is delayed. It is not expected that WDC would need funds to be advanced under this agreement until the Parcel Level Funding Agreement was closed.

Project Cashflow

Based on the proposed schedule and current preliminary budget for project costs (including construction, contingency, soft costs, land and finance) of \$62.9M the cashflow projection is as follows:

Category	Prior Years	2025		2026		2027		2028
		Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2
Project Costs	\$1,262,456	\$3,896,150	\$6,898,990	\$9,091,670	\$12,201,520	\$12,486,602	\$9,920,862	\$1,258,197
Land			\$3,340,392					
Finance Costs				\$161,523	\$499,235	\$678,547	\$895,632	\$316,904
Cumulative	\$1,262,456	\$5,158,606	\$15,397,989	\$24,651,182	\$37,351,936	\$50,517,085	\$61,333,579	\$62,908,680

Subject to final financing program and terms it is expected that equity requirements will be satisfied by Q2-2026.

4. Project Schedule

Approvals

As proposed, the project requires a rezoning process to be completed as well as the standard Development Permit and Building Permit processes. Actual submittal dates are as follows:

- Rezoning – Nov.25.2024
- Development Permit – Dec.13.2024
- Building Permit – Jan.31.2025

Based on preliminary discussions with the RMOW Planning Staff it is anticipated that permits will be in place by May 31, 2025. A separate application for a Site Alteration permit will be made to facilitate the completion of site grading and excavation works ahead of full permits.

Construction

A significant portion of the site grading and excavation has been completed under a previously issued site alteration permit. With permits being issued in late May it is not possible to complete foundations and suspended slab work in 2025 so completion will be in 2026. Given the layout of the site only a single crane located at the center of the site is feasible. With a single crane, framing work on the apartment cannot commence until the suspended slab is complete. Townhome framing will commence when the apartment framing is nearly complete. Per the below schedule, delivery of completed units would occur in Q1-2028. Once key milestone dates and project scope are confirmed, potential measures to improve the delivery date will be explored.

	2024				2025					2026					2027					2028														
	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Approvals	APPROVALS																																	
Parkade					SITE PREP	FOUNDATIONS/SS				FNDS/SS																								
Apartment - Bldg.1										FRAME+ROOF					SUBTRADES & EXT.			FINISHING																
Townhome - Bldgs. 2 - 5															FRAME+ROOF			SUBTRADES & EXT.			FINISHING													

5. Project Risks & Risk Mitigation

At this early stage of project planning there are numerous risks that need to be considered. With each risk, mitigative steps should be identified to reduce the likelihood of a risk materializing. Additionally, measures should be developed to ensure that a path forward has been established should a risk materialize.

The risks to the Lot 3 project can be captured in two categories:

- Economic/Financial Viability
- Execution/Construction Phase

Economic/Financial Viability Risks

Risk 1 – Insufficient Equity Availability

Mitigation Options/Strategies (Reduce Required Equity):

- Investigate options to increase rental revenue. (e.g. rental of a portion of apartment units to qualified businesses at premium rental rates).
- Reduce scale/scope of project. Note that this may require a redesign and cause a delay. Any BP submission after March 10, 2025 would require unit designs that meet the updated B.C. Building Code adaptability standards (100% adaptable units), which would likely impair project economics.
- Option to sell units or a portion of the building to individual purchasers (WHA waitlist), businesses or an institution to reduce equity and debt amounts.

Risk 2 – Increase in interest rates

Mitigation Options/Strategies:

- Engage with potential lenders early in the project timeline to ensure the best interest rates and other terms can be expected and achieved.

Risk 3 – Insufficient demand for townhome rental from WHA Rental Waitlist

Mitigation Options/Strategies:

- Relaxations to K-01 policy to expand eligibility options (e.g. couples, roommates, local businesses and agencies, etc.).
- Consider the sale of townhomes to qualified employees on a cost recovery basis. Note that this would likely increase the equity requirement for the rental apartment building. Financing would be more complicated as ownership townhomes would not qualify for CMHC or B.C. Housing financing. The completed project operating/legal structure would need to be considered (e.g. sectioned strata).
- Potential sale of units to qualified businesses.

Risk 4 – Insufficient demand for apartment rental from qualified employees

Mitigation Options/Strategies:

- Consider the sale of both apartments and townhomes to qualified employees. This would require some adjustments to the project specifications to meet ownership standards (e.g. in suite laundry in apartment units). Sufficient equity would need to be made available to WDC to obtain conventional construction financing to deliver the completed units.
- Potential sale of units to qualified businesses.

In order to assess the likelihood of the Economic/Financial viability risks it is critical that WHA/RMOW/WDC advance discussions with lenders to confirm financing programs, interest rates and equity requirements and sources.

Execution/Construction Phase Risks

Adhering to good project management principles, WDC ensures that a risk assessment and mitigation process is applied to all projects. Although each project is unique, there are typical risks for building projects like Lot 3. These include:

- Approval Delays – Delays to Construction Start which could impact schedule and budget.
- Project Budget
 - Pre-Construction – Scope Creep (e.g. Building Code & Specifications)
 - Sub-Contractor/Trades Availability

- Inability to confirm pricing for some project elements (e.g. lumber package) until after project has started.
- Unique Risk - Impacts of Canada/USA Trade Dispute and Tariffs.
- Construction
 - Sub-Contractor & Supplier Non-Performance
 - Consultant Coordination Issues
 - Damage to Project under construction – Fire, Flood, Wind, Vandalism
 - Schedule Delays, Material and Equipment late deliveries
 - Schedule/Timing - (e.g. Winter Conditions / Wildfire - Work Curtailment)
- Post Delivery
 - Significant deficiencies/system performance issues
 - Premature failures of building components and finishes

Potential strategies that can be applied to mitigate these risks are:

- Understand approval timelines and meet application date milestones with submission of complete application packages.
- Ensure appropriate contingencies are included in budgets. Apply targeted contingencies to any higher (or lower) risk elements.
- Identify budget elements at a higher risk of tariff induced inflation and ensure alternatives are available. Given the timeline of this project it is anticipated that supply chains will have adjusted to low/no tariff supplier at time of procurement. The current Project Costs allow for a 2.5% inflation above Lot 5 costs and include 10% contingency. It is anticipated that any potential impacts from trade/tariff issues will be within these allowances.
- Include appropriate allowances for inflation in preliminary/pre-tender budgets (especially when using comparative costs).
- Maintain a stable of reliable Consultants with previous WDC project experience.
- WDC - General Contractor Delivery Model. This facilitates close management of individual sub-trades and suppliers.
- Project Scheduling – Include Key Procurement tasks. Identify long lead time components and ensure timely procurement. Monitor progress.
- Develop & Maintain Sub-Contractor & Supplier Relationships. Monitor performance.
- Build Detailed Budgets w/Sub-Contractor input early in the budgeting process. Particularly important when analyzing options.
- Place and maintain Project Insurance coverage. Identify and ensure coverage for project specific risks.

- Ensure robust processes are in place for quality assurance/consultant reviews.

WDC will continue to develop a project risk register to ensure that all risks for Lot 3 are identified and that appropriate mitigation measures are developed and implemented.

6. Conclusions & Recommendation/Next Steps

The construction of affordable housing continues to be very challenging in terms of costs related to both construction and financing. Recent amendments to the B.C. Building Code (e.g. cooling requirements) have added to these cost pressures. The easing of interest rates below recent peaks is one positive that does improve project economics. Additionally, new sources of equity from higher level governments (e.g. BC Builds) may help address the equity difference required to help bring rents closer to K-01/RGI standard, improving affordability for Whistler employees.

Recommendations/Next Steps - That the Lot 3 Project Plan will be evolved by WDC, working with the WHA and RMOW to refine the following:

- Confirm and refine rental rate and operating cost assumptions, and associated equity requirements. Correlate to potential funding sources (ACLP, B.C. Housing etc.)
- Identify additional funding (equity)/financing opportunities from the RMOW and Senior levels of government and confirm roles and responsibilities to pursue/make applications.
- Confirm availability of equity from WHA and RMOW sources.
- Confirm and refine the project budget and construction costs concurrently with building design evolution and preliminary costing with suppliers and trade contractors.
- Deeper analysis of potential impact of Canda/USA trade dispute and potential increases in specific construction material costs. Identification of alternate suppliers, specifications to minimize impact.
- Confirm any additional costs and requirements to meet Funding Program requirements (e.g., Appraisal, Quantity Survey Report, Environmental and Energy Reports, etc.)

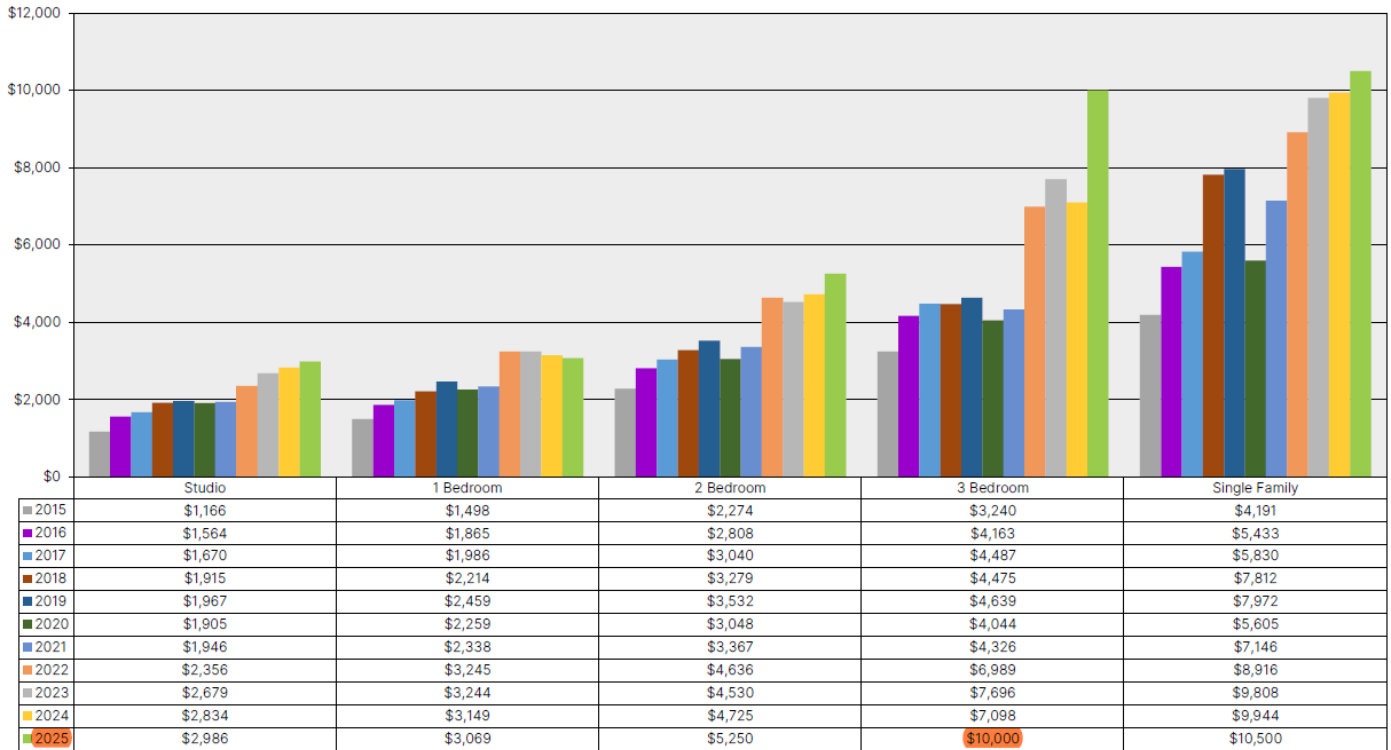
7. Appendix

- I. WHA Waitlist Data (Rental & Ownership)
- II. Advertised Rental Rates – Average & Median
- III. Equity Calculation Detail
- IV. Unit Floorplans (Nov.2024 Rezoning Plans)

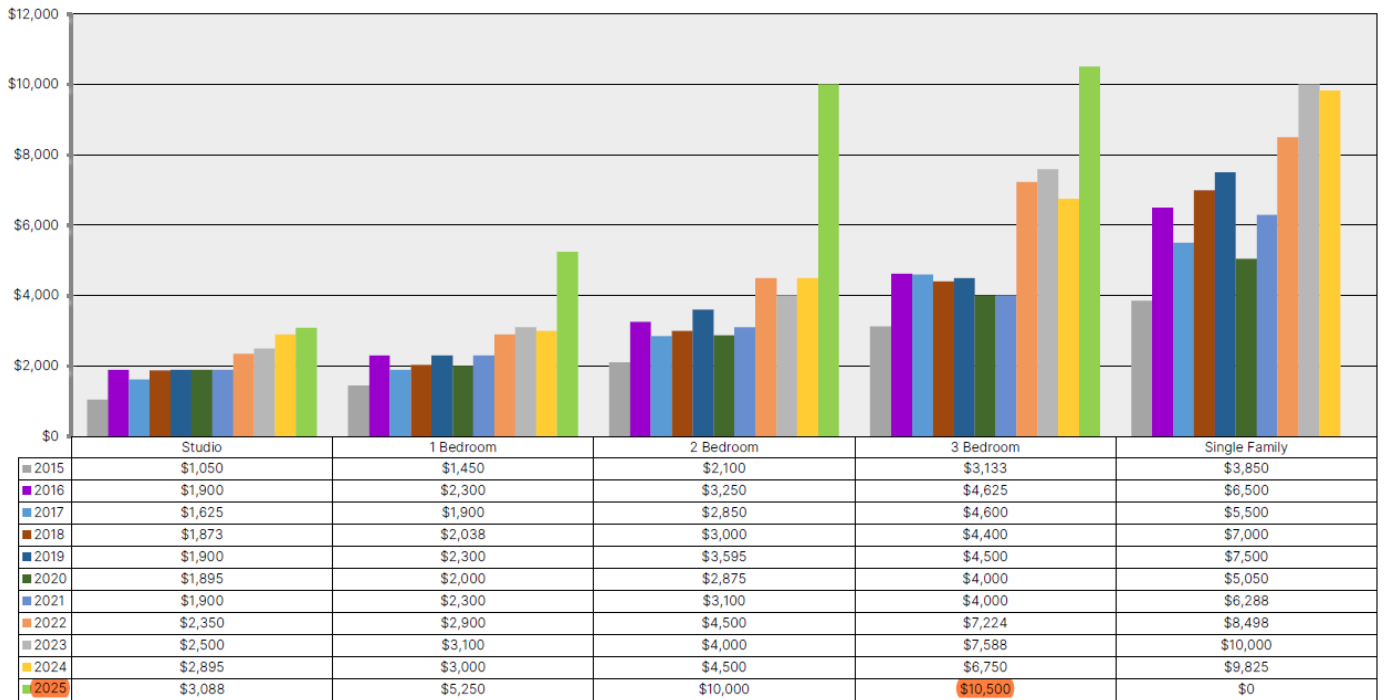
I. WHA Waitlist Data (Rental & Ownership)

RENTAL WAITLIST	2024	2023	2022
Total	675	602	466
Average Time on List (years)	2.1	2.5	3.5
<i>Waitlist Demand</i>			
Studio	507	424	391
One Bedroom	601	495	436
Two Bedroom	140	110	74
Three Bedroom	47	39	22
For 2024 - 503 Rental Waitlist Candidates are not currently housed in WHA rental or ownership properties. Household Types for these are:			
Singles/Couples - No Dependants*	451		
Households with Dependants	51		
Unrelated Adults	2		
* 27 of singles/couples are Senior Households			
OWNERSHIP WAITLIST	2024	2023	2022
Total	1220	1164	1095
Average Time on List (years)		8.2	3.2
<i>Waitlist Demand</i>			
One Bedroom		856	787
Two Bedroom		1076	1003
Three Bedroom		1017	952
Duplex		598	578
Detached		573	547

II. Advertised Rental Rates Average & Median (WHA Monitoring)



AVERAGE Advertised Rents



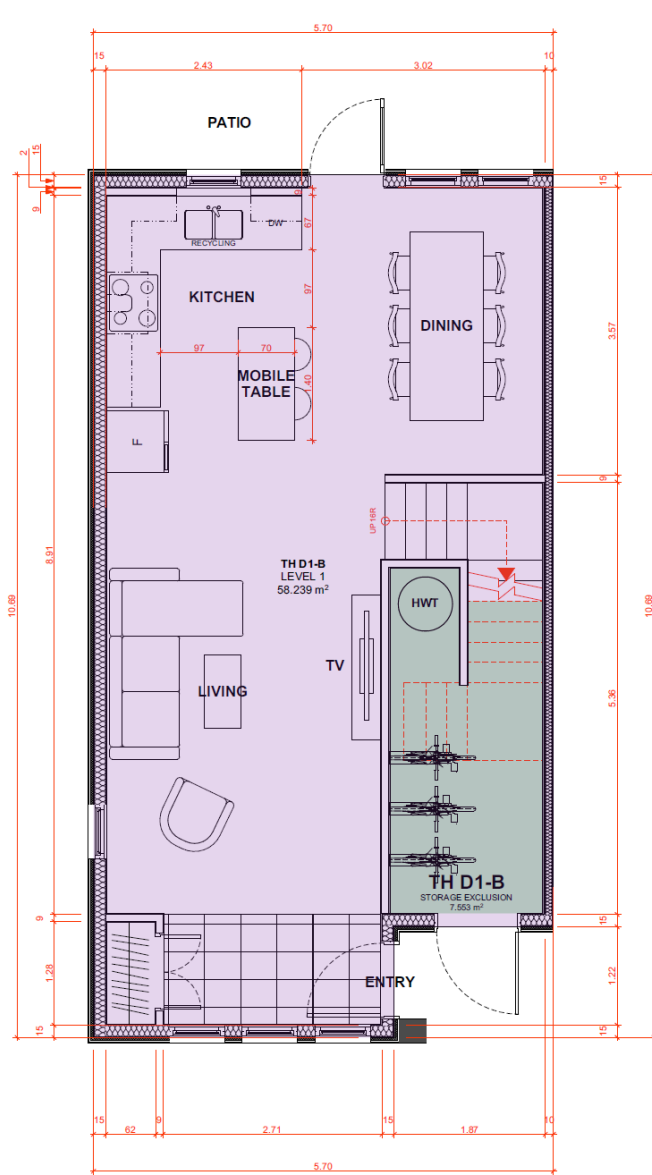
MEDIAN Advertised Rents

III. Equity Calculation Detail

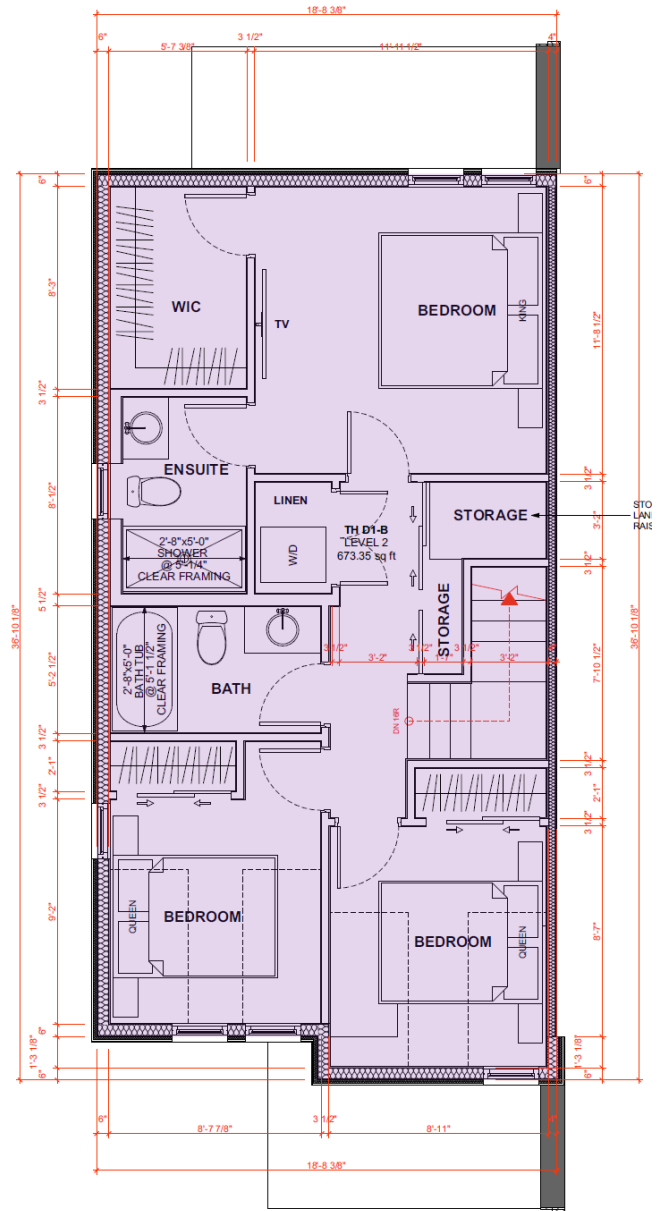
Construction Year Start		2025	2025	
Project		Lot 3 - Econ.	Lot 3 - K-01 + TH	
Apartments				
Number of Units		105	105	
Gross SqFt		72,407	72,407	
Net SqFt		61,695	61,695	
Efficiency		85.2%	85.2%	
Townhomes				
Number of Units		20	20	
Gross SqFt		25,963	25,963	
Net SqFt		25,963	25,963	
Efficiency		100.0%	100.0%	
Land Cost, Transfer Value*		\$ 3,262,392	\$ 3,262,392	
Land Transfer Cost - PTT		\$ 78,000	\$ 78,000	
Project Costs (Const., Contingency, Soft Costs)		\$ 57,016,447	\$ 57,016,447	
Construction term, months		26	26	
Construction loan Interest Rate*	3.65%	3.65%	3.65%	Interest Rate per B.C. Housing (2025 Interim)
Const'n Monitoring & Interest		\$ 2,551,841	\$ 2,551,841	Per BC Housing Template
TOTAL PROJECT COST		\$ 62,908,680	\$ 62,908,680	
Cost/Gross Sq.ft		\$ 718	\$ 718	
Apartments				
Proforma Average Economic Rent \$/SqFt		\$ 4.10		Lot 5 PP + 3 years at 2%
WHA Lot 5 Comparable Rent\$/SqFt			\$ 3.65	Per WHA Analysis
Gross Annual Rent - Apartments		\$ 3,035,394	\$ 2,702,241	
Townhomes				
Market Rents - Monthly per Unit		\$ 4,798	\$ 4,798	
Gross Annual Rent - Townhomes		\$ 1,151,520	\$ 1,151,520	
Ancillary Revenues - Parking (\$65/mo.) 105 Stalls		\$ 81,900	\$ 81,900	Assume that TH Rent includes Parking
Ancillary Revenues - Laundry		\$ 28,800	\$ 28,800	
Total Annual Revenue		\$ 4,297,614	\$ 3,964,461	
Estimated Operating Cost		\$ 1,035,000	\$ 1,035,000	Per WHA
Net Income for Debt Service		\$ 3,262,614	\$ 2,929,461	
Assumed Interest Rate	4.52%	4.52%	4.52%	Interest Rate per B.C. Housing (2028 Projection for Take Out)
Calculated Mortgage †	35.00 yrs.	\$ 52,090,572	\$ 46,771,485	
Equity Required, Economic Rent / TH Rent		\$ 10,818,107		
Equity Required, WHA K-01/TH Rent			\$ 16,137,195	

IV. **Unit Floorplans (Nov.2024 Rezoning Plans)**

Townhome (Typical)

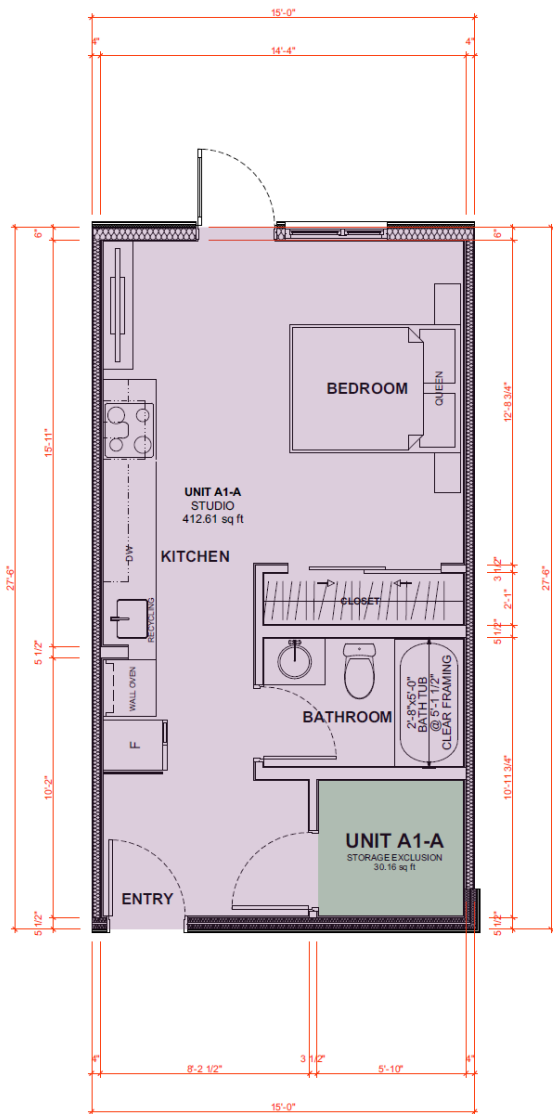


1 Unit TH D1-B - Level 1
SCALE: 1/4" = 1'-0"
0 2' 4' 8'

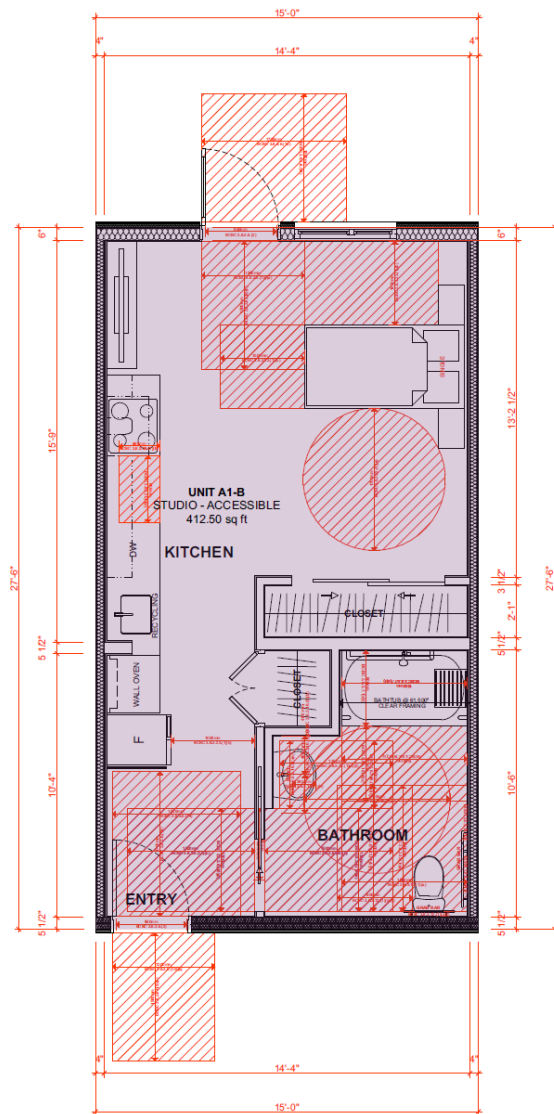


2 Unit TH D1-B - Level 2
SCALE: 1/4" = 1'-0"
0 2' 4' 8'

Studio (Standard & Accessible)

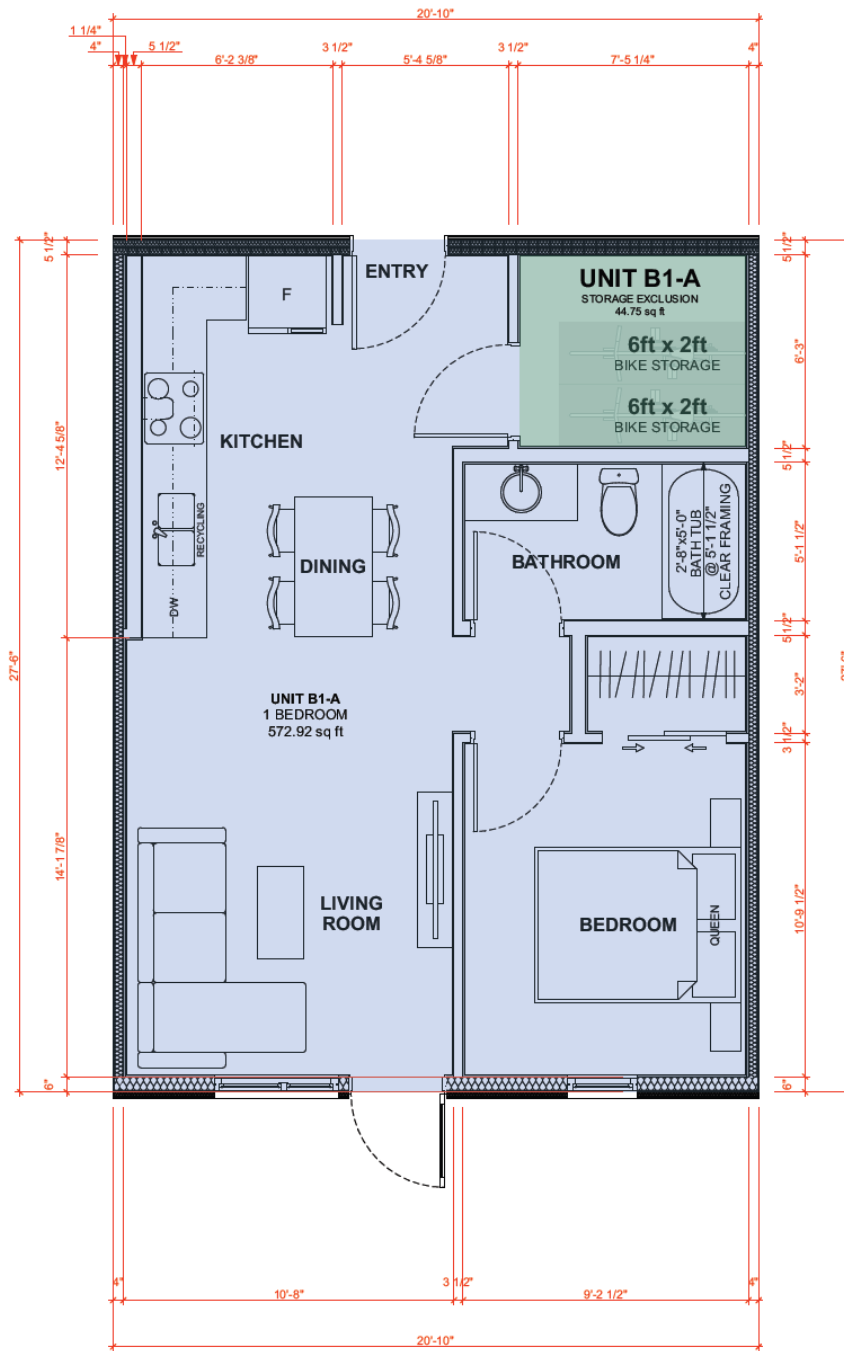


1 Unit A1-A
SCALE: 1/4" = 1'-0"



2 Unit A1-B - Accessible With Clearances
SCALE: 1/4" = 1'-0"

One Bedroom (Typical)



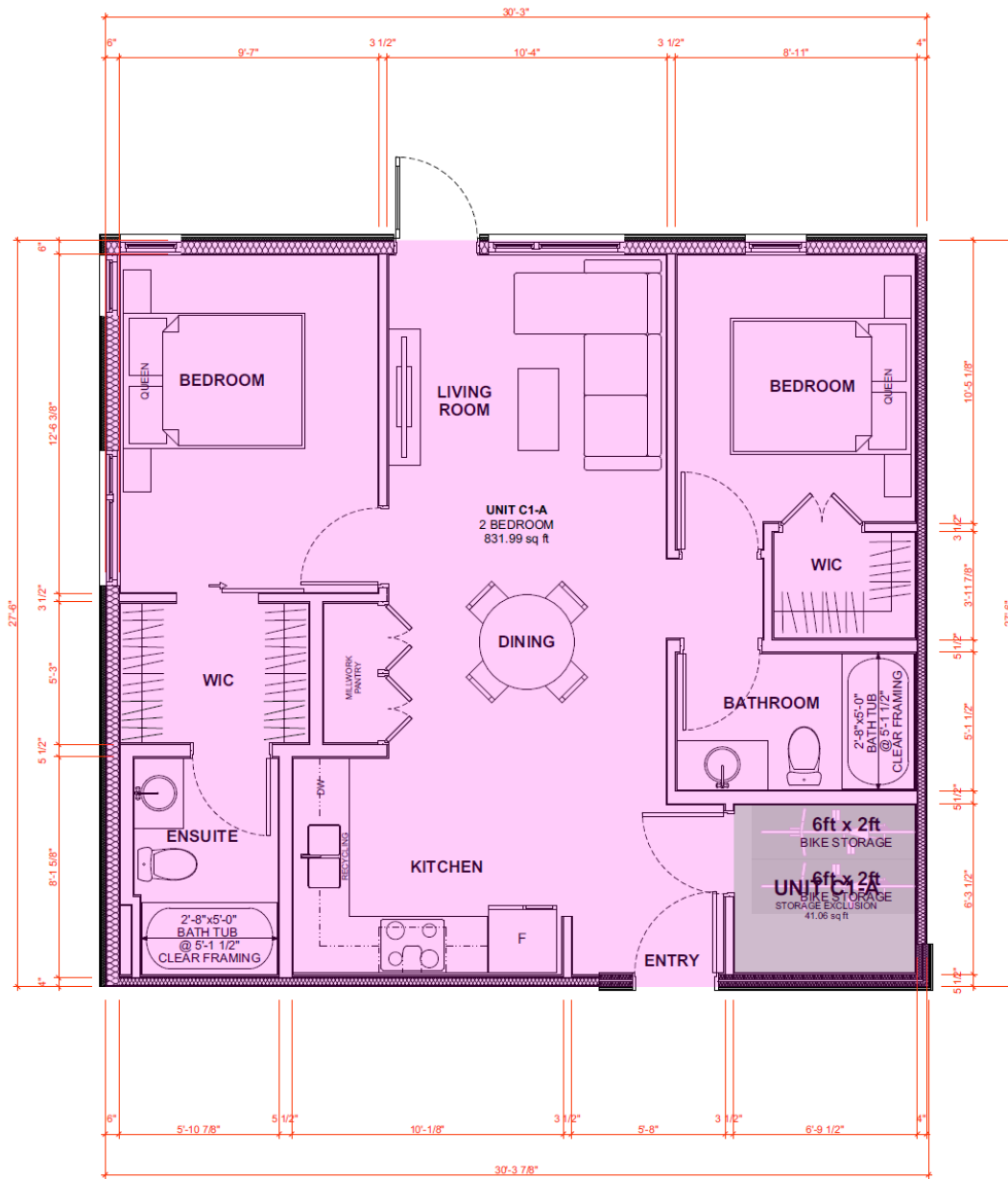
6

Unit B1-A

SCALE: 1/4" = 1'-0"



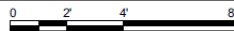
Two Bedroom (Type C1)



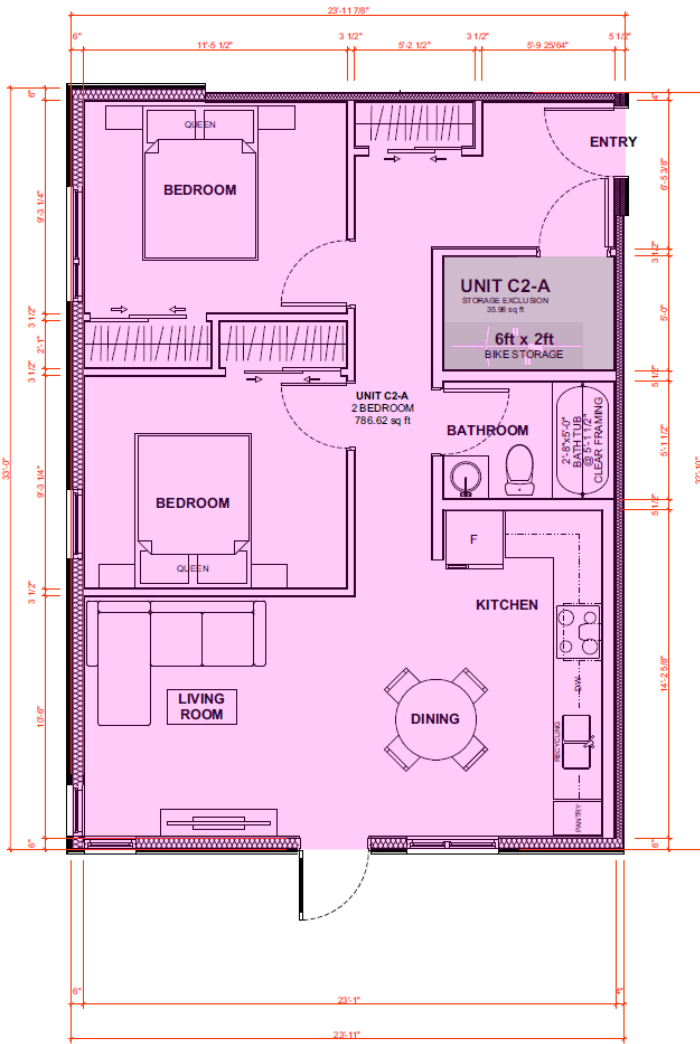
12

Unit C1-A

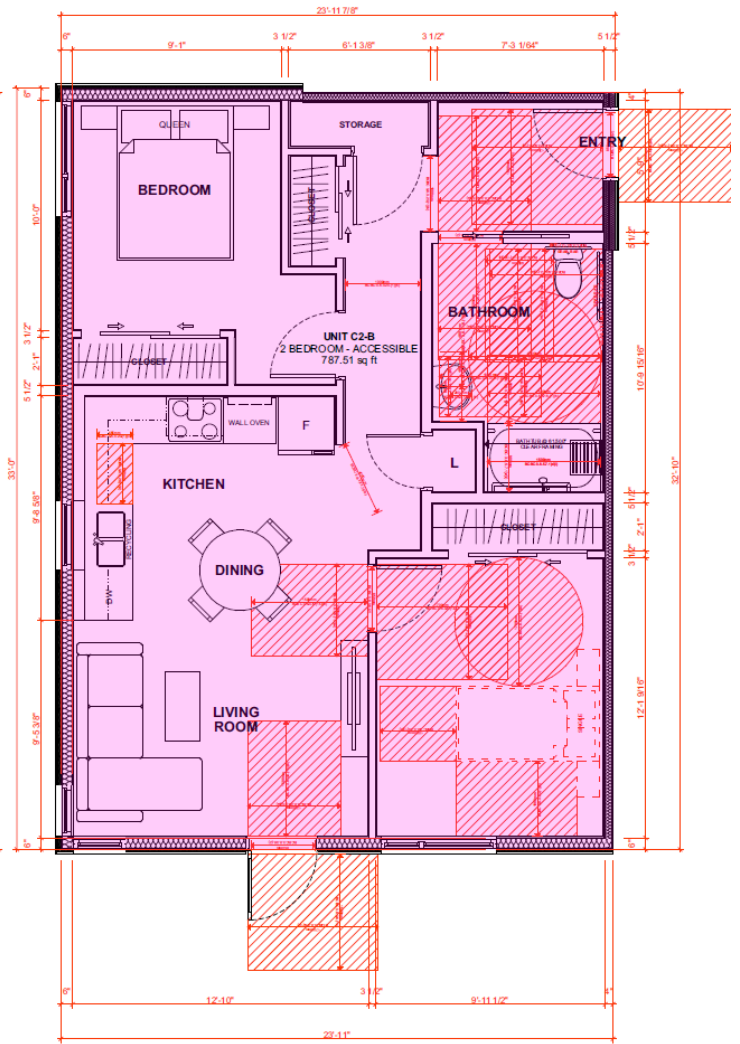
SCALE: 1/4" = 1'-0"



Two Bedroom (Type C2) and Accessible



14 Unit C2-A
SCALE: 1/4" = 1'-0"

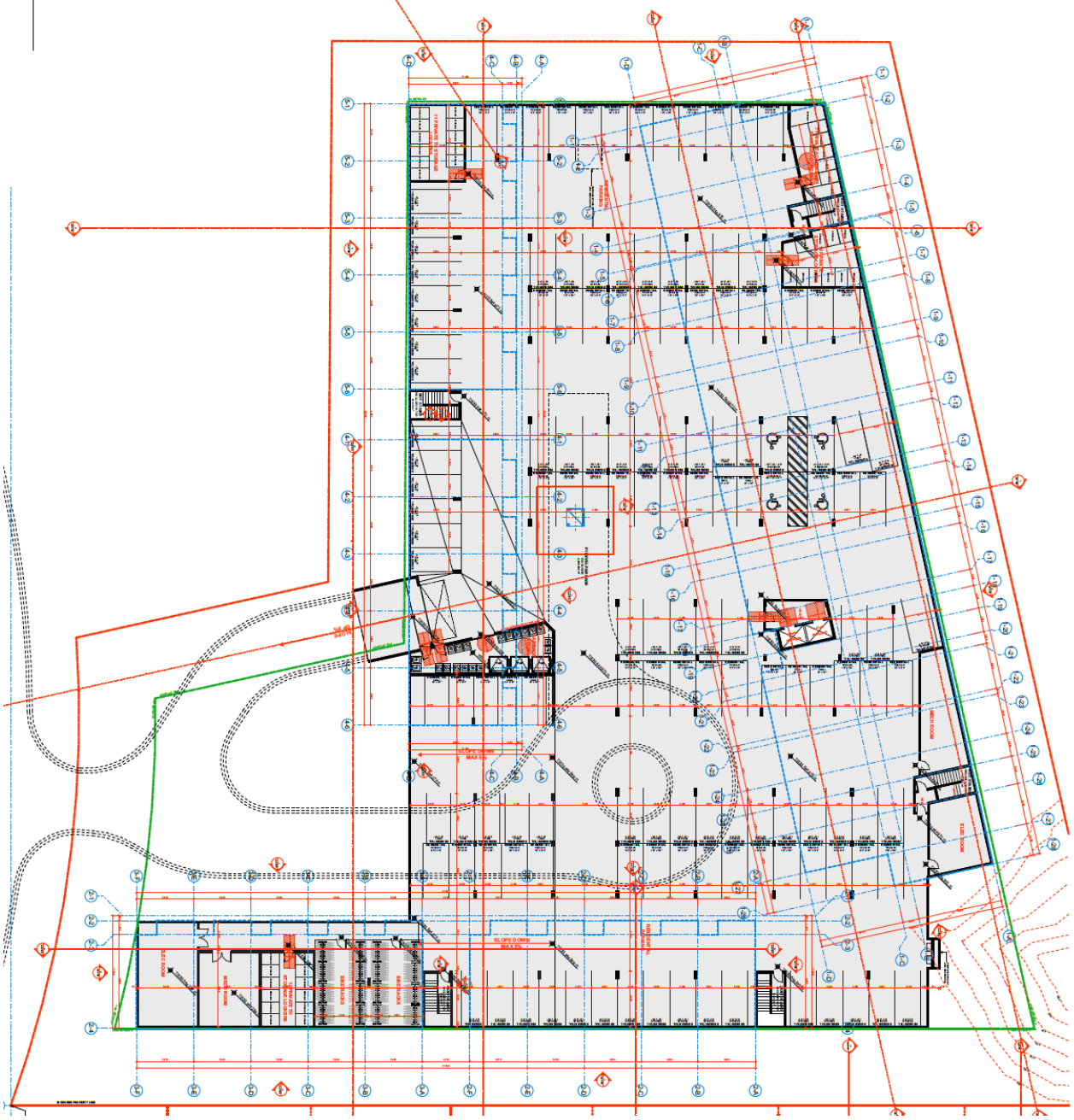


15 Unit C2-B - Accessible With Clearances
SCALE: 1/4" = 1'-0"



Level P1 (Parkade) Plan

1 Level P1 Parking Plan



Level 1 Plan (Ground Floor)

