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| ***2019 OPERATING BUDGET*** |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** |
| **October 30, 2018** |
| ***Prepared by:*** |
| ***EmTwo Properties Inc.*** |

10/31/2018

|  |  |
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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | |
| ***2019 OPERATING BUDGET*** | |
| ***EMTWO PROPERTIES INC.*** | ***INDEX*** |
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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | |
| ***SCHEDULE 1-1*** | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  | ***JANUARY 2019 RENT ROLL*** | | |
|  |  |  |  |  |  |  |  | **(13%)** |  |
| **UNIT** | **TENANT** | **Area** | **Rent** | **Op. Cost** | **Tax** | **Hydro** | **Total** | **HST** | **TOTAL** |
| 1st Flr | Burberry | 4,200 | 111,300 | 3,423 | 10,262 | 0 | **124,985** | 16,248 | **141,233** |
| 2nd Flr | Burberry | 4,200 | 27,825 | 3,423 | 10,262 | 0 | **41,510** | 5,396 | **46,906** |
| 2nd Flr | Burberry | 1,250 | 1,767 | 1,019 | 3,054 | 0 | **5,840** | 759 | **6,599** |
| 2nd Flr | Burberry | 963 | 0 | 785 | 2,353 | 0 | **3,138** | 408 | **3,546** |
| 1st Flr | Nespresso | 7,725 | 61,124 | 6,296 | 18,875 | 0 | **86,295** | 11,218 | **97,513** |
| 2nd Flr | Nespresso | 4,650 | 36,793 | 3,790 | 11,362 | 3,375 | **55,320** | 7,192 | **62,512** |
| Bsmt | Nespresso | 2,100 | 4,375 | 1,712 | 5,131 | 3,375 | **14,593** | 1,897 | **16,490** |
| 3rd Flr | Ultimate Software Group | 6,663 | 12,493 | 5,425 | 10,733 | 0 | **28,651** | 3,725 | **32,376** |
| 4th Flr | Ultimate Software Group | 9,931 | 18,621 | 8,085 | 15,997 | 0 | **42,703** | 5,551 | **48,254** |
| 5th Flr | Ultimate Software Group | 6,804 | 12,758 | 5,540 | 10,960 | 0 | **29,258** | 3,803 | **33,061** |
| 6th Flr | Brand Factory | 6,902 | 12,654 | 5,619 | 11,118 | 0 | **29,391** | 3,821 | **33,211** |
| 7th Flr | INK Entertainment | 6,470 | 12,131 | 5,268 | 10,422 | 0 | **27,821** | 3,617 | **31,438** |
| Bsmt | Vacant | 2,500 | 0 | 0 | 0 | 0 | **0** | 0 | **0** |
| Bsmt | Vacant | 1,900 | 0 | 0 | 0 | 0 | **0** | 0 | **0** |
| Bsmt | Intermix (Gap) | 215 | 1,100 | 0 | 0 | 0 | **1,100** | 143 | **1,243** |
| Sign | Juxta Productions | 0 | 5,381 | 0 | 0 | 0 | **5,381** | 700 | **6,081** |
|  | **TOTAL** | **66,473** | **318,321** | **50,385** | **120,529** | **6,750** | **495,985** | **64,478** | **560,463** |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | |
| ***SCHEDULE 2-1*** | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  | ***LEASING SUMMARY*** | |
|  |  |  |  |  |  |  |  |  | **Annual** |
| **FLR** | **TENANT** | **Area** | **Change Date** | **Assumption** | **Term** | **Commissions** | **Net Free Rent** | **Tenant Impr.** | **Net Rent** |
| Bsmt | Vacant | 2,500 |  |  |  |  |  |  | **$0** |
| Bsmt | Vacant | 1,900 |  |  |  |  |  |  | **$0** |
|  |  |  |  |  |  |  |  |  | **0** |

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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | |
|  | ***SCHEDULE 3-1*** |
|  | ***2019 OPERATING BUDGET*** |
| ***EMTWO PROPERTIES INC.*** | ***OPERATING STATEMENT*** |
| **REVENUE** |  |
| RENTAL INCOME | $ 3,790,240 |
| OP. RECOVERY INCOME | 685,620 |
| REALTY TAX REC. INCOME | 1,446,348 |
| OTHER INCOME | 64,572 |
| **TOTAL INCOME** | **$5,986,780** |
| **OPERATING EXPENSES** |  |
| CLEANING | $ 109,380 |
| ELEVATOR | 24,540 |
| HVAC | 13,960 |
| ELECTRICAL | 8,100 |
| GENERAL BUILDING | 73,215 |
| PLUMBING | 8,975 |
| FIRE & LIFE SAFETY | 10,500 |
| UTILITIES | 236,346 |
| LANDSCAPING | 10,250 |
| SECURITY | 8,500 |
| MANAGEMENT FEE | 89,219 |
| PROFESSIONAL FEES | 21,540 |
| INSURANCE | 37,564 |
| **TOTAL OPERATING EXPENSES** | **$ 652,089** |
| **PROPERTY TAXES** | 1,446,455 |
| **TOTAL OPERATING & TAXES** | **$ 2,098,544** |
| **NET OPERATING INCOME** | **$ 3,888,236** |
| **NON RECOVERABLE** | **96,148** |
| **NET PROFIT/(LOSS)** | **$ 3,792,088** |

|  |  |  |  |
| --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | |
|  |  |  | ***SCHEDULE 3-2*** |
| ***2019 OPERATING BUDGET*** | | | |
| ***EMTWO PROPERTIES INC.*** | ***COMPARATIVE OPERATING STATEMENT*** | | |
|  | **JAN-DEC** | **JAN-DEC** | **(2019-2018)/2018** |
|  | **2018** | **2019** | **%** |
|  | **ACTUAL** | **BUDGET** | **VARIANCE** |
|  | **(1)** | **(2)** | **(2-1)/(1)** |
| **INCOME** |  |  |  |
| RENTAL INCOME | $ 3,727,812 | $ 3,790,240 | 2% |
| OP. RECOVERY INCOME | 810,521 | 685,620 | -15% |
| REALTY TAX REC. INCOME | 1,383,932 | 1,446,348 | 5% |
| OTHER INCOME | 61,681 | 64,572 | 5% |
| **TOTAL INCOME** | **$ 5,983,946** | **$ 5,986,780** | **0%** |
| **EXPENSES** |  |  |  |
| CLEANING | $ 99,418 | $ 109,380 | 10% |
| ELEVATOR | 26,836 | 24,540 | -9% |
| HVAC | 14,428 | 13,960 | -3% |
| ELECTRICAL | 7,598 | 8,100 | 7% |
| GENERAL BUILDING | 72,406 | 73,215 | 1% |
| PLUMBING | 14,834 | 8,975 | -39% |
| FIRE & LIFE SAFETY | 9,614 | 10,500 | 9% |
| UTILITIES | 220,293 | 236,346 | 7% |
| LANDSCAPING | 9,918 | 10,250 | 3% |
| SECURITY | 6,791 | 8,500 | 25% |
| MANAGEMENT FEE | 108,738 | 89,219 | -18% |
| PROFESSIONAL FEES | 21,077 | 21,540 | 2% |
| INSURANCE | 32,664 | 37,564 | 15% |
| **TOTAL OPERATING EXPENSES** | **$ 644,615** | **$ 652,089** | **1%** |
| PROPERTY TAX | 1,384,167 | 1,446,455 | 5% |
| PROPERTY TAX REBATES | 0 | 0 | N/A |
| **TOTAL OPERATING & TAXES** | **$ 2,028,782** | **$ 2,098,544** | **3%** |
| **GROSS PROFIT/(LOSS)** | **$ 3,955,164** | **$ 3,888,235** | **-2%** |
| NON RECOVERABLE | 96,144 | 96,148 | 0% |
| **NET PROFIT/(LOSS)** | **$ 3,859,020** | **$ 3,792,088** | **-2%** |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | |
|  |  |  |  |  |  |  |  |  | ***SCHEDULE 3-3*** |
| ***2019 OPERATING BUDGET*** | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  | ***COMPARATIVE COSTS PER SQUARE FOOT*** | | | |
| **Standard Lease** |  |  |  |  |  |  |  | **COST PER SQ.FT.** | |
|  | **2019** | **Adj'ts/** | **2019** | **2018** | **Adj'ts/** | **2018** | **Divisor** | **Budget** | **Proj'd** |
| **Recoverable Expenses** | **Budget** | **Grossups** | **Amount** | **Proj'd** | **Grossups** | **Amount** | **(Area)** | **2019** | **2018** |
| Cleaning | 109,380 |  | 109,380 | 99,418 |  | 99,418 | 66,473 | 1.65 | 1.50 |
| Elevator | 24,540 |  | 24,540 | 26,836 |  | 26,836 | 66,473 | 0.37 | 0.40 |
| HVAC | 13,960 |  | 13,960 | 14,428 |  | 14,428 | 66,473 | 0.21 | 0.22 |
| Electrical | 8,100 |  | 8,100 | 7,598 |  | 7,598 | 66,473 | 0.12 | 0.11 |
| General Building | 73,215 |  | 73,215 | 72,406 |  | 72,406 | 66,473 | 1.10 | 1.09 |
| Plumbing | 8,975 |  | 8,975 | 14,834 |  | 14,834 | 66,473 | 0.14 | 0.22 |
| Fire & Life Safety | 10,500 |  | 10,500 | 9,614 |  | 9,614 | 66,473 | 0.16 | 0.14 |
| Utilities | 236,346 |  | 236,346 | 220,293 |  | 220,293 | 66,473 | 3.56 | 3.31 |
| Landscaping | 10,250 |  | 10,250 | 9,918 |  | 9,918 | 66,473 | 0.15 | 0.15 |
| Security | 8,500 |  | 8,500 | 6,791 |  | 6,791 | 66,473 | 0.13 | 0.10 |
| Management Fee | 89,219 |  | 89,219 | 108,738 |  | 108,738 | 66,473 | 1.34 | 1.64 |
| Administration | 21,540 |  | 21,540 | 21,077 |  | 21,077 | 66,473 | 0.32 | 0.32 |
| Insurance | 37,564 |  | 37,564 | 32,664 |  | 32,664 | 66,473 | 0.57 | 0.49 |
| Total Operating | 652,089 |  | 652,089 | 644,615 |  | 644,615 |  | 9.81 | 9.70 |
| Realty Taxes | 1,446,455 |  | 1,446,455 | 1,384,167 |  | 1,384,167 | 66,473 | 21.76 | 20.82 |
| Property Tax Rebates | 0 |  | 0 | 0 |  | 0 | 66,473 | 0.00 | 0.00 |
| Total Expense | 2,098,544 | 0 | 2,098,544 | 2,028,782 | 0 | 2,028,782 | 66,473 | 31.57 | 30.52 |
|  |  |  |  |  |  |  |  |  |  |

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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | |
| ***SCHEDULE 3-4*** | | | | |
| ***2019 OPERATING BUDGET*** | | | | |
| ***EMTWO PROPERTIES INC.*** | ***SHORTFALL ANALYSIS*** | | | |
|  | **Area** | **Amount** |  | **Rate** |
| Total Recoverable Expenses | 66,473 | 2,098,544 |  | $31.57 |
| Total Budgeted Recoveries |  | 2,131,968 |  | 32.07 |
| **Recovery Shortfall (Surplus)** |  | **($33,424)** |  | **-1.6%** |

# *144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

**ACCOUNT ACCOUNT ACCOUNT SERIES**

**DESCRIPTION DETAILS SUBTOTAL TOTAL**

**INCOME**

3101

OFFICE RENT

3120

See Office Rent Schedule 846,649

RETAIL RENT See Retail Rent Schedule 2,877,889

3150

PERCENTAGE RENT See Percentage Rent Schedule 0

3180

STORAGE RENT See Basement Rent Schedule 65,701

|  |  |
| --- | --- |
| **TOTAL RENTAL INCOME** | **3,790,240** |
| 3230  OPERATING COSTS RECOVERY  See Operating Cost Recovery Schedule | 604,620 |

3210

HVAC RECOVERIES

3250

UTILITY RECOVERIES

3240

See HVAC Recovery Schedule 0

See Utility Recovery Schedule 81,000

PROPERTY TAX RECOVERY

|  |  |  |
| --- | --- | --- |
| See Realty Tax Recovery Schedule  3270  PRIOR YEARS' RECOVERIES | 1,446,348  0 |  |
| **TOTAL RECOVERIES** |  | **2,131,968** |
| 3330  SIGN INCOME  See Sign Rent Schedule | 64,572 |  |

3350

OTHER INCOME

N/A 0

**TOTAL OTHER INCOME 64,572**

**TOTAL INCOME 5,986,780**

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACCOUNT** |  | **ACCOUNT** | **ACCOUNT** | **SERIES** |
| **DESCRIPTION** | **DETAILS** | **SUBTOTAL** |  | **TOTAL** |

**EXPENSES CLEANING**

CLEANING CONTRACT

Contract with GDI to provide daily cleaning services to Main Lobby, Building Common Areas for $7,175 per month

(full building). 86,100

86,100

4128

WINDOW CLEANING CONTRACT

Contract to clean windows on the Bloor St. W.

estimated at $400 per time in February, June and October 1,200

1,200

4132

PEST CONTROL

4250

Contingency for program to control vermin within 144 to 146

Bloor Street West - estimate $290 per month. 3,480

3,480

WASHROOM SUPPLIES

Washroom supplies for Office Tower section of the Building:

estimate $700 per month. 8,400

8,400

WASTE REMOVAL

Contract with Wasteco to remove waste from the curb on

Bloor St. W. & Cumberland St.- estimate $850 per month in 2019 10,200

10,200

**TOTAL CLEANING 109,380**

**ELEVATOR**

4420

ELEVATOR CONTRACT

Contract with Allied for monthly inspections & servicing

estimated at $750 p/mo. (2 elevators in Building Tower) 9,000 Contract with Otis for monthly inspections & servicing

estimated at $950 p/mo. (1 elevator in Nespresso) 11,400

20,400

4470

ELEVATOR REPAIRS & MAINTENANCE

Provision for servicing elevators at $1,200 per service in months of

April, August and December 3,600

3,600

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | |
| ***SCHEDULE 4-1*** | | | | |
| ***2019 OPERATING BUDGET*** | | | | |
| ***EMTWO PROPERTIES INC.*** | ***INCOME AND EXPENSE NARRATIVE*** | | | |
| **ACCOUNT** |  | **ACCOUNT** | **ACCOUNT** | **SERIES** |
| **DESCRIPTION** | **DETAILS** | **SUBTOTAL** |  | **TOTAL** |
| 4120 |  |  |  |  |
| ELEVATOR LICENCES AND PERMITS |  |  |  |  |
| TSSA annual licence issuance in April at $180 per car | | 540 |  |  |
|  |  |  | 540 |  |
| **TOTAL ELEVATOR** |  |  |  | **24,540** |
| **HVAC** |  |  |  |  |
| 4520 |  |  |  |  |
| HVAC - CONTRACT SERVICES |  |  |  |  |
| Contracted servicing and maintenance of HVAC equipment in | | | | |
| Feb, May, Aug & Nov - $1,250 each time | | 5,000 |  |  |
|  |  |  | 5,000 |  |
| 4570 |  |  |  |  |
| HVAC - REPAIRS & MAINTENANCE |  |  |  |  |
| Allowance for HVAC repairs three times during year in | | | | |
| January, March, June, and September at $2,000 each time | | 8,000 |  |  |
|  |  |  | 8,000 |  |
| 4580 |  |  |  |  |
| HVAC - WATER TREATMENT |  |  |  |  |
| Monthly contract for chemical treatment of water in HVAC | | | | |
| systems - $80.00 per month |  | 960 |  |  |
|  |  |  | 960 |  |
| **TOTAL HVAC** |  |  |  | **13,960** |
| **ELECTRICAL** |  |  |  |  |
| 4640 |  |  |  |  |
| ELECTRICAL - SUPPLIES |  |  |  |  |
| Allowance for lamping supplies (tubes, bulbs, ballasts, etc.): | | | | |
| estimated at $450 per quarter | | 1,800 |  |  |
|  |  |  | 1,800 |  |
| 4670 |  |  |  |  |
| ELECTRICAL - REPAIRS AND MAINTENANCE |  |  |  |  |
| Allowance for check and maintenance of high voltage | | | | |
| equipment |  | 5,500 |  |  |
| Provision to effect repairs to electrical components of the | | | | |
| Building (panels, motors, etc.): $200 per quarter | | 800 |  |  |
|  |  |  | 6,300 |  |
| **TOTAL ELECTRICAL** |  |  |  | **8,100** |

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

**ACCOUNT ACCOUNT ACCOUNT SERIES**

**DESCRIPTION DETAILS SUBTOTAL TOTAL**

**GENERAL BUILDING**

4702

BUILDING - BASE WAGES

Property Management Staff Wages & Benefits for 2018 38,701

38,701

4768

BUILDING - COMMUNICATIONS

Provision for communication between building staff and tenants

(office supplies phones, internet, monitoring: estimate $975 p/mo. 11,700

11,700

4773

BUILDING - ROOF REPAIRS & MAINTENANCE

Roof Inspection and Maintenance in July 750

Roof repairs in May and October ($750 each time) 1,500

2,250

4774

BUILDING - DOORS, KEYS, LOCKS

Locks and keys to new Tenancy projected for various common

area door maintenance each quarter ($150 p/qtr) 600

600

4775

BUILDING - INTERIOR REPAIRS & MAINTENANCE

Amortization of Painting of two Stairwells on west side of Building:

$18,800 / 36 months = $522 per month x 12 months in 2019 6,264

6,264

4776

BUILDING - SIGNAGE & DIRECTORIES

Directional Signage in common areas installed or repaired in

in May, 2018 700

700

4777

BUILDING - EXTERIOR REPAIRS & MAINTENANCE

Provision to repair and maintain walkway between Buildings on

on the west side after winter: $4,000 in May 4,000

4,000

4790

BUILDING - EXTERIOR FAÇADE

Recaulk pre-cast on the west side of the Building 4,200

4,200

4795

BUILDING - MISCELLANEOUS

Contingency for tools, supplies, uniforms, education, seasonal, etc 4,800

4,800

**TOTAL GENERAL BUILDING 73,215**

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACCOUNT** |  | **ACCOUNT** | **ACCOUNT** | **SERIES** |
| **DESCRIPTION** | **DETAILS** | **SUBTOTAL** |  | **TOTAL** |

**PLUMBING**

4870

PLUMBING - REPAIRS AND MAINTENANCE

Backflow Preventer (Aug 16 - Jul 19): $205 per mo. x 12 mos. 1,435

Contingency for piping inspection and drainage repairs: estimated

$1,885 every three months 7,540

8,975

**TOTAL PLUMBING 8,975**

**FIRE & LIFE SAFETY**

4990

LIFE SAFETY - MISCELLANEOUS

Work on fire safety systems: $5,250 in April and September 10,500

10,500

**TOTAL FIRE & LIFE SAFETY 10,500**

**UTILITIES**

5100

ELECTRICITY - HOUSE

Please see Utilities Schedule 192,879

192,879

5200

GAS - HOUSE Please see Utilities Schedule 33,223

5300

WATER/SEWAGE

33,223

Please see Utilities Schedule

10,244

10,244

**TOTAL UTILITIES 236,346**

**LANDSCAPING**

6120

LANDSCAPING

6150

SNOW REMOVAL

No landscape costs projected for 2019. 0

Contract - Verde: Jan/19 to Mar/19 & Nov/19 to Dec/19

$2,050 per month x 5 months (+calcium supply) 10,250

0

10,250

**TOTAL LANDSCAPING 10,250**

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ACCOUNT** |  | **ACCOUNT** | **ACCOUNT** | **SERIES** |
| **DESCRIPTION** | **DETAILS** | **SUBTOTAL** |  | **TOTAL** |

**SECURITY**

6230

SECURITY MANPOWER

Security guard service for statutory holidays and other occasions -

estimate $500 per month. 6,000

6270 6,000

SECURITY REPAIRS & MAINTENANCE

Repairs to monitoring systems, mag-locks and software -

estimate $500 in months of March, June, September, December 2,000

6290 2,000

SECURITY MONITORING

Contract - Graham to monitor the security/fire panels in the

Building: $125 per quarter 500

500

**TOTAL SECURITY 8,500**

**MANAGEMENT FEES**

6301

MANAGEMENT FEES

Contract - Management Services: 15% of operating costs (excludi

management fees and property tax) = $89,219 89,219

89,219

**TOTAL MANAGEMENT FEES 89,219**

**PROFESSIONAL FEES**

6430

AUDIT FEES

6440

CONSULTING FEES

6450

Estimated Audit Fees for Mehl & Reynolds 4,500

Altus - 2019 Appeals and Recovery Schedule for 2018 3,000

4,500

3,000

MANAGEMENT OFFICE SERVICES

Office Expense: $250 p/mo. in 2019: 3,000

3,000

6452

COMPANY VAN EXPENSES

Company Van Expenses (lease, insurance, etc) $215 per month 2,580

215 Mileage/Parking (Estimated 6 visits per month) 660

3,240

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 4-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. INCOME AND EXPENSE NARRATIVE***

|  |  |  |  |
| --- | --- | --- | --- |
| **ACCOUNT**  **DESCRIPTION DETAILS** | **ACCOUNT**  **SUBTOTAL** | **ACCOUNT** | **SERIES**  **TOTAL** |
| 6460 |  |  |  |
| ADMIN - OFFICE RENT |  |  |  |
| Management Office Expense: $650 p/mo. in 2018: | 7,800 |  |  |
|  |  | 7,800 |  |
| **TOTAL PROFESSIONAL FEES** |  |  | **21,540** |
| **INSURANCE** |  |  |  |
| 6501 |  |  |  |
| INSURANCE - GENERAL |  |  |  |
| Property, Boiler, Machinery, General Liability: |  |  |  |
| 2018 Premium of $32,664 + 15% projected increase | 37,564 |  |  |
|  |  | 37,564 |  |
| **TOTAL INSURANCE** |  |  | **37,564** |
| **TOTAL OPERATING EXPENSES** |  |  | **652,089** |
| 7001 |  |  |  |
| PROPERTY TAXES 2018 Final Tax Bill $1,384,167 + 4.5% |  |  |  |
| Estimate 2018 Final Tax Bill of $1,446,455 | 1,446,455 |  |  |
|  |  | 1,446,455 |  |
| 7201 |  |  |  |
| PROP. TAX REBATE Estimated 2017 Property Tax rebate for vacancy: | 0 |  |  |
|  |  | 0 |  |
| **TOTAL TAX EXPENS** |  |  | **1,446,455** |
| **TOTAL OPERATING AND TAXES** |  |  | **2,098,544** |
| **NON RECOVERABLE EXPENSES** |  |  |  |
| 8110 |  |  |  |
| NRC - CONSULTING FEES |  |  |  |
| No legal or other consulting fees anticipated | 0 |  |  |
|  |  | 0 |  |
| 8210 |  |  |  |
| NRC - AMORTIZED FREE RENT |  |  |  |
| Ink Entertainment (Ends: Nov 2022) @ $1,507.11 per month | 18,085 |  |  |
| Ultimate Software (Ends: June 2024) @ $1,185.52 per month | 14,226 |  |  |
| Brand Factory (Ends: Oct 2024) @ $2,891.36 per month | 34,696 |  |  |
| Nespresso (Ends: July 2028) @ $1,821.03 per month | 21,852 |  |  |
| Ultimate Software (Ends: June 2024) @ $607.30 per month | 7,288 |  |  |
|  |  | 96,148 |  |
| 8240 |  |  |  |
| AMORTIZED DEFERRED LEASING COST (DLC) |  |  |  |
| No deferred leasing costs expected in 2018 | 0 |  |  |
|  |  | 0 |  |
| **TOTAL NON RECOVERABLE EXP.** |  |  | **96,148** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | |
| ***SCHEDULE 4-1*** | | | | |
| ***2019 OPERATING BUDGET*** | | | | |
| ***EMTWO PROPERTIES INC.*** | | ***INCOME AND EXPENSE NARRATIVE*** | | |
| **ACCOUNT** |  | **ACCOUNT** | **ACCOUNT** | **SERIES** |
| **DESCRIPTION** | **DETAILS** | **SUBTOTAL** |  | **TOTAL** |
| 9001 |  |  |  |  |
| MORTGAGE INTEREST | | | | |
|  | No mortgage interest currently recorded for |  |  |  |
|  | 144-146 Bloor St. W./159 Cumberland St. | 0 |  |  |
| 9050 |  |  |  |  |
| MTGE PRINCIPAL | No mortgage principal currently recorded for |  |  |  |
|  | 144-146 Bloor St. W./159 Cumberland St. | 0 |  |  |
|  |  |  | 0 |  |
| **TOTAL INTEREST EXPENSE** | |  |  | **0** |
| **TOTAL NRC EXPENS** |  |  |  | **96,148** |
| **NET INCOME(LOSS)** |  |  | **3,792,088** | |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 5-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***MONTHLY OPERATING STATEMENT*** | | | |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2019** | **2018** | **VARIANCE** |
|  | **INCOME** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3101 | OFFICE RENT | 70,423 | 70,423 | 70,423 | 70,423 | 70,423 | 70,423 | 70,423 | 70,423 | 70,423 | 70,565 | 71,140 | 71,140 | 846,649 | 796,404 | N/A |
| 3120 | RETAIL RENT | 237,042 | 237,042 | 237,042 | 237,042 | 237,042 | 237,041 | 237,041 | 237,041 | 237,041 | 248,171 | 248,171 | 248,171 | 2,877,889 | 2,897,004 | -1% |
| 3150 | PERCENTAGE RENT | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 3180 | STORAGE RENT | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 5,475 | 65,701 | 34,404 | N/A |
|  | **TOTAL RENTAL INCOME** | **312,940** | **312,940** | **312,940** | **312,940** | **312,940** | **312,939** | **312,939** | **312,939** | **312,939** | **324,211** | **324,786** | **324,786** | **3,790,240** | **3,727,812** | **0.02** |
| 3230 | OPERATING COSTS RECOVERY | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 50,385 | 604,620 | 685,121 | -12% |
| 3210 | HVAC RECOVERIES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 3250 | UTILITY RECOVERIES | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 81,000 | 125,400 | -35% |
| 3270 | PRIOR YEARS' RECOVERIES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL OPERATING RECOVERIES** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **57,135** | **685,620** | **810,521** | **-15%** |
| 3240 | PROPERTY TAX RECOVERY | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 120,529 | 1,446,348 | 1,383,932 | 5% |
|  | **TOTAL REALTY TAX RECOVERIES** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **1,446,348** | **1,383,932** | **5%** |
| 3330 | SIGN RENT | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 64,572 | 61,757 | 5% |
| 3350 | OTHER INCOME | - | - | - | - | - | - | - | - | - | - | - | - | - | (76) | -100% |
|  | **TOTAL OTHER INCOME** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **64,572** | **61,681** | **5%** |
|  | **TOTAL INCOME** | **495,985** | **495,985** | **495,985** | **495,985** | **495,985** | **495,984** | **495,984** | **495,984** | **495,984** | **507,256** | **507,831** | **507,831** | **5,986,780** | **5,983,946** | **0%** |
|  | **EXPENSES** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4120 | CLEANING CONTRACT | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 86,100 | 71,357 | 21% |
| 4128 | WINDOW CLEANING CONTRACT | - | 400 | - | - | - | 400 | - | - | - | 400 | - | - | 1,200 | 1,035 | 16% |
| 4130 | CARPET/FLOOR CLEANING | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,918 | N/A |
| 4132 | PEST CONTROL CONTRACT | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 3,480 | 3,372 | 3% |
| 4137 | NON-CONTRACTED CLEANING | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,611 | N/A |
| 4250 | WASHROOM SUPPLIES | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 8,400 | 7,000 | 20% |
| 4260 | CLEANING SUPPLIES | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,239 | N/A |
| 4350 | WASTE REMOVAL | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 10,200 | 9,886 | 3% |
|  | **TOTAL CLEANING** | **9,015** | **9,415** | **9,015** | **9,015** | **9,015** | **9,415** | **9,015** | **9,015** | **9,015** | **9,415** | **9,015** | **9,015** | **109,380** | **99,418** | **10%** |
| 4420 | ELEVATOR - CONTRACT SERVICES | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 20,400 | 15,466 | 32% |
| 4470 | ELEVATOR - GEN. REPAIRS & MAINT | - | - | - | 1,200 | - | - | - | 1,200 | - | - | - | 1,200 | 3,600 | 9,775 | -63% |
| 4480 | ELEVATOR - LICENSES & PERMITS | - | - | - | - | 540 | - | - | - | - | - | - | - | 540 | 1,595 | -66% |
|  | **TOTAL ELEVATOR** | **1,700** | **1,700** | **1,700** | **2,900** | **2,240** | **1,700** | **1,700** | **2,900** | **1,700** | **1,700** | **1,700** | **2,900** | **24,540** | **26,836** | **-9%** |
| 4520 | HVAC - CONTRACTED SERVICES | - | 1,250 | - | - | 1,250 | - | - | 1,250 | - | - | 1,250 | - | 5,000 | 5,510 | -9% |
| 4570 | HVAC - REPAIRS AND MAINTENANC | 2,000 | - | 2,000 | - | - | 2,000 | - | - | 2,000 | - | - | - | 8,000 | 7,807 | 2% |
| 4580 | WATER TREATMENT | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 960 | 1,111 | -14% |
|  | **TOTAL HVAC** | **2,080** | **1,330** | **2,080** | **80** | **1,330** | **2,080** | **80** | **1,330** | **2,080** | **80** | **1,330** | **80** | **13,960** | **14,428** | **-3%** |
| 4640 | ELECTRICAL - SUPPLIES | 450 | - | - | 450 | - | - | 450 | - | - | 450 | - | - | 1,800 | 2,723 | -34% |
| 4670 | ELECTRICAL - REPAIRS AND MAINT | - | - | 200 | - | 5,500 | 200 | - | - | 200 | - | - | 200 | 6,300 | 4,875 | 29% |
|  | **TOTAL ELECTRICAL** | **450** | **-** | **200** | **450** | **5,500** | **200** | **450** | **-** | **200** | **450** | **-** | **200** | **8,100** | **7,598** | **7%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 5-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***MONTHLY OPERATING STATEMENT*** | | | |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2019** | **2018** | **VARIANCE** |
| 4701 | WAGES & BENEFITS | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 3,225 | 38,701 | 36,858 | 5% |
| 4741 | TOOLS & SUPPLIES (see 4795) | - | - | - | - | - | - | - | - | - | - | - | - | - | 87 | N/A |
| 4743 | UNIFORMS (see 4795) | - | - | - | - | - | - | - | - | - | - | - | - | - | 114 | N/A |
| 4759 | R-HST - COMMUNCATIONS (see 4768) | - | - | - | - | - | - | - | - | - | - | - | - | - | 78 | N/A |
| 4762 | OFFICE SYSTEMS (see 4768) | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,540 | N/A |
| 4764 | COURIERS & STAMPS (see 4768) | - | - | - | - | - | - | - | - | - | - | - | - | - | 140 | N/A |
| 4765 | EDUCATIONAL EXPENSE (see 4795) | - | - | - | - | - | - | - | - | - | - | - | - | - | 554 | N/A |
| 4768 | COMMUNICATIONS | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 975 | 11,700 | 11,003 | 6% |
| 4771 | OFFICE SUPPLIES (see 4768) | - | - | - | - | - | - | - | - | - | - | - | - | - | 1,123 | N/A |
| 4773 | ROOF REPAIRS & MAINT. | - | - | - | - | 750 | - | 750 | - | - | 750 | - | - | 2,250 | 700 | 221% |
| 4774 | DOORS, KEYS, LOCKS | - | - | 150 | - | - | 150 | - | - | 150 | - | - | 150 | 600 | 2,794 | -79% |
| 4775 | INTERIOR REPAIRS & MAINTENANC | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 6,264 | 10,554 | -41% |
| 4776 | SIGNAGE | - | - | - | - | 700 | - | - | - | - | - | - | - | 700 | 1,330 | -47% |
| 4777 | EXTERIOR WALKWAYS | - | - | - | 4,000 | - | - | - | - | - | - | - | - | 4,000 | 5,531 | -28% |
| 4790 | EXTERIOR - FAÇADE | - | - | - | - | - | 4,200 | - | - | - | - | - | - | 4,200 | - | N/A |
| 4795 | MISC (TOOLS, UNIFORMS, DÉCORAT | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 4,800 | - | N/A |
|  | **TOTAL GENERAL BUILDING** | **5,122** | **5,122** | **5,272** | **9,122** | **6,572** | **9,472** | **5,872** | **5,122** | **5,272** | **5,872** | **5,122** | **5,272** | **73,215** | **72,406** | **1%** |
| 4870 | PLUMBING - REPAIRS AND MAINT | 2,090 | 205 | 205 | 2,090 | 205 | 205 | 2,090 | - | - | 1,885 | - | - | 8,975 | 14,834 | -39% |
|  | **TOTAL PLUMBING** | **2,090** | **205** | **205** | **2,090** | **205** | **205** | **2,090** | **-** | **-** | **1,885** | **-** | **-** | **8,975** | **14,834** | **-39%** |
| 4990 | LIFE SAFETY - MISCELLANEOUS | - | - | - | 5,250 | - | - | - | - | 5,250 | - | - | - | 10,500 | 9,614 | 9% |
|  | **TOTAL FIRE & LIFE SAFETY** | **-** | **-** | **-** | **5,250** | **-** | **-** | **-** | **-** | **5,250** | **-** | **-** | **-** | **10,500** | **9,614** | **9%** |
| 5100 | ELECTRICITY - HOUSE | 22,454 | - | (47,437) | 30,011 | 15,719 | 22,938 | 21,396 | 27,783 | 25,872 | 26,082 | 24,030 | 24,030 | 192,879 | 178,592 | 8% |
| 5200 | GAS - HOUSE | 5,559 | 7,183 | 5,701 | 5,034 | 4,163 | 1,304 | 82 | 191 | 99 | 517 | 789 | 2,600 | 33,223 | 31,945 | 4% |
| 5300 | WATER & SEWAGE | 623 | 815 | 836 | 801 | 639 | 1,216 | 834 | 857 | 946 | 893 | 893 | 893 | 10,244 | 9,756 | 5% |
|  | **TOTAL UTILITIES** | **28,636** | **7,998** | **(40,900)** | **35,846** | **20,522** | **25,458** | **22,312** | **28,831** | **26,917** | **27,491** | **25,712** | **27,523** | **236,346** | **220,293** | **7%** |
| 6120 | LANDSCAPING | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 6150 | SNOW REMOVAL | 1,300 | 1,300 | 1,300 |  |  |  |  |  |  |  | 1,300 | 1,300 | 6,500 | 9,918 | -34% |
| 6160 | SALT/CALCIUM | 750 | 750 | 750 | - | - | - | - | - | - | - | 750 | 750 | 3,750 | - | N/A |
|  | **TOTAL LANDSCAPING** | **2,050** | **2,050** | **2,050** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **2,050** | **2,050** | **10,250** | **9,918** | **3%** |
| 6230 | MANPOWER SECURITY | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 6,000 | 2,756 | N/A |
| 6270 | SECURITY REPAIRS & MAINTENANC | - | - | 500 | - | - | 500 | - | - | 500 | - | - | 500 | 2,000 | 3,515 | N/A |
| 6290 | SECURITY MONITORING | - | - | 125 | - | - | 125 | - | - | 125 | - | - | 125 | 500 | 520 | -4% |
|  | **TOTAL SECURITY** | **500** | **500** | **1,125** | **500** | **500** | **1,125** | **500** | **500** | **1,125** | **500** | **500** | **1,125** | **8,500** | **6,791** | **20%** |
| 6301 | MANAGEMENT FEES | 8,078 | 4,862 | 3,974 | 10,794 | 7,497 | 8,063 | 6,972 | 7,800 | 8,379 | 7,471 | 7,459 | 7,870 | 89,219 | 108,738 | -18% |
|  | **TOTAL MANAGEMENT FEES** | **8,078** | **4,862** | **3,974** | **10,794** | **7,497** | **8,063** | **6,972** | **7,800** | **8,379** | **7,471** | **7,459** | **7,870** | **89,219** | **108,738** | **-18%** |
| 6430 | AUDIT FEES | - | - | - | 4,500 | - | - | - | - | - | - | - | - | 4,500 | 5,614 | -20% |
| 6440 | CONSULTING FEES | - | - | 750 | - | - | - | 2,250 | - | - | - | - | - | 3,000 | 5,374 | -44% |
| 6448 | MMGT OFFICE SERVICES | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 3,000 | 761 | N/A |
| 6452 | MMGT COMPANY CAR EXPENSES | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 270 | 3,240 | 2,517 | 29% |
| 6453 | R-HST - CAR EXPENSES | - | - | - | - | - | - | - | - | - | - | - | - | - | 11 | N/A |
| 6460 | MMGT OFFICE RENT | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 7,800 | 6,672 | 17% |
| 6480 | BANK CHARGES | - | - | - | - | - | - | - | - | - | - | - | - | - | 128 | N/A |
|  | **TOTAL PROFESSIONAL FEES** | **1,170** | **1,170** | **1,920** | **5,670** | **1,170** | **1,170** | **3,420** | **1,170** | **1,170** | **1,170** | **1,170** | **1,170** | **21,540** | **21,077** | **2%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 5-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***MONTHLY OPERATING STATEMENT*** | | | |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2019** | **2018** | **VARIANCE** |
| 6501 | INSURANCE - GENERAL | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 37,564 | 32,664 | 15% |
|  | **TOTAL INSURANCE** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **3,130** | **37,564** | **32,664** | **15%** |
|  | **TOTAL OPERATING EXPENSES** | **64,021** | **37,483** | **(10,228)** | **84,848** | **57,681** | **62,018** | **55,541** | **59,798** | **64,239** | **59,165** | **57,189** | **60,335** | **652,089** | **644,615** | **1%** |
| 7001 | PROPERTY TAXES | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 120,538 | 1,446,455 | 1,384,167 | 4.5% |
|  | Property Tax Rebates | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL TAX EXPENSE** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **120,538** | **1,446,455** | **1,384,167** | **5%** |
|  | **TOTAL OPERATING AND TAXES** | **184,559** | **158,021** | **110,309** | **205,386** | **178,219** | **182,556** | **176,079** | **180,336** | **184,777** | **179,703** | **177,727** | **180,873** | **2,098,544** | **2,028,782** | **3%** |
|  | **OPERATING PROFIT/(LOSS)** | **311,426** | **337,964** | **385,676** | **290,599** | **317,766** | **313,428** | **319,905** | **315,648** | **311,207** | **327,553** | **330,104** | **326,958** | **3,888,235** | **3,955,164** | **-2%** |
|  | **NON-RECOVERABLE EXPENSES** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 8110 | NRC - CONSULTING FEES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8115 | NRC - VACANCY EXPENSE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8125 | NRC - OTHER LANDLORD COSTS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8180 | NRC - LEASING | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL NON RECOVERABLE EXP.** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **N/A** |
|  |  |  |  |  | - |  |  |  |  |  |  |  |  |  |  |  |
| 8210 | AMORTIZED FREE RENT | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 96,148 | 96,144 | 0.00 |
| 8220 | AMORTIZED LEASING COSTS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8230 | AMORTIZED INDUCEMENTS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8240 | AMORTIZED DEFERRED LEASING EX | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8290 | AMORTIZED MISCELLANEOUS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8310 | DEPRECIATION - LANDLORD WORK | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8320 | DEPRECIATION - PROPERTY | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL AMORT. & DEPRECIATION** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **96,148** | **96,144** | **N/A** |
| 8501 | BAD DEBT | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL BAD DEBT** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **N/A** |
| 9001 | MORTGAGE INTEREST | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 9050 | MORTGAGE PRINCIPAL | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL INTEREST EXPENSE** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **N/A** |
|  | **TOTAL NON RECOVERABLE EXP.** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **96,148** | **96,144** | **0%** |
|  | **NET PROFIT/(LOSS)** | **303,414** | **329,952** | **377,663** | **282,587** | **309,754** | **305,416** | **311,893** | **307,636** | **303,195** | **319,540** | **322,092** | **318,946** | **3,792,088** | **3,859,020** | **-2%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | | |
| ***SCHEDULE 6-1*** | | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | | |  |  |  |  |  |  |  |  |  |  |  |  |  | ***RETAIL RENT*** | |
| **UNIT** | **TENANT** | **EXPIRY** | **SQ.FT.** | **$/SQ.FT.** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| 1st Flr | Burberry | 09/30/2024 | 4,200 | 318.00 | 111,300 | 111,300 | 111,300 | 111,300 | 111,300 | 111,300 | 111,300 | 111,300 | 111,300 | 0 | 0 | 0 | **1,001,700** |
| *1st Flr* | *Burberry* | *Step Up* | *4,200* | *343.44* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *120,204* | *120,204* | *120,204* | ***360,612*** |
| 2nd Flr | Burberry | 09/30/2024 | 4,200 | 79.50 | 27,825 | 27,825 | 27,825 | 27,825 | 27,825 | 27,825 | 27,825 | 27,825 | 27,825 | 0 | 0 | 0 | **250,425** |
| *2nd Flr* | *Burberry* | *Step Up* | *4,200* | *85.86* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *30,051* | *30,051* | *30,051* | ***90,153*** |
| 1st Flr | Nespresso | 06/30/2028 | 7,725 | 94.95 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | 61,124 | **733,489** |
| 2nd Flr | Nespresso | 06/30/2028 | 4,650 | 94.95 | 36,793 | 36,793 | 36,793 | 36,793 | 36,793 | 36,792 | 36,792 | 36,792 | 36,792 | 36,792 | 36,792 | 36,792 | **441,511** |
|  | **TOTAL** |  | **20,775** |  | 237,042 | 237,042 | 237,042 | 237,042 | 237,042 | 237,041 | 237,041 | 237,041 | 237,041 | 248,171 | 248,171 | 248,171 | **2,877,889** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | | |
| ***SCHEDULE 6-2*** | | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | | |  |  |  |  |  |  |  |  |  |  |  |  |  | ***OFFICE RENT*** | |
| **Fl.** | **TENANT** | **EXPIRY** | **SQ.FT.** | **$/SQ.FT.** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| 2 | Burberry | 09/30/2024 | 1,250 | 16.96 | 1,767 | 1,767 | 1,767 | 1,767 | 1,767 | 1,767 | 1,767 | 1,767 | 1,767 | 0 | 0 | 0 | **15,900** |
| *2* | *Burberry* | *Step-up* | *1,250* | *18.32* | 0 | 0 | 0 | *0* | *0* | *0* | *0* | *0* | *0* | *1,908* | *1,908* | *1,908* | ***5,725*** |
| 2 | Burberry | 09/30/2024 | 963 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| 3 | Ultimate Software | 06/30/2024 | 6,663 | 22.50 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | 12,493 | **149,918** |
| 4 | Ultimate Software | 06/30/2024 | 9,931 | 22.50 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | 18,621 | **223,448** |
| 5 | Ultimate Software | 06/30/2024 | 6,804 | 22.50 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | 12,758 | **153,090** |
| 6 | Brand Factory | 10/31/2024 | 6,902 | 22.00 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 12,654 | 0 | 0 | **126,537** |
| *6* | *Brand Factory* | *Step-up* | *6,902* | *23.00* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *0* | *13,229* | *13,229* | ***26,458*** |
| 7 | INK Entertainment | 01/31/2023 | 6,470 | 22.50 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | 12,131 | **145,575** |
|  | **TOTAL** |  | **38,983** |  | **70,423** | **70,423** | **70,423** | **70,423** | **70,423** | **70,423** | **70,423** | **70,423** | **70,423** | **70,565** | **71,140** | **71,140** | **846,649** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | | |
| ***SCHEDULE 6-3*** | | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | | |  |  |  |  |  |  |  |  |  |  |  |  | ***STORAGE RENT*** | | |
| **UNIT** | **TENANT** | **EXPIRY** | **SQ.FT.** | **$/SQ.FT.** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| Lobby | Vacant |  | 400 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Nespresso | 06/30/2028 | 2,100 | 25.00 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | 4,375 | **52,500** |
| Bsmt | Vacant |  | 2,500 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Vacant |  | 1,900 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Intermix (Gap) | Annual | 215 | 61.40 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | **13,201** |
|  |  |  | **7,115** |  | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **5,475** | **65,701** |

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 6-4***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. OPERATING RECOVERY***

**FLR TENANT Note SQ.FT. $/SQ.FT. JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC TOTAL**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1st &2nd | Burberry | 8,400 | 9.78 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | 6,846 | **82,152** |
| 2nd | Burberry | 1,250 | 9.78 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | 1,019 | **12,228** |
| 2nd | Burberry | 963 | 9.78 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | 785 | **9,420** |
| 1st Flr | Nespresso | 7,725 | 9.78 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | 6,296 | **75,552** |
| 2nd Flr | Nespresso | 4,650 | 9.78 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | 3,790 | **45,480** |
| Bsmt | Nespresso | 2,100 | 9.78 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | 1,712 | **20,544** |
| 3rd Flr | Ultimate Software Group | 6,663 | 9.77 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | 5,425 | **65,100** |
| 4th Flr | Ultimate Software Group | 9,931 | 9.77 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | 8,085 | **97,020** |
| 5th Flr | Ultimate Software Group | 6,804 | 9.77 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | **66,480** |
| 6th Flr | Brand Factory | 6,902 | 9.77 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | 5,619 | **67,428** |
| 7th Flr | INK Entertainment | 6,470 | 9.77 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | 5,268 | **63,216** |
| Bsmt | Vacant | 2,500 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Vacant | 1,900 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Intermix (Gap) | 215 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
|  | **TOTAL** | **66,473** |  | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **50,385** | **604,620** |

**Total Operating Costs = 562,870** Total Operating Costs less 15% Mgmt Fee on Expenses

|  |  |  |
| --- | --- | --- |
| **Recoveries** | **=** | ($604,620) Budgeted Recoveries from Tenant (including 15% Adm Fee) |
| Variance |  | $41,750 |
|  |  | **($562,870)** |

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 6-5***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. PROPERTY TAX RECOVERY***

**FLR TENANT Note SQ.FT. $/SQ.FT. JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC TOTAL**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1st & 2nd | Burberry | 8,400 | 29.32 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | 20,524 | **246,288** |
| 2nd | Burberry | 1,250 | 29.32 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | 3,054 | **36,648** |
| New 2nd | Burberry | 963 | 29.32 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | 2,353 | **28,236** |
| 1st Flr | Nespresso | 7,725 | 29.32 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | 18,875 | **226,500** |
| 2nd Flr | Nespresso | 4,650 | 29.32 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | 11,362 | **136,344** |
| Bsmt | Nespresso | 2,100 | 29.32 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | 5,131 | **61,572** |
| 3rd Flr | Ultimate Software | 6,663 | 19.33 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | 10,733 | **128,796** |
| 4th Flr | Ultimate Software | 9,931 | 19.33 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | 15,997 | **191,964** |
| 5th Flr | Ultimate Software | 6,804 | 19.33 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | 10,960 | **131,520** |
| 6th Flr | Brand Factory | 6,902 | 19.33 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | 11,118 | **133,416** |
| 7th Flr | INK Entertainment | 6,470 | 19.33 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | 10,422 | **125,064** |
| Bsmt | Vacant | 2,500 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Vacant | 1,900 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Bsmt | Intermix (Gap) | 215 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
|  | **TOTAL** | **66,473** |  | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **120,529** | **1,446,348** |

|  |  |  |
| --- | --- | --- |
|  | | **2018**  **Altus Estimate** |
| **Total Tax Bill** | **=** | **$1,446,455** |
| **Recoveries** | **=** | ($1,446,348) Budgeted Recoveries from Tenant. |

($107) Rounding/Other

**($1,446,455)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | |
| ***SCHEDULE 6-6*** | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  | ***UTILITIES RECOVERY SCHEDULE*** | | | | | |
| **UNIT** | **TENANT** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| **1st&2nd** | Nespresso | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | **81,000** |
|  | **TOTAL** | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | 6,750 | **81,000** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | |
| ***SCHEDULE 6-7*** | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES IN*** | | |  |  |  |  |  |  |  |  |  |  | ***SIGN RENT*** | |
| **UNIT** | **TENANT** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
|  | Juxtaproductions | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | **64,572** |
|  | *[1/2 rate for 2018]* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
|  | **TOTAL** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **64,572** |

***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.***

***SCHEDULE 6-1***

***2019 OPERATING BUDGET***

***EMTWO PROPERTIES INC. TMI PER TENANT***

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **TYPE** |  | **TENANT** | **AREA** | **$10,200**  **Waste** | **$11,400**  **Elevator** | **$8,000**  **HVAC** | **$0**  **Electrical** | **$59,201**  **Gen Bldg** | **$8,975**  **Plumbing** | **$10,500**  **Fire Safety** | **$43,407**  **Gas/Water** | **$10,250**  **Land/Snow** | **$0**  **Security** | **$37,564**  **Insurance** | **15%**  **Adm** | **TTL COST** | **Divisor** | **P.S.F.** |
|  | ***RETAIL*** |  |  | ***$0.45*** | ***$0.50*** | ***$0.35*** | ***$0.00*** | ***$2.59*** | ***$0.39*** | ***$0.46*** | ***$1.90*** | ***$0.45*** | ***$0.00*** | ***$1.64*** |  |  |  |  |
| 1 | Burberry |  | 8,400 | 10,200 | 11,400 | 8,000 | 0 | 59,201 | 8,975 | 10,500 | 43,407 | 10,250 | 0 | 37,564 | 24,290 | **223,787** | 22,875 | ***9.78*** |
| 1 | Nespresso | | 12,375 | 10,200 | 11,400 | 8,000 | 0 | 59,201 | 8,975 | 10,500 | 43,407 | 10,250 | 0 | 37,564 | 24,290 | **223,787** | 22,875 | ***9.78*** |
| B | Nespresso | | 2,100 | 10,200 | 11,400 | 8,000 | 0 | 59,201 | 8,975 | 10,500 | 43,407 | 10,250 | 0 | 37,564 | 24,290 | **223,787** | 22,875 | ***9.78*** |
|  |  |  | **22,875** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **$109,380** | **$13,140** | **$13,960** | **$8,100** | **$73,215** | **$8,975** | **$10,500** | **$236,346** | **$10,250** | **$8,500** | **$37,564** | **15%** |  |  |  |
|  | **TENANT** | **AREA** | **Cleaning** | **Elevator** | **HVAC** | **Electrical** | **Gen Bldg** | **Plumbing** | **Fire Safety** | **Utilities** | **Land/Snow** | **Security** | **Insurance** | **Adm** | **TTL COST** | **Divisor** | **P.S.F.** |
|  | ***OFFICE*** |  | ***$2.39*** | ***$0.29*** | ***$0.30*** | ***$0.18*** | ***$1.60*** | ***$0.14*** | ***$0.16*** | ***$3.56*** | ***$0.15*** | ***$0.19*** | ***$0.57*** | ***$0.26*** |  |  | $9.77 |
| 2 | **2nd Floor** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **45,772 sq. ft.** |  |
| 2 | Burberry | 2,213 | 109,380 | 13,140 | 13,960 | 8,100 | 73,215 | 8,975 | 10,500 | 236,346 | 10,250 | 8,500 | 37,564 | 79,490 | **609,420** | Cleaning | ***9.77*** |
| 2 | **3rd Floor** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Elevator |  |
| 2 | Ultimate Software | 6,663 | 109,380 | 13,140 | 13,960 | 8,100 | 73,215 | 8,975 | 10,500 | 236,346 | 10,250 | 8,500 | 37,564 | 79,490 | **609,420** | HVAC | ***9.77*** |
| 2 | **4th and 5th Floors** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Electrical |  |
| 2 | Ultimate Software | 16,735 | 109,380 | 13,140 | 13,960 | 8,100 | 73,215 | 8,975 | 10,500 | 236,346 | 10,250 | 8,500 | 37,564 | 79,490 | **609,420** | Gen Bldg | ***9.77*** |
| 2 | **6th Floor** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Security |  |
| 2 | Brand Factory | 6,902 | 109,380 | 13,140 | 13,960 | 8,100 | 73,215 | 8,975 | 10,500 | 236,346 | 10,250 | 8,500 | 37,564 | 79,490 | **609,420** | **66,473 sq. ft.** | ***9.77*** |
| 2 | **7th Floor** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Fire Safety |  |
| 2 | INK Entertainment | 6,470 | 109,380 | 13,140 | 13,960 | 8,100 | 73,215 | 8,975 | 10,500 | 236,346 | 10,250 | 8,500 | 37,564 | 79,490 | **609,420** | Utilities | ***9.77*** |
|  |  | **38,983** |  |  |  |  |  |  |  |  |  |  |  |  |  | Land/Snow |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Insurance |  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **TENANT** | | **AREA** | **$10,800**  **Waste** | **$8,160**  **HVAC** | **$0**  **Electrica** | **$73,334**  **Gen Bldg** | **$3,000**  **Plumbing** | **$6,000**  **Fire Safety** | | **$40,211**  **Utilities** | **$8,000**  **Land/Snow** | **$0**  **Security** | **$39,496**  **Insurance** | | **TTL COST** | **Divisor** | **P.S.F.** | |
|  | ***BASEMENT*** |  | ***$0.24*** | ***$0.18*** | ***$0.00*** | ***$1.60*** | ***$0.07*** | ***$0.13*** |  | ***$0.88*** | ***$0.17*** | ***$0.00*** | | ***$0.86*** |  |  |  |  |
| B | Vacant | 2,500 |  | 0 | 0 | 0 | 0 | 0 | 0 |  | 0 0 | | 0 | 0 | **0** |  | 0 | ***0.00*** |
| B | Vacant | 1,900 |  | 0 | 0 | 0 | 0 | 0 | 0 |  | 0 0 | | 0 | 0 | **0** |  | 0 | ***0.00*** |
| B | Intermix (Gap) | 215 |  | 0 | 0 | 0 | 0 | 0 | 0 |  | 0 0 | | 0 | 0 | **0** |  | 0 | ***0.00*** |
|  |  | **4,615** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**TOTAL BUILDING AREA 66,473 SQ. FT.**

**BLOOR/CUMBERLAND - OPERATING COST SHARE**

## RETAIL COMPONENT Definition of Denominator for Tenant's Proportionate Share Denominator Proportionate Share Inclusions Proportionate Share Exclusions

### *159 Cumberland Street*

**Nespresso** Schedule "G" 1.01 - …sum of all costs reasonably incurred, allocated, attributed or charged by **25,088 sq. ft.** Schedule "G" 1.01 - (a) salaries and benefits at/below level of property manager; Schedule "G" 1.02 - (a) structural maintenance/repair/replacement (except roof); Main Floor - 7,725 sq. ft. or on behalf of Landlord, on either an accrual or cash basis, or in part or both, as Landlord (b) audit, accounting, legal, tax consulting, etc. fees for Retail Component of Building; (b) ground rent, interest, capital debt retirement; c) expenses related to othter 2nd Floor - 4,650 sq. ft. may determine on account of the administration, operation, management, supervision, (c) cost of operating/maintaining/repairing the systems/facilities and equipment serving tenants; (d) leasing expenses; e) changes to Building for specific tenants;

Basement - 2,100 sq. ft. maintenance, repair and replacement of the Retail Component and for services the Retail Component of the Building; waste management; energy conservation, life (f) R&M specifically for other tenants; (g) increase in insurance due to other provided generally to tenants thereof, including with out limitation…" safety, telecom and security systems; (d) depreciation and amortization; (e) interest; tenancies; (h) legal fees for disputes; (i) proceeds recovered from insurance and

**TOTAL - 14,475 SQ. FT.** (f) Common Area HVAC; utilities; (h) insurance; (i) management office (up to 2,000 sq. ft.); warranties; (j) Landlord's Work; (k) costs for Landlord violation of laws, by-laws

(j) management fee of 15% of costs excluding (e), (g), (h) and (j) or Landlord negligence; (l) remediation of hazmats; (m) asbestos removal;

(n) original construction costs of the Project; (o) expropriation costs/awards; Billed Hydro monthly based on share of Building Bill as determined from check meter (p) purchase of artwork (pay for maint); (q) defending lawsuit with Mortgagee; plus 5% (less H.S.T.) r) transferring Landlord's interest; (s) financing/refinancing; Office Component.

### *144 Bloor Street West*

**Burberry** Schedule "B" 2.02 - …sum of all costs reasonably incurred, allocated, attributed or charged by **25,088 sq. ft.** Schedule "B" 2.02 - (a) salaries and benefits at/below level of property manager; Schedule "G" 1.02 - (a) structural maintenance/repair/replacement (except roof); Main Floor - 4,200 sq. ft. or on behalf of Landlord, on either an accrual or cash basis, or in part or both, as Landlord (b) audit, accounting, legal, tax consulting, etc. fees for Retail Component of Building; (b) ground rent, interest, capital debt retirement; (c) expenses related to othter 2nd Fl. Ret - 4,200 sq. ft. may determine on account of the administration, operation, management, supervision, (c) cost of operating/maintaining/repairing the systems/facilities and equipment serving tenants; (d) leasing expenses; (e) changes to Building for specific tenants;

2nd Fl. Off - 1,250 sq. ft. maintenance, repair and replacement of the Retail Component and for services the Retail Component of the Building; waste management; energy conservation, life (f) R&M specifically for other tenants; (g) increase in insurance due to other

2nd Fl. Off - 963 sq. ft. provided generally to tenants thereof, including with out limitation…" safety, telecom and security systems; (d) depreciation and amortization; (e) interest; tenancies; (h) legal fees for disputes; (i) proceeds recovered from insurance and

(f) Common Area HVAC; utilities; (i) insurance; (j) management office (up to 2,000 sq. ft.); warranties; (j) Landlord's Work; (k) costs for Landlord violation of laws, by-laws

**TOTAL - 10,613 SQ. FT.** (k) management fee of 15% of costs excluding (e), (h) and (k) or Landlord negligence; (l) remediation of hazmats; (m) asbestos removal;

(n) original construction costs of the Project; (o) expropriation costs/awards;

(p) purchase of artwork (pay for maint); (q) defending lawsuit with Mortgagee;

r) transferring Landlord's interest; (s) financing/refinancing; Office Component.

## OFFICE COMPONENT Definition of Denominator for Tenant's Proportionate Share Denominator Proportionate Share Inclusions Proportionate Share Exclusions

### *146 Bloor Street West*

**Ultimate Software Group** 6.7(c) - In computing Operating Costs: if the Office Component or the Retail Component of the **36,770 sq. ft.** 6.5 - (a) security/supervision/traffic control, janitorial, landscaping, window cleaning, 6.6 (a) structural repairs or replacements; (b) interest on or capital retirement of 3rd Floor - 6,663 sq. ft. Building is comprised of different categories of leasable premises, the Landlord shall be waste collection/disposal, snow removal, machinery/tools/supplies for building; debt; ground rent or other lease; (c) decorating other tenants' spaces; (d) leasing 4th Floor - 9,931 sq. ft. entitled, but not obligated, to allocate Operating Costs amonth various categories on the (b) telecom, office supplies, signs/directories; materials for managing/maint/operations; fees; (e) R&M for other tenants; (f) insurance and warranty recoveries; (g) recoveries 5th Floor - 6,804 sq. ft. basis such factors as the Landlord determines to be relevant and to adjust the Tenant's (c) utilities, HVAC, lighting replacements; (d) operating/maintaining/replacing/modifying/ from telecom; (h) depreciation on Building or capital items that pre-date Lease;

Operating Cost payment based on such allocation… repairing to comply with laws or insurance, improve energy consumption or preserve (i) costs of major additions/expansions to Building; (j) costs for fines/penalties/ **TOTAL - 23,398 SQ. FT.** the environment; (e) depr/amort w/interest; (f) salaries and benefits for on-site and legal fees for violation of applicable laws; (k) losses from bad debt; (l) income, management personnel; (g) auditing, accounting, legal, professional, consulting fees; capital gains, etc. taxes; (m) Landlord donations; (n) further admin/mgmt fees;

(h) insurance; (k) property management office; (m) pandemic or emergency plan; legal costs for leasing, financing, etc.

(l) 15% management fee on expenses (except management fee).

**The Brand Factory** 6.7(c) - In computing Operating Costs: if the Office Component or the Retail Component of the 6.5 - (a) security/supervision/traffic control, janitorial, landscaping, window cleaning, 6.6 (a) structural repairs or replacements; (b) interest on or capital retirement of

6th Floor - 6,902 sq. ft. Building is comprised of different categories of leasable premises, the Landlord shall be waste collection/disposal, snow removal, machinery/tools/supplies for building; debt; ground rent or other lease; (c) decorating other tenants' spaces; (d) leasing entitled, but not obligated, to allocate Operating Costs amonth various categories on the (b) telecom, office supplies, signs/directories; materials for managing/maint/operations; fees; (e) R&M for other tenants; (f) insurance and warranty recoveries; (g) recoveries basis such factors as the Landlord determines to be relevant and to adjust the Tenant's (c) utilities, HVAC, lighting replacements; (d) operating/maintaining/replacing/modifying/ from telecom.

Operating Cost payment based on such allocation… repairing to comply with laws or insurance, improve energy consumption or preserve

**TOTAL - 6,902 SQ. FT.** the environment; (e) depr/amort w/interest; (f) salaries and benefits for on-site and

management personnel; (g) auditing, accounting, legal, professional, consulting fees;

(h) insurance; (k) property management office; (m) pandemic or emergency plan;

(l) 15% management fee on expenses (except management fee).

**INK Entertainment** 6.7(c) - In computing Operating Costs: if the Office Component or the Retail Component of the 6.5 - (a) security/supervision/traffic control, janitorial, landscaping, window cleaning, 6.6 (a) structural repairs or replacements; (b) interest on or capital retirement of

6th Floor - 6,470 sq. ft. Building is comprised of different categories of leasable premises, the Landlord shall be waste collection/disposal, snow removal, machinery/tools/supplies for building; debt; ground rent or other lease; (c) decorating other tenants' spaces; (d) leasing entitled, but not obligated, to allocate Operating Costs amonth various categories on the (b) telecom, office supplies, signs/directories; materials for managing/maint/operations; fees; (e) R&M for other tenants; (f) insurance and warranty recoveries; (g) recoveries basis such factors as the Landlord determines to be relevant and to adjust the Tenant's (c) utilities, HVAC, lighting replacements; (d) operating/maintaining/replacing/modifying/ from telecom; (h) bad debts or legal costs for collection.

Operating Cost payment based on such allocation… repairing to comply with laws or insurance, improve energy consumption or preserve

**TOTAL - 6,470 - SQ. FT.** the environment; (e) depr/amort w/interest; (f) salaries and benefits for on-site and

management personnel; (g) auditing, accounting, legal, professional, consulting fees;

(h) insurance; (k) property management office; (m) pandemic or emergency plan;

(l) 15% management fee on expenses (except management fee).

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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 7-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***2018 PROFORMA STATEMENT*** | | | |
|  |  | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Proj'd** | **Proj'd** | **Proj'd** | **Actual** | **Budget** | **%** |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2018** | **2018** | **VARIANCE** |
|  | **INCOME** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3101 | OFFICE RENT | 64,114 | 57,430 | 65,731 | 65,731 | 65,731 | 65,731 | 68,656 | 68,656 | 68,656 | 68,656 | 68,656 | 68,656 | 796,404 | 800,601 | -1% |
| 3120 | RETAIL RENT | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 241,417 | 2,897,004 | 2,844,499 | 2% |
| 3150 | PERCENTAGE RENT | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 3180 | STORAGE RENT | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 2,867 | 34,404 | 65,701 | -48% |
|  | **TOTAL RENTAL INCOME** | **308,398** | **301,714** | **310,015** | **310,015** | **310,015** | **310,015** | **312,940** | **312,940** | **312,940** | **312,940** | **312,940** | **312,940** | **3,727,812** | **3,710,801** | **0%** |
| 3230 | OPERATING COSTS RECOVER | 50,281 | 50,281 | 50,281 | 50,281 | 132,030 | 50,281 | 50,281 | 50,281 | 50,281 | 50,281 | 50,281 | 50,281 | 685,121 | 603,372 | 14% |
| 3210 | HVAC RECOVERIES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 3250 | UTILITY RECOVERIES | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 10,450 | 125,400 | 125,400 | 0% |
| 3270 | PRIOR YEARS RECOVERIES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL OPERATING RECOV** | **60,731** | **60,731** | **60,731** | **60,731** | **142,480** | **60,731** | **60,731** | **60,731** | **60,731** | **60,731** | **60,731** | **60,731** | **810,521** | **728,772** | **11%** |
| 3240 | PROPERTY TAXES RECOVERY | 116,271 | 116,271 | 116,271 | 116,271 | 104,951 | 116,271 | 116,271 | 116,271 | 116,271 | 116,271 | 116,271 | 116,271 | 1,383,932 | 1,395,276 | -1% |
|  | **TOTAL REALTY TAX RECOV** | **116,271** | **116,271** | **116,271** | **116,271** | **104,951** | **116,271** | **116,271** | **116,271** | **116,271** | **116,271** | **116,271** | **116,271** | **1,383,932** | **1,395,276** | **-1%** |
| 3330 | SIGN RENT | 5,979 | 5,979 | 5,979 | 174 | 5,979 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 5,381 | 61,757 | 71,827 | -14% |
| 3350 | OTHER INCOME | - | (1,660) | - | 879 | - | - | 705 | - | - | - | - | - | (76) | - | N/A |
|  | **TOTAL OPERATING RECOV** | **5,979** | **4,319** | **5,979** | **1,053** | **5,979** | **5,381** | **6,086** | **5,381** | **5,381** | **5,381** | **5,381** | **5,381** | **61,681** | **71,827** | **-14%** |
|  | **TOTAL INCOME** | **491,379** | **483,035** | **492,996** | **488,070** | **563,425** | **492,398** | **496,028** | **495,323** | **495,323** | **495,323** | **495,323** | **495,323** | **5,983,946** | **5,906,676** | **1%** |
|  | **EXPENSES** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4120 | CLEANING CONTRACT | 14,141 | - | 7,071 | 7,071 | 14,141 | 233 | - | - | 7,175 | 7,175 | 7,175 | 7,175 | 71,357 | 84,852 | -16% |
| 4128 | WINDOW CLEANING CONTRA | - | - | - | 345 | - | - | - | 345 | - | - | - | 345 | 1,035 | 2,250 | -54% |
| 4130 | CARPET/FLOOR CLEANING | - | - | 2,918 | - | - | - | - | - | - | - | - | - | 2,918 | - | N/A |
| 4132 | PEST CONTROL CONTRACT | 504 | 252 | 252 | - | 504 | 252 | 268 | 268 | - | 536 | 268 | 268 | 3,372 | 3,000 | 12% |
| 4137 | NON-CONTRACTED CLEANIN | - | - | - | 531 | - | - | 2,080 | - | - | - | - | - | 2,611 | - | N/A |
| 4250 | WASHROOM SUPPLIES | 884 | 884 | 424 | - | 795 | - | 1,412 | 595 | - | 506 | 750 | 750 | 7,000 | 9,600 | -27% |
| 4260 | CLEANING SUPPLIES | - | - | - | - | - | - | - | 1,239 | - | - | - | - | 1,239 | - | N/A |
| 4350 | WASTE REMOVAL | 1,519 | 1,505 | - | - | 1,519 | 790 | 758 | 759 | 759 | 759 | 759 | 759 | 9,886 | 10,800 | -8% |
|  | **TOTAL CLEANING** | **17,048** | **2,641** | **10,665** | **7,947** | **16,959** | **1,275** | **4,518** | **3,206** | **7,934** | **8,976** | **8,952** | **9,297** | **99,418** | **110,502** | **-10%** |
| 4420 | ELEVATOR - CONTRACT SER | 1,500 | - | 1,500 | - | 1,500 | 750 | 7,171 | - | 750 | 765 | 765 | 765 | 15,466 | 16,800 | -8% |
| 4470 | ELEVATOR - GEN. REPAIRS & | - | - | (998) | - | 9,560 | - | - | 413 | - | - | 800 | - | 9,775 | 2,400 | 307% |
| 4480 | ELEVATOR - LICENSES & PER | - | 650 | - | - | 840 | - | - | 105 | - | - | - | - | 1,595 | 540 | 195% |
|  | **TOTAL ELEVATOR** | **1,500** | **650** | **502** | **-** | **11,900** | **750** | **7,171** | **518** | **750** | **765** | **1,565** | **765** | **26,836** | **19,740** | **36%** |
| 4520 | HVAC - CONTRACTED SERVIC | 1,080 | - | - | - | - | 2,215 | - | - | - | - | 2,215 | - | 5,510 | 4,320 | 28% |
| 4570 | HVAC - REPAIRS AND MAINT | 205 | 668 | 814 | 205 | 205 | 205 | 205 | 205 | 4,480 | 205 | 205 | 205 | 7,807 | 8,000 | -2% |
| 4580 | WATER TREATMENT | 185 | 78 | 94 | - | 176 | 78 | 78 | 94 | 78 | 94 | 78 | 78 | 1,111 | 960 | N/A |
|  | **TOTAL HVAC** | **1,470** | **746** | **908** | **205** | **381** | **2,498** | **283** | **299** | **4,558** | **299** | **2,498** | **283** | **14,428** | **13,280** | **9%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 7-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***2018 PROFORMA STATEMENT*** | | | |
|  |  | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Proj'd** | **Proj'd** | **Proj'd** | **Actual** | **Budget** | **%** |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2018** | **2018** | **VARIANCE** |
| 4640 | ELECTRICAL - SUPPLIES | - | 863 | - | - | 239 | 1,030 | 110 | 231 | - | - | 250 | - | 2,723 | 1,800 | 51% |
| 4670 | ELECTRICAL - REPAIRS & MA | - | - | - | - | 1,033 | 405 | - | - | 3,437 | - | - | - | 4,875 | 6,300 | -23% |
|  | **TOTAL ELECTRICAL** | **-** | **863** | **-** | **-** | **1,272** | **1,435** | **110** | **231** | **3,437** | **-** | **250** | **-** | **7,598** | **8,100** | **-6%** |
| 4701 | WAGES & BENEFITS | 3,202 | 3,099 | 3,218 | 2,739 | 3,112 | 2,884 | 3,094 | 3,163 | 2,822 | 3,175 | 3,175 | 3,175 | 36,858 | 39,360 | -6% |
| 4741 | TOOLS & SUPPLIES | 2 | 1 | - | 9 | 1 | 6 | 18 | 10 | 10 | 10 | 10 | 10 | 87 | - | N/A |
| 4743 | UNIFORMS | - | - | 12 | - | - | - | 45 | - | - | - | 57 | - | 114 | - | N/A |
| 4759 | R-HST - COMMUNCATIONS | 8 | 8 | 10 | 13 | 27 | 3 | 9 | - | - | - | - | - | 78 | - | N/A |
| 4762 | OFFICE COMPUTER SYSTEM | 179 | 96 | 138 | 218 | (5) | 215 | 100 | 103 | 121 | 125 | 125 | 125 | 1,540 | - | N/A |
| 4764 | COURIERS/STAMPS | 42 | - | 4 | (1) | 9 | - | 26 | 16 | 11 | 11 | 11 | 11 | 140 | - | N/A |
| 4765 | EDUCATIONAL EXPENSES | 186 | - | 135 | (2) | 4 | 30 | 1 | - | - | 200 | - | - | 554 | - | N/A |
| 4768 | COMMUNICATIONS | 1,446 | 932 | 1,680 | 648 | 1,417 | 682 | 311 | 255 | 2,093 | 139 | 700 | 700 | 11,003 | 11,400 | -3% |
| 4771 | OFFICE SUPPLIES | 122 | 53 | 488 | 21 | 1 | 51 | 65 | 156 | 6 | - | 160 | - | 1,123 | - | N/A |
| 4773 | ROOF REPAIRS & MAINT. | - | - | - | - | - | - | 700 | - | - | - | - | - | 700 | 2,250 | -69% |
| 4774 | DOORS, KEYS, LOCKS | 1,011 | - | 896 | - | - | 402 | 235 | - | 250 | - | - | - | 2,794 | 600 | 366% |
| 4775 | INTERIOR REPAIRS & MAINTE | 522 | 522 | 522 | 4,812 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 522 | 10,554 | 6,264 | 68% |
| 4776 | SIGNAGE | 1,330 | - | - | - | - | - | - | - | - | - | - | - | 1,330 | 700 | 90% |
| 4777 | EXTERIOR REPAIRS | 4,031 | - | - | - | 1,500 | - | - | - | - | - | - | - | 5,531 | 6,700 | -17% |
| 4795 | MISC. (R&M & SUPPLIES) | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,000 | N/A |
|  | **TOTAL GENERAL BUILDING** | **12,081** | **4,711** | **7,103** | **8,457** | **6,588** | **4,795** | **5,126** | **4,225** | **5,835** | **4,182** | **4,760** | **4,543** | **72,406** | **70,274** | **3%** |
| 4870 | PLUMBING - REPAIRS & MAIN | - | 508 | 1,930 | 3,187 | 2,303 | 808 | 796 | 1,027 | 1,494 | 981 | 900 | 900 | 14,834 | 10,000 | 48% |
|  | **TOTAL PLUMBING** | **-** | **508** | **1,930** | **3,187** | **2,303** | **808** | **796** | **1,027** | **1,494** | **981** | **900** | **900** | **14,834** | **10,000** | **48%** |
| 4990 | LIFE SAFETY - FIRE | 120 | - | - | 1,074 | 120 | 3,543 | - | 3,361 | - | 1,396 | - | - | 9,614 | 13,000 | -26% |
|  | **TOTAL FIRE & LIFE SAFETY** | **120** | **-** | **-** | **1,074** | **120** | **3,543** | **-** | **3,361** | **-** | **1,396** | **-** | **-** | **9,614** | **13,000** | **-26%** |
| 5100 | ELECTRICITY - GENERAL | 20,791 | - | (43,923) | 27,788 | 14,555 | 21,239 | 19,811 | 25,725 | 23,956 | 24,150 | 22,250 | 22,250 | 178,592 | 263,747 | -32% |
| 5200 | GAS - GENERAL | 5,345 | 6,907 | 5,482 | 4,840 | 4,003 | 1,254 | 79 | 184 | 95 | 497 | 759 | 2,500 | 31,945 | 32,228 | -1% |
| 5300 | WATER & SEWAGE - GENERA | 593 | 776 | 796 | 763 | 609 | 1,158 | 794 | 816 | 901 | 850 | 850 | 850 | 9,756 | 10,468 | -7% |
|  | **TOTAL UTILITIES** | **26,729** | **7,683** | **(37,645)** | **33,391** | **19,167** | **23,651** | **20,684** | **26,725** | **24,952** | **25,497** | **23,859** | **25,600** | **220,293** | **306,443** | **-28%** |
| 6120 | LANDSCAPING | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 6150 | SNOW REMOVAL | 2,833 | - | 1,417 | 1,417 | 1,417 | - | - | - | - | - | 1,417 | 1,417 | 9,918 | 5,000 | 98% |
| 6160 | SALT/CALCIUM | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,750 | N/A |
|  | **TOTAL LANDSCAPING** | **2,833** | **-** | **1,417** | **1,417** | **1,417** | **-** | **-** | **-** | **-** | **-** | **1,417** | **1,417** | **9,918** | **8,750** | **13%** |
| 6230 | MANPOWER SECURITY | - | - | 636 | - | - | - | 200 | 220 | - | 700 | 500 | 500 | 2,756 | 18,000 | -85% |
| 6270 | SECURITY REPAIRS & MAINT | - | - | - | - | 960 | - | 1,250 | - | 345 | 460 | - | 500 | 3,515 | **-** | N/A |
| 6290 | MISC. SECURITY | - | - | 400 | - | - | - | 120 | - | - | - | - | - | 520 | - | N/A |
|  | **TOTAL SECURITY** | **-** | **-** | **1,036** | **-** | **960** | **-** | **1,570** | **220** | **345** | **1,160** | **500** | **1,000** | **6,791** | **18,000** | **-62%** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 7-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***2018 PROFORMA STATEMENT*** | | | |
|  |  | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Proj'd** | **Proj'd** | **Proj'd** | **Actual** | **Budget** | **%** |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2018** | **2018** | **VARIANCE** |
| 6301 | MANAGEMENT FEES | 8,550 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 9,108 | 108,738 | 93,733 | 16% |
|  | **TOTAL MANAGEMENT FEES** | **8,550** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **9,108** | **108,738** | **93,733** | **16%** |
| 6430 | AUDIT FEES | - | - | - | - | 5,500 | - | 114 | - | - | - | - | - | 5,614 | 4,500 | N/A |
| 6440 | CONSULTING FEES | 3,736 | - | - | 563 | - | 500 | 450 | - | - | 125 | - | - | 5,374 | 2,000 | 169% |
| 6448 | MMGT OFFICE SERVICES | 57 | 53 | 6 | (1) | 134 | - | 34 | 103 | - | 125 | 125 | 125 | 761 | 3,000 | -75% |
| 6452 | COMPANY VAN EXPENSES | 353 | 66 | 207 | 262 | 256 | 117 | 89 | 147 | 255 | 255 | 255 | 255 | 2,517 | 3,000 | -16% |
| 6453 | R-HST - VAN EXPENSES | 3 | - | - | 3 | - | - | 5 | - | - | - | - | - | 11 | - | N/A |
| 6460 | MMGT OFFICE RENT | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 6,672 | 7,200 | -7% |
| 6480 | BANK CHARGES | 39 | - | - | - | - | - | 44 | - | - | - | - | 45 | 128 | - | N/A |
|  | **TOTAL PROFESSIONAL FEE** | **4,744** | **675** | **769** | **1,383** | **6,446** | **1,173** | **1,292** | **806** | **811** | **1,061** | **936** | **981** | **21,077** | **19,700** | **7%** |
| 6501 | INSURANCE - GENERAL | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 2,722 | 32,664 | 37,094 | -12% |
|  | **TOTAL INSURANCE** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **2,722** | **32,664** | **37,094** | **-12%** |
|  | **TOTAL OPERATING EXPENS** | **77,797** | **30,307** | **(1,485)** | **68,891** | **79,343** | **51,758** | **53,380** | **52,448** | **61,946** | **56,147** | **57,467** | **56,616** | **644,615** | **728,616** | **-12%** |
| 7001 | PROPERTY TAXES | 116,331 | 88,425 | 102,378 | 102,378 | 116,331 | 166,241 | 115,347 | 115,347 | 115,347 | 115,347 | 115,347 | 115,348 | 1,384,167 | 1,395,967 | -1% |
| 7002 | TAX REBATE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL TAX EXPENSE** | **116,331** | **88,425** | **102,378** | **102,378** | **116,331** | **166,241** | **115,347** | **115,347** | **115,347** | **115,347** | **115,347** | **115,348** | **1,384,167** | **1,395,967** | **-1%** |
|  | **TOTAL OPERATING AND TA** | **194,128** | **118,732** | **100,893** | **171,269** | **195,674** | **217,999** | **168,727** | **167,795** | **177,293** | **171,494** | **172,814** | **171,964** | **2,028,782** | **2,124,583** | **-5%** |
|  | **OPERATING PROFIT/(LOSS)** | **297,251** | **364,303** | **392,103** | **316,801** | **367,751** | **274,399** | **327,301** | **327,528** | **318,030** | **323,829** | **322,509** | **323,359** | **3,955,164** | **3,782,093** | **5%** |
| 8110 | NRC - CONSULTING FEES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8115 | NRC - VACANCY EXPENSE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8125 | NRC - OTHER LANDLORD COS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8180 | NRC - LEASING | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL NON-RECOVERABLE** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **N/A** |
| 8210 | AMORTIZED FREE RENT | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 96,144 | 96,148 | 0% |
| 8220 | AMORTIZED LEASING COSTS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8230 | AMORTIZED INDUCEMENTS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8240 | AMORTIZED DEFERRED LEAS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8290 | AMORTIZED - MISCELLANEO | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8310 | DEPRECIATION - LANDLORD | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 8320 | DEPRECIATION - PROPERTY | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL AMORT./DEPR.** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **96,144** | **96,148** | **0%** |

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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | | | | |
| ***SCHEDULE 7-1*** | | | | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  |  |  |  | ***2018 PROFORMA STATEMENT*** | | | |
|  |  | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Actual** | **Proj'd** | **Proj'd** | **Proj'd** | **Actual** | **Budget** | **%** |
| **ACCT.** | **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **2018** | **2018** | **VARIANCE** |
| 8501 | BAD DEBT |  |  |  |  |  |  |  |  |  |  |  |  | - |  | N/A |
|  | **TOTAL BAD DEBT** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | N/A |
| 9001 | MORTGAGE - INTEREST | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
| 9002 | MORTGAGE - PRINCIPAL | - | - | - | - | - | - | - | - | - | - | - | - | - | - | N/A |
|  | **TOTAL INTEREST EXPENSE** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | N/A |
|  | **TOTAL NON-OPERATING EX** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **8,012** | **96,144** | **96,148** | 0% |
|  | **NET PROFIT/(LOSS)** | **289,239** | **356,291** | **384,091** | **308,789** | **359,739** | **266,387** | **319,289** | **319,516** | **310,018** | **315,817** | **314,497** | **315,347** | **3,859,020** | **3,685,945** | **5%** |

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| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | | | | | | | | | | |
| ***SCHEDULE 8-1*** | | | | | | | | | | | | | |
| ***2019 OPERATING BUDGET*** | | | | | | | | | | | | | |
| ***EMTWO PROPERTIES INC.*** | |  |  |  |  |  |  |  |  | ***2019 CASH FLOW PROJECTIONS*** | | | |
| **DESCRIPTION** | **JAN** | **FEB** | **MAR** | **APR** | **MAY** | **JUN** | **JUL** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC** | **TOTAL** |
| **NET INCOME** | **303,414** | **329,952** | **377,663** | **282,587** | **309,754** | **305,416** | **311,893** | **307,636** | **303,195** | **319,540** | **322,092** | **318,946** | **3,792,088** |
| Insurance as Accrued | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 3,130 | 37,564 |
| Insurance Paid by Owner | (37,564) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (37,564) |
| Amortized Free Rent | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 8,012 | 96,148 |
| Mortgage Remittances | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (73,000) | (876,000) |
| **Financing** | **(99,421)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(61,857)** | **(779,852)** |
| **CASH FLOW +/(-)** | **203,992** | **268,095** | **315,806** | **220,730** | **247,896** | **243,558** | **250,035** | **245,778** | **241,338** | **257,683** | **260,235** | **257,089** | **3,012,235** |
| **Running Balance** | **203,992** | **472,087** | **787,893** | **1,008,623** | **1,256,519** | **1,500,077** | **1,750,113** | **1,995,891** | **2,237,229** | **2,494,912** | **2,755,147** | **3,012,235** |  |

|  |  |  |  |  |
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| ***2019 OPERATING BUDGET*** | | | | |
|  |  |  |  | ***SCHEDULE*** |
| ***144-146 BLOOR ST. W. & 159 CUMBERLAND ST.*** | | | | |
| ***EMTWO PROPTERTIES INC.*** |  |  | ***PROJECTED HOUSE UTILITIES*** | |
|  | **Period** | **Consumption** | **2018** | **Projected Increase** |
| **HYDRO** | January |  | 20,791.00 | 22,454.28 |
|  | February |  | - | - |
|  | March |  | (43,923.00) | (47,436.84) |
|  | April |  | 27,788.00 | 30,011.04 |
|  | May |  | 14,555.00 | 15,719.40 |
|  | June |  | 21,239.00 | 22,938.12 |
|  | July |  | 19,811.00 | 21,395.88 |
|  | August |  | 25,725.00 | 27,783.00 |
|  | September |  | 23,956.00 | 25,872.48 |
|  | October |  | 24,150.00 | 26,082.00 |
|  | November |  | 22,250.00 | 24,030.00 |
|  | December |  | 22,250.00 | 24,030.00 |
|  |  |  |  | 192,879.36 |
|  | Projected Increase | 2019 | 8% |  |
| **GAS** | January |  | 5,345.00 | 5,558.80 |
|  | February |  | 6,907.00 | 7,183.28 |
|  | March |  | 5,482.00 | 5,701.28 |
|  | April |  | 4,840.00 | 5,033.60 |
|  | May |  | 4,003.00 | 4,163.12 |
|  | June |  | 1,254.00 | 1,304.16 |
|  | July |  | 79.00 | 82.16 |
|  | August |  | 184.00 | 191.36 |
|  | September |  | 95.00 | 98.80 |
|  | October |  | 497.00 | 516.88 |
|  | November |  | 759.00 | 789.36 |
|  | December |  | 2,500.00 | 2,600.00 |
|  |  |  |  | 33,222.80 |
|  | Projected Increase | 2019 | 4% |  |
| **WATER** | January |  | 593.00 | 622.65 |
|  | February |  | 776.00 | 814.80 |
|  | March |  | 796.00 | 835.80 |
|  | April |  | 763.00 | 801.15 |
|  | May |  | 609.00 | 639.45 |
|  | June |  | 1,158.00 | 1,215.90 |
|  | July |  | 794.00 | 833.70 |
|  | August |  | 816.00 | 856.80 |
|  | September |  | 901.00 | 946.05 |
|  | October |  | 850.00 | 892.50 |
|  | November |  | 850.00 | 892.50 |
|  | December |  | 850.00 | 892.50 |
|  |  |  |  | 10,243.80 |
|  | Projected Increase | 2019 | 5% |  |