

**Recommended Extension Terms and Sample Payment Illustration:  
Deferral Agreement #156, 170 Rockhaven Lane**

Staff Recommendation: Provide a DC Deferral Agreement Extension <sup>[1]</sup> for a one-year term from October 1, 2018 to October 1, 2019 with full payment due on or before October 1, 2019 according to the following terms.

The DC Deferral Agreement will be extended for one year to October 1, 2019 using the City's five-year serial debenture rate plus 5.25% (which is comprised of 3.25% for the new DC Deferral Policy Rate plus 2.00% for the Extended Agreement Rate).

This sample schedule uses the August 2018, five-year serial debenture rate for illustration only. The actual October 2018, five-year serial debenture rate would be used in the actual calculation.

Amount: \$53,287.70  
This is the balance owing on DC Deferral Agreement #156 at expiration on October 1, 2018.

Interest Rate Applied: Five-year serial debenture rate plus 5.25%  
(August 2018 rate used in illustration)

August Rate:	2.85%
New DC Deferral Policy Rate:	3.25%
Extended Agreement Rate:	<u>2.00%</u>
<b>Total Interest Rate</b>	<b>8.10%</b>

Compound Period: Monthly

Payments: Payments ad hoc as the remaining units close for sale.  
Illustration shows sample payment dates.

Total Payments: \$56,607.59  
(Total payments will vary depending on closing date of units.)

Total Interest: \$3,319.89  
(Total interest will vary depending on closing date of units and the actual interest rate the agreement is entered into.)

*Note [1]: As a condition of the staff recommendation, the Agreement holder will be responsible for bringing any property taxes in arrears up to date, maintaining the property taxes in good standing, registering the Agreement on title as a mortgage, providing a personal guarantee, providing proof of insurance satisfactory to the City's risk management division, and other standard terms of DC Deferral Agreements including provisions which, in the event of default, would transfer any balance outstanding to the property tax roll.*

**Past payment history of existing DC Deferral - expires October 1, 2018:**

Date From	Date To	Interest Rate (%)	Beginning Balance (\$)	Payments / Adjustments (\$)	Period Interest	Closing Balance Outstanding (\$)
01-Oct-13	31-Dec-13	2.66%	824,213.92	-	5,466.01	829,679.93
01-Jan-14	31-Dec-14	2.66%	829,679.93	-	22,216.24	851,896.16
01-Jan-15	31-Dec-15	2.66%	851,896.16	(700,900.00)	14,232.59	165,228.76
01-Jan-16	31-Dec-16	2.66%	165,228.76	(32,600.00)	3,870.40	136,499.15
01-Jan-17	31-Dec-17	2.66%	136,499.15	(69,150.00)	2,480.92	69,722.60
01-Jan-18	01-Oct-18	2.66%	69,722.60	(17,550.00)	1,115.10	53,287.70

**Illustration of potential payment schedule for one-year extension to October 1, 2019:**

Date From	Date To	Sample Interest Rate (%)	Beginning Balance (\$)	Sample Payments (\$)	Period Interest	Closing Balance Outstanding (\$)
01-Oct-18	31-Oct-18	8.10%	53,287.70	-	354.76	53,642.46
01-Nov-18	30-Nov-18	8.10%	53,642.46	-	357.13	53,999.59
01-Dec-18	31-Dec-18	8.10%	53,999.59	-	371.49	54,371.07
01-Jan-19	31-Jan-19	8.10%	54,371.07	-	374.04	54,745.12
01-Feb-19	28-Feb-19	8.10%	54,745.12	-	340.17	55,085.29
01-Mar-19	31-Mar-19	8.10%	55,085.29	-	378.96	55,464.24
01-Apr-19	30-Apr-19	8.10%	55,464.24	(18,500.00)	246.09	37,210.34
01-May-19	31-May-19	8.10%	37,210.34	-	255.99	37,466.32
01-Jun-19	30-Jun-19	8.10%	37,466.32	-	249.43	37,715.76
01-Jul-19	31-Jul-19	8.10%	37,715.76	(18,860.00)	129.72	18,985.47
01-Aug-19	31-Aug-19	8.10%	18,985.47	-	130.61	19,116.08
01-Sep-19	01-Oct-19	8.10%	19,116.08	-	131.51	19,247.59
Final Payment			19,247.59	(19,247.59)	-	-

*Note that the above schedule is for illustration purposes. The interest rate and timing of actual payments will be dependent on the October 2018 five-year serial debenture interest rate and the closing dates of the remaining units.*