

18 LOUISA STREET DEVELOPMENT



SECOND QUARTER REPORT 2025

Presented to:
the Investors of the 18
Louisa Development



JENNINGS
REAL ESTATE

UPDATE FROM THE GENERAL PARTNER

Dear Limited Partners,

We are pleased to provide the second quarter report of the 18 Louisa Street Development (the “**Development**”).

Development Overview

The Development is centrally located in the Centretown area of Ottawa, near Preston Street (Little Italy), Somerset Street (Chinatown), and a five-minute drive to downtown, with excellent transit access including the Ottawa LRT, priority bus routes, and Highway 417.

The 10-storey residential building will feature 161 residential units (studios, one-bedrooms, premium one-bedrooms and two-bedrooms), approximately 80 parking spots, and amenities such as a fitness center, outdoor spaces, resident lounge, and remote-work areas

Construction Update

Existing hydro, water, and gas services have been relocated and upgraded to meet the increased capacity requirements of the Development. The portion of the existing office building has been demolished, and a building permit has been issued for the new structure.

In the upcoming quarter, work will proceed with shoring, excavation and blasting, followed by concrete work to form the two-storey underground parking garage.

Budget Update

The Development remains on budget at this stage, with costs tracking in line with expectations. The original, and current budget for the Development was \$76,175,285 with \$13,549,238 of costs incurred to date.

Financing

CMHC financing has been approved and funded by RBC. Continued funding will be provided by way of monthly draws.

Schedule

The Development is currently experiencing a minor delay of approximately four weeks. This is due to complications encountered during the demolition of the existing structure, as well as unforeseen rock and soil conditions that slowed the pace of underground utility work. Adjustments to the schedule are being managed to minimize delays, the Development is planning for occupancy Summer 2027.

Regards,

Ken and Christian Jennings
Directors of the General Partner



SCHEDULE UPDATE

The Development is currently experiencing a minor delay of approximately four weeks. This is the result of complications encountered during demolition of the existing structure, along with unforeseen rock and soil conditions that slowed utility work during Q2.

The schedule is being adjusted to mitigate further delays, and the occupancy target continues to be summer 2027. In the upcoming quarter, work will focus on shoring, excavation, blasting, and the initial formwork for the two-storey underground parking garage.

18 LOUISA CONSTRUCTION SCHEDULE					
ID	Task Name	Duration	Start	Finish	Half 2, 2025
					M J S
1	Preliminary Construction	45 days	Mon 5/5/25	Fri 7/4/25	[Gantt bar]
2	Mobilization	5 days	Mon 5/5/25	Fri 5/9/25	[Gantt bar]
3	Relocate Services	20 days	Mon 5/5/25	Fri 5/30/25	[Gantt bar]
4	Demolition of Existing Gym	25 days	Mon 6/2/25	Fri 7/4/25	[Gantt bar]
5	Construction	205 days	Mon 7/7/25	Fri 4/17/26	[Gantt bar]
6	Shoring	10 days	Mon 7/7/25	Fri 7/18/25	[Gantt bar]
7	Excavation	45 days	Mon 7/21/25	Fri 9/19/25	[Gantt bar]
8	Connection of Site Services	10 days	Mon 9/22/25	Fri 10/3/25	[Gantt bar]
9	Substructure	40 days	Mon 10/6/25	Fri 11/28/25	[Gantt bar]
10	Superstructure	100 days	Mon 12/1/25	Fri 4/17/26	[Gantt bar]



CONSTRUCTION UPDATE

The photos below highlight some of the progress made over the previous quarter.



Demolition of Portion of Office Building



Preparation for Site Servicing



BUDGET AND COST TO DATE

The development remains on budget at this stage, with costs tracking in line with expectations. Ongoing monitoring will continue throughout the project.

The chart below showcase the original budget, current budget, and the cost to date as at July 2, 2025.

	Original Budget	Current Budget	Delta	Gross Cost to Date
Land Value	\$ 7,410,000	\$ 7,410,000	\$ -	\$ 7,410,000
Hard Cost	\$ 47,659,670	\$ 47,662,670	\$ 3,000	\$ 456,057
Soft Cost	\$ 1,342,330	\$ 1,334,830	\$- 7,500	\$ 782,846
Municipal Charges	\$ 5,544,616	\$ 5,568,312	\$ 23,696	\$ 2,368,559
Marketing and Admin	\$ 4,704,070	\$ 4,704,070	\$ -	\$ 2,171,107
Financing	\$ 5,310,465	\$ 5,309,265	\$- 1,200	\$ 278,945
CMHC Premium	\$ 901,940	\$ 901,940	\$ -	\$ 81,724
Contingency*	\$ 3,302,194	\$ 3,284,198	\$- 17,996	\$ -
Total	\$ 76,175,285	\$ 76,175,285	\$ -	\$ 13,549,238

*Contingency was originally budgeted at approximately 7% total hard cost. This amount is reduced over time as major project milestones are completed or significant contracts are awarded, reflecting reduced risk and increasing cost certainty.

**Disclaimer. The figures are internally prepared and for management purposes. We do not express an opinion or any other form of assurance on them. This report is for management only. It is not intended for distribution or consideration for credit purposes.

