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\*\*\*\*\* CONFIDENTIAL \*\*\*\*\*

Greetings Mayor and Council

As I mentioned last week, tomorrow we will be releasing an update on the EHT. This information remains confidential until the event tomorrow, however, I wanted to provide you a sneak-peak of the information that we'll be sharing with the media.

We are expecting \$30 million in revenues from the tax for the 2017 tax year. Of the \$30 million, approximately \$17 million has been collected to date. The total revenue collected will pay for the one-time implementation costs (\$7.5 million) and first-year (2018) operating costs (\$2.5 million). All remaining revenue will go towards affordable housing initiatives in Vancouver.

A total of 183,911 declarations were submitted in the first year of the program, accounting for 98.85 per cent of all residential property owners in Vancouver. Just under 8,500 properties were determined to be unoccupied or under-utilized:

- 1,200 were declared vacant by the owner
- 2,100 people failed to declare, and their properties were deemed vacant and subject to the tax
- 5,200 properties were declared exempt from the Empty Homes Tax

Of the 5,200 properties declared exempt, the breakdown of type of exemption is:

- 2,480 where the property title transferred during the year
- 1,560 were under renovation or redevelopment
- 560 due to strata restrictions on rentals
- 600 other, including owner in care or death of owner, and occupied for more than 180 days for work in Vancouver

A rigorous system of auditing is currently underway, and the City is also reviewing disputed tax bills therefore the total and net revenue numbers are expected to change over the coming months. An update on declarations and revenue collection will be provided in the fall of 2018 when the audits are complete.

I hope you enjoy the rest of your weekend.

Best

Sadhu