SECURING THE FOUNDATION:

Retrospective on Past Deals and Looking Forward at Land Prices

Presentation to The Land and Development Conference
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THE MORASSUTTI GROUP
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Residential Land Sales Activity and General Price Range

Low Density: 2012 = 169 Transactions (14/month)
2013 (Jan – Apr) = 46 Transactions (11.5/month)

Low Density Residential Land Pricing Per Acre (Minimum of 5 Acre Parcels):

Durham Region: $400,000-$600,000
Halton Region: $600,000-$800,000
Peel Region: $550,000-$800,000
York Region: $600,000-$900,000

Source: Individual property sales records published by RealNet Canada Inc. and analyzed by The Morassutti Group.
Residential Land Sales Activity and General Price Range

Medium Density:  
2012 = 58 Transactions (4.8/month)  
2013 (Jan – Apr) = 30 Transactions (7.5/month)

Medium Density Residential Land Pricing Per Acre (Minimum of 1 Acre Parcels):

- Durham Region: $500,000-$800,000
- Halton Region: $800,000-$1,200,000
- Peel Region: $900,000-$1,300,000
- York Region: $700,000-$1,300,000
- Midtown Toronto: $2,000,000-$2,500,000*
- Periphery Toronto: $1,500,000-$2,000,000

*Certain parcels under 1 acre exceed $2.5MM/Acre
Residential Land Sales Activity and General Price Range

**High Density:**

- 2012 = 141 Transactions (11.8/month)
- 2013 (Jan – Apr) = 20 Transactions (5/month)

### High Density Residential Land Pricing PSF Buildable:

<table>
<thead>
<tr>
<th>Region</th>
<th>Land</th>
<th>Development Charges (PSF)</th>
<th>Total (PSF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Durham Region:</td>
<td>$10-$30</td>
<td>$19-$21</td>
<td>$29-$51</td>
</tr>
<tr>
<td>Halton Region:</td>
<td>$10-$30</td>
<td>$33-$39</td>
<td>$43-$69</td>
</tr>
<tr>
<td>Peel Region:</td>
<td>$12-$35</td>
<td>$32-$45</td>
<td>$44-$80</td>
</tr>
<tr>
<td>York Region:</td>
<td>$10-$35</td>
<td>$34-$38</td>
<td>$44-$73</td>
</tr>
<tr>
<td>Downtown Toronto:</td>
<td>$60-$80</td>
<td>$11-$13</td>
<td>$71-$93</td>
</tr>
<tr>
<td>Trophy Locations:</td>
<td>$80-$120*</td>
<td>$11-$13</td>
<td>$91-$133</td>
</tr>
<tr>
<td>Periphery Toronto:</td>
<td>$20-$50</td>
<td>$11-$13</td>
<td>$31-$63</td>
</tr>
</tbody>
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*Higher pricing for smaller sites in premium locations*
Major Mackenzie Drive West, Vaughan – Metrus Properties

Located on the northwest corner of Major Mackenzie Drive West and Bathurst Street

Sale Date: November, 2012

Price: $175,000,000

Land Area: 190.091 Acres or 141.9 Net

Price Per Acre: $1,233,262 based on 141.9 net acres

Proposed Development: 847 Units
(705 detached, 126 semi-detached and 16 townhouses)

Price Per Unit Buildable: $206,612

Purchaser: Metrus Properties (Longyard Properties Inc.)

Estimated time to Develop: Immediate
Medium Density – Sample Transactions

**Urban:** 1030-1040 Islington Avenue, Etobicoke

Located on the west side of Islington Avenue, south of Bloor Street West

**Sale Date:** February, 2013

**Price:** $24,000,000

**Land Area:** 13.322 Acres

**Price Per Acre:** $1,801,531

**Proposed Development:** 248 townhouse units (376,740 sq. ft.)

and a 51,452 sq. ft. industrial building

**Price Per Unit Buildable:** $96,774

**Purchaser:** Tiffany Park Homes (Tiffany Park Homes (Islington) Ltd.)

**Estimated time to Develop:** 6 mths to 1 year
Medium Density – Sample Transactions

Suburban: 24 Briggs Avenue, Richmond Hill

Located north of Highway No. 7 East, east of Bayview Avenue

Sale Date: April, 2013
Price: $11,900,000
Land Area: 4.997 Acres
Price Per Acre: $2,381,429
Proposed Development: 69 street townhouses and 4 detached houses
Price Per Unit Buildable: $163,014
Purchaser: Treasure Hill Homes (Modolena Bay Investments Inc.)
Estimated time to Develop: Immediate
70 and 72 Carlton Street, Toronto
Located on the northeast corner of Carlton Street and Church Street
Sale Date: October, 2012 and January 2013
Price: $12,300,000 + $13,000,000 = $25,300,000
Land Area: 0.182 + 0.257 = 0.439 Acres
Price PSF Buildable: $65
Price Per Unit Buildable: $42,167
Proposed Development: 38 storey, 600 units above a
7 storey podium with retail at grade
Purchaser: Tribute Homes (Tribute (Church Street) Limited)
Estimated time to Develop: Two years
64 & 70 Cordova Avenue, Etobicoke

Located north of Bloor Street West, west of Islington Avenue

Sale Date: August, 2012
Price: $16,000,000
Land Area: 3.317 Acres
Price Per Acre: $4,823,636
Price Per Unit Buildable: $12,308
Proposed Development: Three towers of 42, 36 and 32 storeys comprising 1,300 units
Price PSF Buildable: $16
Purchaser: Tridel Corporation (2299100 Ontario Limited)
Estimated time to Develop: One to two years
High Density – Sample Transactions

2089 & 2095 Fairview Street, Burlington

Located on the north side of Fairview Street, east of Brant Street

Sale Date: September, 2012
Price: $15,000,000
Land Area: 4.615 Acres
Price Per Acre: $3,250,271
Price Per Unit Buildable: $16,287
Price PSF Buildable: $15
Proposed Development: Five 20-storey towers containing 921 units, retail and office space at grade
Purchaser: Molinaro Group (Fairview Joint Venture Inc.)
Estimated time to Develop: One to two years
Risks:

- Increasing development charges across GTA including Toronto in the near future may impact land values depending upon the increase.
- Cash-in-lieu of parkland ($10,000-$30,000/unit in Richmond Hill) municipal costs over and above development charges poses additional strain for suburban developers.
- Condo investor market taking a breather in 2013 as demonstrated by reduced sales activity in Q1-2013.
- New transportation infrastructure proposed for sections of Toronto may not materialize in a timely fashion and limit the development potential in those parts of the City.
- Future interest rate increases would curtail housing demand.
Opportunities:

- Mid-rise buildings in periphery Toronto locations near public transit catered to move-up buyers.

- Townhouse projects in periphery Toronto locations for the move-up condo dwellers in downtown who require more space and do not have to be in downtown Toronto. Downtown land prices are too expensive to justify townhouse projects.

- 4 to 6 storey residential condo buildings in suburbs for seniors whose children reside nearby. Seniors (i.e. over 65) are not all attracted to downtown Toronto. Condo apartment more economical alternative to seniors residences.

- Brownfield sites developed in phases provide an alternative to high rise condo projects.