



# Greater Golden Horseshoe NEW HOME MARKET & RESIDENTIAL LAND MARKET UPDATE

# New Home Market Down, But Not Out



Source: Twitter

# 2017 A Year of Records

|                  | CONDOMINIUM<br>APARTMENT                                | SINGLE FAMILY                                            | RESIDENTIAL LAND                                      |
|------------------|---------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| SALES            | Highest annual total on record                          | Lowest annual total on record                            |                                                       |
| INVENTORY        | July 2017 had the lowest<br>monthly inventory on record | April 2017 had the lowest<br>monthly inventory on record |                                                       |
| BENCHMARK PRICE* | Highest on record                                       | Highest on record                                        |                                                       |
| DOLLAR VOLUME    |                                                         |                                                          | Highest annual transaction<br>dollar volume on record |

*\*Benchmark price based on remaining  
inventory*

Source: Altus Group



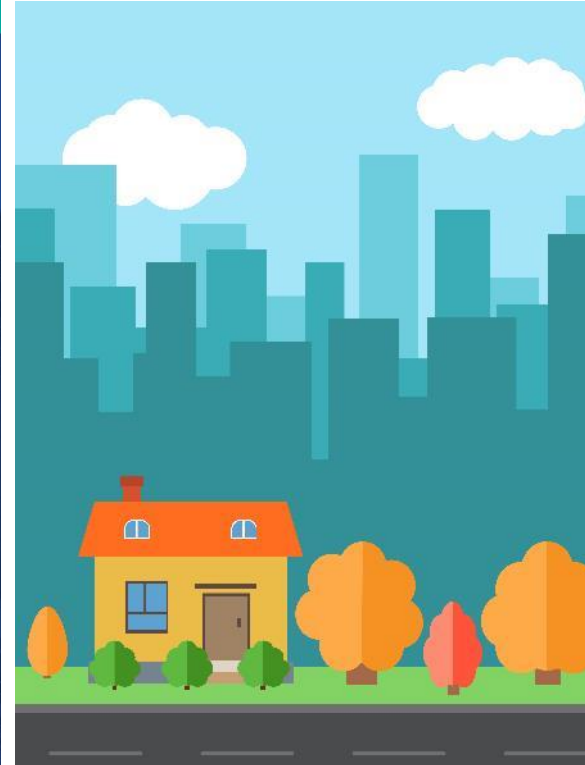
Land Sales  
Volumes Surge



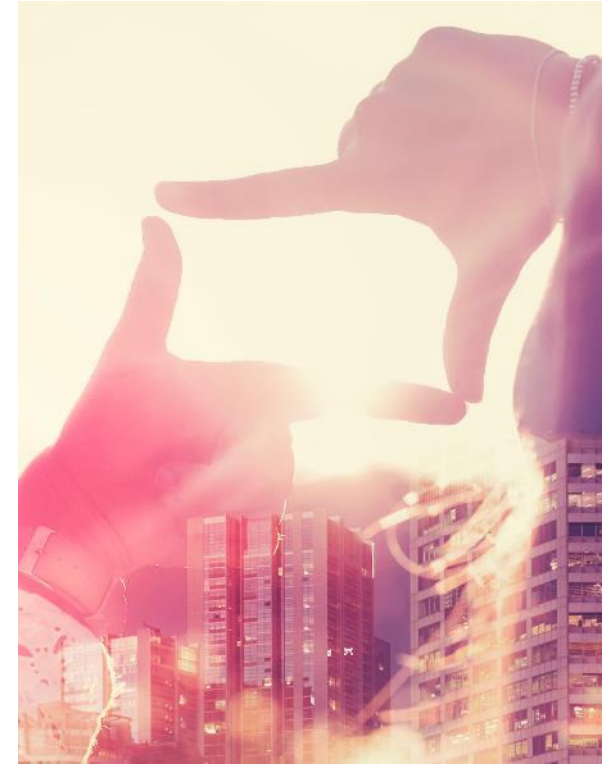
Commercial  
Real Estate  
Investment

Residential  
Development

Convergence of Residential  
and Commercial



Growth of New  
Condominium Apartments



GTA Fueling Growth  
Beyond its Borders

- Condo apartment sales still going strong
- Single-Family sales very slow, but sales office traffic picking up
- Conversion period is longer. Buyers taking their time
- Incentive offerings becoming more prevalent with single-family projects
- Builders increasing broker coop
- Challenges for buyers to close. Some unable to close, others selling for a loss, others switching lots
- Risk of cancelled projects

*Source: Altus Group*

Residential Development Market Overview

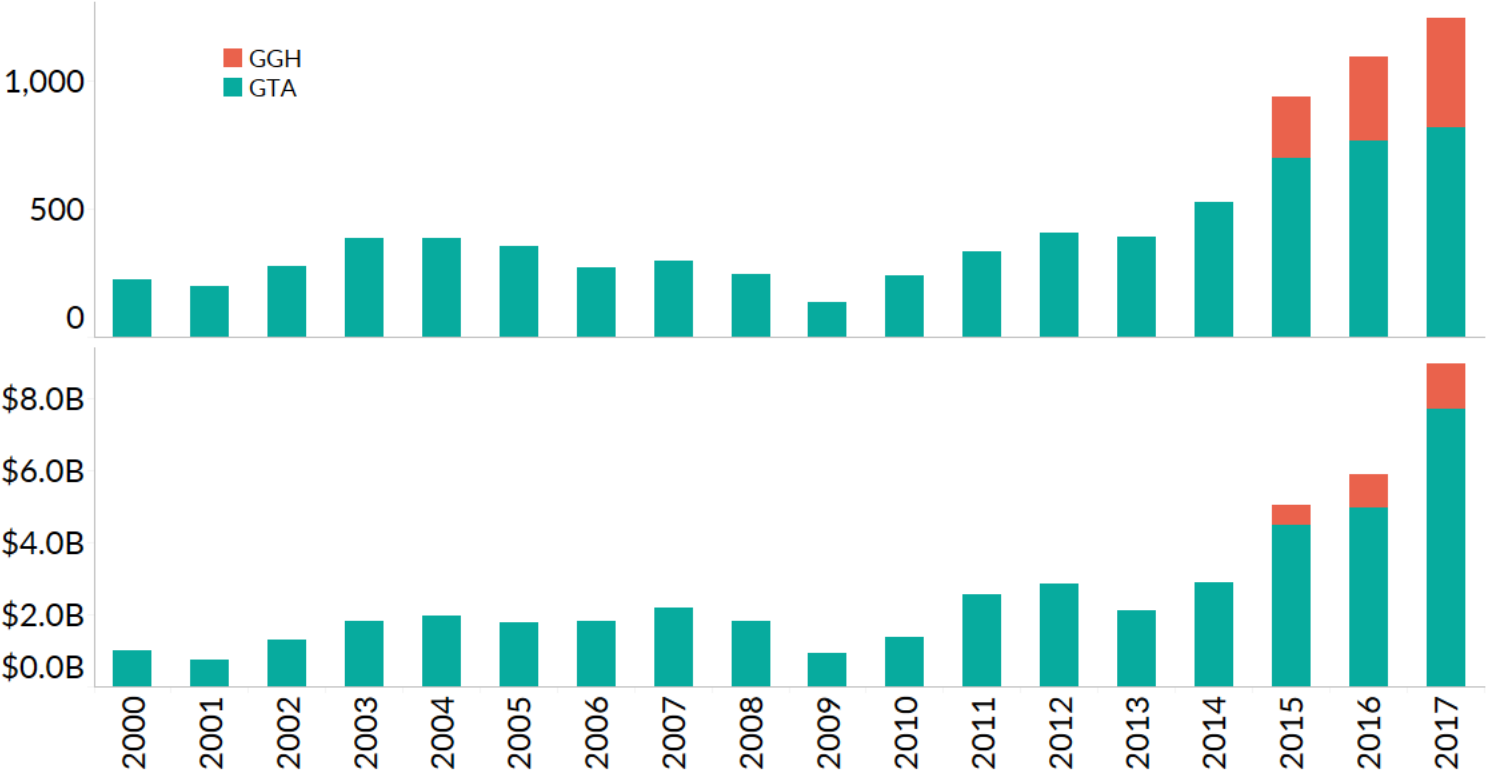
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# Residential Land Investment Transactions



# Residential Land Sets New Record

Residential Land Transactions - No. of Deals & Total Dollar Volume  
Greater Golden Horseshoe - 2000 to 2017



Source: Altus Group

# Golf Course Deal



Municipality: Vaughan

Purchaser: RGF Real Estate Fund (Clubhouse Developments Inc.)

Price: \$220,000,000

Land Area: 290.438 Acres

Source: Altus Group

# Redevelopment of Retail...



Municipality: North York

Purchaser: China Aoyuan Property Group

Price: \$200,800,000

Land Area: 8.712 Acres

Source: Altus Group

# ...More Retail...



Municipality: Hamilton

Purchaser: Slate Asset Management

Price: \$15.25M

Land Area: 1.480 Acres

Source: Altus Group

# ...and Industrial



Municipality: Etobicoke

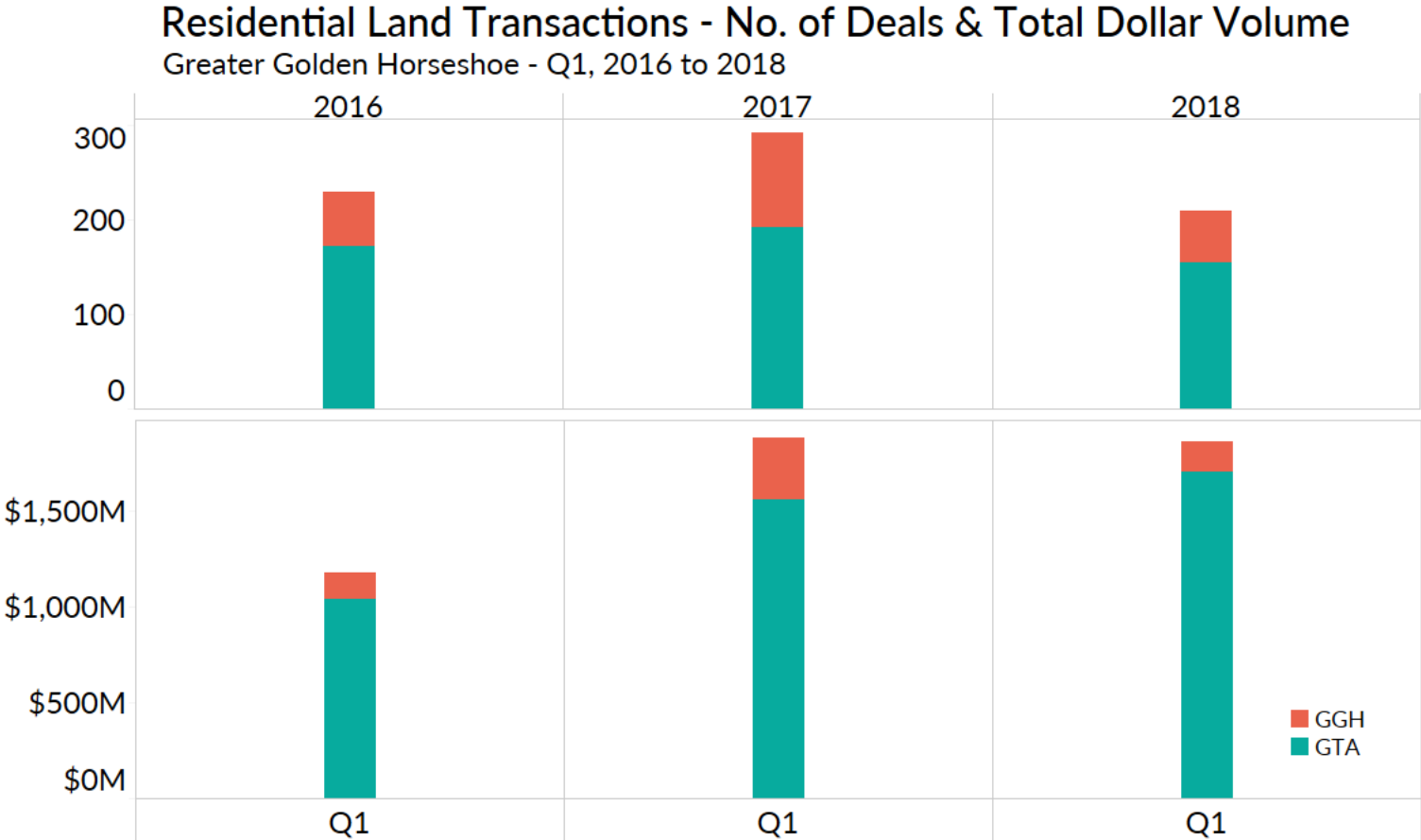
Purchaser: Freed Developments

Price: \$28,900,000

Land Area: 5.357 Acres

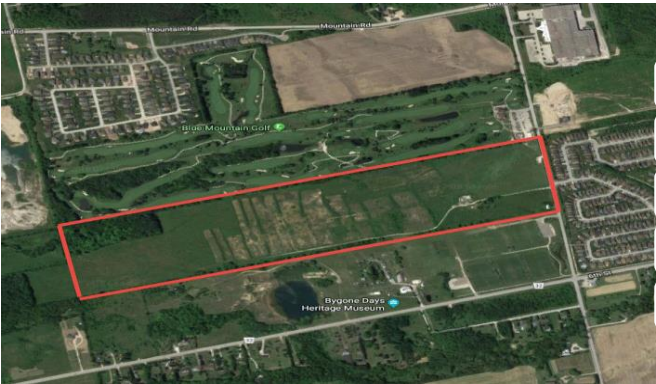
Source: Altus Group

# Same Dollar Volume on Fewer Deals



Source: Altus Group

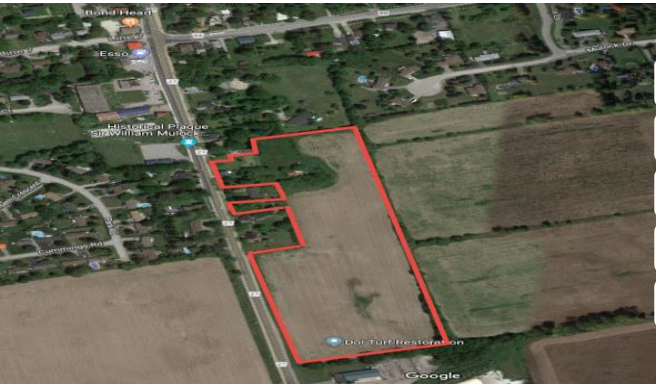
# Majority of Top Q1 Land Deals in Simcoe County



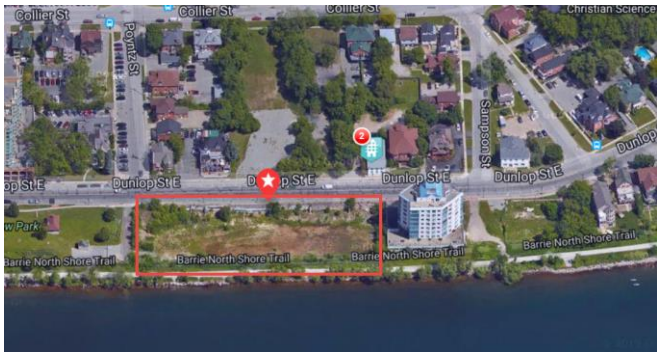
- Collingwood
- 780 Tenth Line
- Wyview Group
- \$25,000,000
- 100.481 acres



- Essa
- Denney Drive
- Brookfield Homes
- \$8,300,000
- 61.341 acres



- West Gwillimbury
- 2753 Highway No. 27
- Sunrise Homes
- \$8,880,000
- 11.125 acres



- Barrie
- 185 - 205 Dunlop Street East
- Aalto Development Inc.
- \$6,350,000
- 1.162 acres

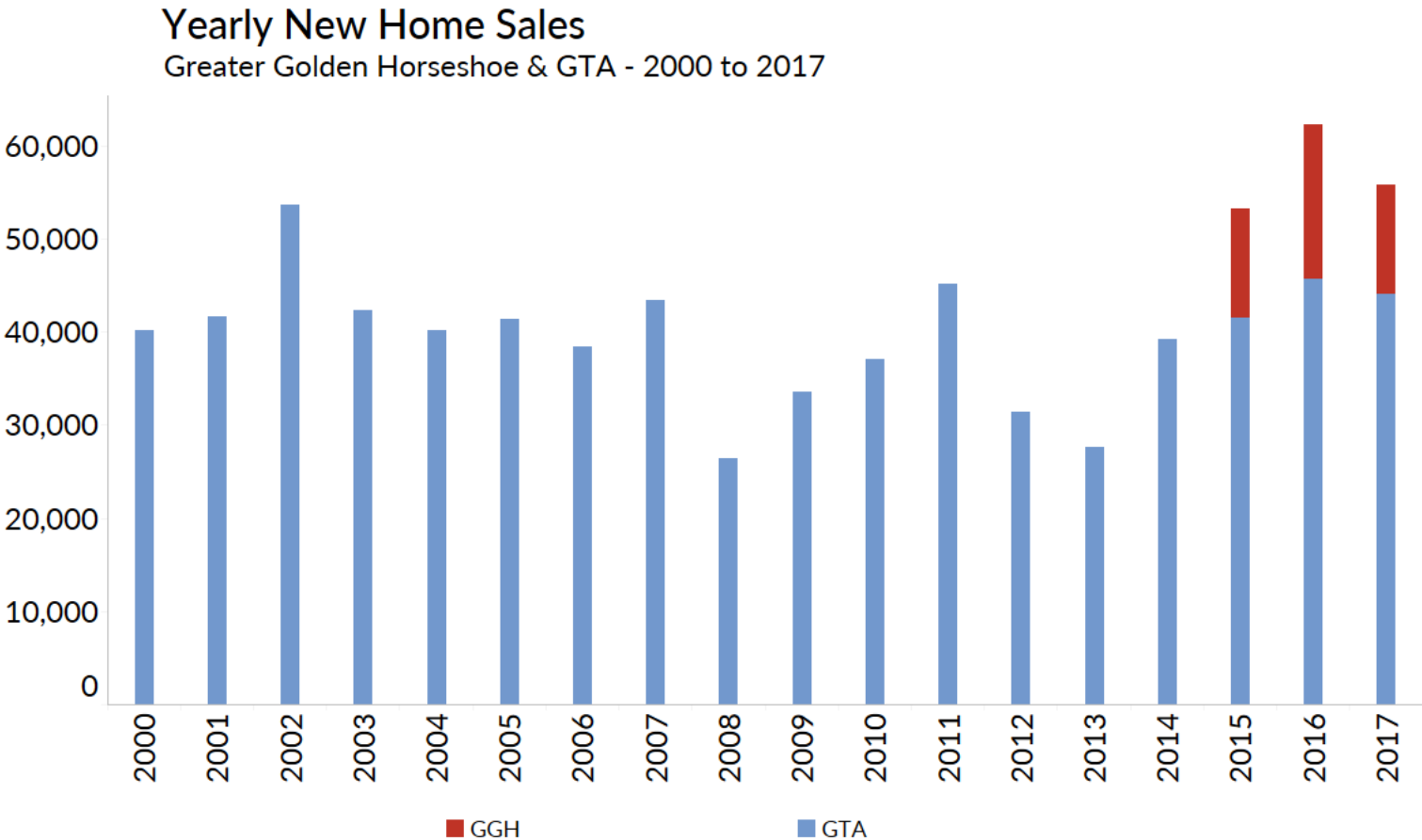
Source: Altus Group

Residential Development Market Overview

# New Homes Market



# 2017 New Home Sales One of the Highest on Record



Source: Altus Group

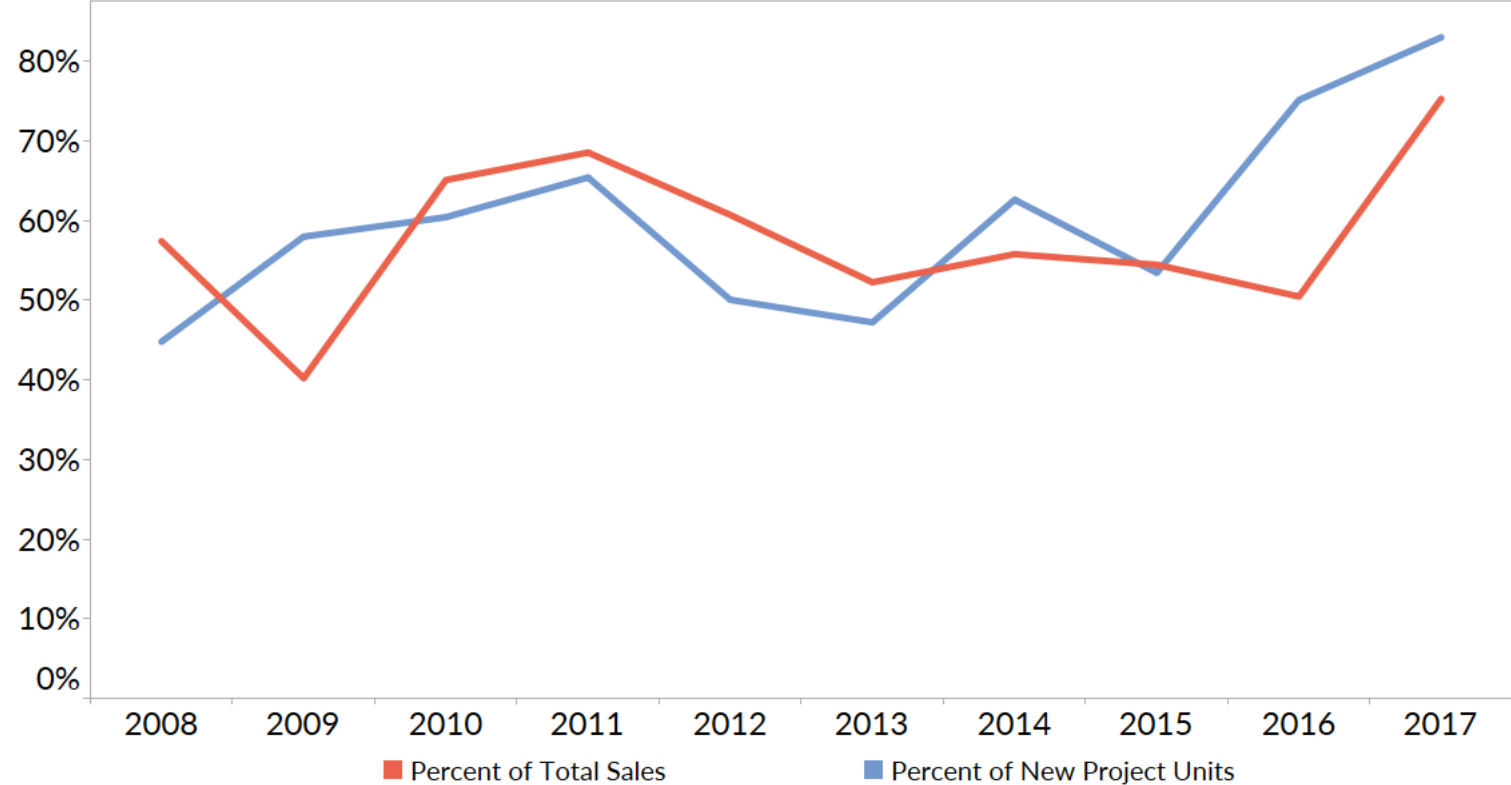
Yearly New Home Sales  
Greater Toronto Area - 2000 to 2017



Source: Altus Group

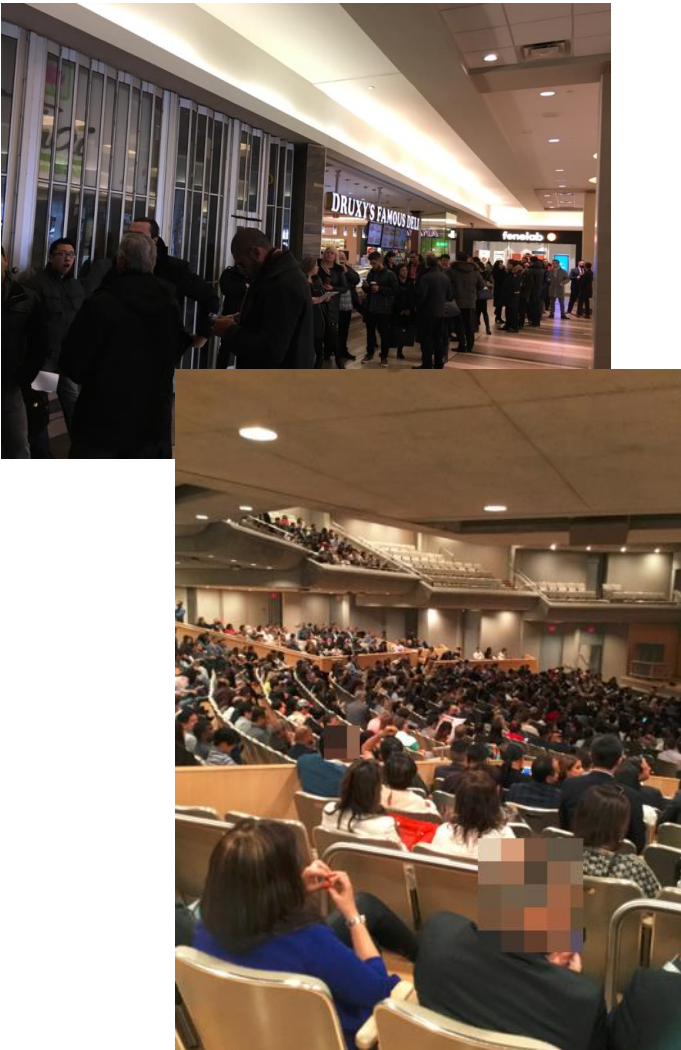
# Highest Absorption Rate in a Decade

New Condominium Apartment Projects Sales Absorption  
Greater Toronto Area - 2008 to 2017



Source: Altus Group

# Demand for New Condo Projects



Source: Altus Group

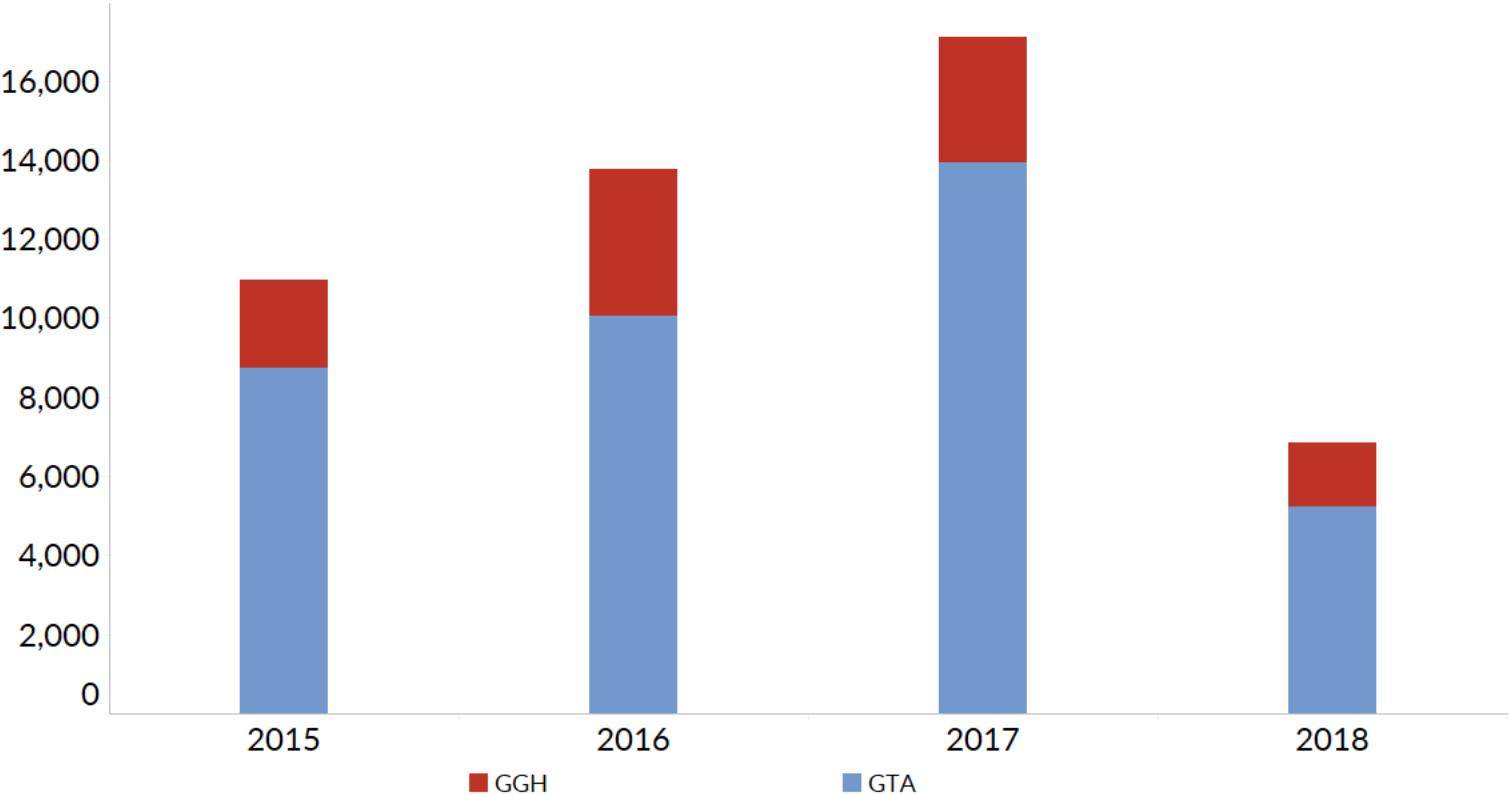
# Single-Family Launches Less Busy



Source: Altus Group

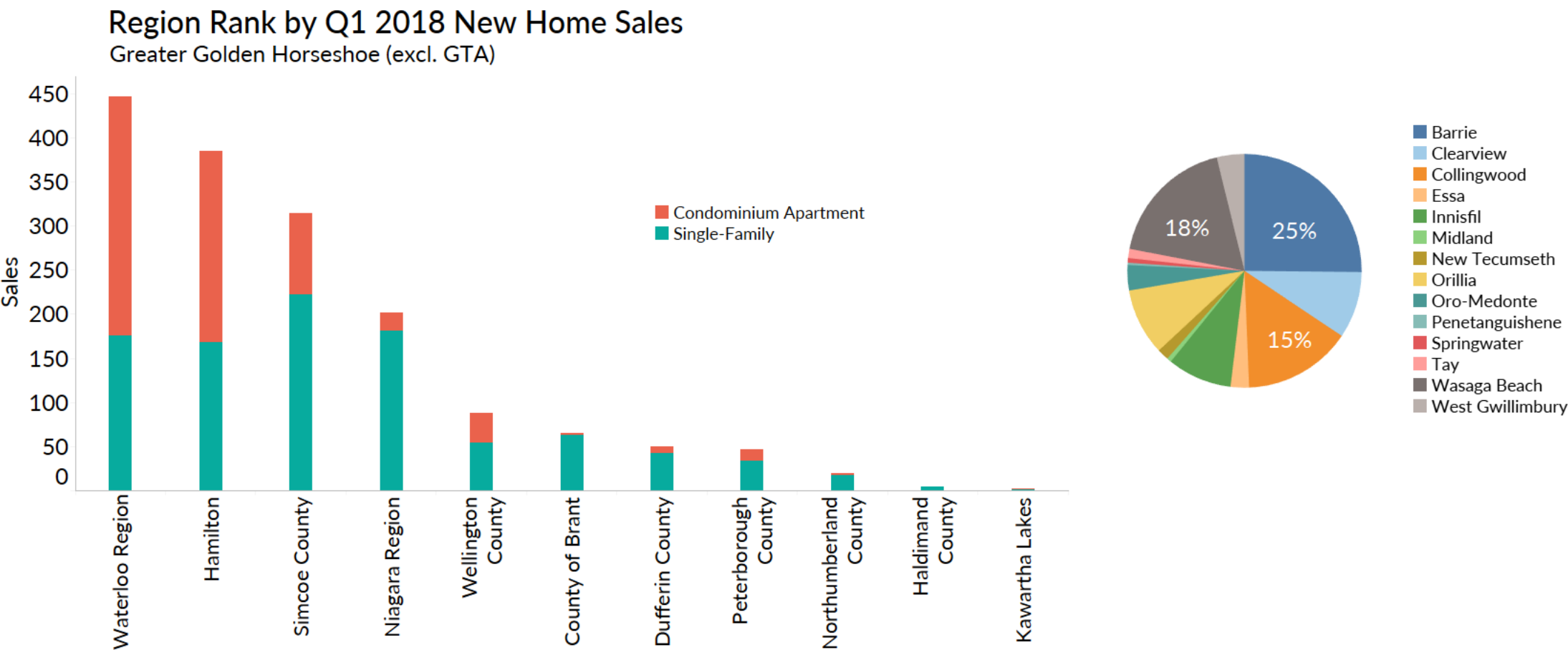
# 2018 Sales Off to a Slow Start

Q1 New Home Sales  
Greater Golden Horseshoe & GTA - Q1, 2015 to 2018



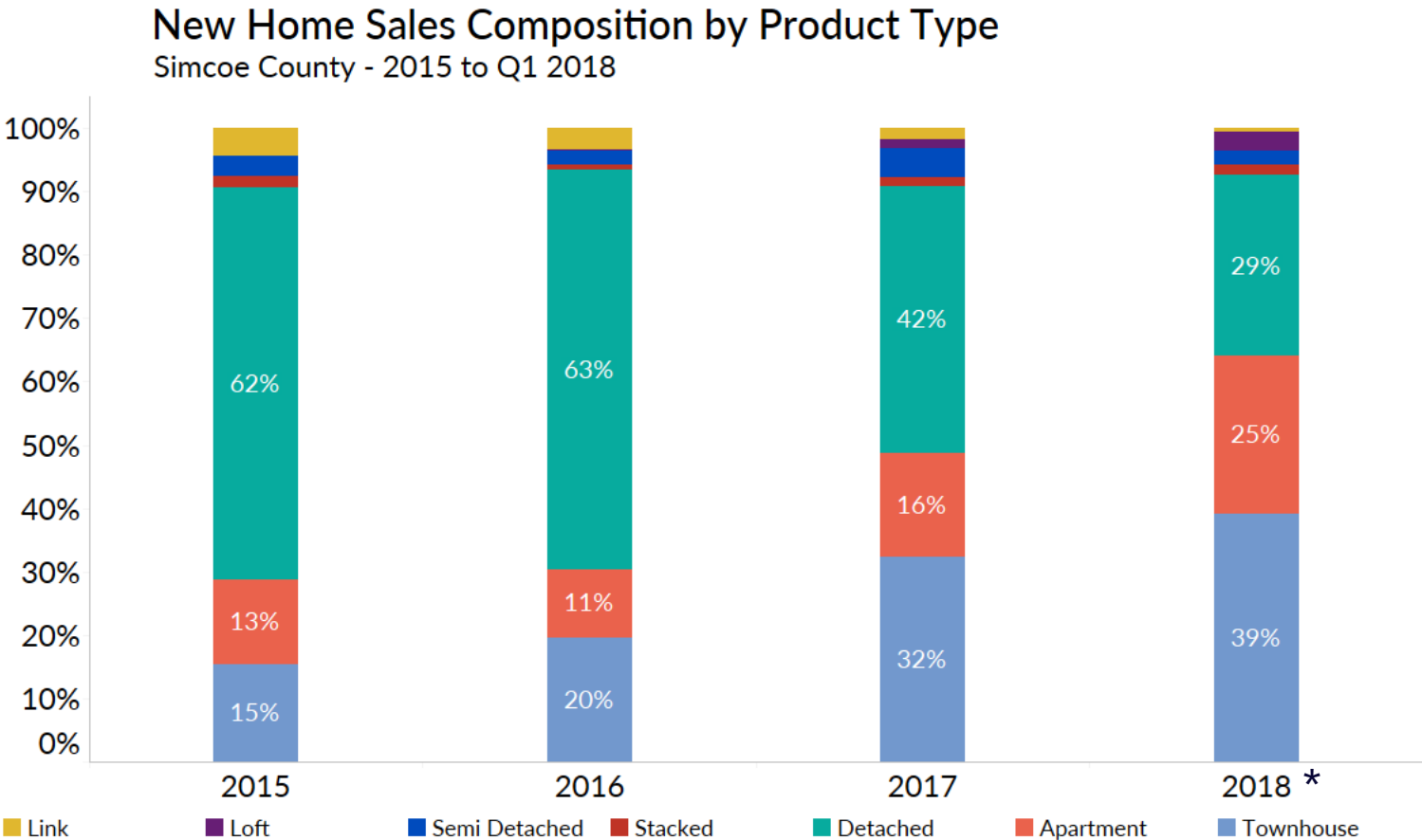
Source: Altus Group

# Single-Family Sales Driving Simcoe County



Source: Altus Group

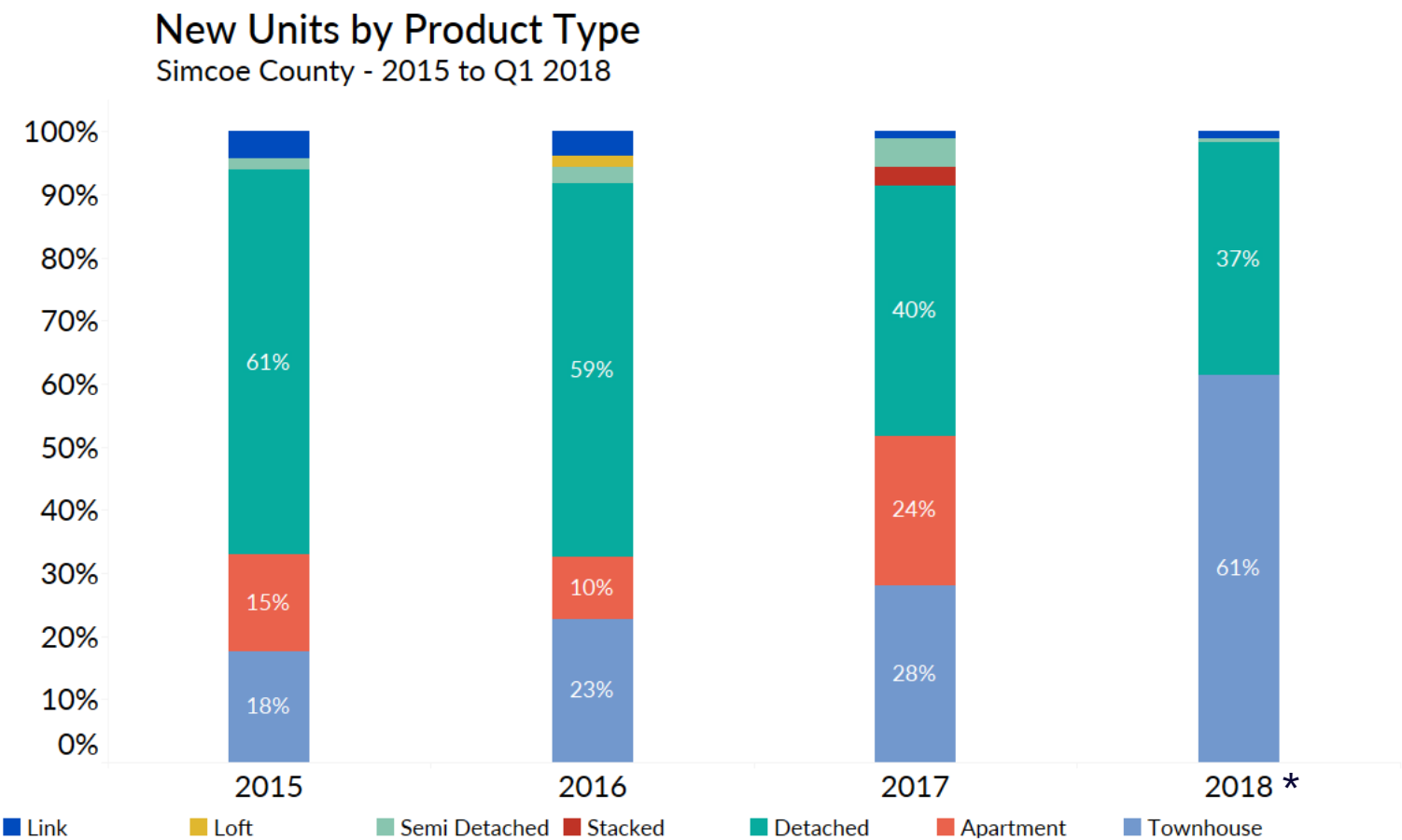
# Townhouse and Apartment Sales Growth in Simcoe County



\* 2018 for period Q1 only

Source: Altus Group

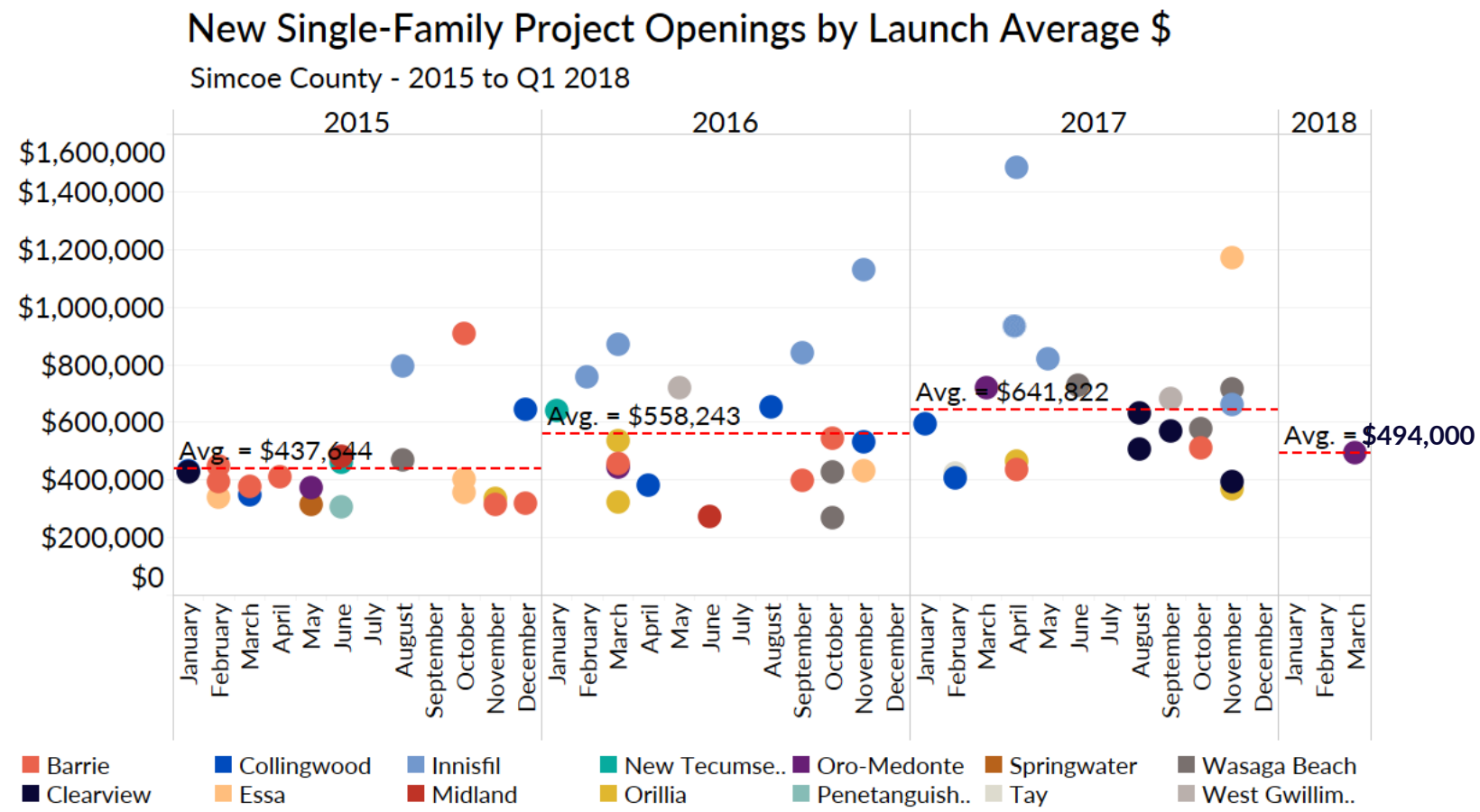
# More New Supply of Townhouse & Apartment, Less Detached



\* 2018 for period Q1 only

Source: Altus Group

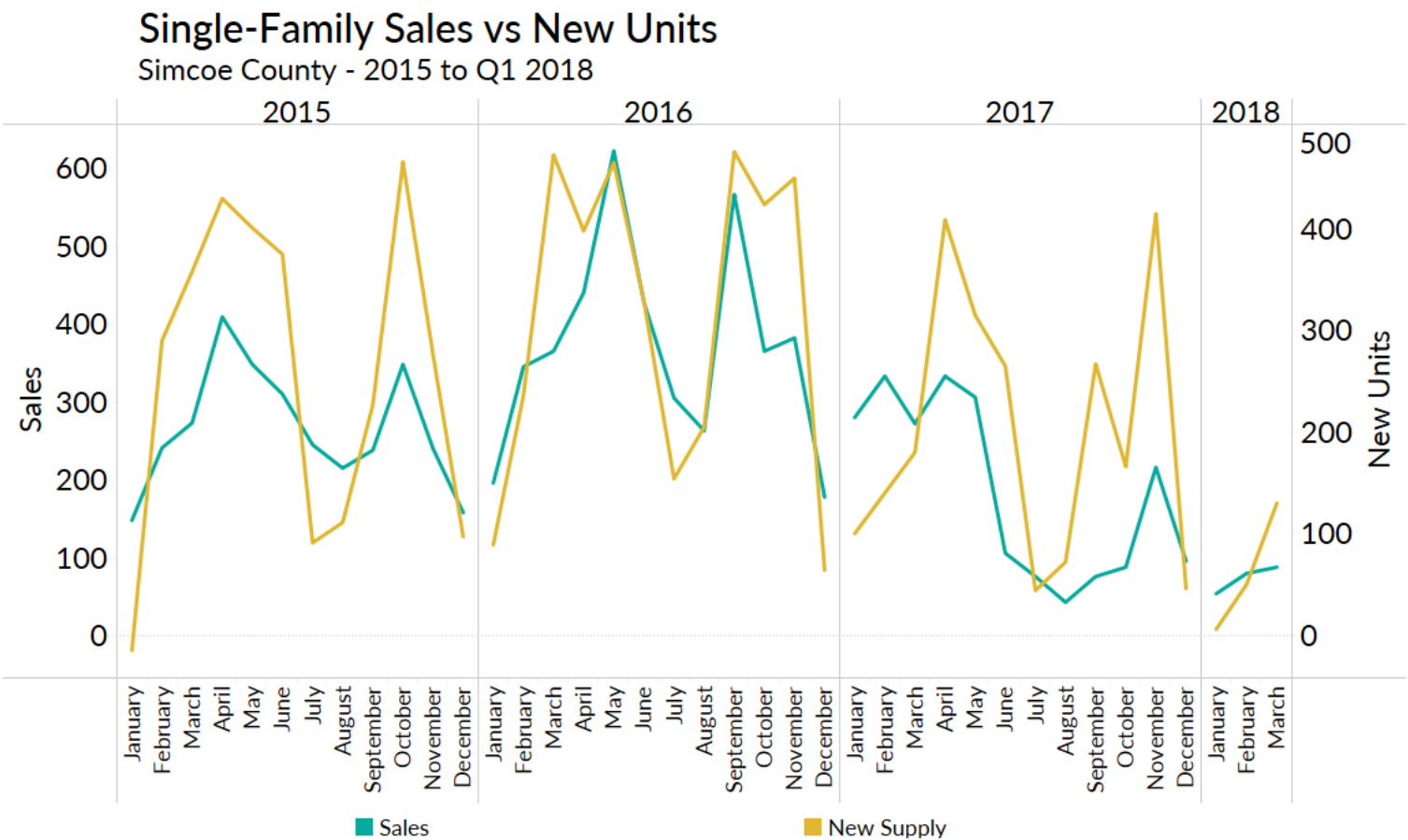
# New Project Pricing – Single-Family



Average price based on remaining inventory

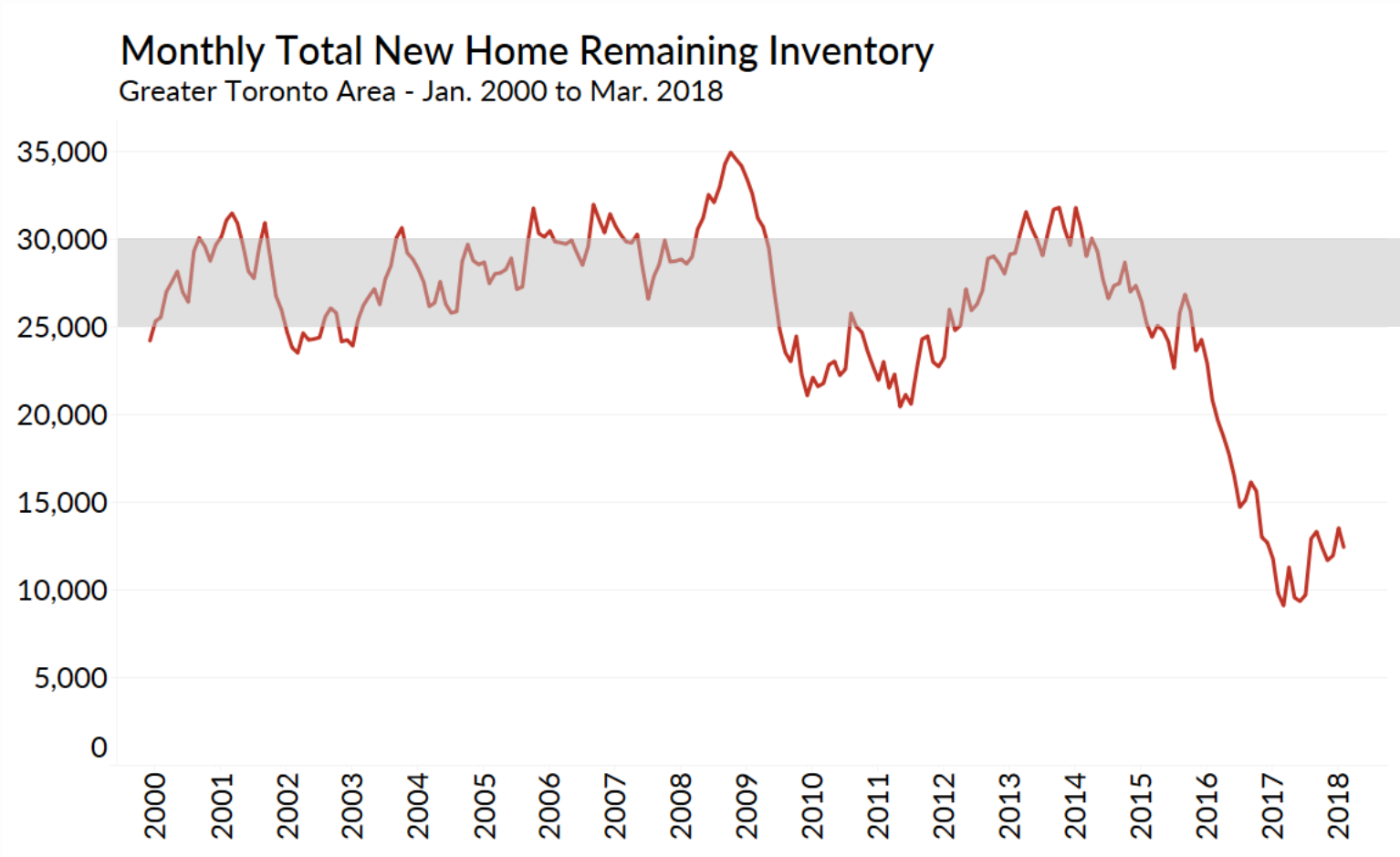
Source: Altus Group

# It's a Waiting Game



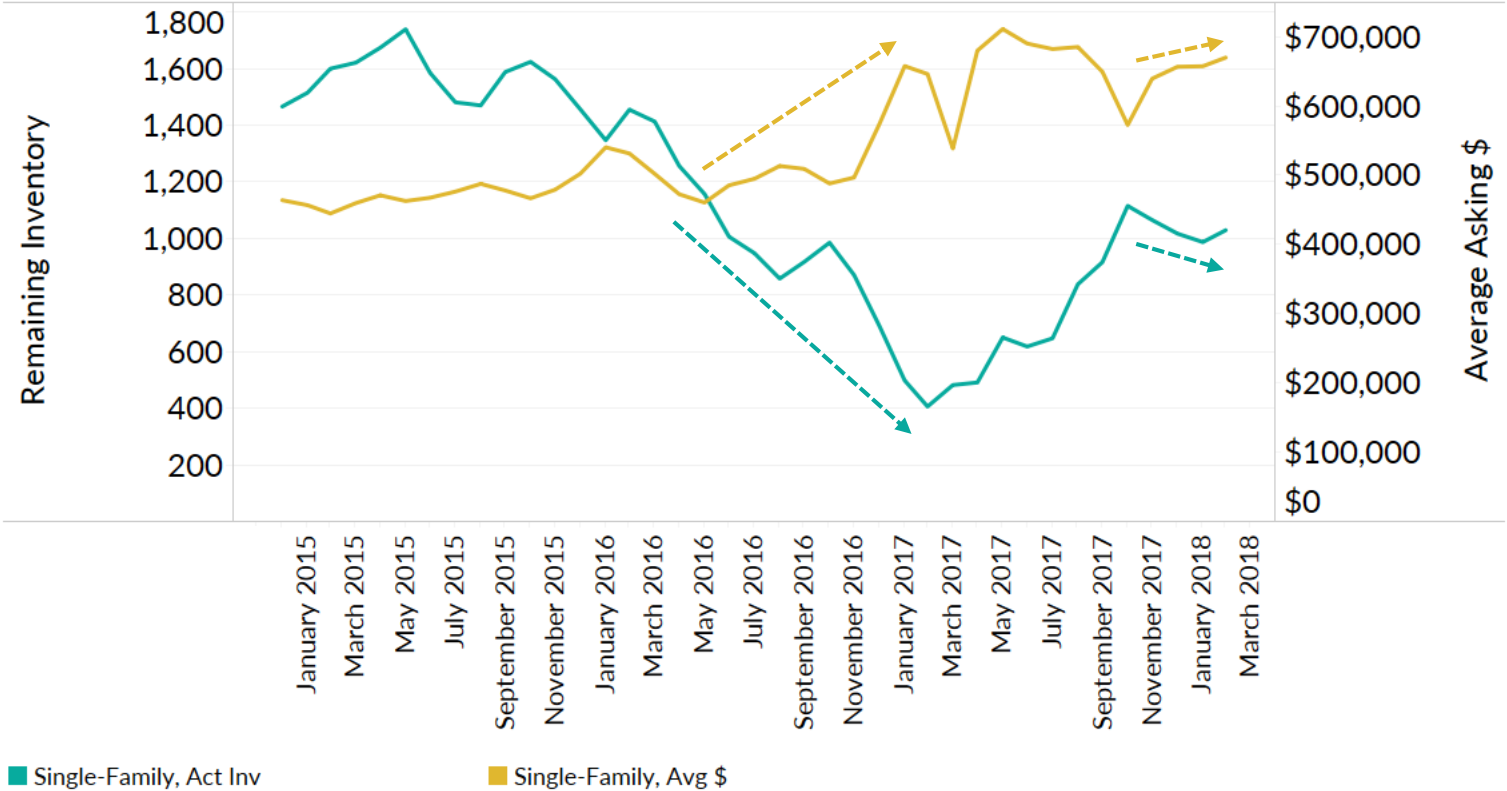
Source: Altus Group

# Record Low Inventory Has...



Source: Altus Group

Monthly Single-Family New Home Rem. Inv. & Avg. Asking Price  
Simcoe County - Jan. 2015 to Mar. 2018

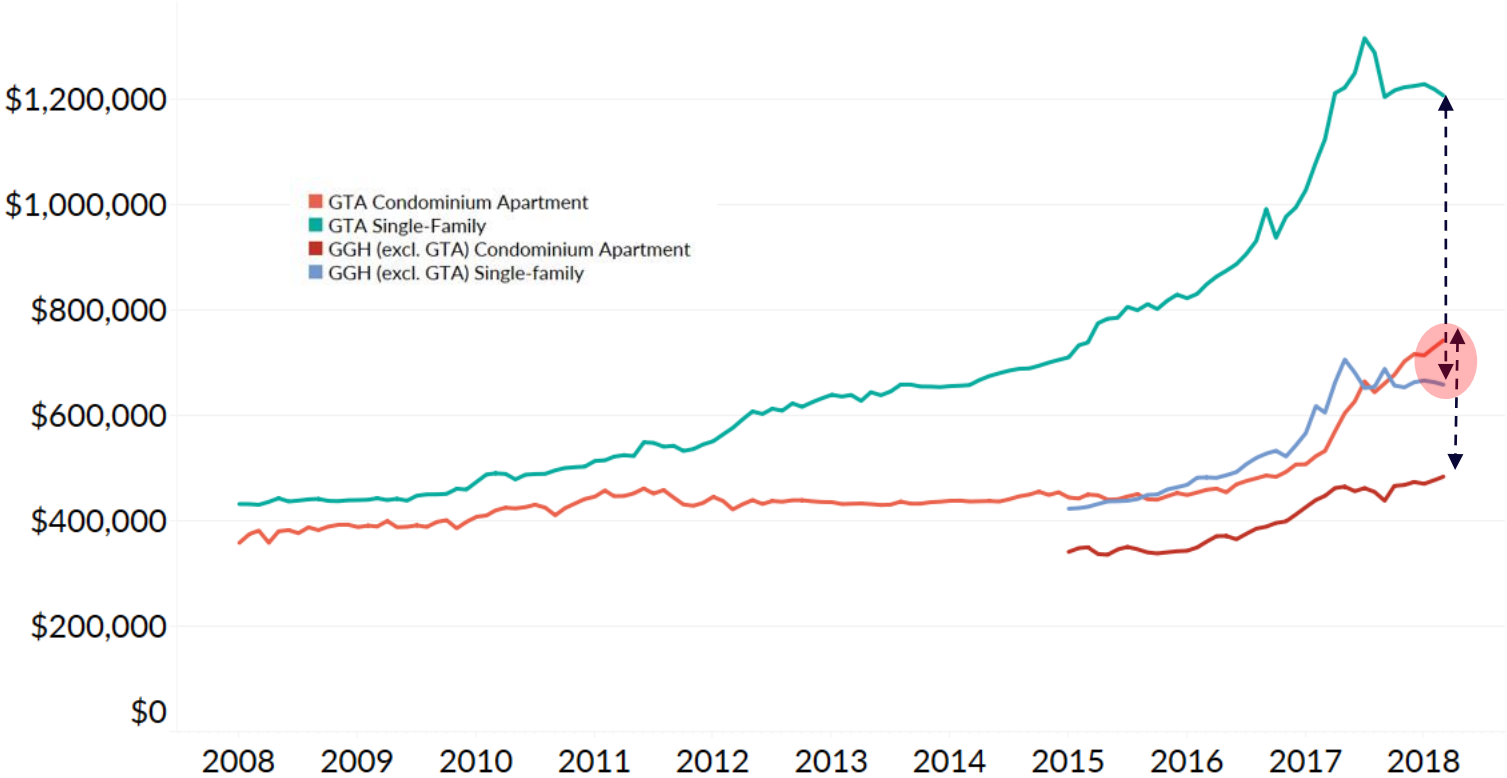


Average price based on remaining inventory

Source: Altus Group

# Pushed Prices Higher and Higher...

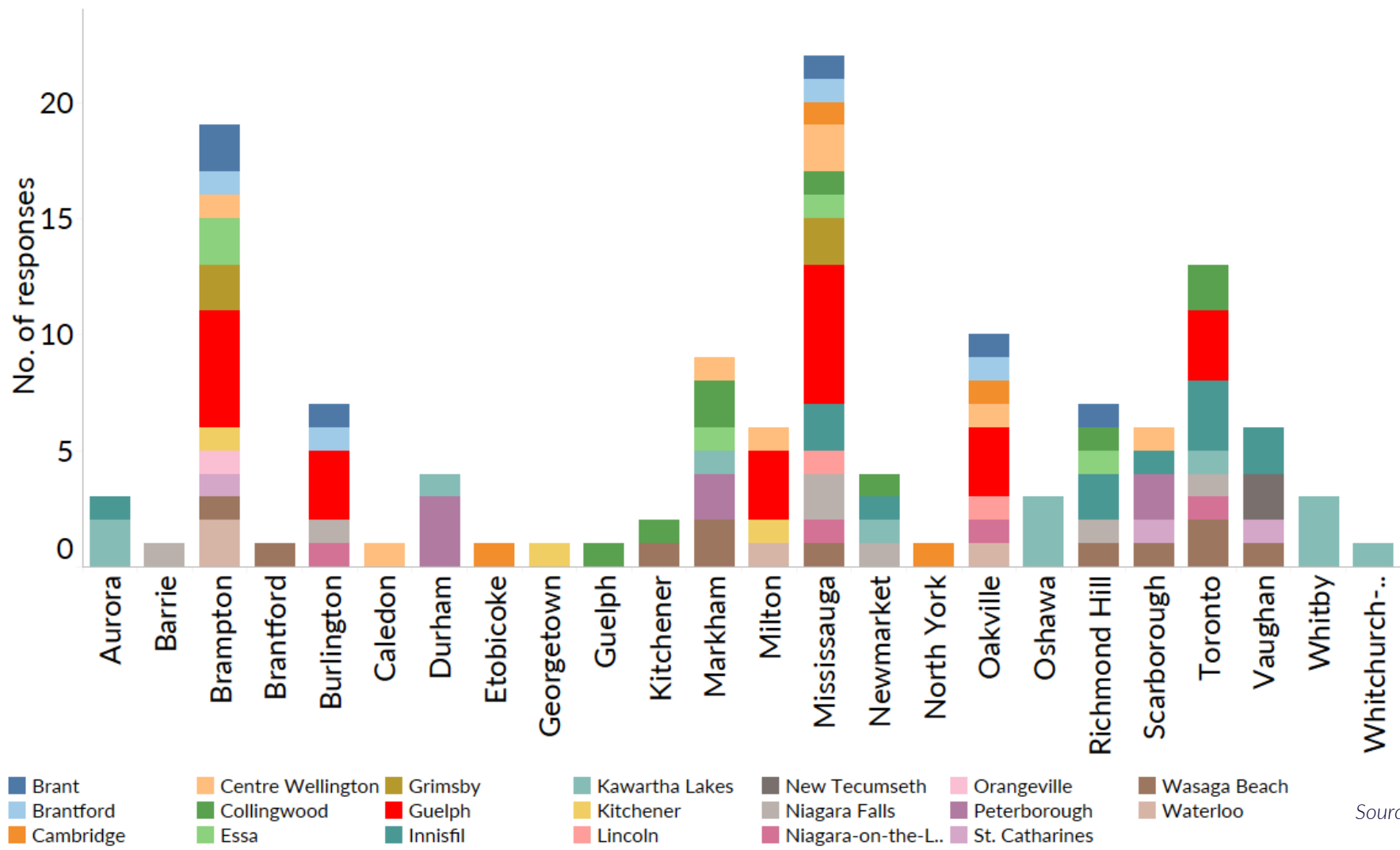
Monthly New Home Benchmark Price  
Greater Golden Horseshoe (excl. GTA) & GTA - Jan. 2008 to Mar. 2018



Benchmark price based on remaining inventory

Source: Altus Group

# ...Forcing Some Buyers to Leave the GTA

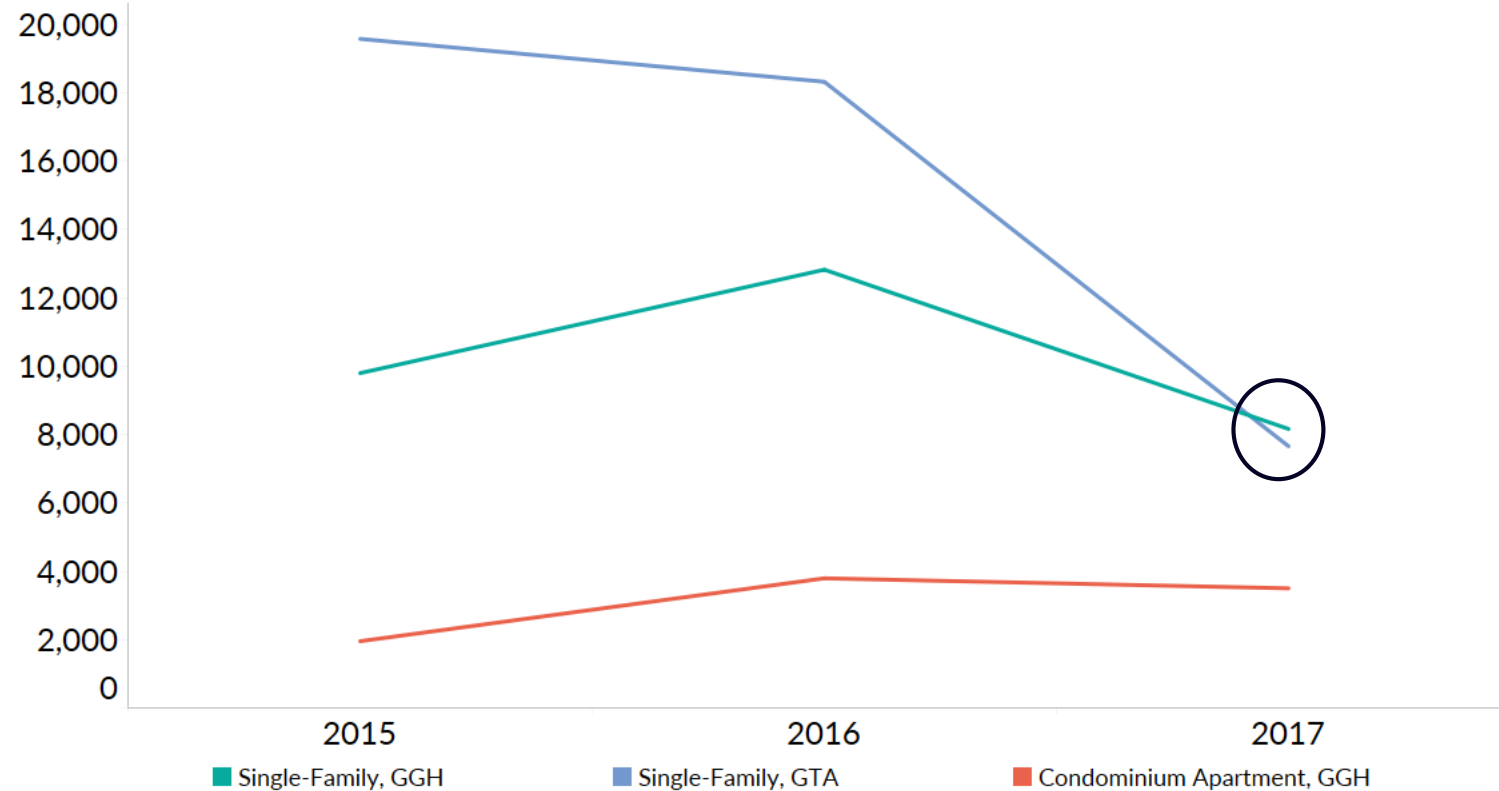


Source: Altus Group

# ...Bringing Sales to Other Regions in GGH

## Yearly New Home Sales

Greater Golden Horseshoe (excl. GTA) - 2015 to 2017

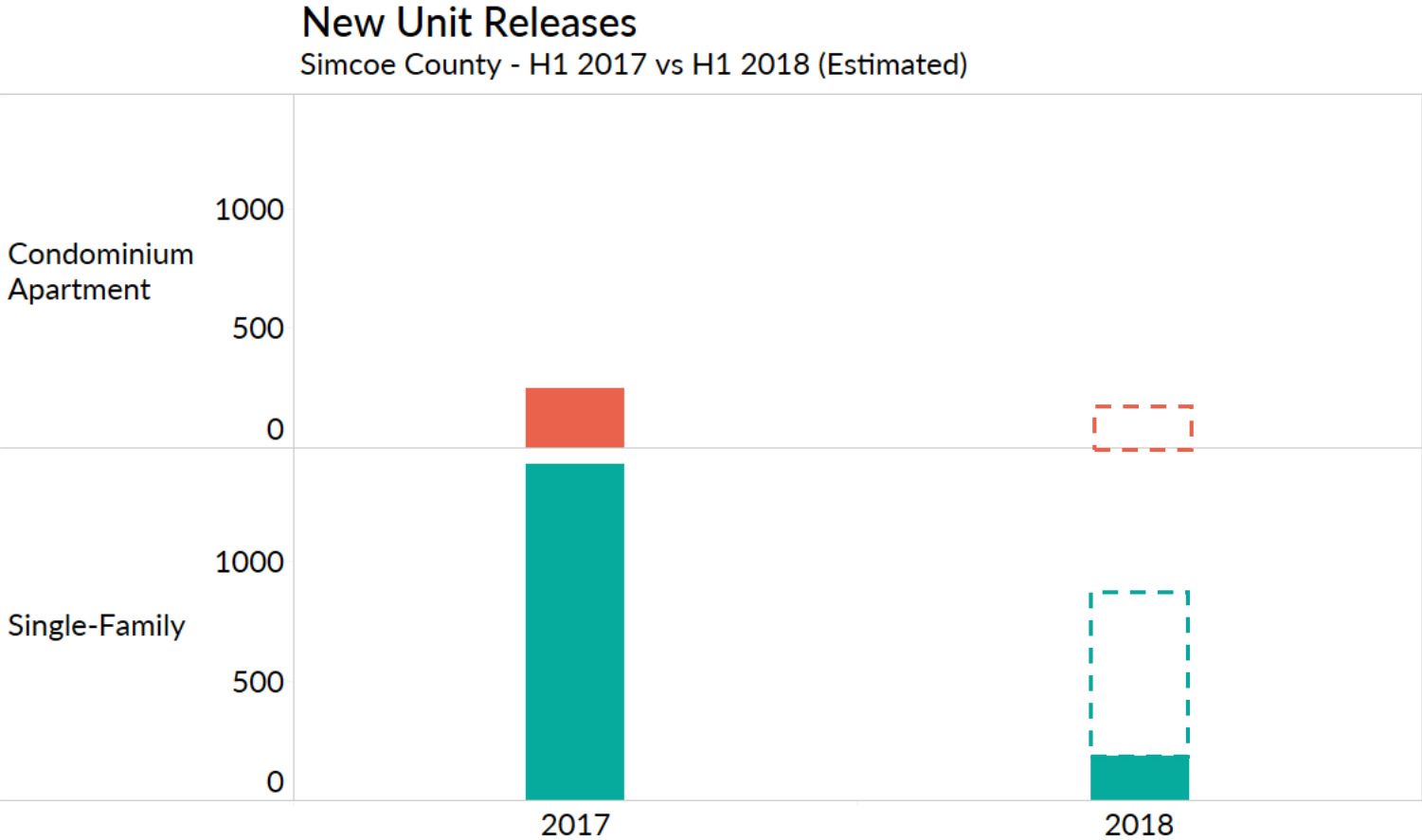


Source: Altus Group

Residential Development Market Overview

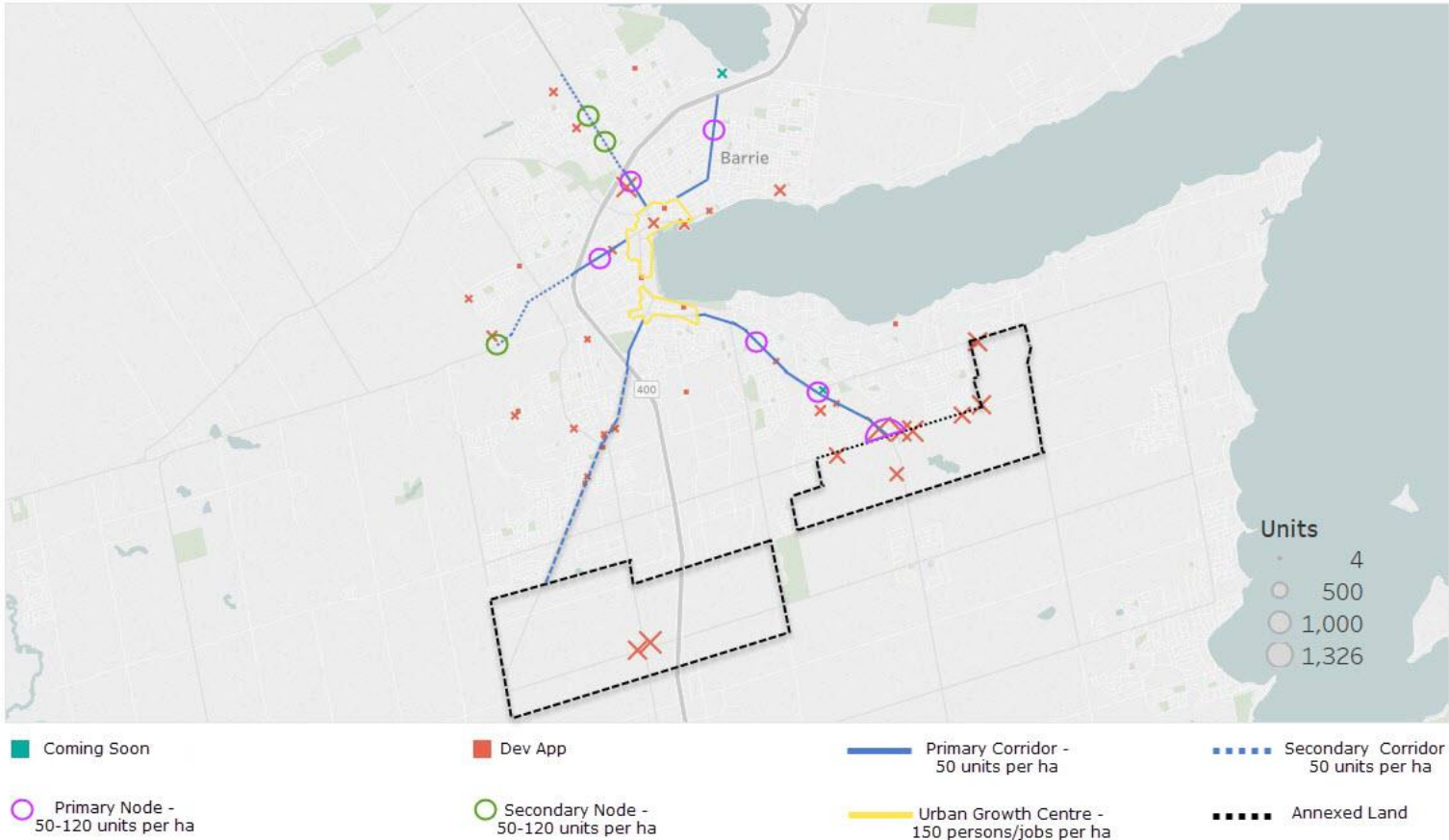
# A Look Ahead





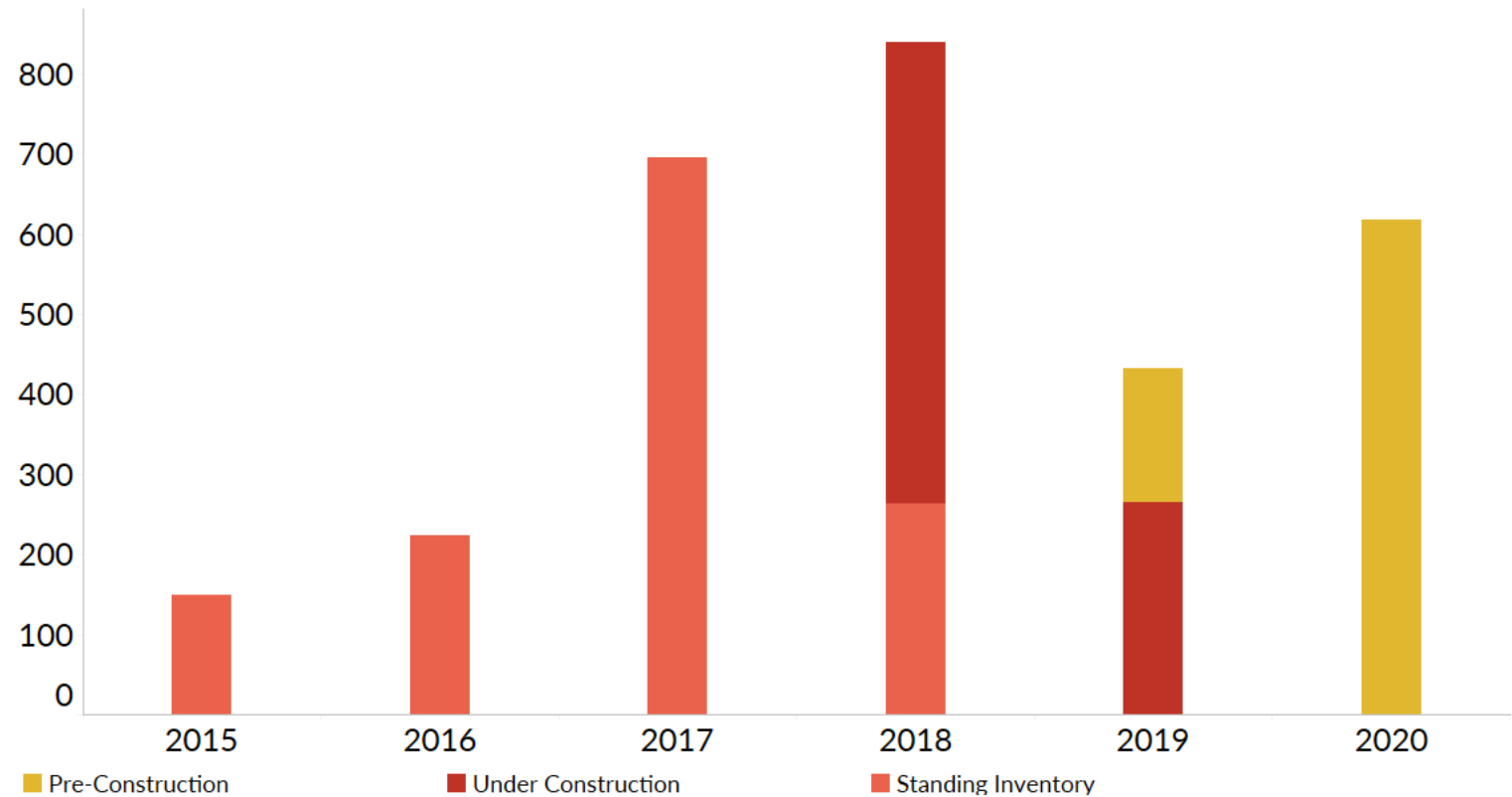
Source: Altus Group

## Proposed Residential Development Applications and Coming Soon Projects City of Barrie



Source: Altus Group, City of Barrie

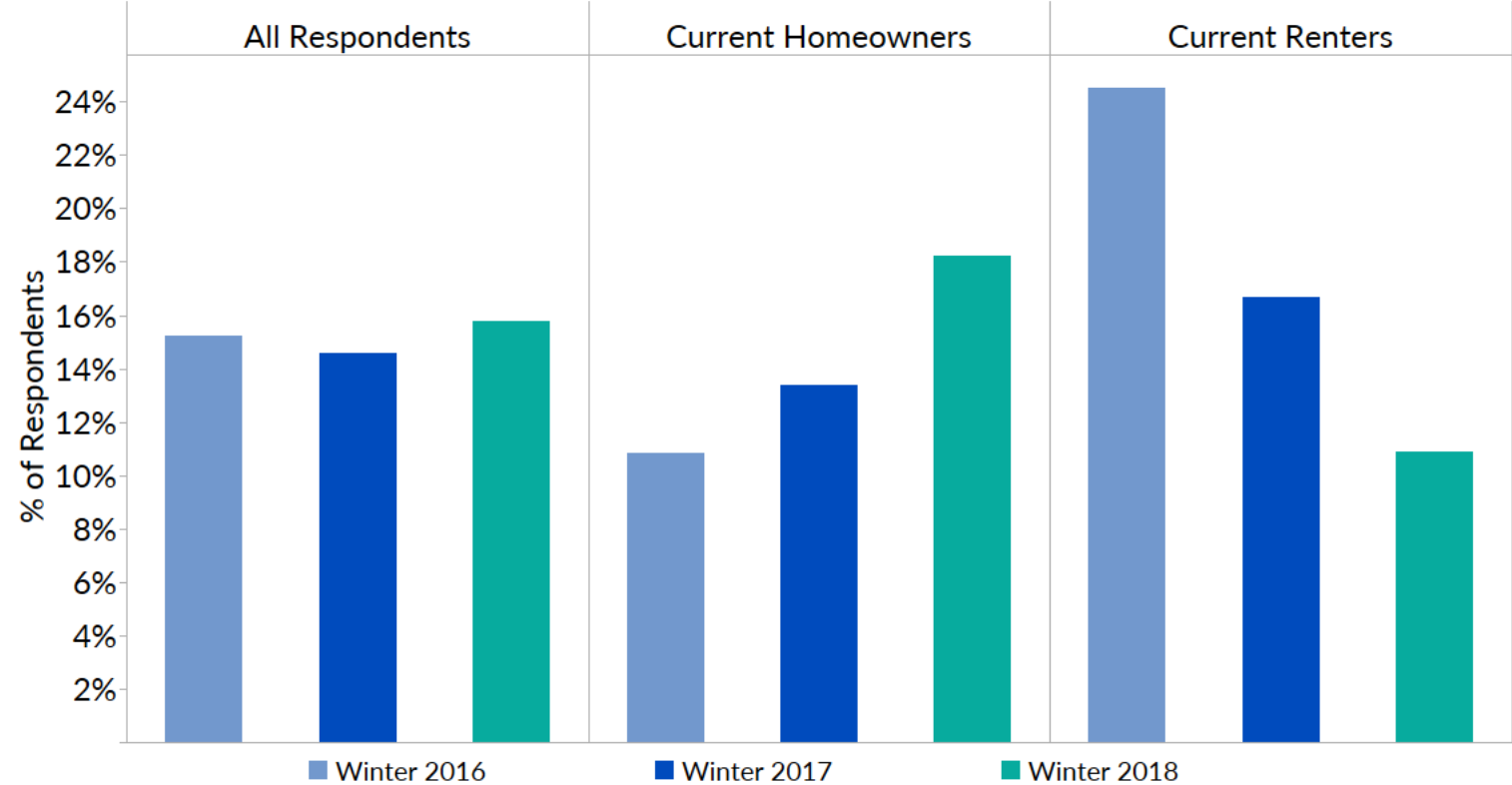
Yearly Condominium Apartment Completions (Units)  
Simcoe County



Source: Altus Group

# Buying Intentions Strong Among Existing Owners, Renters Less Confident

Homebuying Intentions



Source: Altus Group



Thank you.



# Contact Us

Have any Questions?

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