Emerging Technological Changes

And The Valuation of Residential Development Land

Altus Analytics
SOFTWARE I DATA I CONNECTIVITY

Altus Expert Services
EXPERIENCE I INDEPENDENCE I INSIGHT

Altus Group

Outline / Agenda

1. Wandering in the Abyss
2. Finding Our Way
3. Putting it All Together
4. A Tipping Point?
5. Questions and Answers

“What’s Up?”

In the words of “4 Non Blondes”:

And I say, hey hey hey hey hey
I said hey, what's going on?

“This is How We Do It!”

In the words of “Montell Jordan”:

This is how we do it…

Sha la la la la la lo!
Shabada lo lo lo whoa!
Lo lo lo low - oh-oh!

Section 1

Wandering in the Abyss

Adventures in the Digital Age

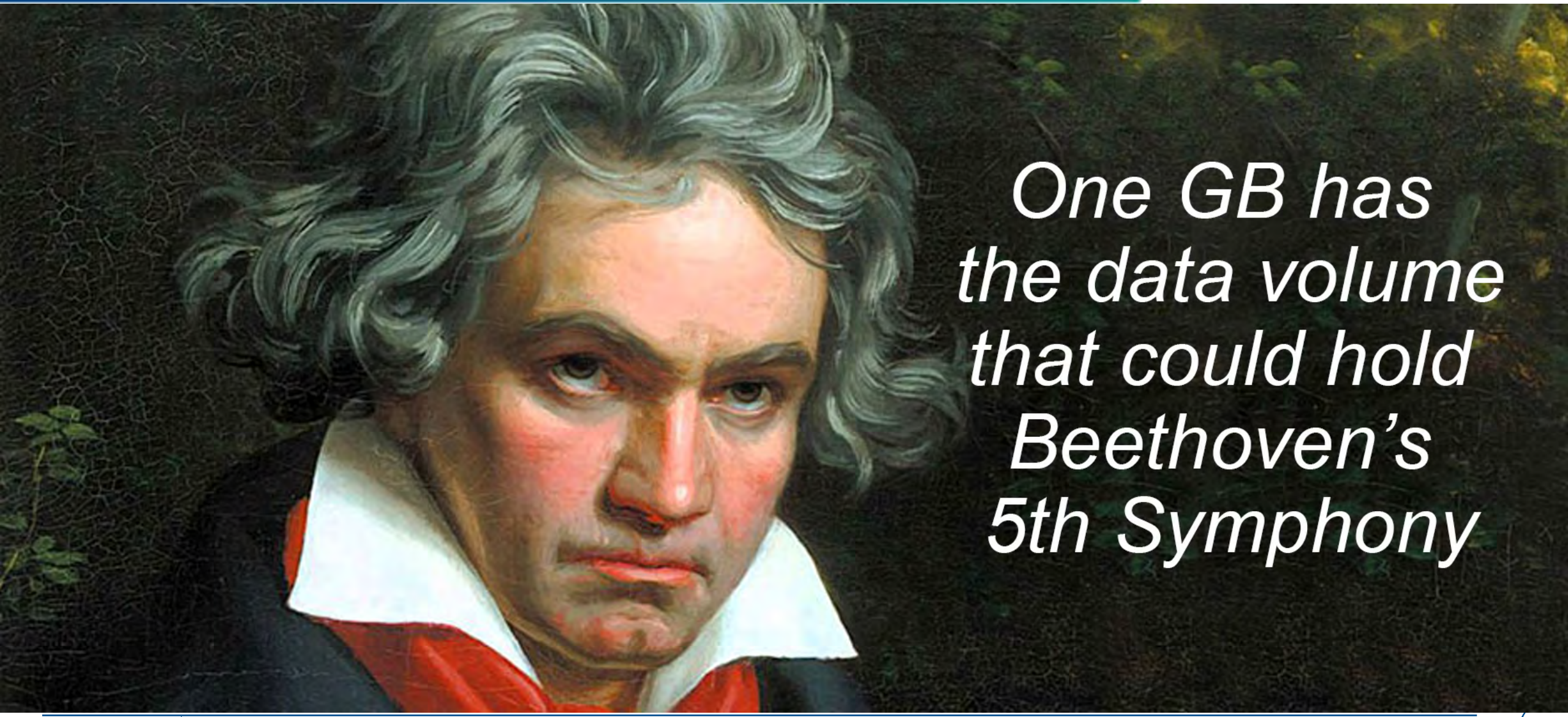
It’s Large, Very Large…Enormous!

It’s Yuuge!!

2025 the **digital universe** (the amount of data created and copied annually) will **grow** to 175 zettabytes (ZB), or one trillion gigabytes (GB)

IDC (November 2018)

How Much is a Gigabyte (“GB?”)



How Much is a Zettabyte (“ZB?”)

The Digital Universe Will Expand…

By 2025 nearly 20% of the data in the global datasphere will be critical to our daily lives.

Very Connected to Just About Everything…

In eight years' time, an average connected person anywhere in the world will interact with connected devices nearly 4,800 times per day – one interaction every 18 seconds

…Including Our Selfies!

We, Gotta Keep in Touch!

- On average, we're taking 93 million selfies daily
- 10 selfies are posted to Instagram every 10 seconds
- Neary 3.4 billion pictures a year – nearly one-half of the world's 7.5 billion population

Data! Data! Geeze, More Data!

Structured Data

Easy to Find Stuff…

- Information in rows and columns - scrubbed, clean and organized
- Easily ordered and processed with data mining tools

Table

Parcels

FID	Parcel ID	Zoning	Address	Zip Code	State	Tax Region
0	8618308030	Residential	7228 STREAMSIDE DR	80525	CO	2101
1	9624125001	Residential	7605 S COUNTY RD 13	80527	CO	2019
2	8618306004	Residential	7318 SILVER MOON LN	80525	CO	2101
3	8618306026	Residential	7319 SILVER MOON LN	80525	CO	2101
4	8618405075	Residential	1655 STREAMSIDE DR	80525	CO	2100
5	8618308052	Residential	1300 STREAMSIDE CT	80525	CO	2101
6	8618308032	Residential	7312 STREAMSIDE DR	80525	CO	2101
7	8618310073	Residential	1606 GREENSTONE TR	80525	CO	2100
8	8618306015	Residential	1401 WHITE PEAK CT	80525	CO	2101
9	8618306014	Residential	7507 GREENSTONE TR	80525	CO	2101
10	8618308042	Residential	7514 GOLD HILL CT	80525	CO	2101
11	8618308043	Residential	7515 GOLD HILL CT	80525	CO	2101
12	8618308062	Residential	7119 SILVER MOON LN	80525	CO	2101

0 (0 out of 287 Selected)

Parcels

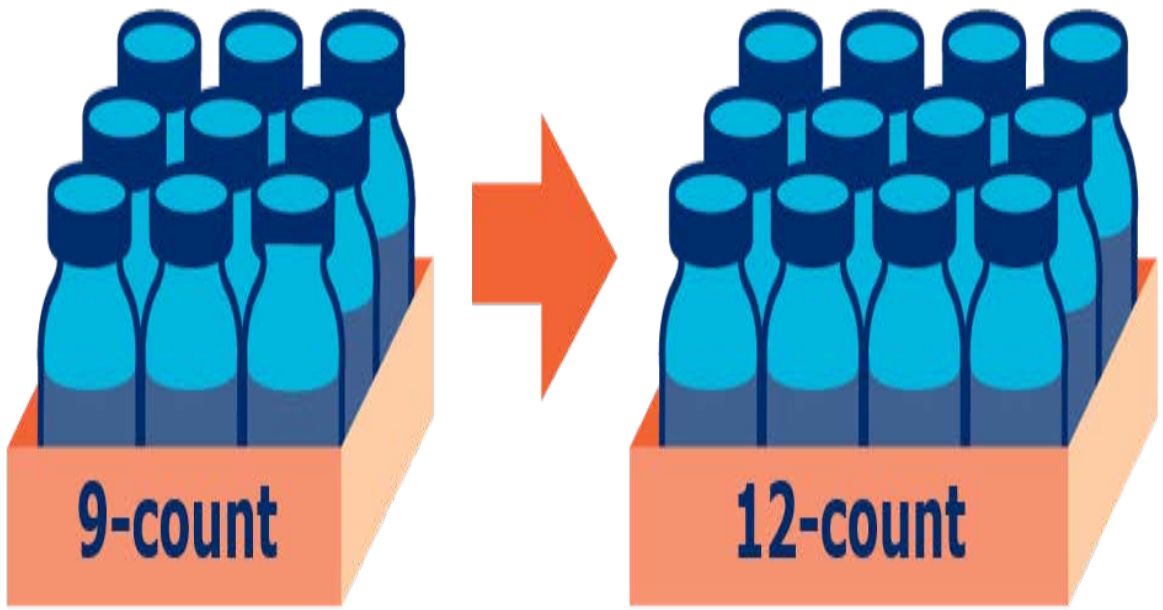
Unstructured Data

Not So Easy to Find Stuff…

- Raw, unorganized data
- Emails
- PDF Files
- Images – all those Selfies
- Video and Audio
- Social Media Tools

BIG DATA!

It has to do with quantity of data…



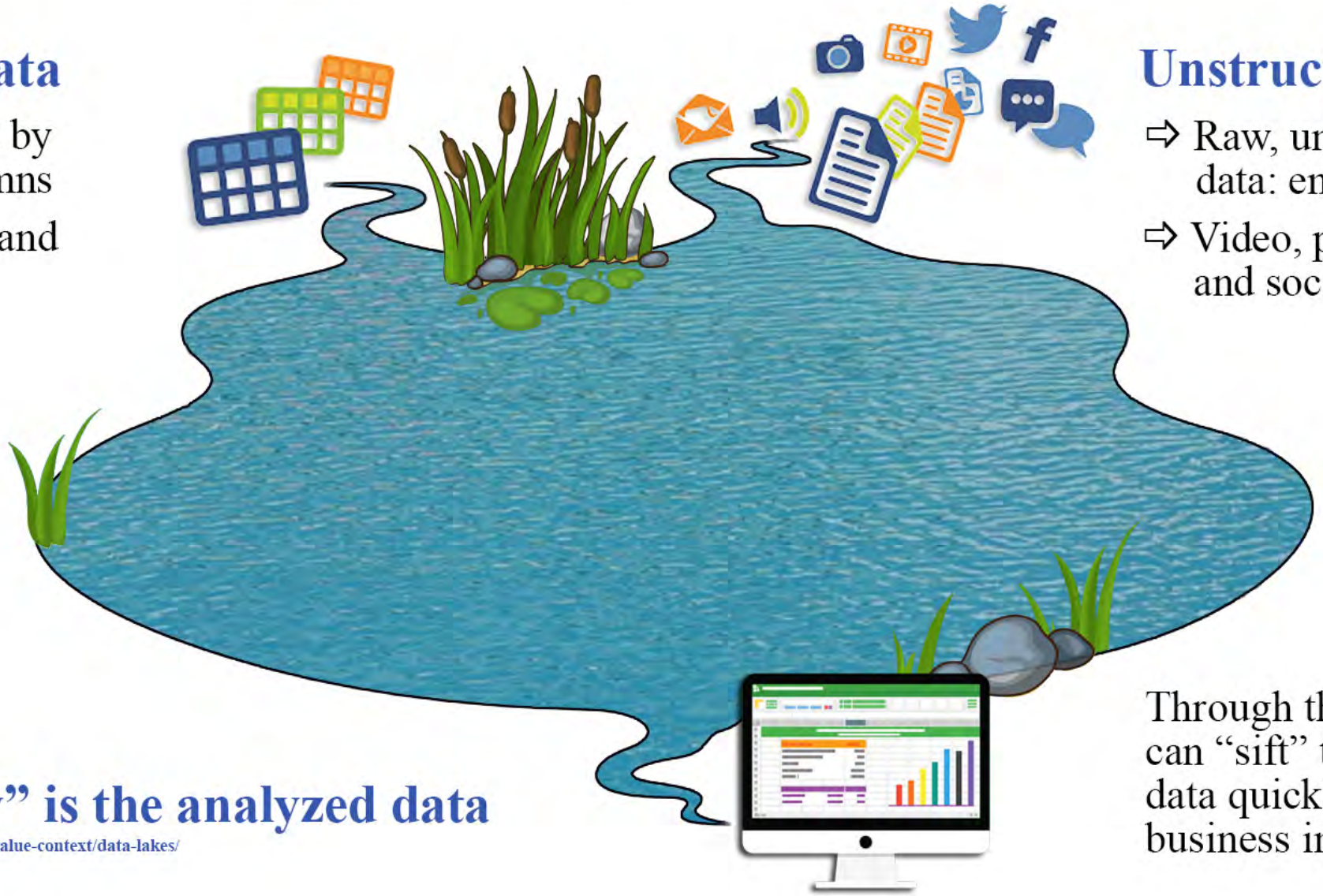
…that accumulates in a Data Lake!

- a centralized repository
- a place to put all the data enterprises one may want to use, including structured and unstructured data

How “Data Lakes” Work

Structured Data

- ⇨ Data organized by rows and columns
- ⇨ Easily ordered and processed



Unstructured Data

- ⇨ Raw, unorganized data: emails, PDF’s
- ⇨ Video, photos, audio and social media tools

The “Outflow” is the analyzed data

https://www.i-scoop.eu/big-data-action-value-context/data-lakes/

Through this process, one can “sift” through all the data quickly to gain key business insights

A Digital Potpourri of Information

A Little of This, A Little of That!

Collect everything

Dive in anywhere

Flexible access

From the Lake to the Warehouse

Enterprise Data Warehouse ("EDW")… …Such as RealNet

An EDW is a detailed, cleansed, reconciled and modeled store of reliable data

Why Jump in the Lake?

Build Applications

Tableau Software

- interactive business intelligence products

Qlik Sense

- visual analytics platform

Power BI

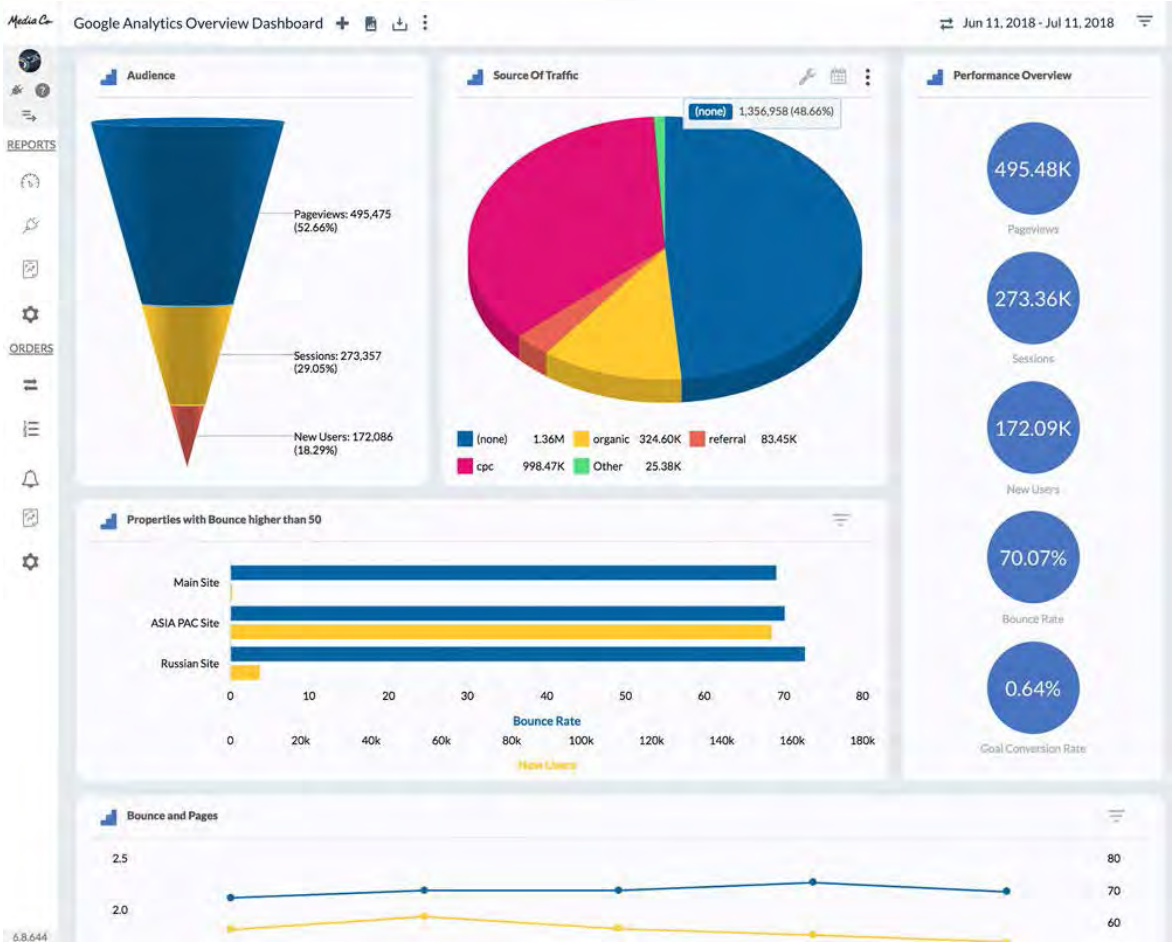
- interactive visualizations & business intelligence capabilities

Domo

- business intelligence tools and data visualization

Other Reasons to Take The Dip

- Flexibility and Access
- Speed
- Retain Data Authenticity
- Explore and Analyze



I’m Sorry, Dave – I’m afraid I can’t do that

Emerging Artificial Intelligence (“AI”)

AI makes it possible for machines to learn from experience, adjust to new inputs and perform human-like tasks

Descriptive Analytics

A preliminary stage of data processing that creates a summary of historical data to yield useful information and possibly prepare the data for further analysis

Predictive Analysis

A method of forecasting business events and market behavior using statistical techniques to make predictions about the future, or otherwise unknown events

Hedonic Regression Modeling

If the price of a house is determined by different characteristics **- number of bedrooms, bathrooms, proximity to schools, etc.** - a regression analysis can be used to determine the relative importance of each variable and predict a selling price

Section 2

Finding Our Way

It’s a Jungle Out There!

Market and Competitive Analysis

Market analysis in real estate appraisal has two basic functions:

1

It provides the data input to identify the highest and best use of a property

2

it provides data input and identifies the key factors of value that are to be measured by applying the three approaches to value

Essentially Asking the Right Questions!

- Who are the most likely users?
- Is the property use needed?
- What is the competition?
- What is the market condition?
- How much of the market can the subject capture?
- Where is the land market in the real estate cycle?
- When should it launch?

REALNET COMMERCIAL LISTINGS CENTRE

POST A LISTING

Strategically market your listing to the largest qualified marketplace in Canada

9635 137 Street

CBRE

Market: GVA
Sector: Office
Price: $3,500,000
Size: 5,600 sq. ft.
Agent: Lino Demarchi
Broker: CBRE Limited
Email: Lino.demarchi@cbre.com

SEARCH LISTINGS

Find listings of interest across all available markets and sectors

Altus Group | RealNet

QUICK SEARCH SEARCHES MARKET REPORTS HELP MY ACCOUNT Log Out

Commercial Market Select

COMMERCIAL SEARCH

SEARCH USING VIEWS

Select the Market

1 CHOOSE A MARKET:

- [x] Greater Toronto Area **(GTA)**
- [ ] Greater Golden Horseshoe **(GGH)**
- [ ] Greater Ottawa Area **(GOA)**
- [ ] Greater Montreal Area **(GMA)**
- [ ] Greater Calgary Area **(GCA)**
- [ ] Greater Edmonton Area **(GEA)**
- [ ] Greater Vancouver Area **(GVA)**

SAVED SEARCHES:

Global Saved Searches

There are no global searches

Commercial Saved Searches

You do not have any Commercial saved searches

Select the Sector

2 CHOOSE A SECTOR:

- [ ] Office
- [ ] Retail
- [ ] Industrial
- [ ] Apartment
- [ ] Hotel
- [ ] ICI Land
- [x] Residential Land
- [ ] Residential Lots

Toggle All

SUBMIT

Select a Region for the market being analyzed

COMMERCIAL SEARCH

SEARCH USING **VIEWS**

You are searching in: **GTA - Residential Land**

1 KEYWORDS

Keywords:

2 LOCATION

- Search using either Region **OR** Municipality
- Use the map to help select your municipality
- Submarkets only apply for the City of Toronto

Unit Number:
Street Number:
Street Name:
Region: Durham
Municipality: All
Submarket: All

3 DATE RANGE

Select A Date Range

A Land Use

Size (Acres)

Sale Type

3 DATE RANGE

From: 2017-01-01 (YYYY-MM-DD)

To: 2019-05-17 (YYYY-MM-DD)

OR:
- Last Month
- Last 3 Months
- Last 12 Months

Clear Dates

4 MORTGAGE MATURITY DATE RANGE

From: (YYYY-MM-DD) Clear Dates

To: (YYYY-MM-DD)

5 TYPE/PRICE/SIZE

Sale Type: Market

Residential Land Use: Long Term

Total Price Range: From: 0 To: Unlimited

Size Range (Acres): From: 50 To: 100

Price/Acre Range: From: 0 To: Unlimited

Price/Square Foot Buildable: From: 0 To: Unlimited

6 STAKEHOLDERS

Vendor:

Purchaser:

Brokerage:

Broker Agent:

Lender:

SEARCH RealNet

Profile Search ⇒ Profile Search Results ⇒ View Record Details ⇒ Commercial Search Results

SEARCH USING **VIEWS**

Search Results (Residential Land)

New Search

Modify Search

Total Records found: 6

We display a maximum of 200

INVESTMENT PARAMETER ANALYSIS | PRINT SELECTED RECORDS | MAP THESE RECORDS | SAVE THIS SEARCH

		Date	Transaction Name	Municipality	Price	Lot Area (acres)	Price per Acre	Land Use
☑		Jul 31, 2017	1609 Concession 1	Uxbridge	$4,850,000.00	90.252	$53,738	Long Term
☑		May 9, 2019	2750 Seventh Concession Road	Pickering	$3,400,000.00	66.018	$51,501	Long Term
☑		Mar 31, 2017	4300 Regional Road No. 1	Uxbridge	$2,675,000.00	99.565	$26,867	Long Term
☑		Jun 6, 2018	1580 Reach Street	Scugog	$1,500,000.00	52.499	$25,742	Long Term
☑		Sep 28, 2018	9667 Wotten Road	Clarington	$1,100,000.00	51.000	$21,569	Long Term
☑		Oct 26, 2017	724 Scugog Line No. 6	Scugog	$1,550,000.00	99.103	$15,640	Long Term

INVESTMENT PARAMETER ANALYSIS | PRINT SELECTED RECORDS | MAP THESE RECORDS | SAVE THIS SEARCH

Previous Page - 1 - Next Page

Search has returned six land sales for long term development

INVESTMENT PARAMETERS ANALYSIS

Back to List

PRINT REPORT

Report for Residential Land Sales
Analysis Date: 2019-05-17
Record Set Total: 6 records

	Average	Low	High	Total
Sale Date		2017-03-31	2019-05-09	
Land Area (Acres)	76.41	51.00	99.57	458.44
Total Price	$2,512,500	$1,100,000	$4,850,000	$15,075,000
Price/Acre	$32,510	$15,640	$53,738	
Price/Sf Buildable	$0.00	$0.00	$0.00	
Price/Unit Buildable	$0	$0	$0	

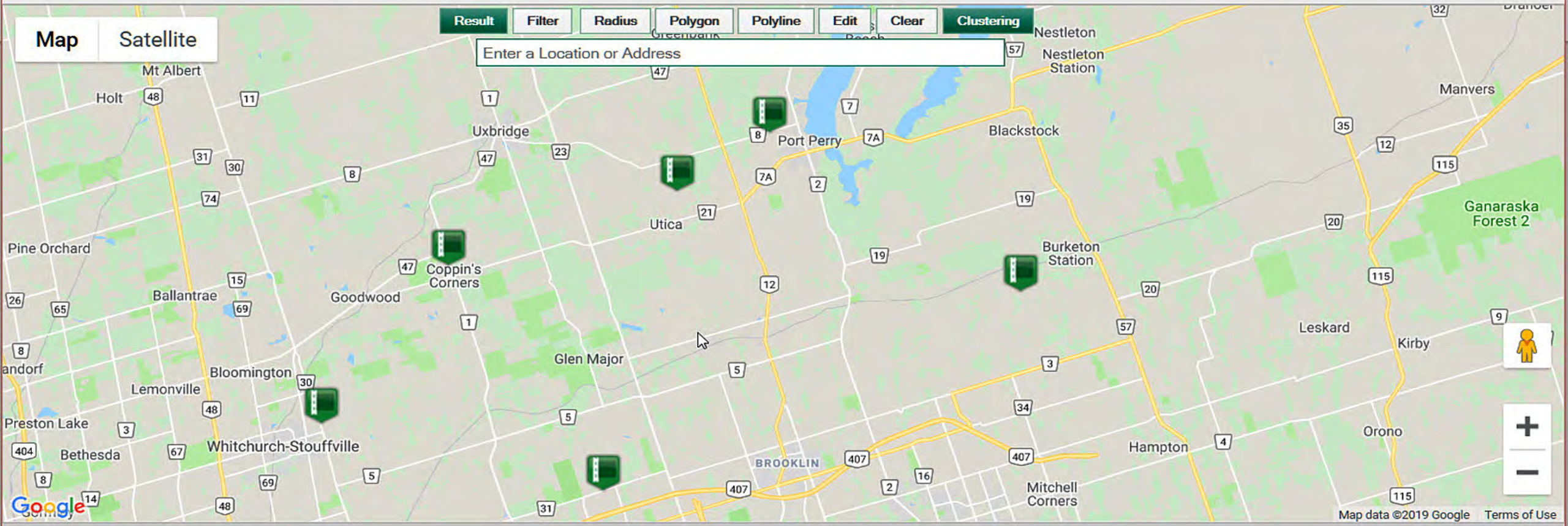
The Investment Parameters provides a snapshot of the sale data

Status	Date	Transaction Name	Municipality	Price	Size (Acres)	Price/Acre	Price/Sf Buildable	Price/Unit Buildable	Land Use
Final	2017-07-31	1609 Concession 1	Uxbridge	$4,850,000.00	90.252	53,738.42			Long Term
PRC	2019-05-09	2750 Seventh Concession Road	Pickering	$3,400,000.00	66.018	51,501			Long Term
Final	2017-03-31	4300 Regional Road No. 1	Uxbridge	$2,675,000.00	99.565	26,867			Long Term
Final	2018-06-06	1580 Reach Street	Scugog	$1,500,000.00	52.499	25,742			Long Term
Final	2018-09-28	9667 Wotten Road	Clarington	$1,100,000.00	51.0	21,568.63			Long Term
Final	2017-10-26	724 Scugog Line No. 6	Scugog	$1,550,000.00	99.103	15,640			Long Term

PRINT REPORT

RealNet Map - Microsoft Edge

https://realinfo.realnet.ca/client/map/displayHandler.do?exec=viewMap&market=GTA&sector=Residential%20Land



Print | Investment Parameter Analysis

Residential Land (6)

Status	Date	Name	Municipality	Price	Size(a...	Price/acres	Land Use	Sale Type	Vendor	Purchaser	Details
Final	2018-06-06	1580 Reach Street	Scugog	$1,500,000	52.50	$25,742	Long Term	Market	An individual(s) acting in his/her own...	Wannop Developments (1064021 On...	Get Details
Final	2017-07-31	1609 Concession 1	Uxbridge	$4,850,000	90.25	$53,738.42	Long Term	Market	An individual(s) acting in his/her own...	2587605 Ontario Inc.	Get Details
PRC	2019-05-09	2750 Seventh Concession Road	Pickering	$3,400,000	66.02	$51,501	Long Term	Market	An individual(s) acting in his/her own...	Fieldgate Homes (TFP Pickering Dev...	Get Details
Final	2017-03-31	4300 Regional Road No. 1	Uxbridge	$2,675,000	99.57	$26,867	Long Term	Market	An individual acting in his/her own ca...	G & L Group (2568843 Ontario Limited)	Get Details

General Summary

Legal Details

Purchaser

RESIDENTIAL LAND TRANSACTION SUMMARY

2750 Seventh Concession Road (Residential Land)

New Search

Modify Search

Involved with this record? Have a question or concern?

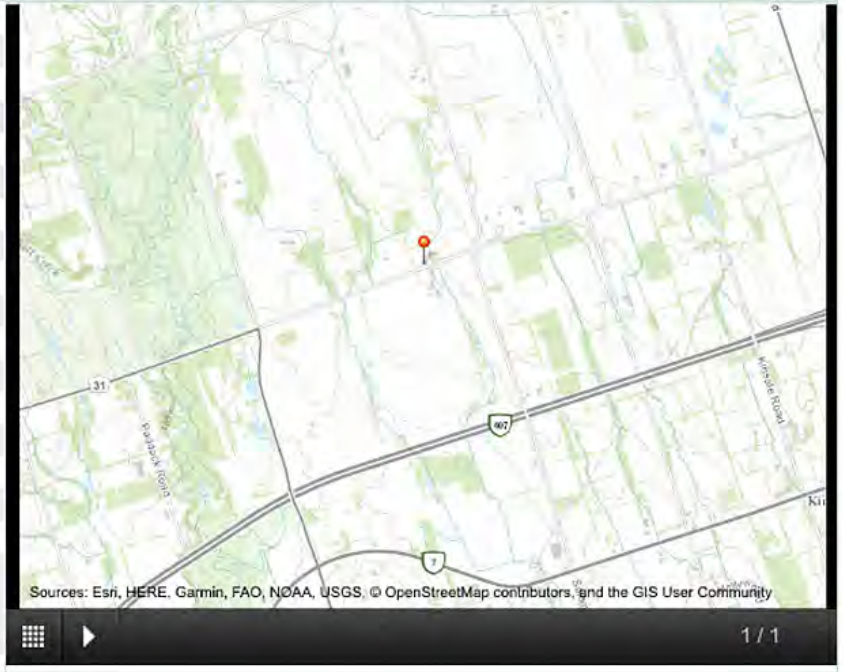
Contact Our Research Team

Record (2) of (6) Previous Record Next Record Back to List

GENERAL SUMMARY

PRINT RECORD

Record Status:	**Preliminary Research Completed**
Inventory Number:	ON-RLN-2019-05-09-19-0797
Address:	2750 Seventh Concession Road
Location:	Located on the north side of Seventh Concession Road, west of Salem Road
Region:	Durham
Municipality:	Pickering
Event Date:	2019-05-09
Land Use:	Long Term
Price:	$3,400,000.00
Land Area:	66.018 acres
Price per Acre:	$51,501
Price per Sq Ft Buildable:	
Price per Unit Buildable:	
Estimated Time to Develop:	
Sale Type:	Market
Percentage Transferred:	100.00%
Estate Type:	Fee Simple
Brokers:	Lennard Commercial (A Pope) Lennard Commercial (G Crosby) Lennard Commercial (B Shier)



LEGAL DETAILS

PIN(s):	26398-0023
Title Type:	Standard
Legal Description:	Part of Lots 7 & 8, Concession 7, Pickering as described in Instrument No. CO189644
Lot Details:	Frontage on :
Lot Area:	66.018 acres
Vendors:	An individual(s) acting in his/her own capacity Marvin Hertzman Holdings Inc.
Signing Officer:	Marvin Hertzman, President
Address:	1 Watergarden Way, Suite 318, North York, Ontario, M2K 2Z7
Purchasers:	Fieldgate Homes (TFP Pickering Developments Limited) - Developer
Signing Officer:	Jack Eisenberger, ASO
Address:	5400 Yonge Street, 5th Floor, Toronto, Ontario, M2N 5R5

Details on on the Price Structure

PRICE STRUCTURE

Cash Price:	$1,700,000.00	(50%)
Assumed Price:	$0.00	(0%)
VTB Price:	$1,700,000.00	(50%)
Other Considerations Price:	$0.00	(0%)
Total Price:	$3,400,000.00	
Percentage Transferred:		100.00%
100% Equivalent:	$3,400,000.00	

	MORTGAGE 1
MORTGAGE TYPE:	VTB
PRIMARY LENDER:	Vendor Financed (as to a 50% interest share)
SECONDARY LENDER:	Vendor Financed (as to a 25% interest share)
TERTIARY LENDER:	Vendor Financed (as to a 25% interest share)
INTEREST RATE:	See remarks
PRINCIPAL AMOUNT:	$1,700,000.00
CALCULATION PERIOD:	Quarterly
PAYMENT FREQUENCY:	
PAYMENT AMOUNT:	
COMMENCEMENT DATE:	08/09/2019
MATURITY DATE:	05/09/2024
INSTRUMENT DATE:	05/09/2019
SEE REMARKS:	This Mortgage shall bear interest at the rate of ZERO percent (0%) per annum for years one and two with TEN percent (10%) of the original principal amount in each of the first two years to be paid in equal quarterly installments. Years three and four shall bear interest at the rate of TWO percent (2%) per annum payable quarterly and year five shall bear interest at a rate of FOUR percent (4%) per annum payable interest only quarterly together with TWENTY percent (20%) of the original principal amount each year for years three to five also to be paid in quarterly installments.

PROPERTY DETAILS

Land Use Details:	The City of Pickering Official Plan designates the property Prime Agricultural Area and Natural Area. The Zoning By-law classifies the property A, an Agricultural Zone classification which regulates the use of land and buildings through height and density, parking and loading spaces, and setbacks from the street.

GENERAL NOTES

General Remarks:	At the time of sale, the property was vacant and unimproved.

PROPERTY LOCATION

CLICK TO VIEW MAP

Surrounding Uses:

SITE PLAN

Profile Search ⇒ Profile Search Results ⇒ View Record Details ⇒ Commercial Search Results

SEARCH USING **VIEWS**

Search Results (Residential Land)

New Search

Modify Search

Total Records found: 5

We display a maximum of 200

INVESTMENT PARAMETER ANALYSIS | PRINT SELECTED RECORDS | MAP THESE RECORDS | SAVE THIS SEARCH

		Date	Transaction Name	Municipality	Price	Lot Area (acres)	Price per Acre	Land Use
☑		Jan 26, 2018	1246 Prestonvale Road	Clarington	$30,000,000.00	78.568	$381,835	Low Density
☑	🗀	Oct 16, 2017	7370 Centre Road	Uxbridge	$27,500,000.00	98.783	$278,388	Low Density
☑		May 2, 2017	Pebblestone Road and Trulls Road	Clarington	$13,500,000.00	54.238	$248,903	Low Density
☑		Jan 5, 2018	2958 King Street East	Clarington	$5,300,000.00	52.985	$100,028	Low Density
☐		Jan 5, 2017	2992 Highway No. 2 East	Clarington	$6,000,000.00	89.727	$66,870	Low Density

INVESTMENT PARAMETER ANALYSIS | PRINT SELECTED RECORDS | MAP THESE RECORDS | SAVE THIS SEARCH

Previous Page - 1 - Next Page

Search has returned five land sales for Low Density Development

INVESTMENT PARAMETERS ANALYSIS

Back to List

PRINT REPORT

Report for Residential Land Sales
Analysis Date: 2019-05-17
Record Set Total: 4 records

	Average	Low	High	Total
Sale Date		2017-05-02	2018-01-26	
Land Area (Acres)	71.14	52.99	98.78	284.57
Total Price	$19,075,000	$5,300,000	$30,000,000	$76,300,000
Price/Acre	$252,289	$100,028	$381,835	
Price/Sf Buildable	$0.00	$0.00	$0.00	
Price/Unit Buildable	$0	$0	$0	

The Investment Parameters provides a snapshot of the sale data

Status	Date	Transaction Name	Municipality	Price	Size (Acres)	Price/Acre	Price/Sf Buildable	Price/Unit Buildable	Land Use
Final	2018-01-26	1246 Prestonvale Road	Clarington	$30,000,000.00	78.568	381,834.84			Low Density
PRC	2017-10-16	7370 Centre Road	Uxbridge	$27,500,000.00	98.783	278,388			Low Density
Final	2017-05-02	Pebblestone Road and Trulls Road	Clarington	$13,500,000.00	54.238	248,902.98			Low Density
Final	2018-01-05	2958 King Street East	Clarington	$5,300,000.00	52.985	100,028.31			Low Density

PRINT REPORT

General Summary

Legal Details

Purchaser

RESIDENTIAL LAND TRANSACTION SUMMARY

2750 Seventh Concession Road (Residential Land)

New Search

Modify Search

Involved with this record? Have a question or concern?

Contact Our Research Team

Record (2) of (6) Previous Record Next Record Back to List

GENERAL SUMMARY

PRINT RECORD

Record Status:	**Preliminary Research Completed**
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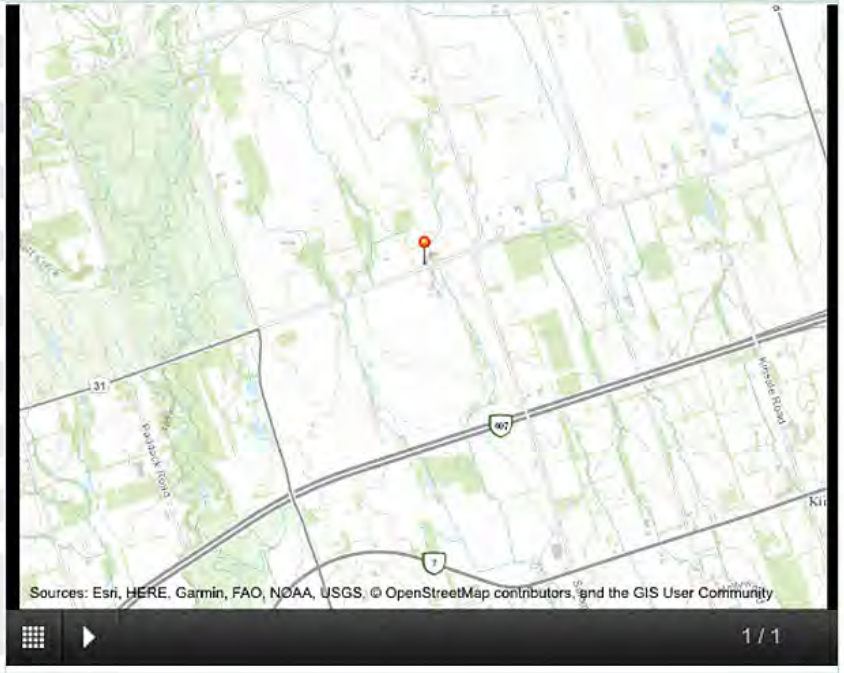
Region:	Durham
Municipality:	Pickering
Event Date:	2019-05-09
Land Use:	Long Term
Price:	$3,400,000.00
Land Area:	66.018 acres
Price per Acre:	$51,501
Price per Sq Ft Buildable:	
Price per Unit Buildable:	
Estimated Time to Develop:	
Sale Type:	Market
Percentage Transferred:	100.00%
Estate Type:	Fee Simple
Brokers:	Lennard Commercial (A Pope) Lennard Commercial (G Crosby) Lennard Commercial (B Shier)



LEGAL DETAILS

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Lot Details:	Frontage on :
Lot Area:	66.018 acres
Vendors:	An individual(s) acting in his/her own capacity Marvin Hertzman Holdings Inc.
Signing Officer:	Marvin Hertzman, President
Address:	1 Watergarden Way, Suite 318, North York, Ontario, M2K 2Z7
Purchasers:	Fieldgate Homes (TFP Pickering Developments Limited) - Developer
Signing Officer:	Jack Eisenberger, ASO
Address:	5400 Yonge Street, 5th Floor, Toronto, Ontario, M2N 5R5

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QUICK SEARCH | SEARCHES | MARKET REPORTS | HELP | MY ACCOUNT | Log Out

Profile Search

PROFILE SEARCH

1 STAKEHOLDER

Company Name/Person: Fieldgate Homes

*Note: search finds partial matches, us ind only exact word matches

2 ROLE

- [ ] Vendor
- [x] Purchaser
- [ ] Brokerage
- [ ] Broker Agent
- [ ] Lender
- [x] Builder
- [ ] New Homes Sales Agency
- [ ] New Homes Mortgage Program

Toggle All

SEARCH RealNet

- COMMERCIAL SEARCH
- NEW HOMES SEARCH
- DEV. APPS SEARCH
- PROFILE SEARCH
- MAP SEARCH
- MY SAVED SEARCHES
- COMMERCIAL LISTINGS SEARCH

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QUICK SEARCH SEARCHES MARKET REPORTS HELP MY ACCOUNT Log Out

Profile Search ⇒ Profile Search Results

Search Results (Profile Search) Modify Search

Total Records found: 365

Your search returned the following:

- 0 Records in Office
- 0 Records in Retail
- 0 Records in Industrial
- 0 Records in Apartment
- 0 Records in Hotel
- 7 Records in ICI Land
- 71 Records in Residential Land
- 101 Records in Residential Lots
- 175 Records in Low Rise
- 11 Records in High Rise
- 0 Records in Residential New Homes

Please note that search results are based on the market(s) and sector(s) in your subscription. Please contact Client Services at clientservices@realnet.ca or call 1-877-992-9933 x0 for more information and to subscribe to additional markets and sectors.

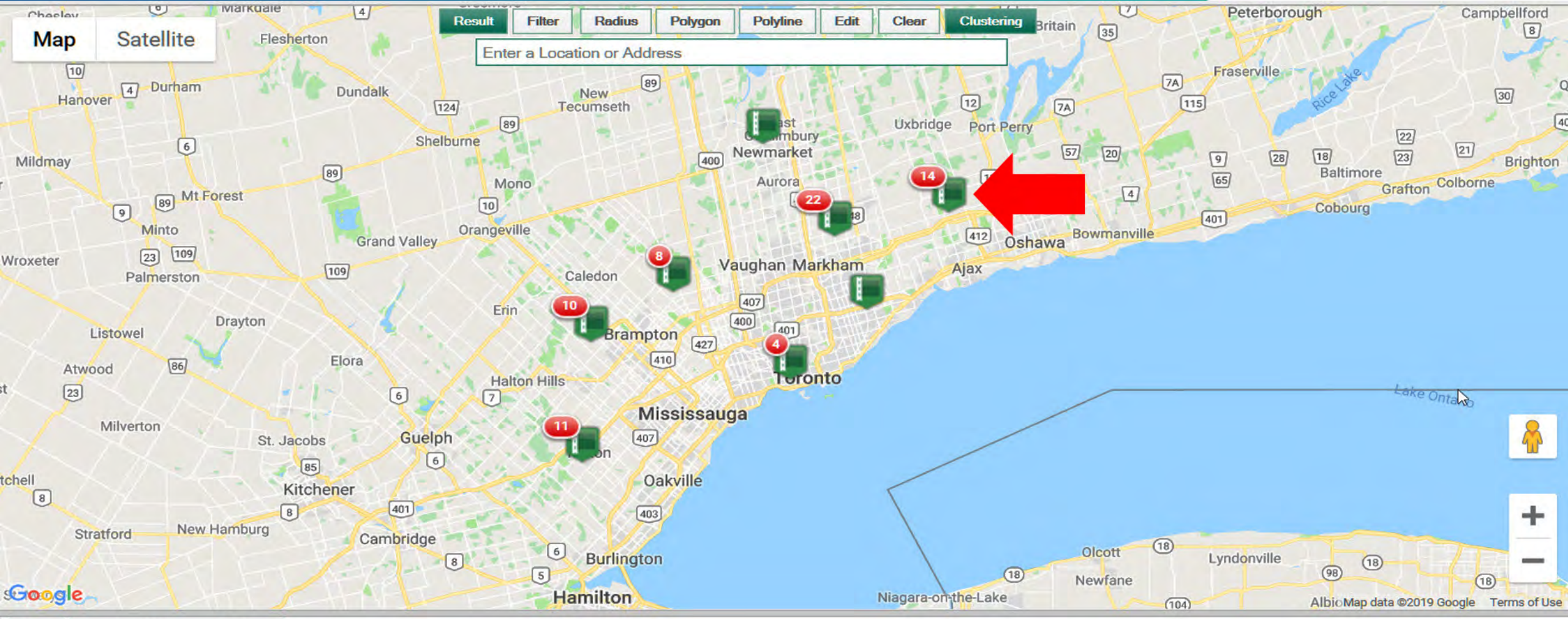
Search Results (Residential Land)

Modify Search

Total Records found: 71
We display a maximum of 200

INVESTMENT PARAMETER ANALYSIS | PRINT SELECTED RECORDS | MAP THESE RECORDS

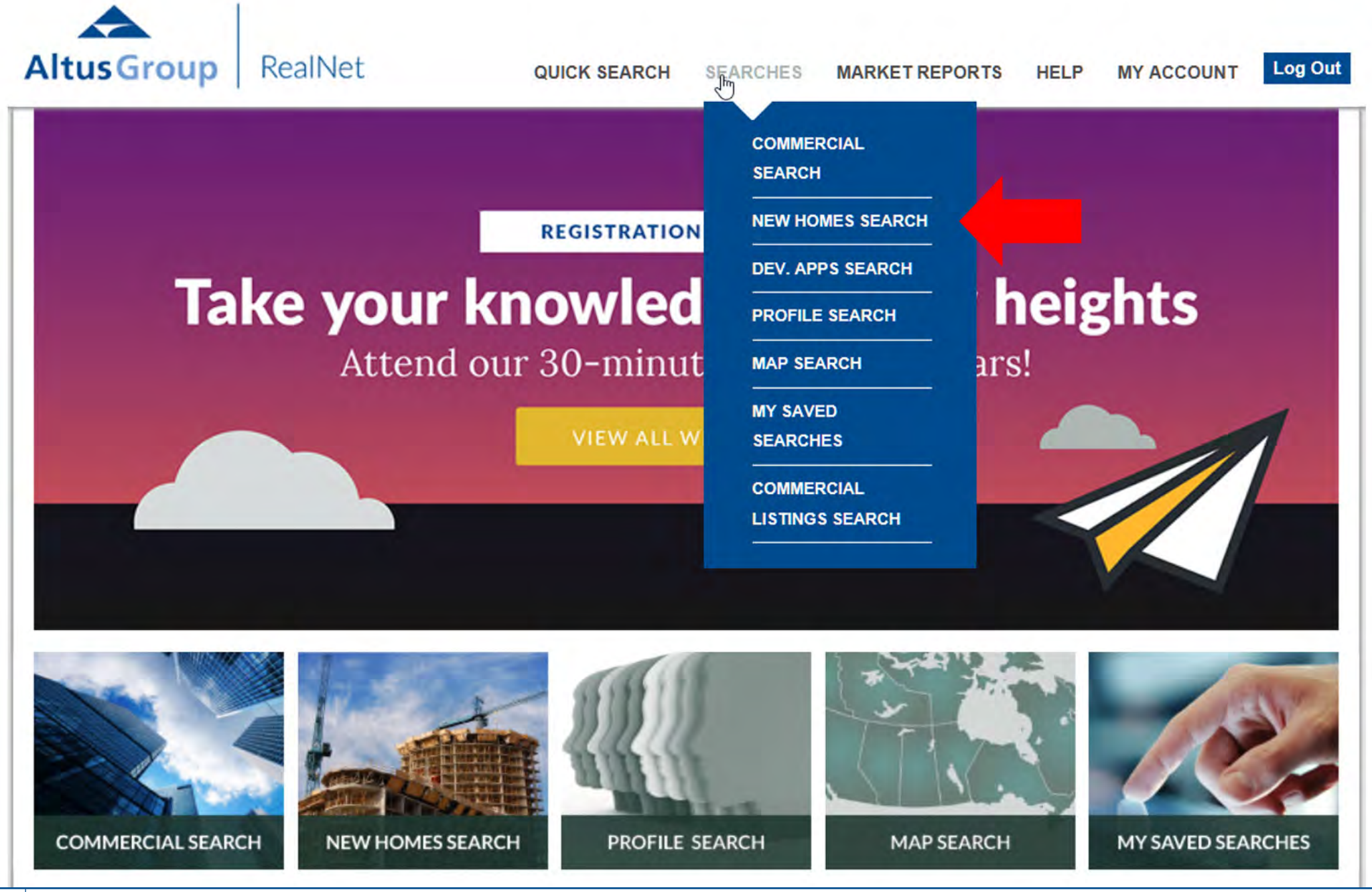
	Date	Transaction Name	Municipality	Market	Price	Lot Area (acres)	Price per Acre	Land Use
	Jan 28, 2011	5731 Bethesda Road	Whitchurch-Stouffville	GTA	$12,750,000	53.240	$239,482	Low Density
	Jan 19, 2011	12606 Ninth Line	Whitchurch-Stouffville	GTA	$6,275,000	30.754	$204,038	Low Density
	Jan 11, 2017	11731 Tenth Line	Whitchurch-Stouffville	GTA	$130,750,000	91.252	$1,432,845	Low Density
	Aug 29, 2003	12621 Highway No. 48	Whitchurch-Stouffville	GTA	$6,000,000	101.242	$59,264	Low Density
	May 6, 2011	625 Columbus Road West	Whitby	GTA	$5,760,000	39.061	$147,462	Low Density
	Dec 4, 2009	700 Rossland Road West and 3255 Coronation Road	Whitby	GTA	$16,310,000	156.999	$116,253	Long Term
	Feb 12, 2007	835 Columbus Road West, 7300 Cochrane Street	Whitby	GTA	$26,000,000	276.096	$94,279	Long Term
	Dec 10, 2014	640 Columbus Road West	Whitby	GTA	$1,075,100	5.073	$207,317	Low Density
	Oct 22, 2014	7201 Cochrane Street	Whitby	GTA	$2,850,000	13.171	$207,317	Low Density
	Apr 24, 2014	3125 Coronation Road	Whitby	GTA	$2,210,000	2.309	$116,253	Low Density
	Oct 3, 2013	880 Taunton Road West	Whitby	GTA	$5,000,000	50.481	$158,730	Long Term
	May 21, 2013	6583 Country Lane	Whitby	GTA	$1,000,000	10.288	$94,279	Long Term
	Apr 18, 2012	4120 Coronation Road	Whitby	GTA	$15,000,000	98.376	$152,476	Low Density
	Jan 31, 2018	7150 Thickson Road North	Whitby	GTA	$19,100,000	18.800	$1,015,957	Low Density
	Dec 19, 2017	Gordon Street	Whitby	GTA	$13,775,000	8.538		High Density



Print | Investment Parameter Analysis

Residential Land (71)

Status	Date	Name	Municipality	Price	Size(a...	Price/acres	Land Use	Sale Type	Vendor	Purchaser	Get Details
Final	2004-06-02	10227 Kennedy Road	Markham	$21,000,000	157.78	$133,093	Long Term	Market	Bar L Farms Limited	Fieldgate Homes (Major Kennedy De...	Get Details
Final	2013-07-19	10307 Clarkway Drive	Brampton	$19,250,000	54.85	$350,938	Low Density	Market	"Nanaksar Gurdwara" -"Gursikh Tem...	Fieldgate Homes (10307 Clarkway D...	Get Details
Final	2011-06-29	10365 The Gore Road	Brampton	$13,050,000	50.32	$259,340	Low Density	Market	407239 Ontario Limited	Fieldgate Homes (10365 Gore Devel...	Get Details
Final	2014-06-18	10565 Warden Avenue	Markham	$35,358,750.50	115.72	$611,109	Low Density	Market	Angus Glen North West Inc.	Fieldgate Homes (Warden Angus De...	Get Details


AltusGroup
RealNet
QUICK SEARCH
SEARCHES
MARKET REPORTS
HELP
MY ACCOUNT
Log Out
COMMERCIAL SEARCH
NEW HOMES SEARCH
DEV. APPS SEARCH
PROFILE SEARCH
MAP SEARCH
MY SAVED SEARCHES
COMMERCIAL LISTINGS SEARCH
REGISTRATION
Take your knowled
heights
Attend our 30-minut
ars!
VIEW ALL W
COMMERCIAL SEARCH
NEW HOMES SEARCH
PROFILE SEARCH
MAP SEARCH
MY SAVED SEARCHES

NEWHOMES SEARCH

SEARCH USING **VIEWS**

1 CHOOSE A MARKET:

- [x] Greater Toronto Area **(GTA)**
- [ ] Greater Golden Horseshoe **(GGH)**
- [ ] Greater Calgary Area **(GCA)**
- [ ] Greater Edmonton Area **(GEA)**
- [ ] Greater Vancouver Area **(GVA)**

2 CHOOSE A SECTOR:

Low Rise

SUBMIT

Please note that Coming Soon project details are found as a status search under the respective market and module.

SAVED SEARCHES:

Global Saved Searches

There are no global searches

NewHomes Saved Searches

You do not have any New Homes saved searches

NEWHOMES SEARCH - LOW RISE

SEARCH USING **VIEWS**

You are searching in: **GTA - Low Rise**

1 KEYWORDS

Keywords: ?

2 DEVELOPMENT/BUILDER

Development Name:

Builder: Fieldgate Homes

Development Inventory Number:

Site Inventory Number:

Product Offering Inventory Number:

3 LOCATION

- Search using Region **OR** Municipality **OR** MLS Zone
- Use the map to help select your municipality.

Region: Durham

Municipality: All

SEARCH USING **VIEWS**

Search Results (Low Rise)

New Search

Modify Search

Total Records found: 2

We display a maximum of 200

COMPETITIVE ANALYSIS | SALES ABSORPTION | PROFORMA REPORT | PRINT SELECTED RECORDS | MAP THESE RECORDS | SAVE THIS SEARCH

Inv. #	Status	Development Name	Builder	Municipality	Prod. Type	Size	Type	Tenure	Mon.	YTD	Rem. Inv.
12028	Active	Whitby Meadows	Fieldgate Homes	Whitby	Detached	30	Traditional	Freehold	0	0	27
12029	Active	Whitby Meadows	Fieldgate Homes	Whitby	Detached	36	Traditional	Freehold	0	0	18

COMPETITIVE ANALYSIS REPORT

Back to List

PRINT REPORT

Builder:	Fieldgate Homes	Fieldgate Homes
Development Name:	Whitby Meadows	Whitby Meadows
Product Type:	Detached	Detached
Tenure:	Freehold	Freehold
Lot Size:	30.0	36.0
Square Feet: (1550, 3150)		
1550	$719,990.00	-
1600	-	-
1650	$729,990.00	-
1700	-	-
1750	-	-
1800	-	-
1850	$759,990.00	-
1900	-	-
1950	-	-
2000	-	-
2050	$787,990.00	-

SALES ABSORPTION REPORT

Back to List

PRINT REPORT

2017 Sales Absorption

Inv. #	Builder	Development	Tenure	Product Type	Lot Size	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Yearly Supply	Yearly Sales	Rem. Inv.
12028	Fieldgate Homes	Whitby Meadows	Freehold	Detached	30.0										4	3	0	15	7	8
12029	Fieldgate Homes	Whitby Meadows	Freehold	Detached	36.0										16	6	0	31	22	9
Totals:																				
					Total	-	-	-	-	-	-	-	-	-	20	9	0	46	29	17
					Low	-	-	-	-	-	-	-	-	-	4	3	0	15	7	8
					High	-	-	-	-	-	-	-	-	-	16	6	0	31	22	9
					Avg	-	-	-	-	-	-	-	-	-	10	4.5	0	23	14.5	

2018 Sales Absorption

Inv. #	Builder	Development	Tenure	Product Type	Lot Size	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Yearly Supply	Yearly Sales	Rem. Inv.
12028	Fieldgate Homes	Whitby Meadows	Freehold	Detached	30.0	0	0	0	1	2	0	1	0	0	1	1	0	33	6	27

LOW RISE PROFORMA REPORT

Back to List

Switch to "landscape" for best printing results!

PRINT REPORT

Analysis Date: 17-May-2019

	# of Product Offerings	Month Sales	YTD Sales	Remaining Inventory	Avg. Size (Sf)	Avg. Price	Avg. Monthly Absorption
Detached <= 40 ft	2	0	0	45	2,322	$843,932	0.42
Detached > 40 ft	0	0	0	0	0	$0	0.00
Link	0	0	0	0	0	$0	0.00
Semi-Detached	0	0	0	0	0	$0	0.00
Townhouse	0	0	0	0	0	$0	0.00

Inv. #	Builder	Development	Municipality	Tenure	Product Type	Lot Type	Lot Size	Home Type	Size	Price	Price/Sf	Status
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,045	$787,990	$385.33	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,045	$789,990	$386.30	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,045	$791,990	$387.28	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,045	$793,990	$388.26	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,174	$797,990	$367.06	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,174	$799,990	$367.98	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,174	$801,990	$368.90	available
12028	Fieldgate Homes	Whitby Meadows	Whitby	Freehold	Detached	Traditional	30	2 Storey	2,174	$799,990	$367.98	available

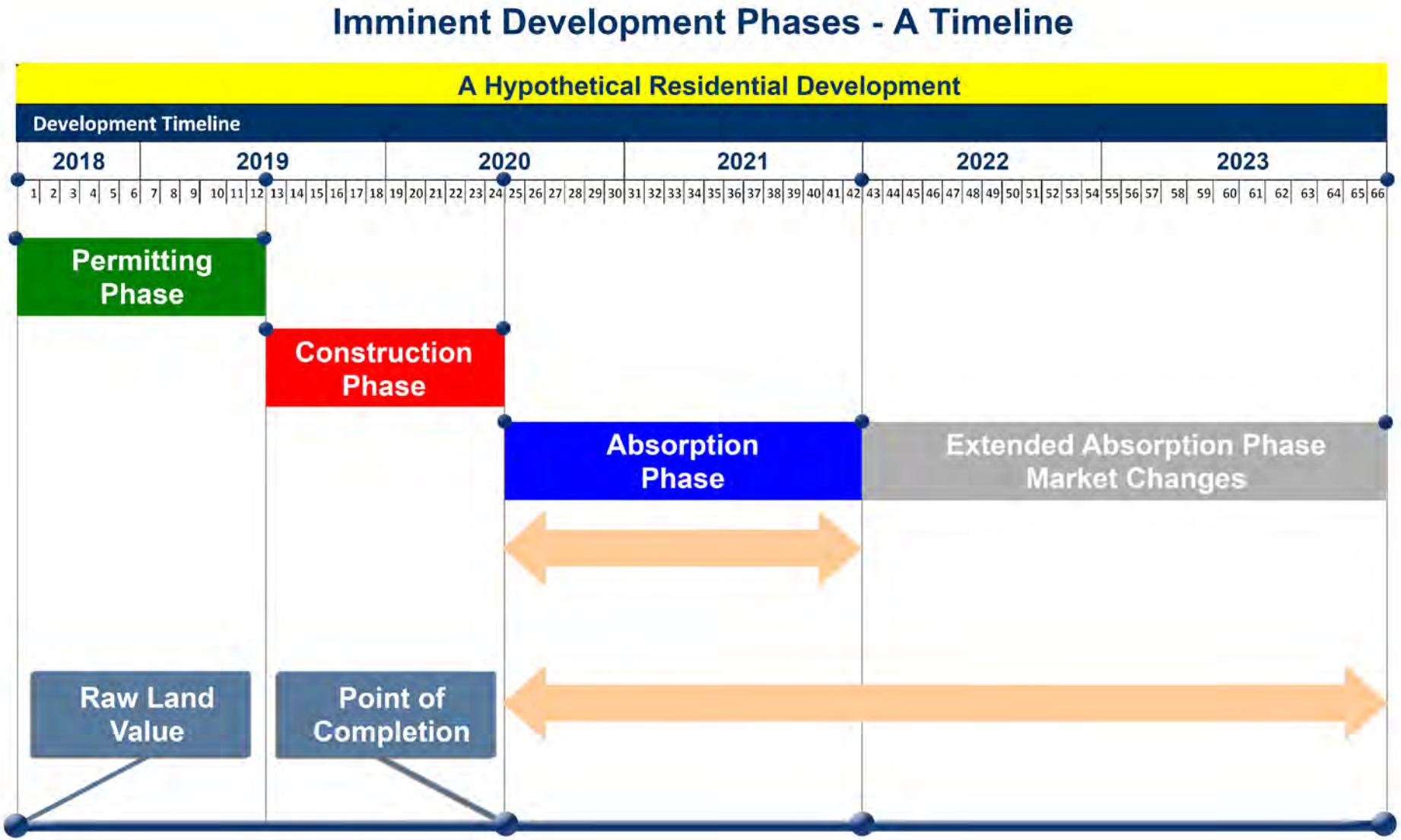
Section 3

Putting It All Together

For Example, Subdivision Valuation

Timeline Concepts for Residential Subdivisions

The Development Timeline



Permitting Phase

What is the Planning Framework and Regulatory Context?

- Identification of the necessary development approvals and timing of the approvals process
- Determination of existing land use policy and zoning (as of right permissions)
- Identification of emerging policy at Provincial, regional and local municipal levels
- Implications of heritage resources on the subject property or such uses adjacent to the site
- Identification of Natural Heritage systems (on-site and adjacent) Wildlife habitat
- Implications of established Rural Settlement Area boundaries and planned expansions

Construction Phase

What's Included and What's Not:

- constructing the streets and street improvements
- watermains, sanitary and storm sewers
- offsite storm-water drainage systems
- required utility easements

Going It Alone, Or With Others:

- typically a subdivision concept fits within a larger block plan of development
- generally involves a joint servicing agreement amongst the various stakeholders

Absorption or Sell-Off Phase

Getting Constructed Is Only Part of the Development Process:

In order to estimate the appropriate timing for absorption, there needs to be a realistic site pricing schedule for the prospective units

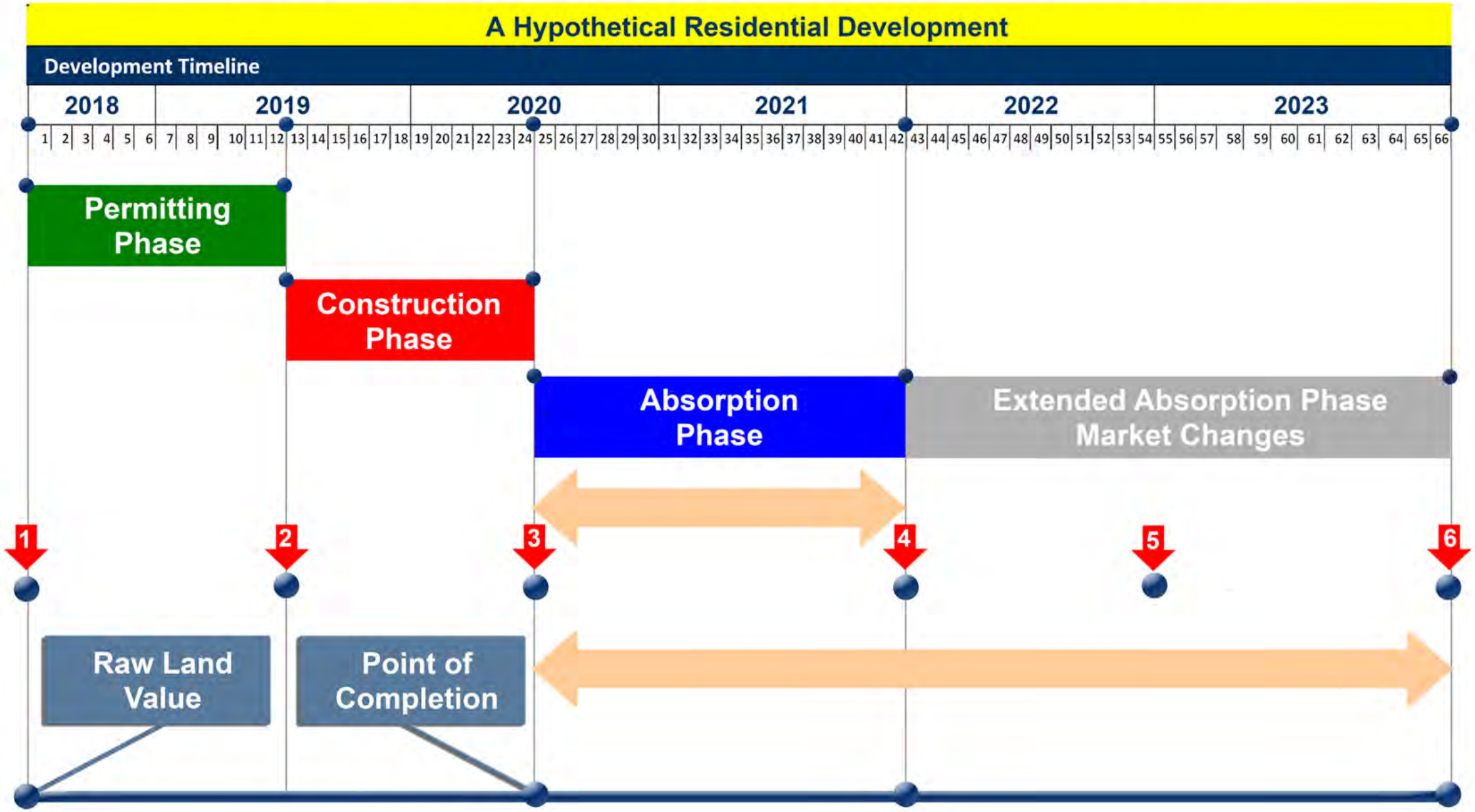
This requires a supply analysis in order to assess the pricing of competitive projects and establish retail lot pricing

The marketing phases of the competing developments should be examined for any pattern in price changes, and

By what percentage the retail prices have changed over time

Typical value reference points

Imminent Development Phases - Typical Value Reference Points



Subdivision Development Analysis

What Is It ...?

Gross Revenues

Less:

Development Costs

Less:

Entrepreneurial Incentive

And:

Resultant Net Proceeds Discounted for Time

Yield Rate, Discount Rate and Internal Rate of Return

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Land Cost is Known or Not Known:

- When land is a known cost in a cash flow, **a yield rate** (internal rate of return) can be generated
- When land is the unknown, as in the subdivision development method cash flows, **a discount rate** derives the present worth calculation

Yield Capitalization: DCF

- If there is no separate line item profit included in the sell-out expenses, then **the discount rate applied is a true yield rate of internal return** for the subdivision division
- As a rule, an end-of-period (EOP) discount rate is used in determining the present value

Constructing the Model

A clear understanding of prospective values, hypothetical conditions and extraordinary assumptions is needed in subdivision valuation.

Extraordinary Assumptions & Hypotheticals

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinion or conclusions. A hypothetical is that which is contrary to what exists, but is supposed to exist for the purpose of analysis

- Appraising a property as if it were free of any contamination when it is known to be contaminated
- Appraising a site as if municipal sewers were available when the sewers are not available
- Appraising a site as if the zoning classification were different
- Appraising a site with a potential development density that exceeds the permissible unit density as a right under the existing zoning regulations

A Static Valuation Model

Aggregate Retail Revenues (40 Lots)				Sales (%)
Lot Sale Revenues		40	$350,000	$14,000,000	100.0%
Total Revenues				**$14,000,000**	**100.0%**
Less Development Costs					
Direct Costs					
Land Acquisition	(Purchase Price)			$3,500,000	25.0%
Closing Costs	(Legal, Title Tax, etc)			$70,000	0.5%
Construction Costs	(Development Costs and Fees)			$6,300,000	45.0%
	Total Direct Costs			**$9,870,000**	**70.5%**
Indirect Costs					
Holding & Sales Costs	(Admin, Marketing, Taxes, etc.)			$1,680,000	12.0%
Contingency	(Unexpected delays, etc.)			$140,000	1.0%
	Total Indirect Costs			**$1,820,000**	**13.0%**
Total Costs & Expenses				**$11,690,000**	**83.5%**
Indicated Development Profit				**$2,310,000**	**16.5%**
Profit as Percentage of Aggregate Retail Revenues					16.5%
Profit as Percentage of Invested Capital (Equity)					19.8%

Subdivision Development Method
With a Profit Line Item

DCF Model (Single Phase 40-Lot Subdivision)						
Period		**1**	**2**	**3**	**4**	
Year		**2004**	**2005**	**2006**	**2007**	**Total**
Sales projection						
Lots Sold		10	10	10	10	40,0
Lot Value		$350 000	$357 000	$364 140	$371 423	
Gross Sales		**$3 500 000**	**$3 570 000**	**$3 641 400**	**$3 714 228**	**$14 425 628**
Less: Development Costs						
Direct Costs	45,0%	$1 575 000	$1 606 500	$1 638 630	$1 671 403	$6 491 533
Indirect Costs	13,0%	$455 000	$464 100	$473 382	$482 850	$1 875 332
Profit	10,0%	$350 000	$357 000	$364 140	$371 423	$1 442 563
Total Costs		**$2 380 000**	**$2 427 600**	**$2 476 152**	**$2 525 676**	**$9 809 428**
Cash Flow						
Net Proceeds (Cash Flows)		**$1 120 000**	**$1 142 400**	**$1 165 248**	**$1 188 552**	**$4 616 200**
Discount Rate		**8,00%**	**8,00%**	**8,00%**	**8,00%**	
PV Factor		0,925926	0,857339	0,793832	0,735030	
PV-Land Value		**$1 037 037**	**$979 424**	**$925 011**	**$873 621**	**$3 815 093**
					Rounded	**$3 800 000**

1. Assumes revenues grow by 2% per year
2. Excludes Acquisition Land Cost and Closing Costs

Subdivision Development Method
Without a Profit Line Item

DCF Model (Single Phase 40-Lot Subdivision)						
Period		**1**	**2**	**3**	**4**	
Year		**2004**	**2005**	**2006**	**2007**	**Total**
Sales projection						
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Less: Development Costs						
Direct Costs	45,0%	$1 575 000	$1 606 500	$1 638 630	$1 671 403	$6 491 533
Indirect Costs	13,0%	$455 000	$464 100	$473 382	$482 850	$1 875 332
Profit	0,0%	$0	$0	$0	$0	$0
Total Costs		**$2 030 000**	**$2 070 600**	**$2 112 012**	**$2 154 253**	**$8 366 865**
Cash Flow						
Net Proceeds (Cash Flows)		**$1 470 000**	**$1 499 400**	**$1 529 388**	**$1 559 975**	**$6 058 763**
Discount Rate		**21,20%**	**21,20%**	**21,20%**	**21,20%**	
PV Factor		0,825083	0,680761	0,561684	0,463436	
PV-Land Value		**$1 212 871**	**$1 020 733**	**$859 033**	**$722 948**	**$3 815 585**
					Rounded	**$3 816 000**

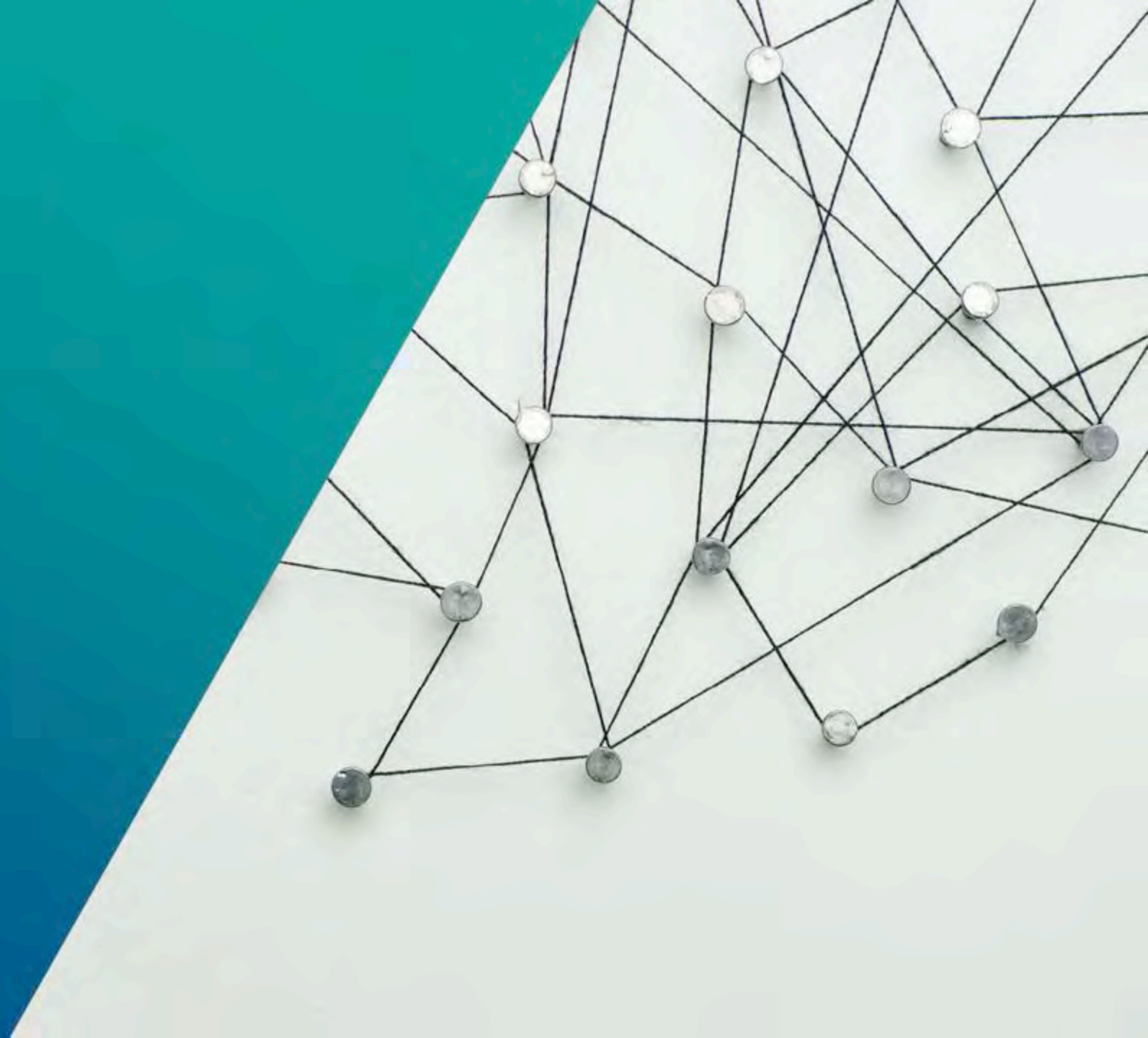
1. Assumes revenues grow by 2% per year
2. Assumes a land cost of $3,815,000

- Estimate the highest and best use of the lands, e.g., mix and intensity of uses
- Affirm a sound / supportable development plan
- forecast a realistic pricing schedule
- forecast the lot absorption rate and price mix
- estimate the staging of development and related expenses
- forecast marketing and related expenses
- estimate the annual real estate taxes
- estimate a reasonable overhead and profit allowance
- determine the expected discount rate
- select a discount rate that reflects the timing of the lot sales

Section 4

A Tipping Point?

…Is the Future Now?



Six Disruptive Technologies To Watch For:

- Smart Building Technology
- Artificial or Machine Intelligence
- Big Data and Predictive Analytics
- Augmented and Virtual Reality
- Blockchain Technology
- Driverless Vehicles

Digital Disruption In The Appraisal Business

Knowledge@Wharton on Zillow

- Computerized models are expected to get very accurate
- Digital appraising can reduce confirmation basis
- Will appraisers really be run out of the business?

Source: Why Automation is Killing the Property Appraisal Business - Knowledge@Wharton

Emerging Appraisal Services

Prepare for Tomorrow Today

AltusGroup

Judgement and Market Knowledge:

- data interpretation
- reasoning requiring experience and judgement
- vetting and arbitrating results

Major Competitive Advantages:

- Access to relevant data
- Normalize and standardize data
- Interpret the results
- derive meaningful insights that inform and enlighten decisions

The Key Takeaways

Data is Getting Bigger

Fewer Providers - Vast Data Resources

Expect to see greater volumes of data, probably controlled by fewer but larger data providers

Technology is getting smarter

More Powerful Analytic Tools

Expect to see more powerful analytics and predictive decision-making tools

Due Diligence

Understanding Market Dynamics

Continued pressure to be well informed with a deep understanding of property market dynamics

Stay Informed

Observing Trends & Seeking Opportunities

Observe, evaluate, modify and adapt!

If you have any questions, please reach out.

Paul D. Bender, **MRICS, ASA, IFAS, AACI**

Executive Vice President
Research, Valuation & Advisory

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paul.bender@altusgroup.com

Thank You.

Altus Group

Sources and Credits

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