



Landpower Newsletter

December 2015



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PROJECTS

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COMING TO THE BAYVIEW VILLAGE COMMUNITY
COMMANDING VIEWS, UNFILTERED BEAUTY, UNCOMPROMISED LIVING.

A HOME SHOULD FEEL LIKE A NATURAL EXTENSION OF YOUR LIFESTYLE. WHETHER THROUGH AN INVITING LOBBY THAT WELCOMES YOU HOME OR A FITNESS CENTRE THAT REINVIGORATES YOUR WORKOUT, **SCALA** OFFERS YOU AMENITIES THAT ELEVATE THE EVERY DAY. CELEBRATE WITH FAMILY AND FRIENDS AT THE LIVELY PARTY ROOM OR DIP YOUR TOES IN THE ULTRAMA-RINE ROOFTOP POOL, SOARING STOREYS HIGH ATOP **SCALA**.

SCALA COLLECTION FROM THE \$300's*

SIGNATURE TERRACE COLLECTION FROM THE MID \$700's TO OVER
\$1.5 MILLION*

VIP



TENTATIVE OCCUPANCY:

SEPTEMBER 1, 2018

PARKING: \$20,000

LOCKER: \$5,000

BUILDING FEATURES:

- Entertainment center
- Public terrace on both lower and higher roofs
- Sky lounge with panoramic view of Lake, River and City
- Fitness Room with weight and cardio areas
- Two passenger elevators
- Parkade / all parking is indoors
- Garbage chute
- Secure bike parking
- On-site storage / lockers

CAPITOL CONDOS - This is an unparalleled location in the heart of Kingston's vibrant downtown core. It is the only marquee site and once the oldest movie theatre in the city. We are proud to revive this iconic site into a bright and energetic centre for downtown living. The project is conveniently located in the heart of Kingston's major arterial street in close proximity to Queens University and just steps from Kingston's best restaurants, shopping, and entertainment.

IN8 Developer

Starting From \$239,900

FIXED RATE MORTGAGES	RATES ²	SPECIAL OFFERS ³
1 year	2.890%	2.84%
2 year	2.840%	2.09%
3 year	3.390%	2.34%
4 year	3.890%	2.54%
5 year	4.640%	2.72%
6 year	5.140%	3.79%



CHRIS SO / TORONTO STAR FILE PHOTO

The purchaser of a Toronto home selling for \$450,000 will pay a total of \$10,200 in land transfer tax — \$5,475 to the province and \$4,725 to city.

ONTARIO EYES MUNICIPAL LAND TRANSFER TAX

THE LIBERAL GOVERNMENT ISN'T RULING OUT GIVING ALL ONTARIO MUNICIPALITIES OPTIONAL POWER TO IMPOSE A LAND TRANSFER TAX.

The Liberal government is not ruling out giving all Ontario municipalities the option to impose a local land transfer tax like the one Toronto already has, adding several thousand dollars to the cost of a home.

"I am not ruling anything out, absolutely not," Municipal Affairs Minister Ted McMeekin told the Star on Tuesday.

That municipal tax would be over and above the provincial land transfer tax.

McMeekin said everything is on the table as cash-starved municipalities cast about for ways to raise money as part of consultations being held regarding proposed changes to the Ontario Municipal Act.

"They are not specifically asking for any new tools (for raising money), it's always very generic. Questions arise as to why Toronto has certain revenue tools the rest of us don't have," McMeekin said.

"I have said whatever revenue tools may . . . be granted, would only be done so on an optional basis . . . but we have made no decision on that at this point," he said.

The purchaser of a Toronto home selling for \$450,000 will pay a total of \$10,200 in land transfer tax — \$5,475 to the province and \$4,725 to city.

The Ontario Real Estate Association (OREA) is encouraging the government to think long and hard before giving municipalities additional taxing powers when it comes to home sales.

"Ontario home buyers are already charged a provincial land transfer tax, so by adding a municipal tax, they're essentially doubling the tax burden on Ontario families," Patricia Verge, president of OREA, said in a statement.

"If the Ontario Liberals follow through with this plan, home buyers will be forced to pay \$10,000 in total land transfer taxes on the average priced home in Ontario, starting as early as next year."

Tory MPP Steve Clark urged the government in the legislature during question period not to put the cost of a home even further out of the hands of many, especially young people.

"The spread of the Municipal Land Transfer Tax would make Ontario the most uncompetitive tax jurisdiction in North America when it comes to buying a home," Clark said, further claiming the move would cost the province up to \$2.3 billion in lost economic activity and 15,000 jobs.

Pat Vanini, executive director of the Association of Municipalities of Ontario (AMO) said AMO thinks that Ontario's municipalities should have the same options that Toronto has had since 2006.

"It's logical that municipal governments across Ontario should have a consistent set of tools. Municipalities ought to be able to work with their community members as to what, if anything, makes sense in their local context," she said in a statement. McMeekin said he hopes to introduce changes to the Municipal Act in the 2016 spring session of the legislature.

"We're reviewing the fiscal structure that the province has vis-à-vis municipalities that could involve some changes. I would be speculating as to what those changes might be . . . (but) I can definitely say that we have not made any decisions. We are continuing our consultations," he said.

Sources: Richard J. Brennan Provincial Politics, Published on Tue Oct 27 2015



THE THREE THINGS YOU SHOULD ABSOLUTELY KNOW BEFORE BUYING A HOME

WHAT DO YOU WISH YOU'D KNOWN THE LAST TIME YOU BOUGHT A HOME?

Every real estate transaction is unique, so I decided to ask a few acquaintances to find out what they learned when they bought their home. But first, I'll tell you about an issue that I faced. Understand what's included: If you read this column, it might seem like I've got all the answers. But when I bought my home over 10 years ago I wasn't working at RECO, and in many ways I was a typical homebuyer.

Something that sticks in my mind are the light fixtures — items that were on the walls during the open house, but very, very gone by the time we moved in. I'll never forget all those empty electrical boxes in our new home.

You can often negotiate with the seller if there's something you'd really like to keep. If the seller insists on excluding an item from the sale, you might consider asking them to include a replacement item with the sale. In our case, the seller had let us know that they planned to take the light fixtures and we had agreed to it. I wish we'd asked them to install replacements, because it was a big to-do after we moved in. We were living with bare light bulbs for a few months.

My experience also emphasizes how important it is to understand what's included when you buy a new home. A registered real estate professional can include terms in your offer that clearly indicate what's included.

But enough about me. Here's what I heard from two of the people I spoke with: Don't hire the first salesperson you meet: "I had an acquaintance who worked as a real estate professional, so when I decided to buy my first home, I agreed to work with him. As we went through the process of viewing homes and making offers, it became clear that our personalities clashed. Ultimately, it worked out OK, but our working relationship was definitely strained.

"I wish I'd taken my time when I chose a salesperson to work with. If I had to do it over again, I would interview a few candidates and make sure I chose someone who 'clicked' with my personality." Understand what you're signing: "When it came time to sign a buyer representation agreement, I rushed through the document and signed it right away. I remember thinking that it was a lot of legalese that didn't really matter.

"I didn't stop to consider if I was willing to commit to a six-month agreement with my representative. I wish I'd taken the time to read, understand and consider what I was signing. I didn't take it seriously enough, but I was signing a binding contract.

"Next time I buy a home, I'll make a point of reading all the contracts thoroughly. And if there's something I have questions about, I'll ask my representative, or, if necessary, consult with a lawyer."



Sources: by Joe Richer, Registrar of the Real estate Council (RECO)



Infill houses line much of the block of Elmwood Ave., an original North York backsplit that just sold in Oct. 2015 for \$1.5 million.

THE RISE OF WILLOWDALE, TORONTO'S HOTTEST NEW NEIGHBOURHOOD

Builders cash in on high demand for new suburban-style homes in North York's hottest market for real estate

Builders are always looking for bargains, so it caused quite a stir when a pleasant backsplit went on the market in North York's Willowdale area earlier this month for what may have seemed like a crazy amount to anyone else — \$1.1 million.

It didn't matter that its four bedrooms featured a virtual rainbow of wall-to-wall carpeting, or that its panelled kitchen was far more dated than designer.

All that counted to the dozens of interested builders who filed through the front door the first two frantic days was the patch of grass and asphalt on which the house has stood since 1961 — all 40 by 131 feet of it.

By Day 3 some 17 offers had been registered. The best was for \$1.551 million — more than \$400,000 over the asking price. "Seventeen isn't so crazy. That's happening a lot here now," says long-time next-door neighbour Johnny Yoon, who is also a realtor in this booming Yonge St. and Sheppard Ave. area.

This once-sleepy suburban neighbourhood is one of the hottest real estate markets in Toronto right now, partly due to demand from wealthy Persians and Chinese.

All that foreign interest has spurred a staggering remake of this quiet residential pocket that started some years ago but has exploded, this year in particular, in bidding wars for its relatively tiny postwar homes, simply because of lots, which tend to average 50 feet, but can stretch in some cases to 70 or 90 feet.

It's also helped skew overall real estate values for Toronto as original houses are replaced with new ones coming on the market at two to three times the former price.

Willowdale is far from alone. Rebuilds have broken out all along aged City of Toronto streets as builders cash in on the massive move to intensification across the region and a greenbelt that has set firm parameters on how much land is left for residential development.

"You're just seeing a lot of market forces at play now," says land economist Mark Conway of N. Barry Lyon Consultants, who's seen a significant pickup in teardowns in his own Scarborough Bluffs neighbourhood.

"It's pretty easy for me to understand why people are doing this — the economics are completely in line with the market when you consider that a detached house in the City of Toronto is worth over \$1 million now.

"It's definitely changing the character of neighbourhoods and it's certainly not good for affordability. But it's inevitable. We're becoming a victim of our own success as a city."

Values have especially skyrocketed in central Willowdale because its quiet, tree-lined streets are close to two subway lines (Yonge and Sheppard), highways, top-ranked schools and a host of big-city amenities — all of that now at a discount, thanks to the weak Canadian dollar.

Peyvand Jalali, one of the top real estate agents in the area has a roster of developers looking for original homes to raze and rebuild. Land values alone have escalated so dramatically the last couple of years in this area just east of the North York Civic Centre that Jalali says banks are appraising most original homes at 97 per cent land value.

That means a developer can buy an existing home for \$1.5 million, tear it down, build a top-of-the-line new 3,000- or 4,000-square-foot home and make \$500,000-plus, with prices now heading north of \$3 million for rebuilds here boasting suburban-style basics like grand family rooms, granite-clad kitchens and spacious ensuite bathrooms.

All the demand is also being felt at city hall, where applications for zoning variances are up dramatically and there's growing pressure from builders to go bigger than ever or sever 50-foot lots and build two homes, instead of one.

"It's just becoming the Wild West," says area councillor John Filion who has a dedicated staff member charged with keeping on top of rebuilding requests.

"We have bylaws for a reason and you are supposed to have a good reason to vary them, and a good reason isn't because you want to make more money."

Some realtors have taken to going door-to-door, says Jalali, searching for owners of original homes willing to sell. Developers like Kingsgate Luxury Homes, which didn't return phone calls from the Star, simply post signs at existing build sites: More Lots Wanted.

All those new builds aren't all bad, stresses land economist Conway.

Much of the city's housing stock is aging out and not built to modern standards. They are tiny for today's families, lack ensuite bathrooms and workable kitchens but, more importantly, they "just aren't healthy.

"They aren't insulated properly, some have asbestos and urea-formaldehyde so there's good reason to rebuild many of them anyway."

By: Susan Pigg Business Reporter, Published on Sat Oct 24 2015

