

# Hot Toronto Neighbourhoods with Brian Persaud

Presented August 2010 Exclusively to the Members of REIN™



Real Experts Inc. – Hot Neighborhoods

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## Going from Researching Economic Fundamentals to Buying Real Estate

- Buying real estate is one of the biggest financial investments you will make.
- The Property you buy is a reflection on your decision making ability



## Agenda

- Go through Property Goldmine of a particular area
- See actual sites being developed
- Understand the value of “Forced Appreciation”
- Outline potential opportunities that are arising from local economic activity



## Target Area: Mimico, Longbranch, New Toronto



## Property Goldmine: Transportation

- 501 and 508 TTC Street Cars
- 2 GO stations – Long Branch and Mimico
- TTC Buses will take you directly to Kipling, Islington and Royal York Station in 15 minutes
- MetroLinx?
- QEW and 427



## Property Goldmine Scorecard: Jobs

- Area creating jobs faster than regional average?
  - Yes. Total employment increase from 2006-2007
  - South Etobicoke 2.4% vs Toronto 1.7%
  - In 1997 there were 0 real estate agents. In 2007 there are 7.
- Between 2000 and 2007 \$100,630,000 in construction and new investment.



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## Property Goldmine Scorecard: Jobs Since 2007



## Property Goldmine Score Card: Population

- New condo towers expected to add 8,795 people to area
- Humber College expected to add 2,200 new students (41% increase)
- Developers buying sites along Lakeshore
- Lots of permits for in-fills (indicates people with higher incomes moving in)



## Ripple Effect: 3600 Lakeshore

- Purchased site for \$6.5 M
- Stephen Diamond
  - Son of one of the founders of Cadillac Fairview
  - Part of team that development team behind Five Condos, Four Seasons, Shangri-la, Pier 27 and Woodbine Live!
- Plans on putting a condo tower at the site
- Planning department supporting higher density along lakeshore: Focus between 23<sup>rd</sup> Ave and 42 ave



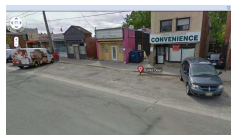
## Opportunity Knocks: Storefronts around Stephen's site

- Ward is offering a community façade grant program for storefronts
- Cafés and higher end restaurants already starting to move in



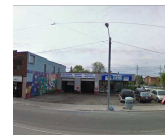
## Opportunity Knocks: Storefronts

- Get in before the increase in population density attracts higher end retailers
- Lease to new tenants for higher rates by investing money to improve your sites



## Sample Deal: 3021 Lakeshore Ave W

- Autobody shop corner of 10<sup>th</sup> and Lake Shore Ave W
  - Purchased in July for \$450,000
  - 59' x 100'
- Four store fronts have sold in area for under \$500,000 in the last 365 days in 1km Radius of 10<sup>th</sup> Ave.
- Opportunity to build a land assembly to rezone for mid-rise
- Collect income from a building with upgraded façade while rezoning
- Buy one building, upgrade, attract high quality tenant and refinance to pull out equity



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## \$20,000 Piece of Advice

- 4 Applications for residential buildings over 6 storeys in 2006 in 800m Radius of Kipling/Lakeshore
- 21 Towers going up in the area from Parklawn to 42 Ave. Councillor supports density
- Humber College buying up sites closer to Kipling
- Lakeshore Blvd W Study – Longbranch (Etobicoke Creek to 23<sup>rd</sup> St has indicated densification required in area)
- Areas outside will have to go through re-zoning process as its not part of the official plan as of yet
- 11 Superior in Mimico set to be first to set precedent outside planning area



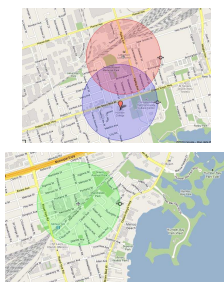
## Smaller Opportunities from Gentrification Ripple

- Single family detached homes with basement Apartments 250 m from the lake can be found for under \$400,000.
- See Beaches where homes would be \$700k+
- Rents for 1 bdrm basement apartments depend on quality: Range from \$800-\$1200
- 2-3 Bedroom upper floors range from \$1200-\$1800
- In same sub-division you could find homes for resale \$800,000+
- Infill towns for \$1M+ (in-fill potential)
- Multi-plex's sold for under \$600,000



## Interesting areas Gentrification ripple

- Region around Mastercard Centre
- 10 min walk radius from Humber College
- Mimico Station (looks like Liberty Village)



## Smaller Opportunities



## Summary

- Opportunities are all around us
- Population density is an important factor when looking at up and coming areas
- Quality housing and vibrancy bring in people
- Get in before the people come
- Get qualified advice and do your own homework



## Keep in Touch

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