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THE ROSEDALE
ON BLOOR

THE ROSEDALE ON BLOOR CONNECT INVESTORS REPORT

R

THE ROSEDALE

ON BLOOR

Developer:	Easton's Group of Hotels
Development Name:	The Rosedale on Bloor
Architect:	E.I. Richmond Architects Inc.
Location:	387 Bloor St E
Construction Type:	Condominium
Number of Units:	476
Number of Storeys:	52
Occupancy:	December 2019

The Rosedale on Bloor will play host to 476 residences ranging from spacious studio suites, to sprawling two-bedroom masterpieces that offer enough space for students, young professionals, and empty nesters.



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THE ROSEDALE
ON BLOOR

TORONTO'S NEXT SUCCESS

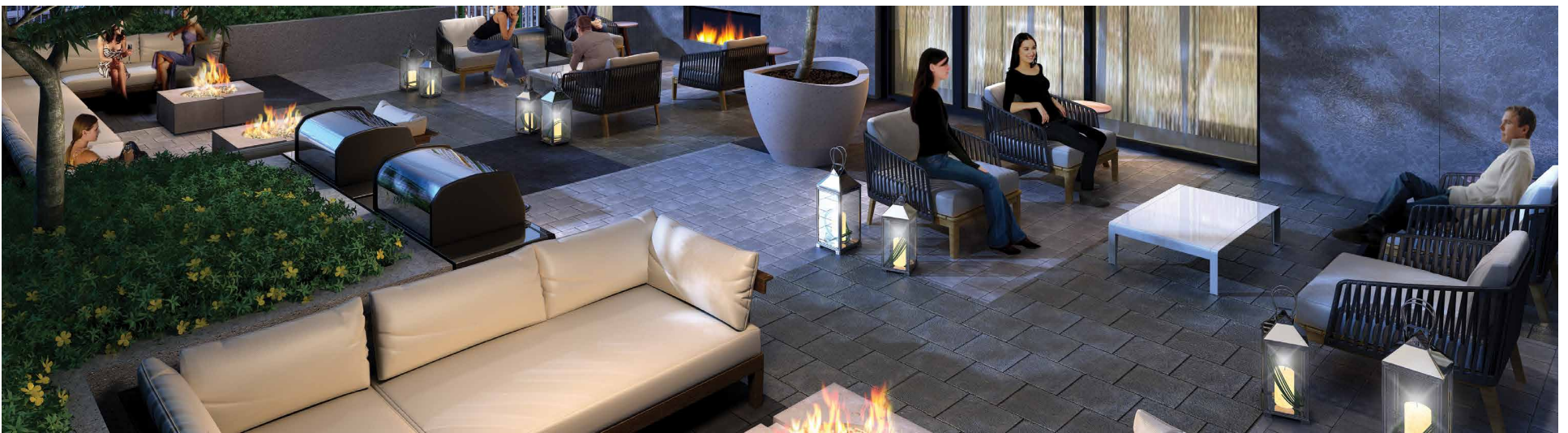
Rising 52 storeys, with a sweeping, dramatic facade, THE ROSEDALE ON BLOOR is a unique architectural vision in downtown Toronto.

From the development team that brought you the incredibly successful Dundas Square gardens, comes Toronto's next iconic building. Well branded and recognizable projects have proven track records of success, appealing to both renters and end-users on the resale market after completion. All this leads to higher resale values, higher rental rates, and higher returns.



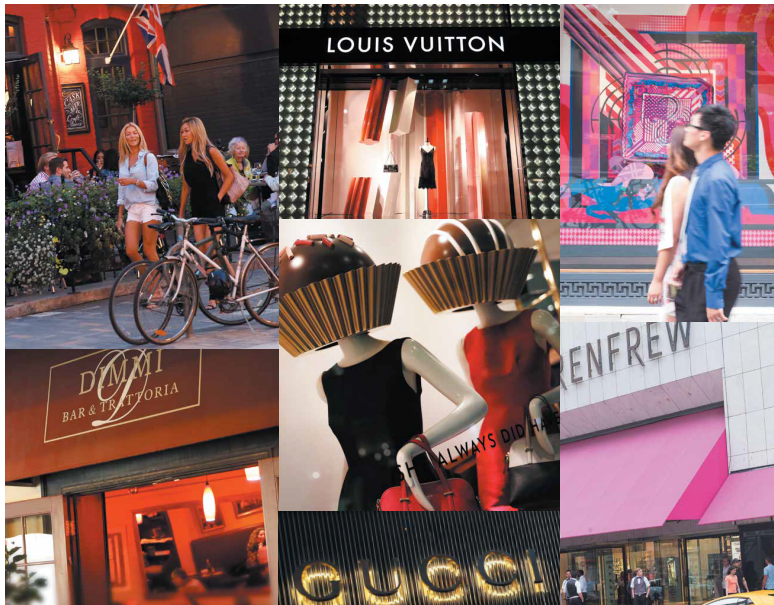
AMENITIES AT THE ROSEDALE ON BLOOR

- Rooftop Terrace
- Kitchen & Dining Room
- Theatre Room
- Business Centre & Lounge
- Fitness center with yoga and stretching room
- 24hr concierge
- Boardroom
- Meeting Room

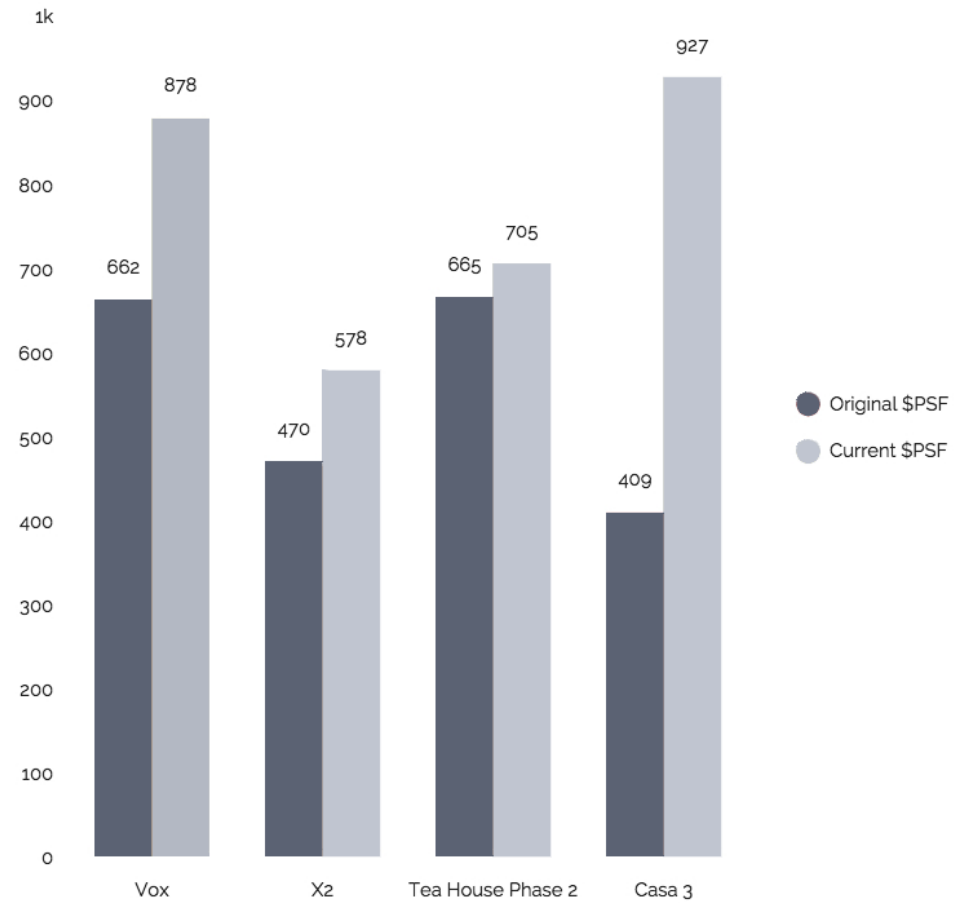


PRE CONSTRUCTION PSF COMPARISON

Prices per square foot at development launch are consistently lower than current prices. In some cases, investors are able to sell for double the price they paid for in pre-construction. The graph to the right provides a few neighbourhood examples of the increased \$PSF seen from development launch, to today.

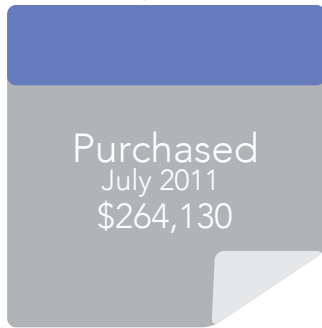


Price (\$PSF) From Launch to Now



PRE-CONSTRUCTION PROFIT POTENTIAL

James Cooper Mansion
1 Bed + Den, 1 Bath



Increased Value

\$131,870

ROI

649%

annually

65.47%

The 500 Condos + Lofts
1 Bed + Den, 1 Bath



Increased Value

\$137,088

ROI

737%

annually

70.13%

THE LOCATION

Being only steps away from Sherbourne subway station, The Rosedale on Bloor is located next to everything you could possibly want. Students are a short ride away from George Brown College, Ryerson University, University of Toronto, and OCAD. Shopaholics are minutes away from Yorkville, The Eaton Centre and the recently face-lifted Bloor Street. Prime locations for concerts and events, such as Dundas Square and The Phoenix Concert Theatre are only a short walk away.

			
 RYERSON UNIVERSITY	14min	20min	7min
 UNIVERSITY OF TORONTO	11min	23min	9min
 THE EATON CENTRE	15min	29min	10min
HOLT RENFREW	7min	14min	5min

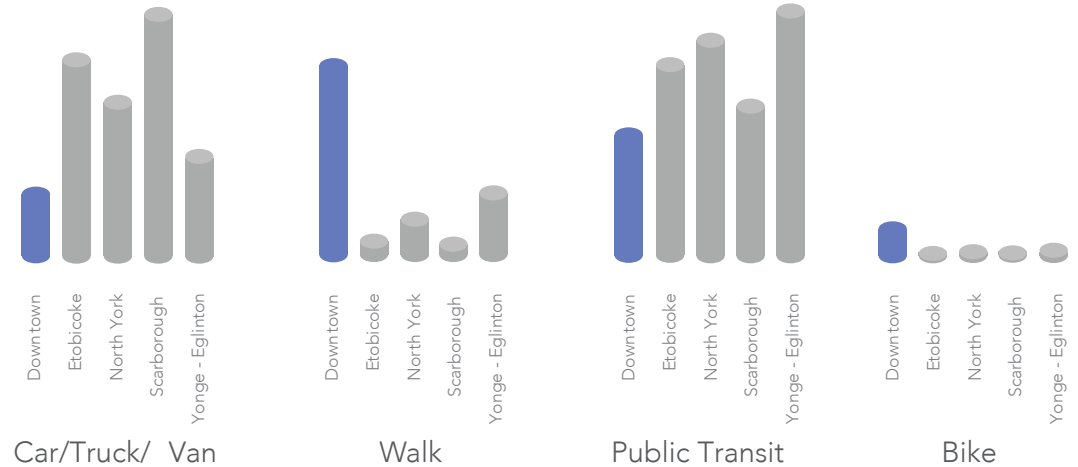
Toronto ranks 3rd of 70 cities in North America based on walkability - Transit Score, Walk Score 2014

Travel Mode to Work or School based on where Torontonians Live

Walk Score 94
Walker's Paradise
Daily errands do not require a car.

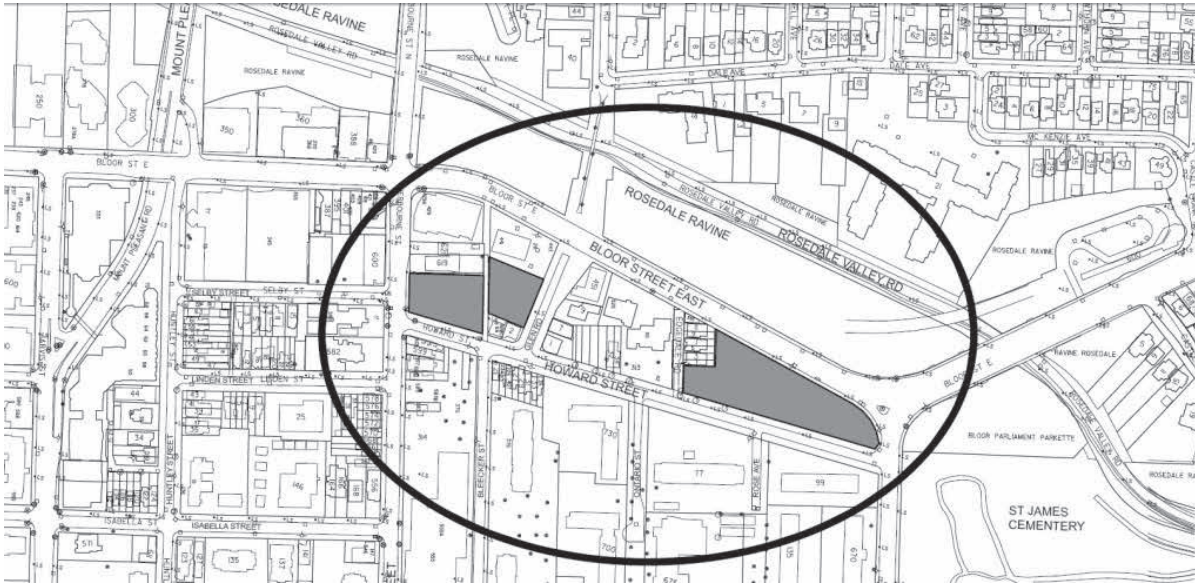
Transit Score 92
Riders Paradise
World-class public transportation..

Bike Score 100
Biker's Paradise
Flat as a pancake, excellent bike lanes.



WHY INVEST IN TORONTO?

BE THE FIRST TO INVEST IN TORONTO'S NEWEST UP AND COMING NEIGHBOURHOOD, SITUATED BY THE HEART OF DOWNTOWN AT BLOOR AND SHERBOURNE. THE AREA IS SET TO UNDERGO ONE OF THE LARGEST REVITALIZATION PROJECTS IN RECENT MEMORY AS DEVELOPERS BEGIN POURING MORE THAN ONE BILLION DOLLARS INTO THE COMMUNITY.



Investors and developers are taking notice of the neighbourhood. Lanterra Developments has submitted an application to the City of Toronto, with a large-scale proposal consisting of over one thousand units. Additionally, a sovereign wealth fund will be developing a luxury rental tower in the neighbourhood, increasing the social capital of the area and creating a lively, upscale atmosphere.

5

New Towers

1,682

New Residential Units

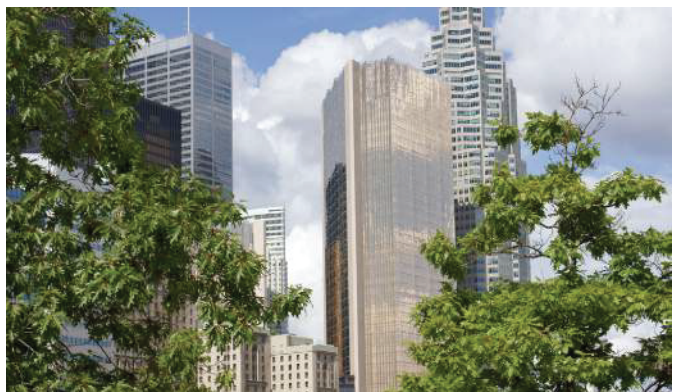
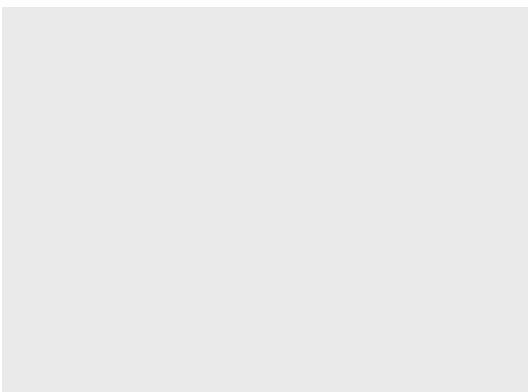
\$1B+

INVESTMENT IN
THE AREA



Toronto Real Estate's

BRIGHT FUTURE



WHY INVEST IN TORONTO?

TORONTO IS CANADA'S ECONOMIC ENGINE. IT IS PROJECTED TO GROW FASTER THAN ANY OTHER REGION IN ONTARIO AS MORE JOBS ARE CREATED AND WILL BOAST THE YOUNGEST DEMOGRAPHIC, ACCORDING TO URBANATION. THAT IS TERRIFIC NEWS FOR INVESTORS, BECAUSE YOUNG PEOPLE RENT PROPERTIES – AND THEY WILL WANT THE LUXURY AND FREEDOM OF LIVING DOWNTOWN.

Toronto ranks

**1ST OF 50 CITIES
FOR LIVEABILITY**

*Economist Intelligence Unit
Liveability Ranking
2015*

**TORONTO HAS THE
LOWEST OFFICE
VACANCY RATE OUT
OF 20 MAJOR NORTH
AMERICAN MARKETS.**

*Colliers International
Office Market Outlook
2015*

Toronto ranks

**3RD OF 138 GLOBAL
METROPOLITAN
AREAS FOR LOWEST
RISK**

*Aon Hewitt
People Risk Index
2013*

Toronto ranks

**2ND OF 100
GLOBAL CITIES
FOR
REPUTATION**

*Reputation Institute
Reputable Cities
2013*

Toronto ranks

**5TH OF 24 CITIES
IN ECONOMIC
PROSPERITY**

*Scorecard on Prosperity
2015*

Toronto ranks

**4TH OF 36 NORTH
AMERICAN
CITIES FOR
ATTRACTIVENESS
FOR INWARD
INVESTMENT**

*KPMG
Comparative Alternatives Study: Business Location Costs*

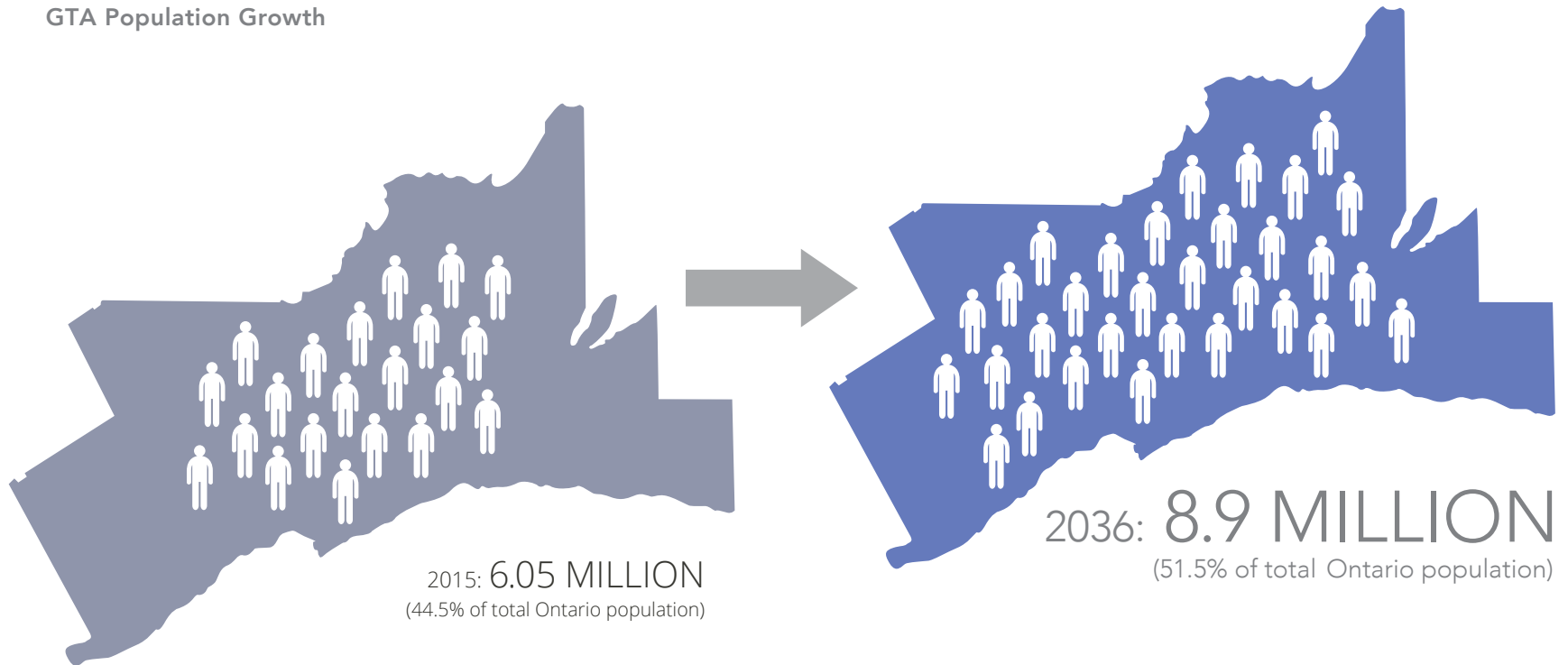
**TORONTO IS THE 8TH SAFEST
CITY IN THE WORLD.**

*SAFE CITIES INDEX
2015*

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GTA Population Growth



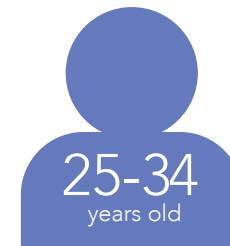
HIGH-RISE & HIGH DEMAND

PEOPLE HAVE THE CHOICE OF LIVING IN CLOSE PROXIMITY TO THEIR WORKPLACE. TORONTO RANKS VERY HIGH ON THE SCALE OF LIVEABILITY AND SECURITY. THE NUMBER OF CONDO HIGH-RISES UNDER CONSTRUCTION, OUTSTRIPS ALMOST ALL OTHER METROPOLIS' IN THE WORLD.

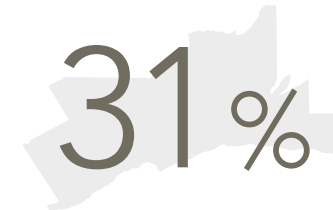
High-Rise Buildings Under Construction, City of Toronto

Floors	Number of Buildings	Total Floors	Percentage of Total
70+	2	153	3%
60-69	3	195	4%
50-59	7	382	9%
40-49	23	1,051	24%
30-39	38	1,254	29%
20-29	24	648	15%
9-19	55	700	16%

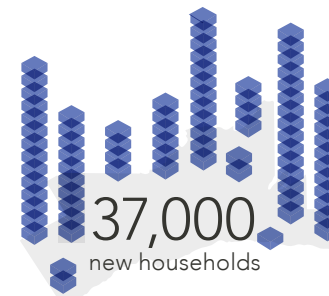
Condominium Demand Steadily Increasing



Young professionals will form the largest segment of people migrating to the core.



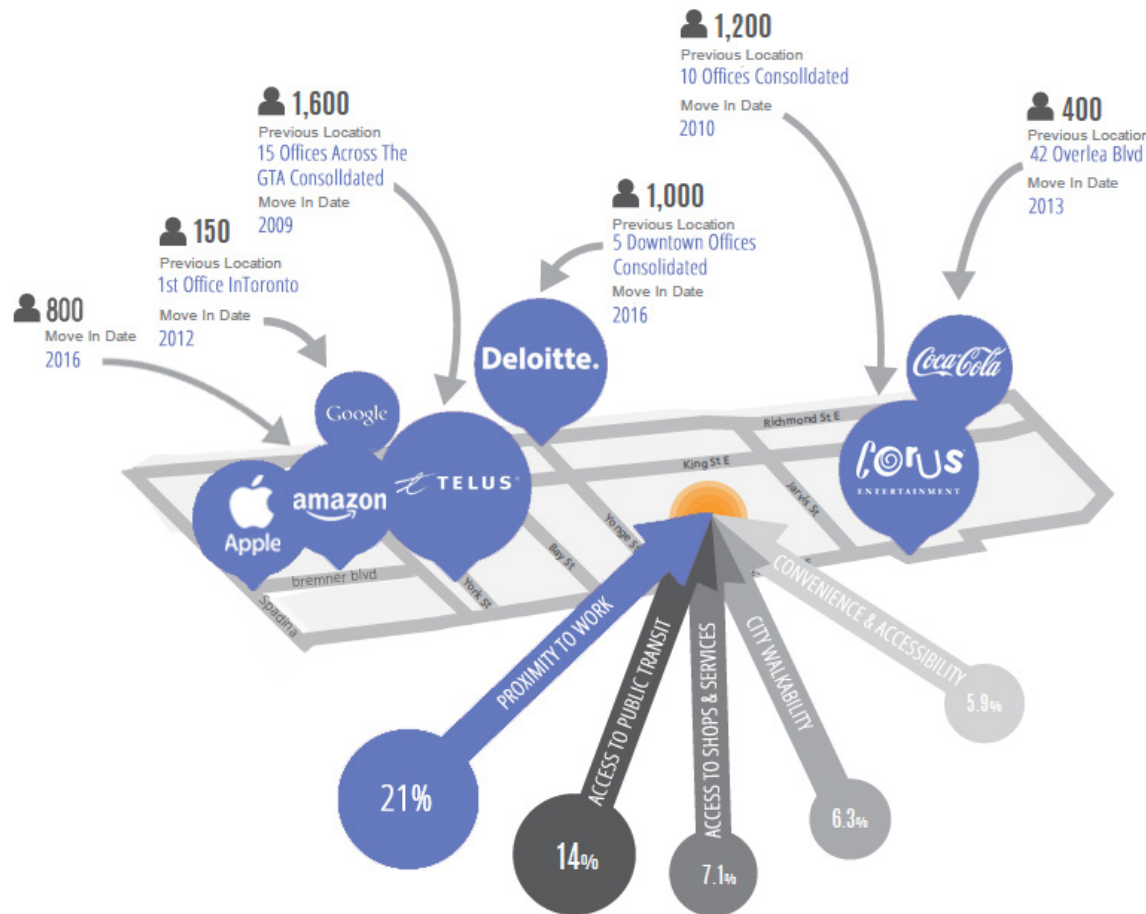
More condo units leased in the first quarter than a year ago, and rents were up 4.4%.



Demand will rise over the five-year period 2011-2016, and the demand for rental accommodation is strong.

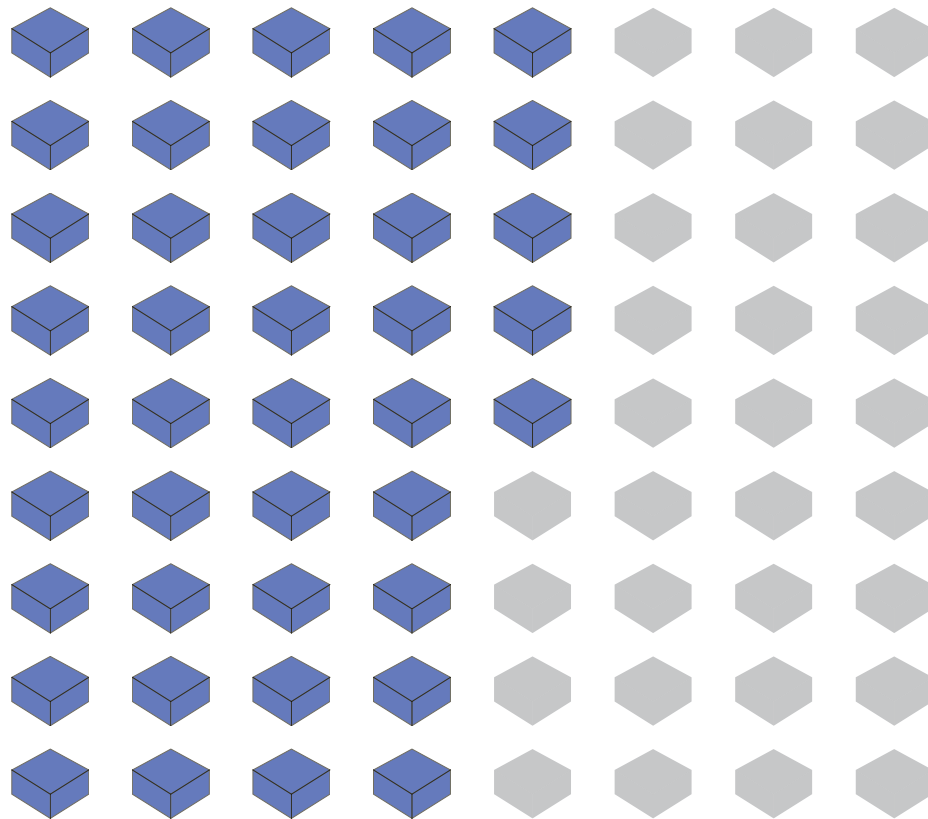
WHERE COMPANIES GO, PEOPLE FOLLOW

FROM MULTINATIONALS TO TECH START-UPS, COMPANIES ARE CARVING OUT THEIR COMMERCIAL SPACE DOWNTOWN. THEY SEE THE LIFESTYLE SHIFT AMONG THE PEOPLE THEY WANT TO ATTRACT, AND LIVING CLOSE TO WORK IS THE NO. 1 REASON PEOPLE GIVE FOR BEING DOWNTOWN.



CONDOS - THE NEW RENTAL SOLUTION

TORONTO'S RENTAL LANDSCAPE HAS GONE CONDO. THE CMHC REPORTS THAT THE 2014 GTA RENTAL MARKET, MADE UP OF PURPOSE-BUILT APARTMENT AND ROW RENTAL STRUCTURES, WAS DOWN 792 UNITS FROM 2013 WITH THE SQUEEZE LARGELY FELT IN THE 416 AND TWO-BEDROOM APARTMENTS. ON THE FLIP SIDE, RENTED CONDOS GREW TO ABOUT 92,000 UNITS IN 2013 THROUGHOUT THE GTA. 50 PER CENT OF THE NEWLY COMPLETED CONDOS THAT WENT ONLINE THIS YEAR WERE RENTED.



92,257

condo units rented in 2014

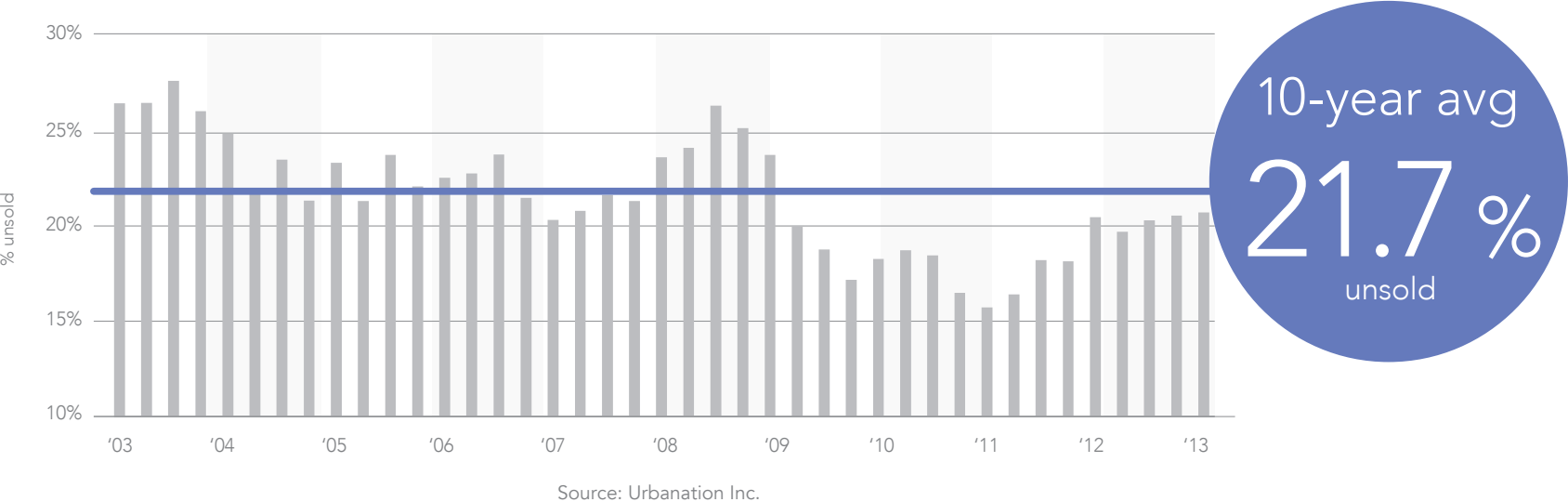
50%

of new condos were rented

THE PRICE - INVENTORY EQUATION

NEW CONDO PRICES CONTINUED TO BE SUPPORTED BY RELATIVELY LOW AMOUNTS OF UNSOLD INVENTORY. THE SHARE OF UNITS UNSOLD REMAINS BELOW THE 10-YEAR AVERAGE. FURTHERMORE, THE MAJORITY OF UNSOLD NEW UNITS RESIDE IN PRE-CONSTRUCTION PROJECTS, WHICH ARE TYPICALLY REQUIRED TO SELL 70% PRIOR TO STARTING CONSTRUCTION.

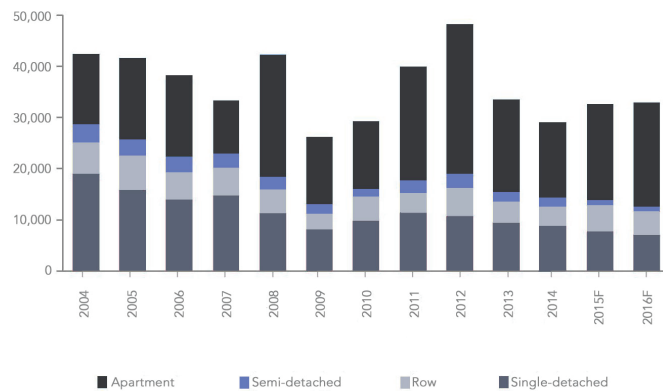
New Condo Unsold Apartment Inventory, Toronto CMA



CONDOS ARE THE MOST AFFORDABLE OPTION

37,000 NEW HOUSEHOLDS PER YEAR MEANS THAT DEMAND FOR HOUSING WILL CONTINUE TO OUTPACE SUPPLY GROWTH, WHICH IS CURRENTLY LIMITED TO ABOUT 18,000 NEW UNITS PER YEAR

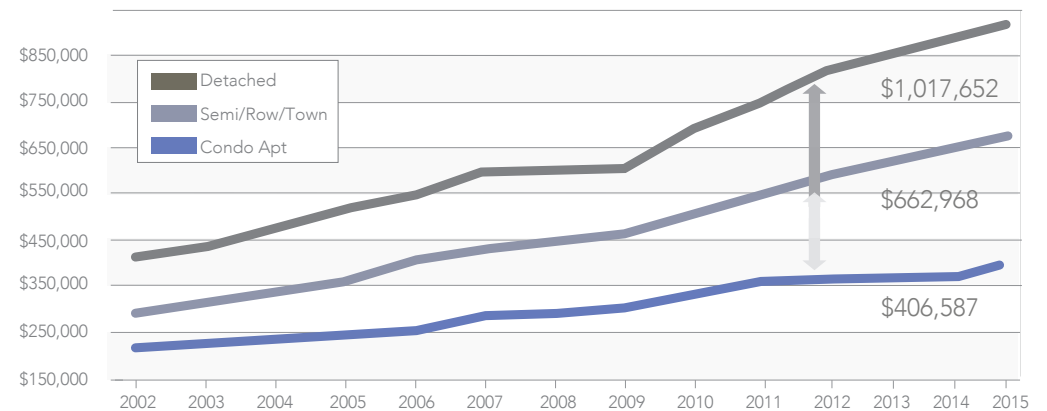
Housing Starts by Type, Toronto CMA



Source: CMHC

Decreasing affordability and supply of single family homes has made condos the best option for the majority of new home owners, individuals living on their own, renters, and investors. With virtually no new rental builds being built and a steady decline in low rise housing development, the majority of new housing has become high-rise condominium.

Average Resale Prices by Type, City of Toronto



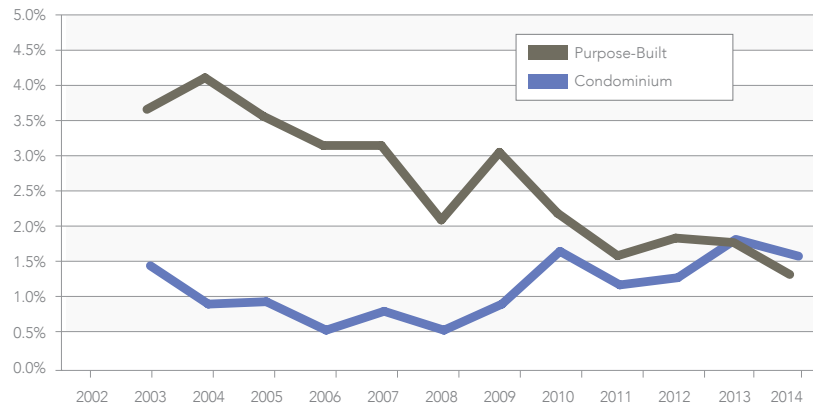
Source: Toronto Real Estate Board

Compared to all other housing stock condos have a huge affordability advantage. As the population and cost of land continues to appreciate condos will remain the only source of affordable housing.

POPULATION GROWTH DRIVES RENTAL RATES

GROWING CITIES MEANS GROWING MARKETS. GROWING POPULATIONS REQUIRE A GROWING STOCK OF HOUSING. EVERY YEAR, A POPULATION THE SIZE OF BARRIE MOVES TO TORONTO. IN LESS THAN TEN YEARS, TORONTO WILL SWALLOW UP A POPULATION THE SIZE OF VANCOUVER'S.

Average Apartment Vacancy Rates, Toronto CMA



Source: CMHC

With vacancy rates hovering around 1.5% even dipping below in the downtown core, finding qualified tenants has become almost a non-issue for investors. Highly sought after newer condos are often rented within days in some cases with multiple offers to lease.

Average Condo Apartment Rents per Square Foot, Toronto CMA



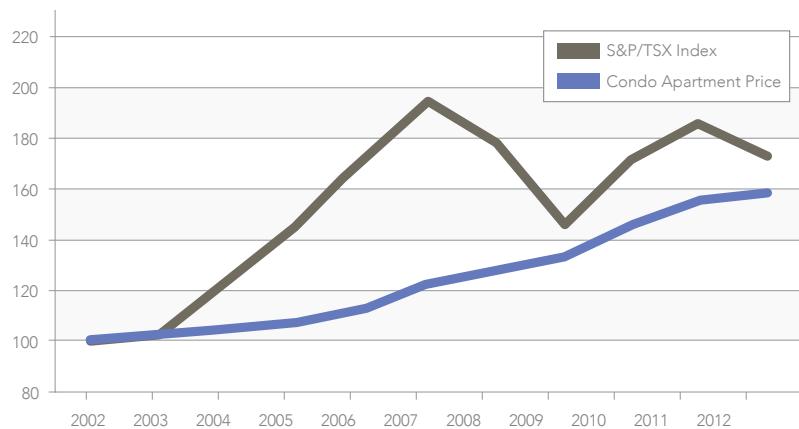
Source: Urbanation Inc.

Strengthening rental market conditions have led to rising rent levels, now at an average of \$2.35 per square foot for condominium apartments, up 4% year-over-year. Rents in central locations in the city have averaged over \$2.80 per square foot.

THE NEW ASSET CLASS

FOR THE INVESTOR, REAL ESTATE IS THE ANTIDOTE TO LOW RETURNS AND VOLATILITY IN THE STOCK MARKET, AND NEGLIGIBLE RETURNS ON GOVERNMENT BONDS AND GICs.

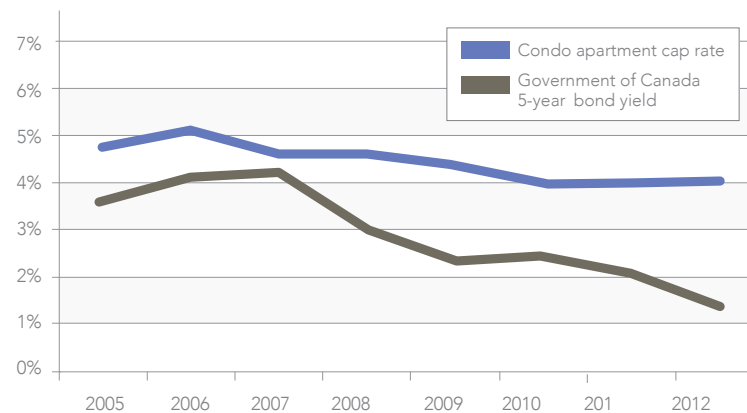
Stock Market vs Condo Apartment Price Growth, Indexed to 2002=100



Source: Urbanation, Statistics Canada, Toronto Real Estate Board

The Toronto condo market has experienced stability as it has shown resistance to volatility. When factoring in the impact of leverage from investing with twenty-percent, the ROI of condos dramatically outperforms stocks and bonds.

Condo Apartment Cap Rates* vs Bond Yields Annual Averages



*Annual gross rents net of property taxes and maintenance fees divided

Healthy condo rental yields have encouraged investors to broaden their investment time horizon. Although cap rates for condos have declined over time as prices have grown faster than rents, they have recently stabilized with faster rent growth and remain well above bond yields.

TOP PERFORMING PROJECTS

THE FOLLOWING TABLE PRESENTS A LIST OF THE TOP PERFORMING CONDO PROJECTS IN THE CITY OF TORONTO, REGISTERED IN 2013. RANKED BY RETURN ON INVESTMENT AND SHOWING AVERAGE CAP RATES AND PRICE APPRECIATION.

Condominium Apartment Project Cap Rates, Price Appreciation, and Returns on Investment City of Toronto: 2011-2013 Registered Projects					
Project Names	Submarket	Registration Date	Total Units	Price Appreciation	ROI*
Lumiere	Downtown Core	2011	355	53.4%	297.1%
Liberty Towers	Downtown West	2011	266	47.0%	267.6%
The 500	East Bloor	2011	363	44.7%	252.9%
Maple Leaf Square - South Tower	Downtown Core	2011	424	43.3%	243.0%
Pearl Condominiums	North York City Centre	2011	299	43.3%	241.2%
Burano Condominiums	Downtown Core	2013	486	46.9%	234.5%
Bliss Condominiums	Downtown West	2011	276	35.1%	198.8%
The Modern	Downtown East	2012	343	36.1%	194.9%
Victory Condominiums	Downtown West	2012	180	35.9%	193.9%
Maple Leaf Square - North Tower	Downtown Core	2011	448	32.5%	189.7%
Bohemian Embassy - South Tower	Downtown West	2012	128	34.7%	188.2%
Boutique Condos - Phase II	Downtown West	2011	304	31.7%	187.8%
Quay West at Tip Top	Harbourfront	2011	364	29.7%	171.0%
Six50 King West - Bathurst Bldg	Downtown West	2012	118	31.3%	171.0%
Corktown District - 549 King	Downtown East	2011	44	29.5%	169.9%
83 Redpath	North Midtown	2011	218	27.6%	162.7%
Wilshire on the Green	Scarborough South	2012	198	26.6%	145.4%
Liberty Market Lofts	Downtown West	2013	296	27.7%	138.3%
The Ninety	Toronto East	2013	222	26.1%	130.4%
Work Lofts	Toronto East	2012	125	19.6%	110.1%
* Return on initial investment of 20%, on a 600 square foot unit, factoring in capital appreciation, net rental revenue and mortgage principal repayment					
Source: Urbanation Inc., Toronto Real Estate Board					

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CONNECT
asset management
> Real Estate Solutions for Investors