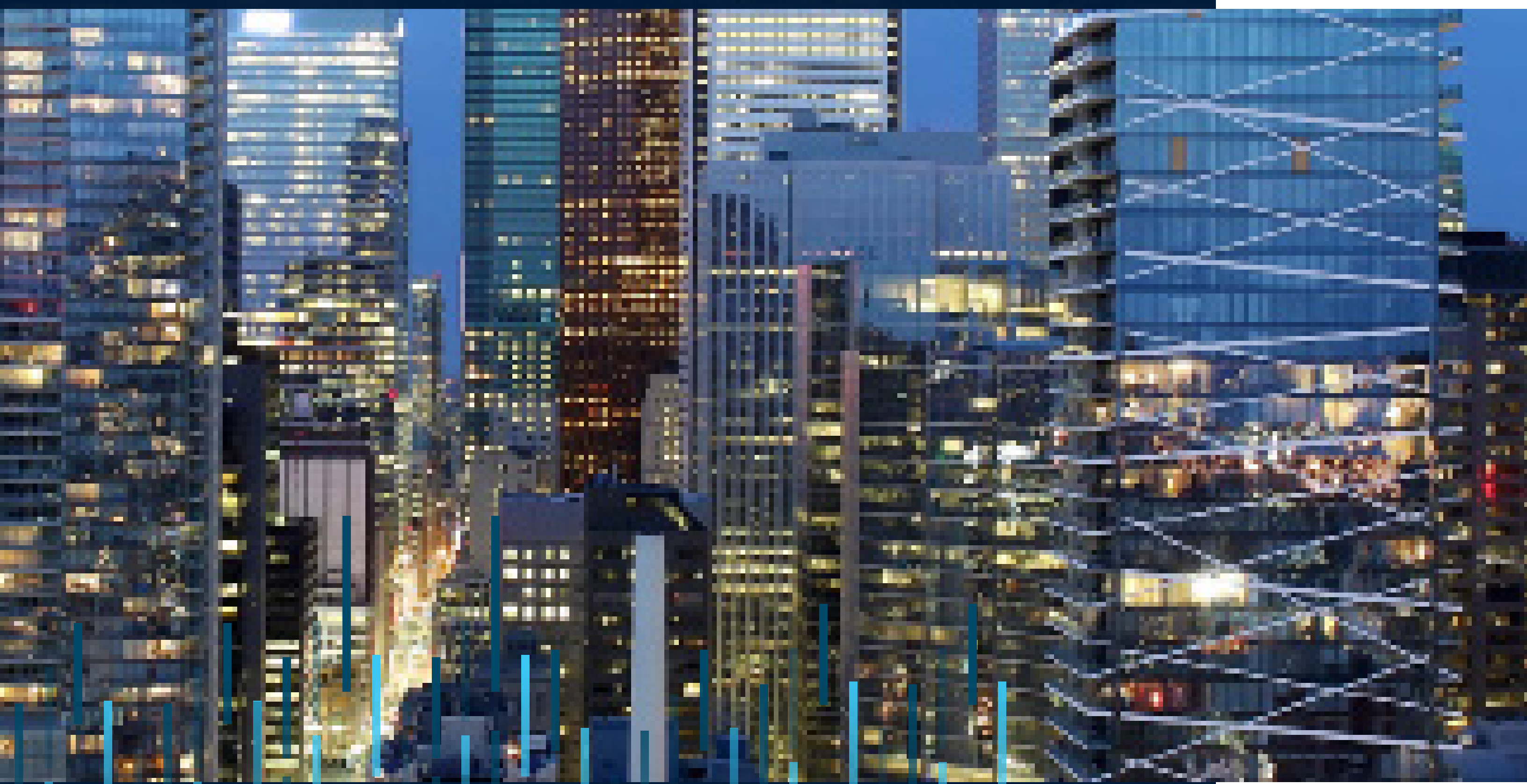
GTA HIGH RISE
LAND INSIGHTS REPORT

Q3 - 2019

Published October 2019



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INTRODUCTION

Bullpen Research & Consulting Inc., a residential market research and advisory firm, and Batory Management, a land-use planning and project management firm, have teamed up to review and provide projections on Greater Toronto Area (GTA) high-density land sales on a quarterly basis.

For a selection of land transactions, we present the active development application, or Batory makes an assumption as to the potential development project that is likely to be proposed/approved at the site based on neighbourhood precedence and the existing planning framework. If the project has not actively launched for sale, Bullpen will estimated the overall revenue for the project on an average price per-square-foot (psf) basis. This estimate is based on market comparables, the projected height, the unit count, and other identifiable attributes.

If the parcel of land sold is part of, or potentially part of a future land assembly, the projected gross floor area (GFA) for the overall development will be prorated based on the current quarter's lot size in relation to the overall assembled development site. For example, if a 0.5 acre property sells in the current quarter for $10 million, and an apartment with 250,000 sf of GFA is proposed on the total assembled 1 acre site, Bullpen would apply half of the total GFA (250,000 x 50% = 125,000 sf) to the sales price to get $80 per-buildable-sf.

In the event that the land parcel trading is an additional property to be added to an existing assembly where a residential development application has already been submitted, this will be considered a pre-application project under its planning status.

GTA HIGH-DENSITY LAND SALES IN Q3-2019

In Q3-2019, Bullpen and Batory reviewed 28 Greater Toronto Area land transactions that we identified as having future development potential as a condominium or rental apartment. The average estimated sales price of those lands was $150 per-buildable-sf. Bullpen estimated residential condominium apartments at those projects could sell their units at an overall average price of approximately $1,033 psf at the time of the land sale, which indicates that developers paid for land at about 15% of expected revenue in the third quarter (13% when using a straight average).

Q3-19: $150 per-buildable-sf

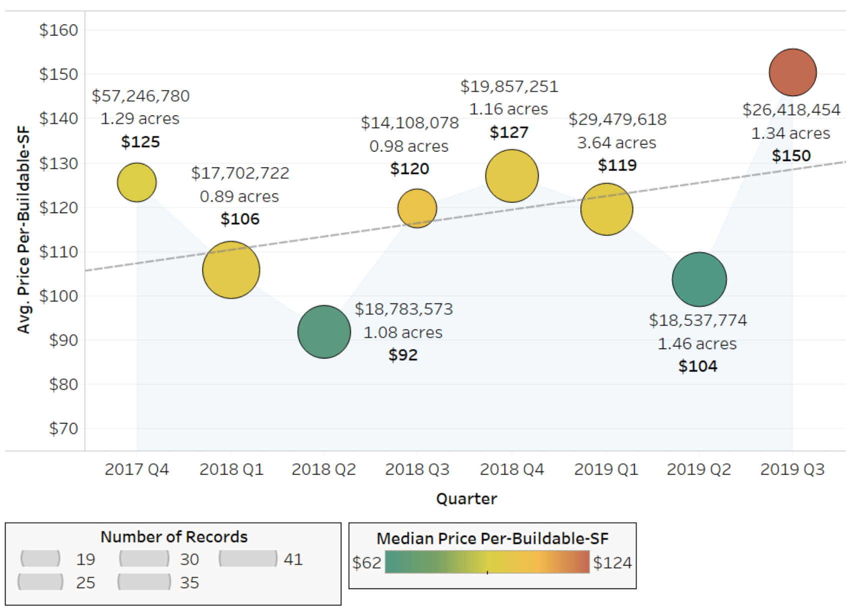
HISTORICAL LAND SALE DATA

Figure 1 looks at historical high-density land sale data from the fourth quarter of 2017 to the end of Q3-2019 using estimated figures from previous Land Insights Reports. The data visualization shows the average price of the properties, the average size of the lands transacted (in acres), and the average estimated price per-buildable-sf. This size of the marker reflects the number of transactions, and the colour reflects the median land value per-buildable-sf.

Land prices in Q3-2019 are up 25% annually in comparison to the $120 per-buildable-sf in the third quarter of 2018, and 44% quarter-over-quarter. This figure is based on a straight average, which can be skewed by a higher share of waterfront, downtown core or Yorkville transactions. Small sample sizes can lead to data volatility, and changes monthly are more likely the result of the changing composition of transactions than a huge jump in demand.

The weighted average was $119 per-buildable-sf in Q3-2019 is up 28% annually. The median per-buildable-sf land price of $104 in the third quarter is up from $93 in Q3-2018 (+12%), which is still probably overestimating the actual growth rate. The trend line suggests high-density land values have increased from about $110 per-buildable-sf to $130 per-buildable-sf over the past two years, or about 9% annually.

Figure 1: Average Price Per-Buildable-SF by Quarter, GTA High-Density Land Sales, Q4-2017 to Q2-2019



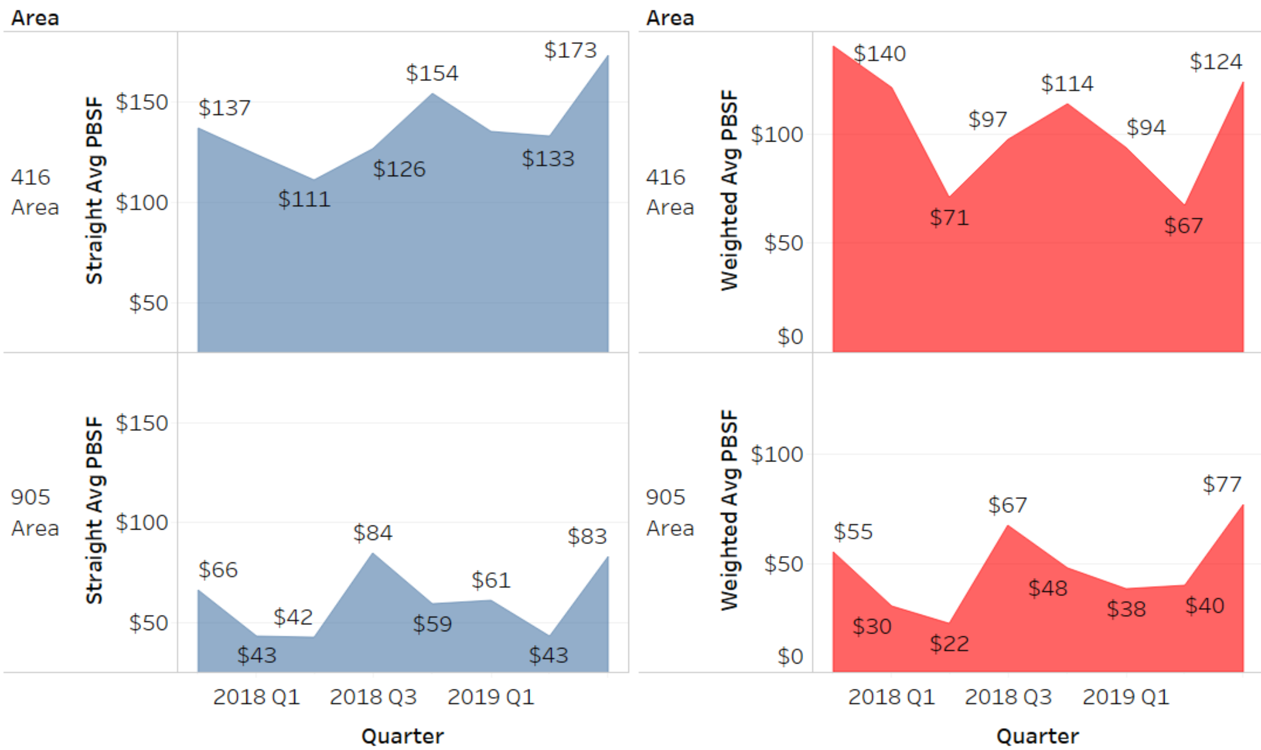
Urban versus Suburban

The split between urban and suburban transactions in Q3-2019 was 75% to 25%, respectively, which contributed to the quarterly land value jump, as the split was 68% to 32% in Q2-2019.

Figure 2 presents data on the average land price per-buildable-sf in the '416 area' (City of Toronto post amalgamation), and the '905 area'. The left hand side shows the straight average, and the right shows the weighted average. The starkly different values in Toronto reflect the vast range in land values from projects with multiple towers in 'C' locations to approved Yorkville projects.

Figure 2: Straight Average Price Per-Buildable-SF, City versus Suburbs, Q4-2017 to Q3-2019

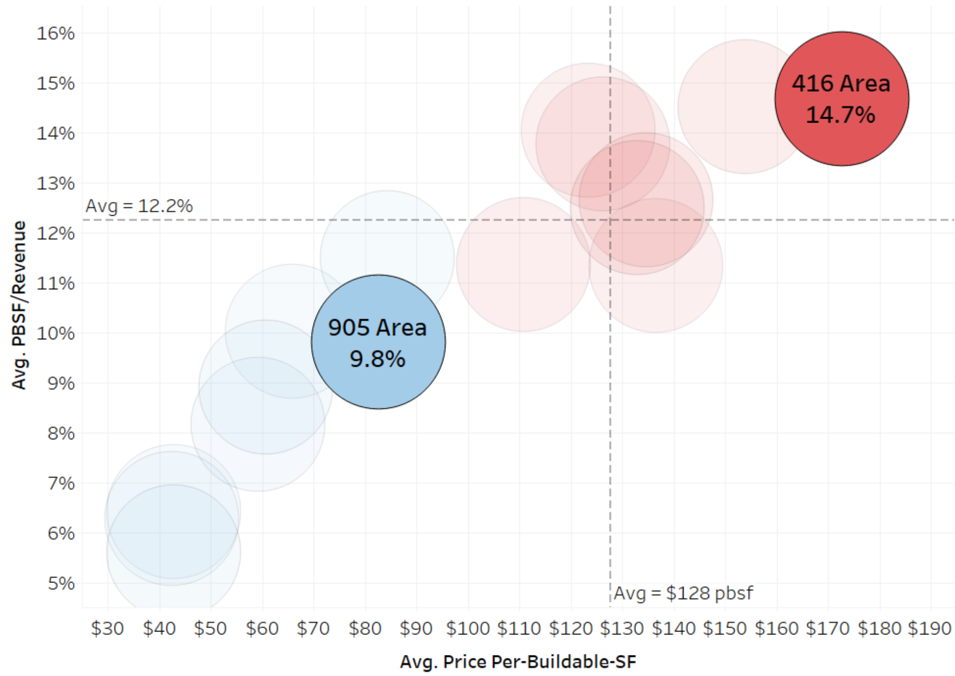
Weighted Average Price Per-Buildable-SF, City versus Suburbs, Q4-2017 to Q3-2019



Toronto land prices are up 37% annually when looking at the straight average, while the '905' is unchanged year-over-year. The weighted average shows Toronto up 28% and the suburbs up 15%. Keep in mind the small sample sizes.

Figure 3 looks at the relationship between the average land price per-buildable-sf versus the percent share of the land price to the expected revenue per-square-foot (land-to-revenue ratio). For each transaction, Bullpen identified the actual overall asking price per-square-foot for actively selling new condominium apartment projects, or if sales had not commenced, Bullpen estimated what the development could sell for if the units were available to purchase today (recognizing that some of these sites will be developed as rental projects). The land-to-revenue ratio is the relationship between the land price per-buildable-sf and the average price per-square-foot.

Figure 3: Average Price Per-Buildable-SF versus Average Land-to-Revenue Ratio, 416 Area & 905 Area, Q4-2017 to Q3-2019



In Q3-2019, lands with high-density potential sold for just under 15% of revenue in Toronto, and just under 10% in the ‘905 area’. The faded markers indicate where the relationship between these two variables was in previous quarters. Both the ‘416’ and ‘905’ are moving up and to the right, meaning land prices are going up, and developers are paying more for land as a percentage of revenue.

This signals that developers are betting on future price appreciation, as most are not willing to accept a lower return. The higher the land-to-revenue ratio, the more bullish developers are, but additionally, it signals higher risk, as future price growth is not guaranteed. Alternatively, some developers may anticipate lower costs moving forward, but there is little evidence to suggest that will be the case. Niall Finnegan of Finnegan Marshall Inc. gave a presentation at the Canadian Apartment Investment Conference in September and told the crowd that construction costs are up around 6% annually in 2019, but they expect a moderation in 2020 to 3.4% yearly growth.

As we’ve mentioned in previous reports, because there is greater price upside in Toronto, and typically higher demand (lower absorption risk), developers are willing to pay more for land as a percentage of today’s revenue. When the market slows, pre-construction condo investors concentrate their purchasing efforts on quality locations, where there is adequate transit, a high concentration of jobs, and an ample supply of potential tenants - these are typically characteristics of “inner-416” projects.

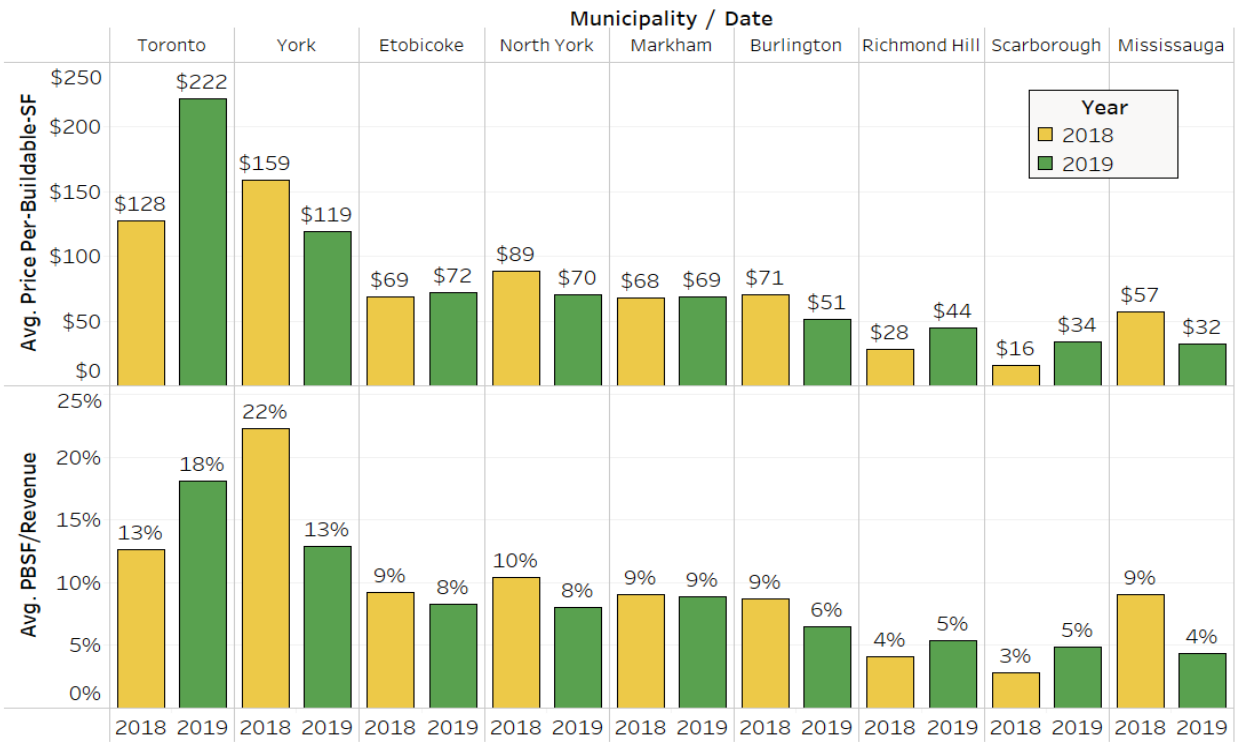
Breakdown by Municipality

Figure 4 presents data on the average price per-buildable-sf and average land-to-revenue ratio for a select number of municipalities in the GTA - the City of Toronto is broken down into its former municipalities pre-amalgamation.

The data is a comparison of the second and third quarters of 2018 versus the second and third quarters of 2019. The only municipality with a large sample size of transactions is Toronto, but the former City has witnessed the largest annual rise, increasing by 73% year-over-year.

The remainder of the municipalities have only one to six transactions in these six-month timeframes, and caution should be advised in reading too much into the average prices, as the individual locations and values can vary widely when considering the premiums associated with downtown sites, waterfront sites, sites adjacent to subways and GO stations, as well as sites in close proximity to universities, colleges, or hospitals.

Figure 4: Average Price Per-Buildable-SF and Land-to-Revenue Ratio for Select Municipalities, GTA, Q2-18 to Q3-18 and Q2-19 to Q3-19



INDIVIDUAL TRANSACTIONS IN Q3-2019 BY NEIGHBOURHOOD

Figure 5 presents a breakdown of the Q3-2019 transactions by neighbourhood and month sold, which includes our assumptions and forecasts on what will be approved and offered for sale at the properties that changed hands. It must always be kept in mind that a deal on the land sale price may have been struck several months (in rare occurrences, years) before the actual closing date.

Figure 5: Summary Data on High-Density Land Transactions by Neighbourhood, GTA, Q3-2019

Month of Date	Neighbourhood	Number of Records	Avg. Size (Acres)	Avg. Total GFA	Avg. Storeys	Avg. Price	Avg. Price per-buildable-SF	Avg. Est Revenue PSF	Avg. PBSF/ Revenue
July	Downsview	1	0.5	84,454	9	$5,020,000	$59	$740	8.0%
	Downtown Burlington	1	0.0	219,619	18	$1,250,000	$82	$850	9.6%
	Eglinton West	1	0.1	34,239	8	$1,325,000	$183	$895	20.5%
	Forest Hill	2	0.4	55,933	8	$6,712,500	$113	$925	11.6%
	Golden Mile	1	18.0	2,600,000	16	$105,000,000	$40	$760	5.3%
	Regent Park	1	0.3	235,965	34	$27,255,476	$116	$1,075	10.7%
	South Midtown	1	0.2	173,000	28	$22,104,443	$312	$1,300	24.0%
	St. Lawrence	1	0.3	305,213	45	$73,483,784	$241	$1,275	18.9%
	Vaughan Coporate Centre	1	0.9	182,250	25	$10,000,000	$109	$830	13.1%
	Yorkville	1	0.6	299,564	29	$170,700,000	$570	$2,500	22.8%
	Total	**11**	**2.0**	**386,015**	**21**	**$39,051,246**	**$176**	**$1,098**	**14.2%**
August	Aurora	1	0.3	23,366	4	$1,880,000	$80	$685	11.7%
	Brooklin	1	4.1	94,435	6	$5,000,000	$53	$685	7.7%
	Danforth Village	1	3.4	271,780	10	$15,040,000	$55	$715	7.7%
	Downtown Oakville	1	0.1	13,750	4	$1,700,000	$124	$1,250	9.9%
	Entertainment District	1	0.4	414,142	57	$38,000,000	$123	$1,385	8.9%
	Five Points	1	0.1	180,792	18	$3,500,000	$115	$960	12.0%
	Forest Hill	1	0.1	75,000	9	$2,150,000	$174	$1,005	17.3%
	Richmond Hill	1	1.8	318,518	18	$24,875,000	$78	$830	9.4%
	Roncesvalles	1	0.3	44,550	9	$4,500,000	$193	$1,060	18.2%
	South Midtown	1	0.1	516,050	34	$8,310,000	$214	$1,175	18.2%
	West Hill	1	1.1	195,750	12	$5,790,000	$30	$675	4.4%
	Yonge & Eglinton	1	0.4	346,059	48	$63,000,000	$182	$1,130	16.1%
	Total	**12**	**1.0**	**207,849**	**19**	**$14,478,750**	**$118**	**$963**	**11.8%**
September	Downtown Core	1	0.0	362,725	55	$6,333,000	$133	$1,375	9.7%
	Downtown East	1	0.9	509,159	28	$107,000,000	$210	$1,250	16.8%
	Greektown	1	0.3	54,156	8	$7,300,000	$135	$865	15.6%
	Riverdale	1	0.3	66,070	6	$11,675,000	$318	$1,025	31.1%
	Woodbridge	1	1.9	77,501	4	$4,100,000	$53	$750	7.1%
	Total	**5**	**0.7**	**213,922**	**20**	**$27,281,600**	**$170**	**$1,053**	**16.0%**
Total / Average		**28**	**1.3**	**278,928**	**20**	**$26,418,454**	**$150**	**$1,032**	**13.5%**

The most notable transaction occurred in Yorkville, with lands trading for approximately $570 per-buildable-sf. It is rumoured that the development will launch at prices from $2,500 psf to $3,000 psf.

A pair of properties traded at over $300 per-buildable-sf, however they represent only a portion of a larger assembly and Bullpen and Batory are not privy to further details on the full development sites. It is likely that the blended price per-buildable-sf at these developments will be under $300 per-buildable-sf because a larger development site could accommodate or allow for a higher FSI.

Figure 6 presents data on per-buildable-sf values in select neigbourhoods with two or more high-density land transactions in both 2018 and 2019. Yorkville, The Annex, the Entertainment District, King West, Bayview Village, and The Queensway all experienced big annual increases, keeping in mind that lands trade in various stages of entitlement. Secondly lands trade in locations that may be lumped together geographically, but allow for very different built forms and site access. Two words that have increased in the lexicon of developers in recent years: crane swing.

Figure 6: Average Price Per-Buildable-SF by Year and Neighbourhood, Q1-2018 to Q3-2019

Neighbourhood	Date: 2018	Date: 2019
Yorkville	$221	$349
The Annex	$98	$292
Entertainment District	$150	$269
King West	$130	$209
Yonge & Eglinton	$255	$184
Eglinton West	$159	$147
Downtown East	$230	$168
Bayview Village	$50	$108
North York City Centre	$115	$102
The Queensway	$69	$100
Downsview	$78	$62
Richmond Hill	$43	$44

Weighted Avg Price Per-Buildable-SF: $32 – $398

Average Land-to-Revenue Ratio by Year and Neighbourhood

Neighbourhood	Date: 2018	Date: 2019
Yorkville	15.3%	15.4%
The Annex	11.9%	21.7%
Entertainment District	14.6%	19.5%
King West	12.1%	18.0%
Yonge & Eglinton	24.1%	16.3%
Eglinton West	22.3%	16.5%
Downtown East	23.6%	14.3%
Bayview Village	5.7%	10.5%
North York City Centre	13.2%	10.1%
The Queensway	9.2%	12.1%
Downsview	11.4%	8.0%
Richmond Hill	6.0%	5.4%

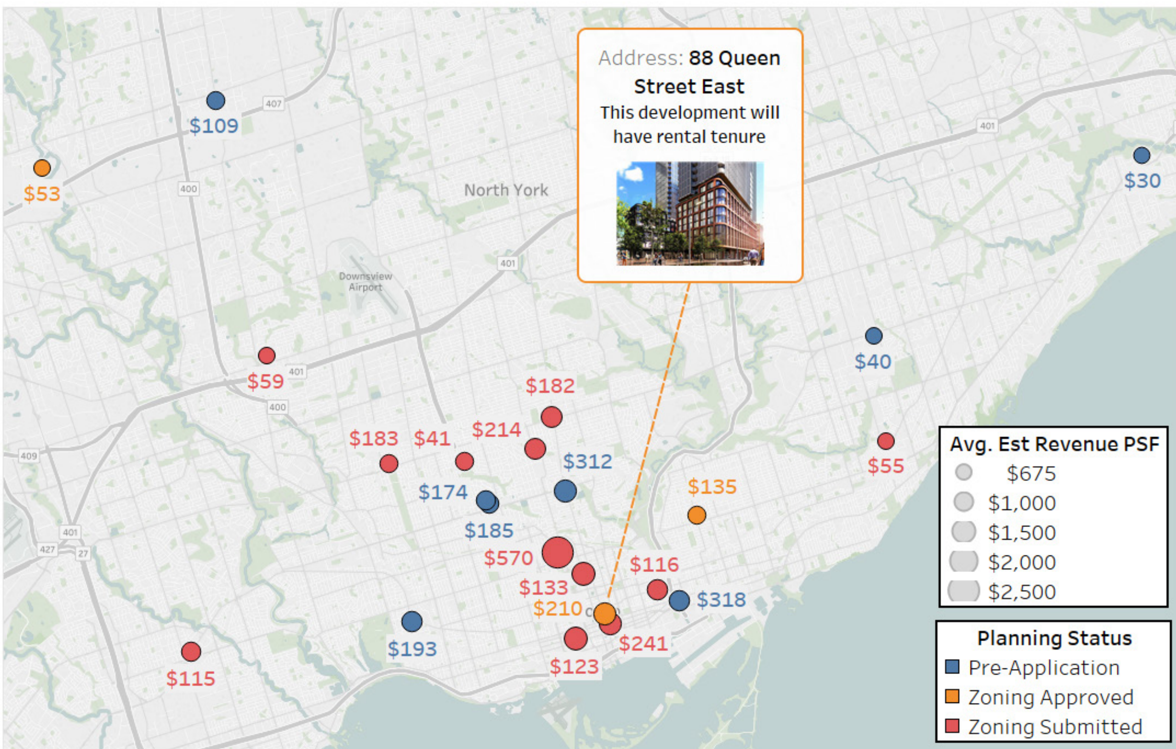
Avg. PBSF/Revenue: 5.4% – 24.1%

In the prime or “A” markets, developers are paying for land at between 15% and 20% of the current overall revenue, using our land-to-revenue ratio. Buyers are paying a 10% land-to-revenue ratio is “B” markets (maybe A- markets) like Bayview Village, North York City Centre and The Queensway.

SPATIAL DISTRIBUTION OF HIGH-DENSITY LAND SALES

Figure 7 maps the third quarter Toronto land sales, showing the transaction values on a per-buildable-sf foot basis, with the colour of the marker indicating the current planning status, and the size of the marker indicating the our estimated average revenue per-square-foot.

Figure 7: Location and Estimated Price Per-Buildable-SF for High-Density Land Sales, Toronto, Q3-2019



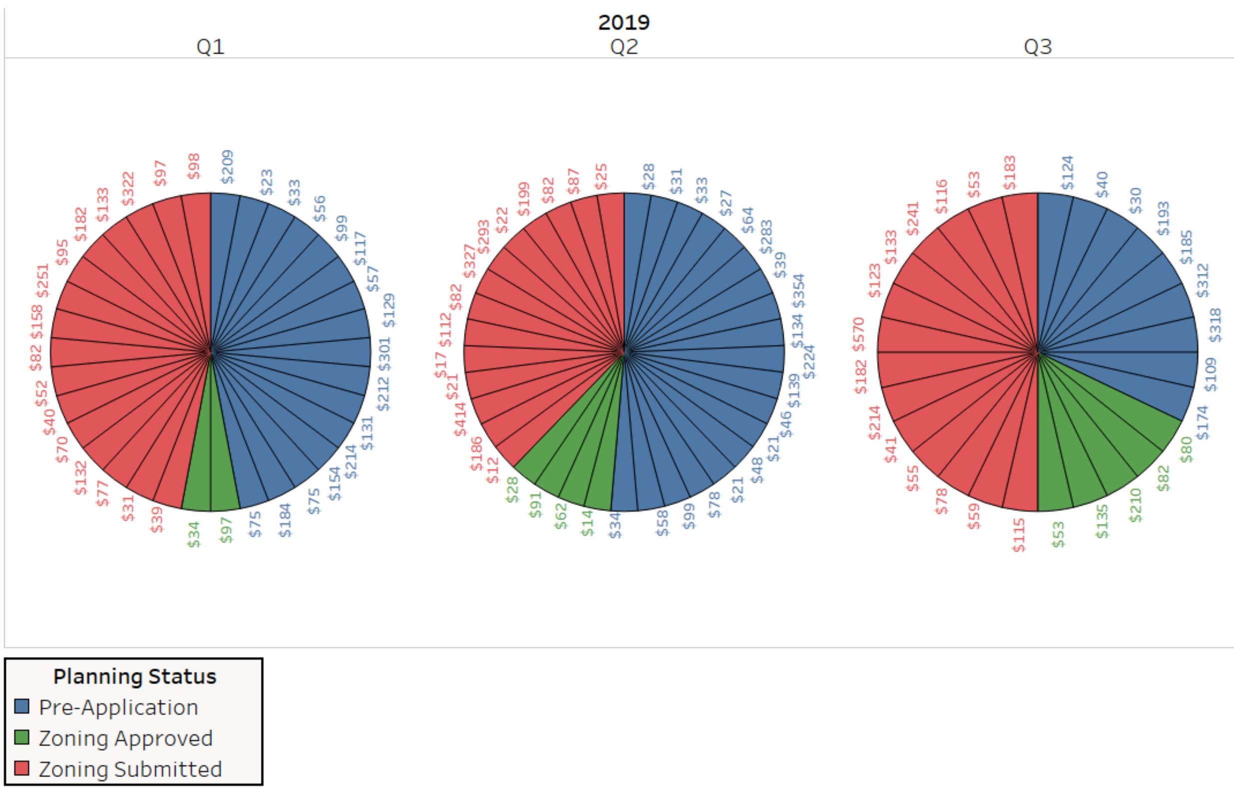
One transaction was singled out, as all indications are this development will have rental tenure. In 2014 St. Thomas Developments (Lee Developments) purchased the long-vacant 2.46 acre parking lot that encompassed an entire city block at 88 Queen Street East. The site is located between Dalhousie Street and Mutual Street, south of Shuter Street in the downtown east for $87 million or approximately $69 per-buildable-sf. The developer launched and sold out one condominium at the site (88 North), and has now sold off part of the development site (0.94 acres) to Fitzrovia Real Estate and AIMco for $107 million or about $210 per-buildable-sf. A recent site plan application calls for nearly 510,000 sf of GFA for this carved-out parcel.

PER-BUILDABLE-SF VALUES BY PLANNING STATUS

One of the most important factors to consider when analyzing land sales with high-rise development potential is where the property is within the planning approvals process. In this report, the entitlement process is broken down into three categories: pre-application, zoning submitted, and zoning approved. Generally speaking, this report considers a development approved if it has an Official Plan and Zoning By-Law approvals in place.

Figure 8 presents data on the share of land transactions in the GTA by planning status, with the price per-buildable-sf listed. In Q3-2019, 50% of the land sales traded with an active development application, the highest share since Bullpen and Batory began tracking these sales in Q4-2017.

Figure 8: Share of Transactions and Price Per-Buildable-SF by Planning Status, GTA High-Density Land Sales, Q1-2019 to Q3-2019



PER-BUILDABLE-SF VALUES BY ESTIMATED BUILDING HEIGHT

Land vendors typically set their asking price based on the residual value of the land, taking into consideration that developers will pay more for lands that are approved, and thus de-risked from an approvals standpoint.

Therefore, in theory, the taller the expected tower that can be approved on the site, the higher the revenue that can be generated from the development, and the higher the residual land value.

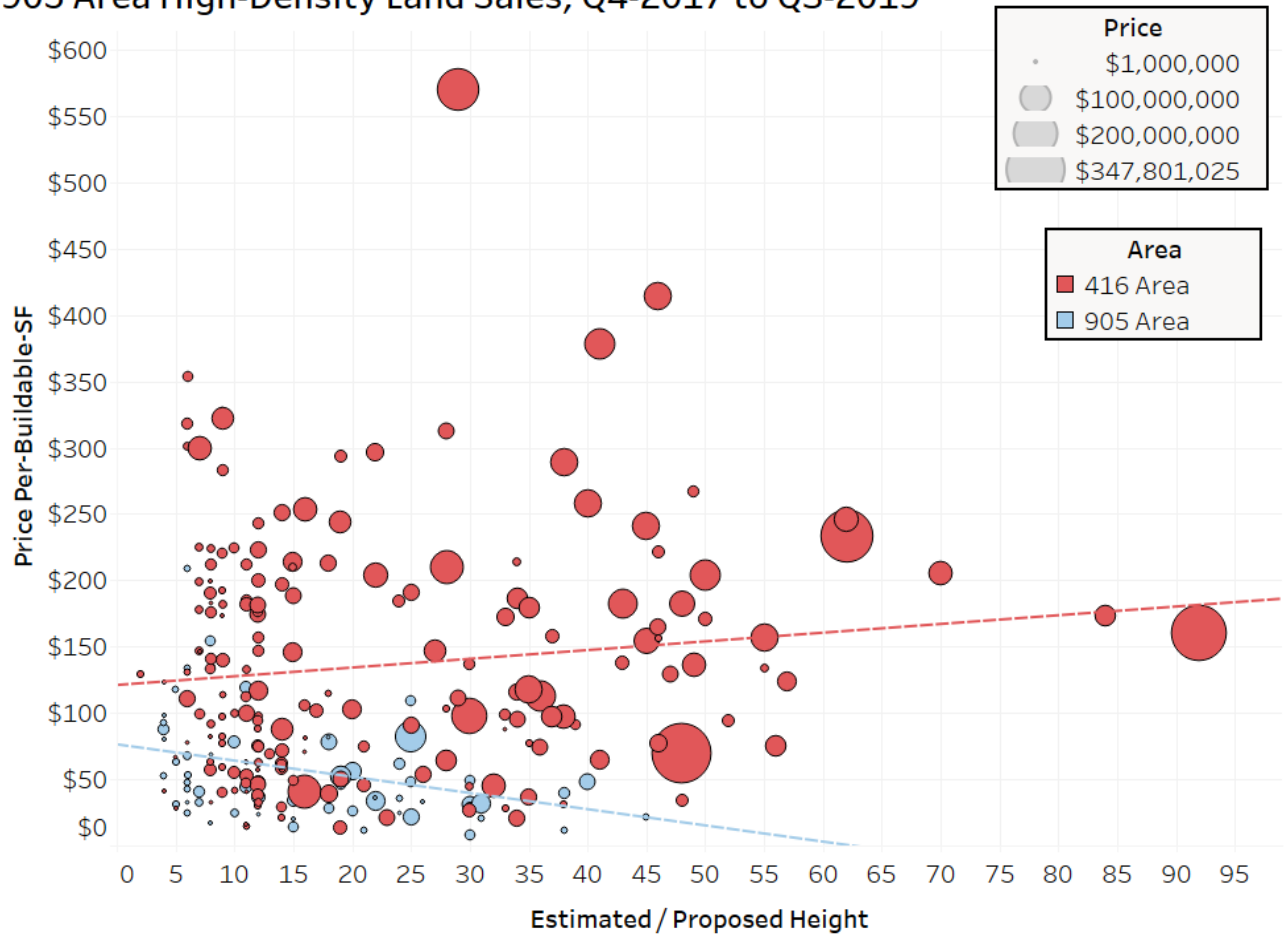
However, there are two major elements to consider, first is time, as tall towers can take a very long time to develop, tying up capital and resources that could be used for more profitable endeavours in the future. Secondly, and more importantly, is absorption risk: the taller the tower, the greater the number of units, the more uncertainty in relation to the market and the ability of the development team to secure adequate pre-construction sales to qualify for construction financing.

Bullpen and Batory wanted to calculate what floor premium is (if any) for high-density property sales. **Figure 9** plots every high-density land sale in the GTA from Q4-2017 to Q3-2019, with the land price per-buildable-sf on the vertical axis, and the estimated/proposed building height on the horizontal axis. The size of the marker indicates the sales price, and the colour of the marker indicates whether the lands are in the city or the suburbs.

The data shows that in the ‘416’, land prices do increase based on the height of the expected tower, rising by about $0.65 per-buildable-sf for each additional floor (based on the linear trendline).

In the ‘905’, land value decreases for taller towers. This likely happens for two reasons, in the suburban markets there are more multi-tower land sales where there are tall buildings planned, but future phases are discounted, bringing the blended land value per-buildable-sf down. Secondly, because there is much more uncertainty regarding absorption of very tall towers in the ‘905’, developers will not pay more for lands proposing very tall towers, in fact, they’re paying $1.20 per-buildable-sf less for each additional floor.

Figure 9: Average Price Per-Buildable-SF by Building Height, 416 Area versus 905 Area High-Density Land Sales, Q4-2017 to Q3-2019



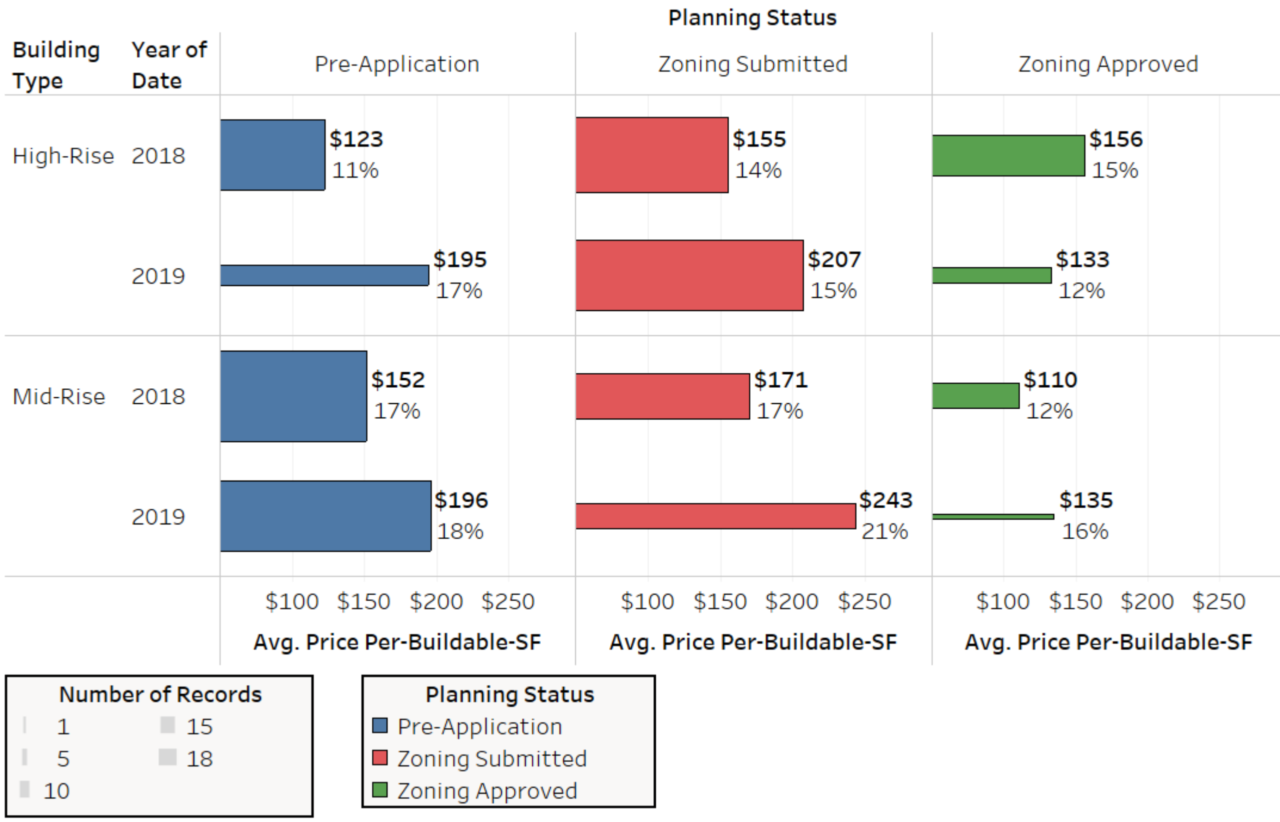
There are obviously limits to this type of linear analysis, because developers are not going to pay $350 per-buildable-sf for a 350-storey tower in Toronto as the trendline suggests, and they are not going to pay $0 per-buildable-sf for a 65-storey tower in the suburbs either, but this data provides some insight into land values and their risk premiums.

If we eliminate low-rise and mid-rise buildings from the analysis, as they can often trade for higher land prices, and only look at towers of 16-storeys and higher, the ‘416’ premium is $1.00 per-buildable-sf per additional floor, and the ‘905’ sees a drop of $0.60 per-buildable-sf for each additional floor.

LAND PRICES IN THE FORMER CITY OF TORONTO

Zooming in on the former City of Toronto (or old Toronto) can give us a better understanding of where land values are for the most desirable high-density properties in the GTA. **Figure 10** presents data on the average land price per-buildable-sf by planning status, building type and year traded for high-density land transactions in Toronto. Also shown under the per-buildable-sf price is the land-to-revenue ratio; note that the width of the marker indicates the number of transactions (fatter = larger sample size).

Figure 10: Price Per-Buildable-SF & Land-to-Revenue Ratio by Building Type and Year, Former City of Toronto, Q1-2018 to Q3-2019



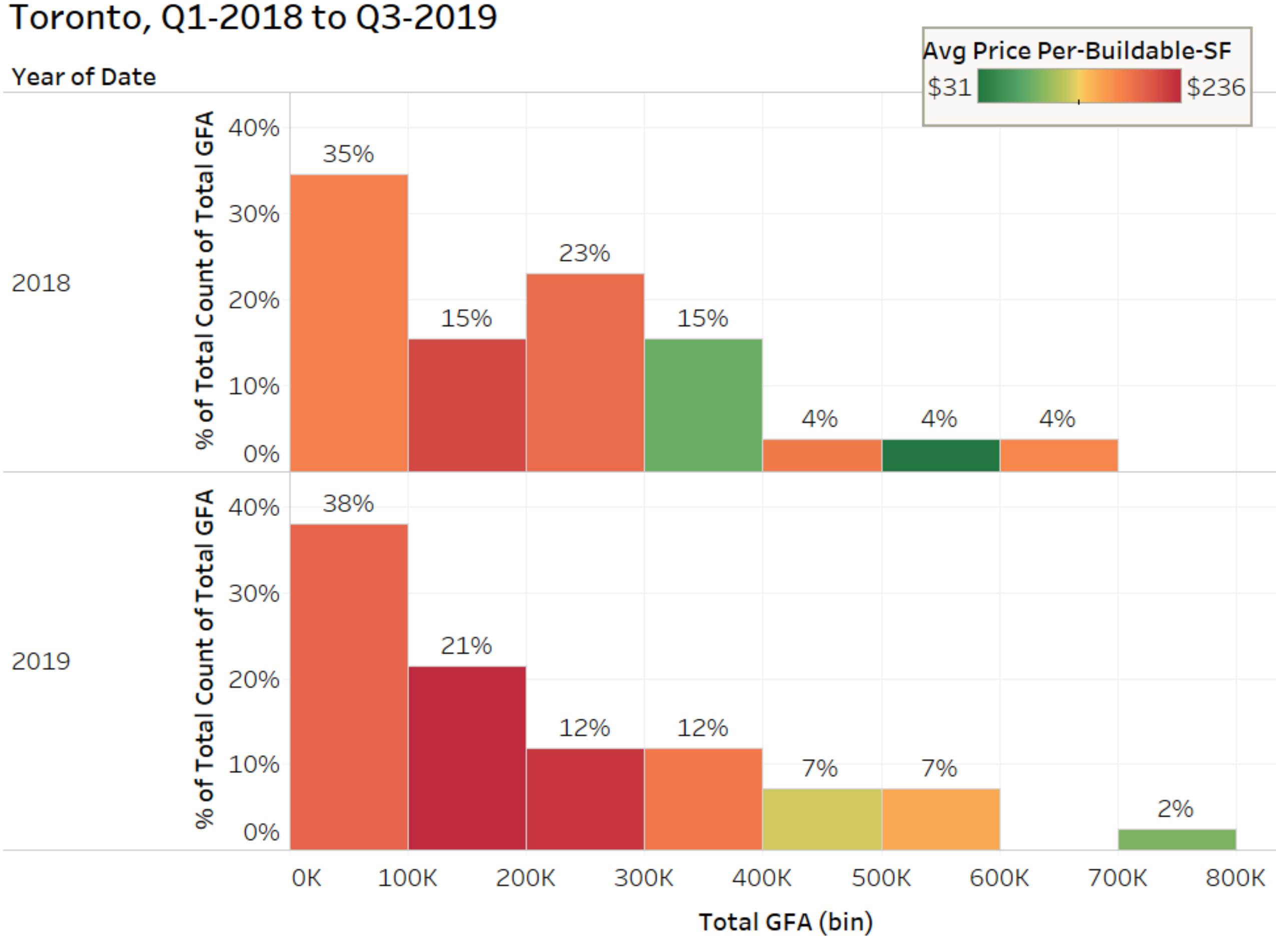
The number of properties that have sold with zoning approved in the former City of Toronto is small and not representative enough of the market overall. The data shows that over the past seven quarters, developers are paying about 16% more for a high-rise site where there has been a zoning application submitted, versus a pre-application site. That premium is slightly higher for mid-rise sites at 18%.

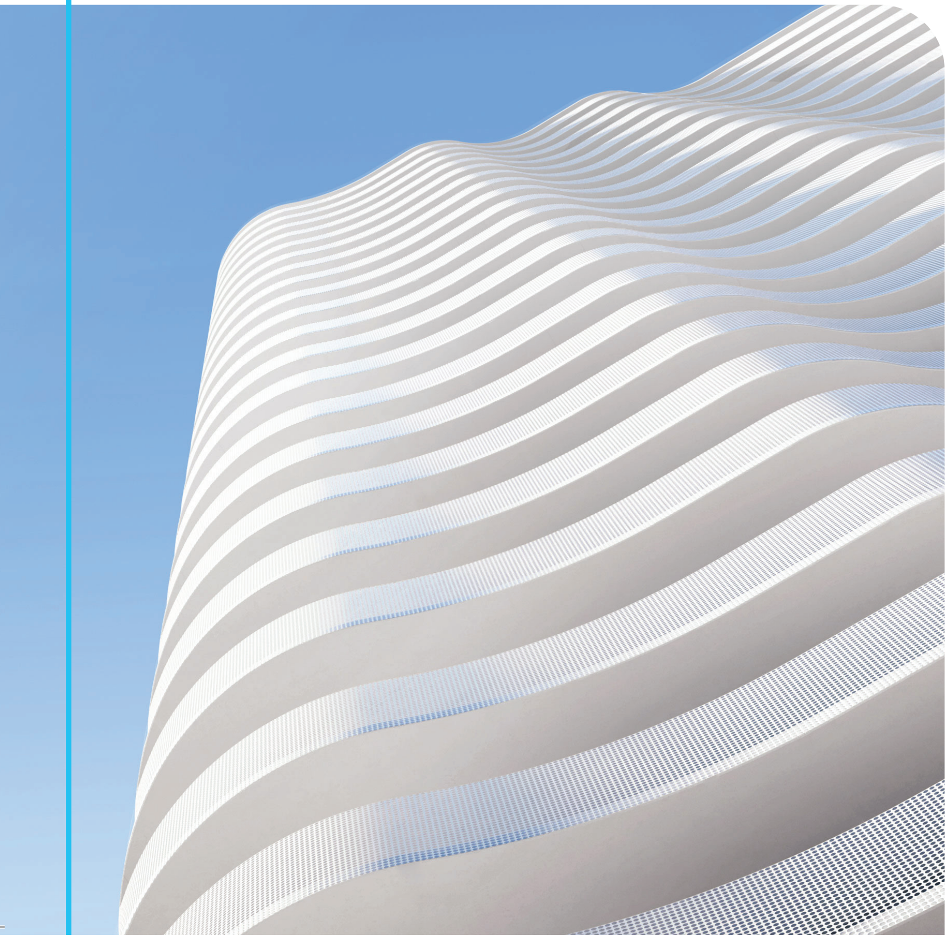
Distribution of Land Sales by Expected GFA

Another factor to consider when evaluating land value is the size of projects that can be built on these properties by total Gross Floor Area (GFA). The number of multi-tower transactions are decreasing in the former City of Toronto based on shrinking land availability, but the single-tower sites are getting larger, all while more mid-rise sites are being proposed as end-user buyers are paying high prices for neighbourhood-style boutique projects.

Figure 11 presents data on the distribution of land sales by their expected buildable GFA in old Toronto by year. In 2018, 35% of the land transactions were projected to build apartments with under 100,000 sf of GFA, while 15% proposed 100,000 to 200,000 sf of GFA. In 2019, those shares increased to 38% and 21%. Surprisingly, there were increases this year in the number of trades for future projects with 400,000 to 600,000 sf of GFA.

Figure 11: Distribution of Land Sales by Proposed GFA, Former City of Toronto, Q1-2018 to Q3-2019





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Project Updates

15-25 Holmes Avenue, Toronto

In Q1-2018, a 1.4 acre site sold in the North York City Centre at 15-25 Holmes Avenue for $22.2 million. No development application had been submitted at the time, and Batory estimated that a 29-storey building with 200,000 sf of GFA could be the potential outcome of the development approval process, which resulted in a per-buildable-sf land value of $111.

In February 2019, the development team received approval for a 33-storey tower with 267,429 sf. Therefore the revised land value is $83 per-buildable-sf. The site launched for sale as Azura Condos by Capital Developments in 2019 at about $995 psf, and has since sold over 90% of their suites.

393 Dundas Street West, Oakville

In Q1-2018, a 4.06 acre site at 393 Dundas Street West, east of Neyagawa Boulevard sold for $8 million. Batory estimated that the site could accommodate a 10-storey building(s) with 320,000 sf of GFA. Therefore it was reported that the land price was $25 per-buildable-sf.

The owner submitted an OPA and ZBA in early 2019 which calls for a 10-storey apartment (279,449 sf), and 3-storey stacked townhouses (13,699 sf), for a total GFA of 296,559 sf. The revised per-buildable-sf price for the land transaction is $27.

On the adjacent site, the developer recently launched Distrikt Trailside, a similarly-designed building at just over $700 psf. They had purchased the site in June of 2017 for $10 million, and are proposing 327,700 sf of GFA in a 10-storey building, stacked townhouses, and traditional townhouses, which works out to $31 per-buildable-sf.

Project Updates

210 Bloor Street West

In Q2-2018, the 0.194 acre Remenyi House of Music site on Bloor Street in Yorkville, across from the Royal Ontario Museum sold for $25 million. No development plans had been released at the time of closing, and Batory estimated that a 18-storey tower with 117,250 sf of GFA was appropriate for the site, which resulted in a land value of $213 per-buildable-sf.

Later that year, Tribute (Bloor St) Ltd submitted a ZBA and SPA for a 29-storey tower for about 170,700 sf of GFA, resulting in a revised per-buildable-sf value of $146 per-buildable-sf.

162 Queens Quay East

In Q4-2018, 162 Queens Quay East, which is near Lakeshore Boulevard East and Jarvis Street, sold for $58 million. No development application had been submitted, and Batory estimated that a 22-storey building with 285,000 sf was appropriate for the site, which results in a per-buildable-sf price of $204.

In March of 2019, a rezoning application was submitted, and the developer is proposing 22-storeys and 298,000 sf of GFA, which lowers the land price to $195 per-buildable-sf. A site plan application was submitted in September.

FINAL THOUGHTS

Developers remain bullish on the long-term prospects for the Toronto new condominium apartment market, as land prices continue to appreciate in Q3-2019. The growth in new condo prices has finally cooled off after three years of rapid growth brought on by very high demand, and rapidly rising costs, with the growth of land values now exceeding unit price growth. This narrowing of the gap between land prices and sales prices contributed to the rise in the land-to-revenue ratio in Q3-2019 to the highest level since Bullpen and Batory began tracking the statistic in Q4-2017.

The return of the "OMB-style" planning regime will bring some dormant developers back to the table in 2019, however, development timelines are expected to remain long despite the change to the appeals process.

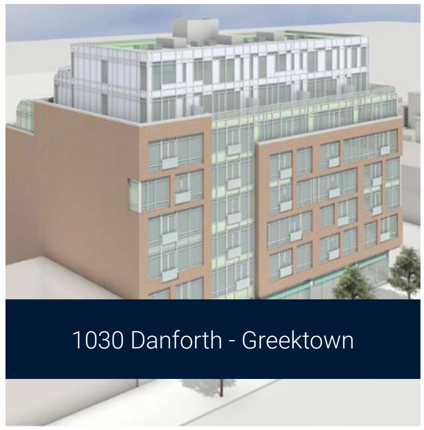
The influx of institutional capital into the development market via direct investment in rental projects, or indirectly through development funds, is bringing a more long-term approach to downtown development. Over the past two years, developers and their financial backers have, for the first time, began acquiring high-density sites to land bank. Like low-rise developers in the past, high-rise developers want to build a development pipeline to ensure they have sites in the future, and can consistently roll out projects on an annual basis, as opposed to being forced to overpay in the short-term to ensure there is work for their employees and trades (to avoid lay-offs and business volatility).

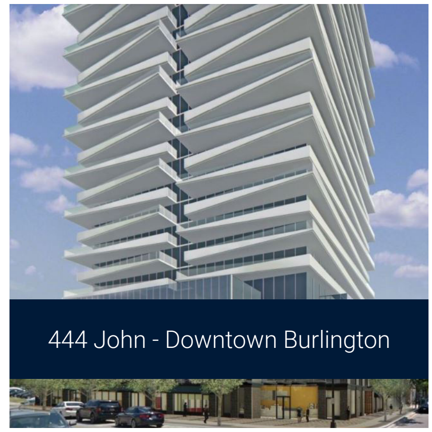
With the patient capital in the market, and the re-evaluation of all retail and rental properties in REIT portfolios, there will be an increase in the number of rental apartment land sales and building activity moving forward. The latest data from Rentals.ca shows that the average rental rate for apartments in the GTA has increased by nearly 15% annually (vacant units), boosting revenue required in many neighourhoods to a place that makes "the numbers work" on purpose-built rental apartments. The 7,700 rental apartments under construction in the metro area is the highest in over 30 years, but still pales in comparison to the 55,000 condos under construction.

Despite these record and near-record highs for apartment suites under construction, a recent RBC Economics report suggests the GTA neads 22,000 new apartments annually (regardless of tenure) to satisfy tenant demand from 2019 to 2023. Even based on the high investor share of condo purchases, and the record purpose-built rental apartment activity, the industry will continue to undersupply the tenant market over the next couple years. This undersupply will continue to drive up rents, keep investors interested in pre-construction buying (assuming price growth remains moderate by positive), and encourage developers to purchase lands for development.

AVAILABLE RENDERINGS FOR ZONING SUBMITTED OR ZONING APPROVED SITES


88 Queen - Downtown East


1030 Danforth - Greektown

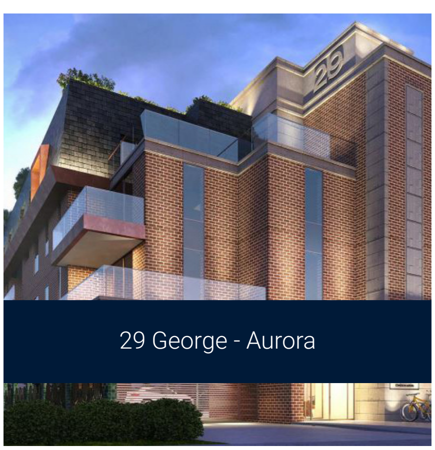

444 John - Downtown Burlington


89 Church - St Lawrence


8 Wellesley - Downtown Core

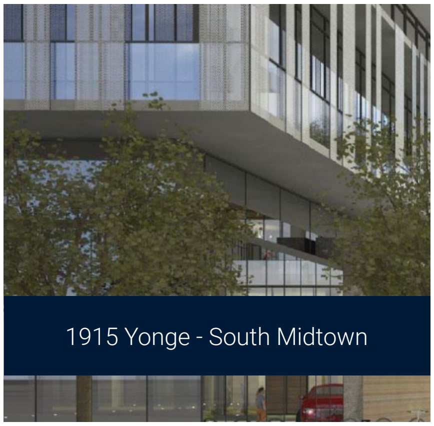

44 Eglinton - Yonge & Eg

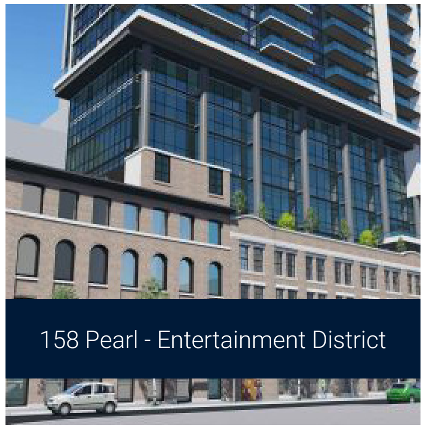

3411 Bloor - Five Points


29 George - Aurora


27 Parkside - Newmarket

AVAILABLE RENDERINGS FOR ZONING SUBMITTED OR ZONING APPROVED SITES


1915 Yonge - South Midtown


158 Pearl - Entertainment District


1326 Wilson - Downsview

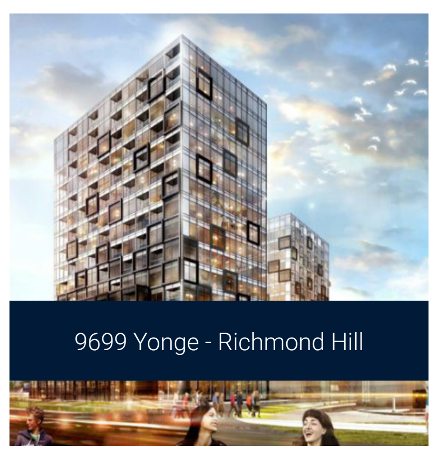

1890 Eglinton - York

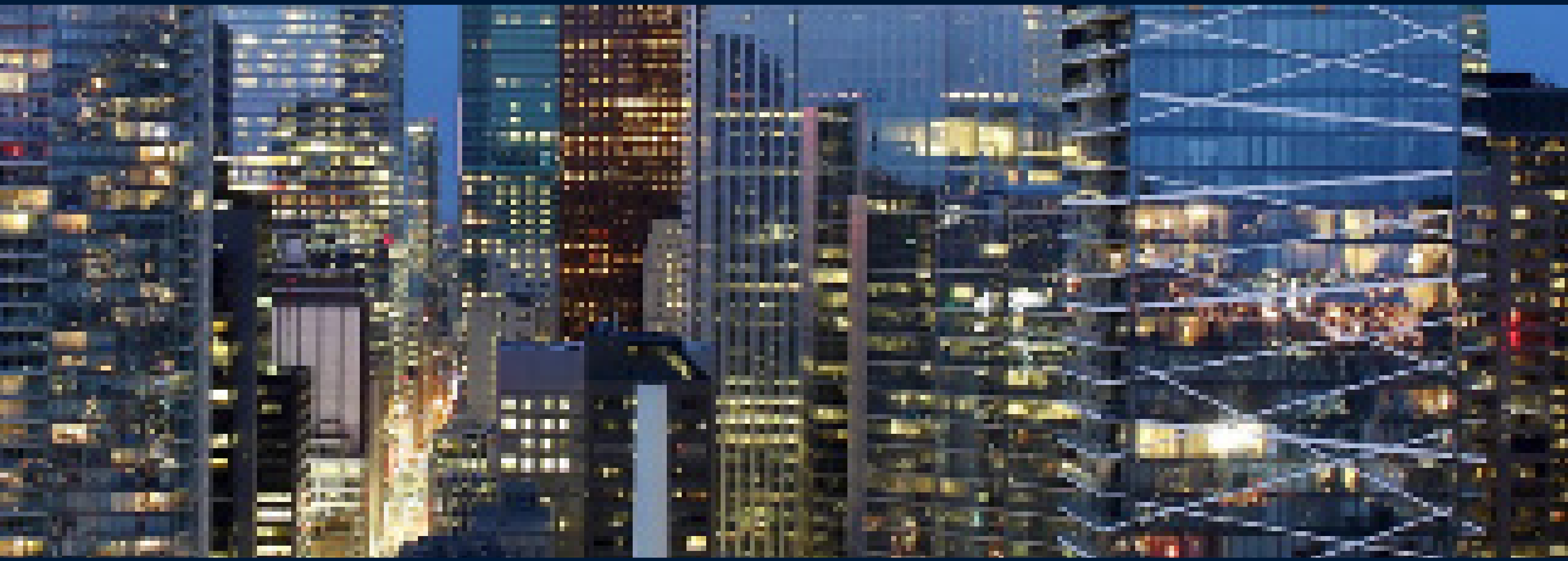

250 Danforth - Danforth Village


125 River - Regent Park


Jane St - Vaughan


140 Yorkville - Yorkville


9699 Yonge - Richmond Hill



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Disclaimer

The material within this document provides an opinion on land use planning and market-related matters. The individual land use assumptions provided represent an estimate of the highest and best use that could reasonably expect to achieve in the current planning regulatory framework.

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