



MAXIM BAGINSKIY

REAL ESTATE BROKER/
INVESTMENT ADVISOR

WWW.REMLIS.CA / 416-832-8343

Right at Home Realty Brokerage Inc.
905-695-7888

My clients often wonder about the advisability of investing in new construction at the initial stage - the so-called "stage of excavation". The answer is a decided yes. BUT !!! – with the knowledge of what and where to buy.

This article is on the planned Toronto development in the near future and on the areas worth of closer consideration as well as major infrastructure projects for the next few months.

All these factors are very important for those considering buying an apartment in Toronto no matter whether for residing there or for investment purposes. As I indicated in my previous articles, when buying property at the initial stage of construction it is very important to choose the right project. One of the key factors is its location. If the property purchased at the initial stage is located in an already developed neighbourhood where no major infrastructural changes are planned in the near future the prices are expected to be rising only due to the general market increases. As a broker who works mostly with clients who buy property for investment purposes am vested with the task to select projects in which the development of the district will positively affect price changes.

Let us focus on the few downtown areas where significant changes are anticipated in the coming years and where buying a condo at the initial phase of construction is very profitable right now when the prices are even lower than in more developed areas.

First, I would highlight the area to the east of downtown between Yonge Street and Parliament Street from west to east and from Dundas to Front Street from north to south. This area had

Prospects for Condo Construction in Toronto

long been out of the developers' spotlight, yet in recent years, an active construction has begun there even though it is not apparent yet because the majority of projects have been approved just recently and have not yet entered the market. Several major substructure projects are also expected in these areas including a large shopping and office district with a corresponding infrastructure. There will be a light rail route at King Street level connecting the downtown core with the Canary District where construction is coming to the final stage. Besides, given that the area is within a walking distance of the subway system and a major office and commercial network there is no doubt that within the next few years, the prices in the area will increase significantly.

At the downtown's north-east, an area of interest is the one directly adjacent to the Bloor Street between Jarvis and Parliament, which used to be of no interest to developers because its zoning limited the height of new construction to 18 floors. With the change in zoning it has already seen its first skyscraper by Tridel and back in November preliminary sales for Selby project had been conducted but unfortunately cancelled later because of an agreement between the Canadian Pension Fund and the developer about the purchase of the entire building. There are also plans for six new highrises by Lanterra Developments for the spring of 2016 and an extensive infrastructure development. These projects are not fast since the construction in the area is tied to the demolition of existent buildings and communication rearrangement but in 6 to 7 years the area will turn into a super upscale one and will compete with the famous Yorkville. Prices here will inevitably rise in step with the development of the area.

Interesting projects are planned for the area just to the east of the downtown core, directly along the shore of Lake Ontario, east of Jarvis street. In November there have been sales of Tridel's Aquavista project but in my opinion their prices were way too high. Given the fact that the construction is at an early stage and transportation accessibility at the moment is poor, it is necessary to consider each project individually in relation to the price asked. On the whole the area is very promising and I hope that we will see more projects there at more adequate prices.

And finally, a very interesting area located to the west of downtown between Gardiner Expy and



Queen St., west of Spadina Ave. and up to Liberty Village. The extensive construction that is underway there includes several condo projects as well as commercial areas, parks, swimming pools and the entire necessary infrastructure. The connection with the business district of the city will be ensured by light rail routes under construction. Add to all this the shoreline with its numerous parks within a walking distance. Investors are looking forward to the start of sales of the second tower of Garrison Point project; the sales of the first tower took place last August and were unprecedented success. Almost all the inventory was sold within a few hours.

As to the more remote areas of GTA the most interesting are the buildings being constructed along the future subway lines ending in Vaughan. These projects will see price increases after the subway line has been opened. There is also another major project in Vaughan called the Metropolitan Center. These components will definitely affect the value of real estate located there. In the nearest future, the second tower of the Park Avenue Place Condos project will come up for sale. This magnificent project is certainly very interesting for both the buyers who intend to reside there and for investors.

The first quarter of 2015 will see several other interesting investment projects besides the ones described above. Watch for the updated information on both my website and my business page on Facebook or give me a call. I will be happy to advise you on all the matters related to the acquisition of property both for your own use and for investment.