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May 10, 2017

Strategic Priorities and Policy Committee
The City of London
300 Dufferin Avenue
London, ON N6A 4L9

Attention: Mayor M. Brown (Chair)

RE: 2018 GMIS Request

London is at a major crossroads in the housing market today. An unprecedented level of housing demand exists today - they strongest housing market we have seen in a generation.

Currently, a lack of new supply, a record low house listing level, and challenges bringing new supply to market fast enough are all contributing to this housing boom.

City Council has an important role to play - through the GMIS. Now is the time, if there ever has been, to accelerate projects to meet this demand. To adequately respond to this housing demand we provide three comments / concerns.

ADDED SUPPLY NEEDED NOW - major lack of Supply in the market creating the largest price increases in a generation. There is a real housing affordability problem in the market today. The only way to correct it is through ADDED SUPPLY of building lots/units, and that what GMIS is all about. This must be the year GMIS projects are greatly accelerated to increase the current major supply shortages. Should nothing be done to increase supply, London's economy will suffer and construction jobs are at risk.

GMIS ASSUMPTIONS ARE INCORRECT - the GMIS unit volumes for 2017 and projected for 2018 are now factually incorrect. The 2013 DC background study is now 4 years old. The assumptions made, including the type of buyer, the quantity of buyers, the family size and location of demand are now known by the industry to be factually incorrect. A new buyer has now come to London that is much different than was previously forecast.

There is a grave risk to adopting this GMIS report as written (without any new demand study to update the assumption provided).





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NEW INVESTMENT READY - Sifton is ready to invest in two sites in London now - one in South West London and one in North East London. These two projects have a total yield of over 700 units totaling an estimated investment in London of \$100 million dollars. We are ready to make this investment in London should council align GMIS with the current market demand - we request GMIS be aligned to support these projects coming to market in 2018/2019.

This simple amendment will support \$100 million in new investment coming to London.

Yours truly,

SIFTON PROPERTIES LIMITED

A blue ink handwritten signature, appearing to read "Phillip Masschelein", is written over the company name.

Phillip Masschelein
Vice President
Neighbourhood Developments

Cc: Bob Stratford