

Metrolinx

**Sheppard East LRT
Real Estate Market Conditions Study**

Executive Summary

N. BARRY LYON CONSULTANTS LIMITED



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N. Barry Lyon Consulting Limited (NBLC) has been retained by Metrolinx to undertake a study of the real estate market conditions along the future Sheppard East LRT Corridor (SEC) and provide an analysis of the market impacts the proposed higher-order transit may have when implemented. The report provides a review of current and projected real estate market trends as well as identifies sites that present significant opportunities for intensification. This report provides the background data and analyses that are presented in the final report 'Setting the Stage: Encouraging Transit Supportive Places on the Sheppard East LRT Corridor' coauthored by NBLC and Planning Alliance.

Real estate markets value walkable access to modern, higher-order transit, a trend that is reflected by increases land value, new development, tax assessment and economic activity. Providing the broader market requirements are in place, some, or all of these measures are typically improved with the introduction of affordable, frequent and reliable transit service. A literature review of studies that have measured the impacts of transit on property values throughout North America support increases in value for residential, commercial, and to a lesser extent industrial land uses. In general, the greatest value up-lift will impact higher density developments, where owners/tenants are more likely to make use of and benefit from transit services on a day-to-day basis.

The Sheppard Avenue corridor in the area of the LRT proposal is already a moderately strong real estate market characterized by high resale prices and new investment in high density residential development. Investment and re-investment in commercial and office uses is also evident. While the majority of this activity and development interest is observed in the western end of the corridor, it is expected that new transit will help support reinvestment eastward to the Agincourt GO Station. The Agincourt Mall and surrounding properties represent significant opportunities for redevelopment in both residential and commercial land uses.

East of the Agincourt GO Station, the opportunities for reinvestment becomes more challenging. The existing land use pattern, including the presence of stable low density neighbourhoods that are adjacent to the corridor, will likely limit the amount of development that can occur in the eastern end of the corridor.