



Build Toronto 2018 Annual Report

It is our pleasure to present our 2018 Annual Report. Build Toronto is a municipal corporation wholly owned by the City of Toronto.

On January 1, 2018, the City introduced a new model to centralize the delivery of real estate services. Under this new model, employees of Build Toronto and the Toronto Port Lands Company joined CreateTO, the City's new real estate agency. CreateTO manages the City's real estate portfolio, develops City buildings and lands for municipal purposes and delivers client-focused real estate solutions to City divisions, agencies and corporations. The agency works closely with the City of Toronto's Real Estate Services and Facilities Management divisions to apply a city-wide lens to ensure the most effective use of real estate assets.

With the leadership of our Board of Directors, and CreateTO, we were able to continue to push forward important City-building projects.

2018 Highlights:

- Generated 300 affordable housing units through the sale of 253 Markham Road and 12, 20 & 30 Dunelm Street site
- Generated 65 long-term care units through the sale of 640 Lansdowne in collaboration with the Affordable Housing Office.
- Continued to move forward the Garrison Crossing project to create a vital connection between Trinity Bellwoods Park, the Fort York grounds and the waterfront.
- Declaring a \$25 million dividend (May 2019) related to our 2018 results, for a total of \$145 million of dividends since our inception.
- Generated Net Income for 2018 of \$24.3 million, with total Net Income since inception of \$133.5 million.
- Invested \$4.1 million of capital in on-going development projects. "Value Creation" through generating net development income of \$15.3 million, with \$159.6 million to date.
- At year-end, held total real estate assets of \$165.1 million (including inventory, pre-acquisition costs, and investment property) and Total Assets of \$294.3 million.
- Achieved Total Revenue of \$34.0 million, (including development revenue, rental revenue, management fees and other income) and totaling \$365.1 million since our incorporation.
- Recorded Joint Venture earnings of \$11.1 million from the condominium development at 10 York.

Although sales are the most evident measure of Build Toronto's activities, the majority of Build Toronto's efforts continue to be longer-term development projects that not only achieve long-term financial goals, but also support our City-building strategic priorities: engagement, livable neighbourhoods, sustainability, employment and transit-oriented development.

More than ever, we see the importance of collaboration and partnership with our stakeholders using a comprehensive holistic City-building approach, balancing community and economic benefits and are hopeful that Build Toronto will continue to thrive under the new model.

Yours truly,

A handwritten signature in black ink, appearing to be 'B. Johnston', with a long horizontal flourish extending to the right.

Brian Johnston
Chief Executive Officer, Build Toronto