

Public Consultation

Redevelopment of Namur – Jean-Talon Ouest Area

Memorandum

Les immeubles Devmont



December 10, 2009

Three Metro stations at walking distance, walking distance from many of the services, less than 1 minute drive to Decarie, few kilometers from downtown core, a run down area of barricaded warehouses, parking lots and old industrial commercial building, what better place for an urban transit oriented residential development?

This is precisely the vision the Borough of Côte-des-Neiges has been developing in the last five years, to develop this entire area into an urban residential area.

Devmont's vision coincides exactly with this long term vision of the Borough of Côte-des-Neiges.

The center point of the entire Namur / Jean-Talon area is the Birth place, an over ambitious project of 292 condominium units named CO (Côté Ouest) in which the sales started in February 2008. Today, less than two years later, 272 families have planted roots in the Namur-Jean-Talon area. It is important to note that only three years ago, there was no activity on this land, a 40,000 square feet barricaded and abandoned warehouse. Devmont brought credibility to the area. We are proud of the leadership we demonstrate, but, most importantly, we are committed to continue our work to improve the quality of life in the neighborhood.

The major priorities of Devmont was to offer a high quality concrete building of original design, at affordable prices, to encourage families with the construction of 25% of project as three bedrooms, energy conservation, water retention and maximize green spaces (with over 60% green).

The demand exceeded all expectations and it was a clear sign that this area was a natural and strategic location for residential development.

On the opening of the sales office in February 2008, for Côté Ouest Phase I, over 50 people lined up and the line up remained constant over the whole weekend. Ninety units, out of 142, were reserved on the first weekend. In February 2009, similar results: line ups over the weekend and 70 reservations.

Our priority on affordable housing, in part a joint venture with the SHDM (80% of the units on the project were affordable *(i)), a program that allows the possibility to purchase with only 1,000\$ cash down was a total success. 4% of the purchasers had a former address on Mountain Sights and over 35% had a former address in the Côte-des-Neiges / NDG Borough. The program allows young people or young families that normally would not qualify to purchase property, to become property owners and accumulate long term savings. It also allows people from tenant type buildings to become owners of property with upgraded living conditions.

Devmont is a company specialized in the development of condominium projects, an offspring of a family business started by Francesco Scalia in 1965, an Italian immigrant that landed in Montreal in 1955.

Over 40 years later, always in the same vision as Francesco, Devmont's objective is to build quality residential units and provide long term customer satisfaction.

Devmont in a period of 15 years has contributed in the city of Montreal the construction of 800 high quality condominium units. Today, Devmont, the pioneer of Namur / Jean-Talon in line with the vision of the Borough of Côte-des-Neiges and the success of Côté Ouest project, continues as one of the major developers of this area.

Devmont is presently working on the development of 381 condominium units and the development of 95 social housing units in the neighborhood.

If our discussions with the Borough and the City of Montreal are successful, the social housing figures will exceed the City of Montreal requirements by 10% with its offering of 25% total. In our opinion, this will contribute greatly to the social mix of the neighborhood, one of the most important key to improve the quality of life of current and future residents, alongside with security, quality housing, convivial public places, green spaces and a vibrant life community.

There are different needs of housing for different individuals with different socioeconomic conditions. We understand that perfectly. But with an open mind, flexibility and an integrated vision of development, Devmont is convinced that we can succeed in finding solutions to respond to all these needs.

Devmont, a socially responsible company, is working in close collaboration with the social groups of the area for this development of 95 social housing units. The relationship between promoter and social group is one of the most important relationships for the development of major projects in urban areas of Montreal.

In every development project, the promoter has a very large risk: purchase of the land, design of the suitable product for the market, the marketing, economic condition, financing, budgets, execution, construction and long term construction guarantees.

It is important to encourage promoters for the development of these major projects and the social groups must work closely with the promoter to provide solutions and maintain proper balance to ensure that projects are economically viable. The promoter and social groups are interdependent on each other.

It is also important that the funding for the 'turnkey projects' from the provincial government are modified. The present provincial programs that exist are not suitable for the Montreal region and concrete (structure) building construction. The programs are designed for Quebec area and wood (structure) construction. The programs do not take into consideration the additional cost for the land per door. The program only provides 10,000\$ for a 2 bedroom unit. The price of land per door or for a 2 bedroom unit in Montreal ranges from 20,000\$ to 30,000\$. The provincial government also does not provide an amount for concrete (structure) construction. The developer in the majority of

