

\$8.00 in the weekly pay required. These amounts may sound small, but they have real significance in their effect on the number of potential home owners.

By far the greatest obstacle to the building of low cost housing in the Metropolitan Toronto area, is the expense of developing land for building purposes. May we examine the reasons for this situation.

Prior to 1946, the cost of supplying services such as paved roads, curbs and gutters, sewers, watermains and sidewalks were met chiefly by taxes raised under local improvement by-laws. Since then a practice has developed under which all of these costs are loaded upon the house purchaser as part of the original purchase price.

It has become standard practice for municipalities within the Toronto area to demand the installation of every conceivable improvement as conditions of approval of a plan of subdivision. These requirements include the following:

1. Complete sanitary sewer systems and storm sewer systems.
2. Oversize sewers if necessary to serve areas beyond the limits of the subdivision.
3. Paved streets and undertakings to maintain them for two or three years after construction.
4. Sidewalks, curbs, street lights and signs.
5. Planting of trees and sodding of all front lawns and, in one case at least, sodding of the entire lot.
6. Contributions on a foot-frontage basis to cover municipal capital expenditures.

A typical example of the cost of servicing building lots is outlined below:

Raw land (40 acres) .....	\$209,075.00
Legal fees .....	1,113.00
Mortgage interest (18 months) .....	22,800.00
Municipal taxes (18 months) .....	5,025.00
Municipal park dedication .....	10,453.00

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\$248,466.00

Raw land cost per lot (222 lots) $\frac{248,466}{222}$ .....	\$ 1,120.00
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COST PER LOT

Raw land cost (as above) .....	\$ 1,120.00
Roads, curbs, sidewalks, sewers and water (double connections) .....	1,783.00
Storm outfall .....	95.00
Engineering fee @ 6.00 .....	113.00
Survey .....	25.00
Town planning consultants fee .....	7.00
Municipal grant @ 35.00 per acre (engineering fee) ...	7.00
Municipal contributions @ 5.00 per lin. ft. frontage and flankage .....	295.00
Municipal sewer inspection fee .....	29.00
Municipal water meter .....	20.00
Performance bond (18 months) .....	21.00
Maintenance bond (24 months) .....	8.00
Company overhead .....	98.00

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Total .....

\$ 3,621.00

SERVICED LOT COST

Average width on 222 lots .....	44.7 ft.
Cost per frontage ft. ....	\$81.00