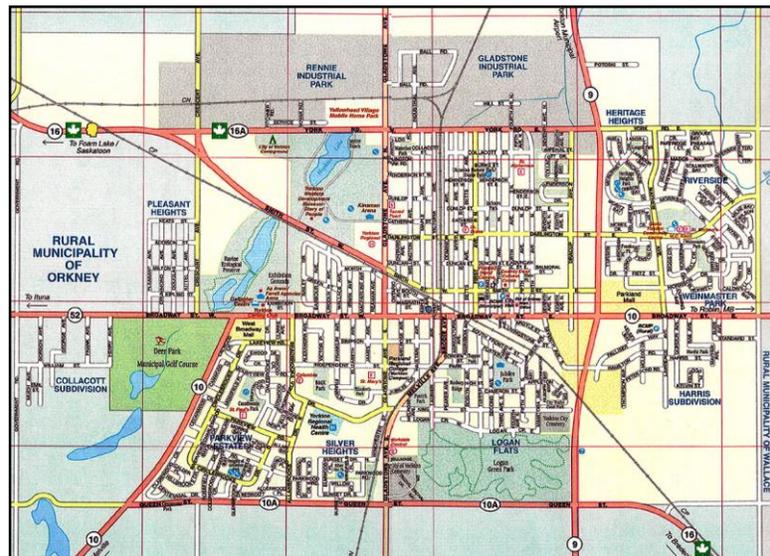


CITY OF YORKTON

Yorkton is located along the Trans-Canada Yellowhead Highway #16 in east central Saskatchewan between Saskatoon and Winnipeg. It is 188 kilometers northeast of Regina, 64 kilometers west of the Manitoba border and 322 kilometers southeast of Saskatoon. Other highways servicing the area include Highway #10 (between Yorkton and Regina) and Highway #9 from Hudson Bay to the US border.

According to information provided by the City Economic Development Department, the current population is approximately 19,249 people representing a 4.46% growth between 2012 and 2016. Yorkton serves as the third largest trade region in the province servicing approximately 150,000 people. This indicates a very stable population base which is expected to continue to grow.

CITY MAP



Transportation facilities include two rail lines, Greyhound Bus Lines, a municipal airport and over a dozen trucking firms. Yorkton is the distribution centre of east-central Saskatchewan. Communication services in the area include a radio station, two TV stations, two cable TV services, three bi-weekly newspaper services plus daily newspapers from Regina, Saskatoon and Winnipeg.

The area has good rolling arable land for the most part, ideal for mixed farming. In addition, the area is known for its production of pork, beef, chickens and turkeys, with most production coming from mixed farms. A few producers specialize and produce on a larger scale. There are two large abattoirs in Yorkton; Sabre Meat Processors and First Choice Meat Processors.

The economic base for the city continues to be agriculture, but also include: manufacturing, food processing, construction, information & cultural industries, professional, retail trade, and healthcare.

The largest employers in the manufacturing industry in the city are Morris Industries Ltd. and Leon-Ram Enterprises Inc. Morris specializes in farm air seeding and tillage machinery manufacturing and Leon-Ram manufactures Leon agricultural equipment, RAM hydraulics, and RAMROD skid steer loaders. Two canola crushing plants (Richardson Oilseed Ltd. and Louis Dryfus Company) are operational in Yorkton and area. Initial operation of both canola crushing plants have created approximately 150 direct jobs. Richardson also increased processing capacity by 25% at its plant in 2014 to accommodate 1 million tonnes of seed annually.

Grain Millers Canada has begun a \$100 million expansion of its Yorkton Mill to be completed in late 2018. The project is in Phase 2 of an ongoing expansion that will add 80,000 metric tonnes of oat production capacity and create 25 new permanent jobs. The mill's expansion is forecasted to increase the demand for oat crops in the surrounding area.

Mosaic, one of the largest potash producers in Canada, based in Esterhazy, Saskatchewan, completed its expansion in 2011 of K1, K2, and K3 shafts. Production from the K3 site began in 2016 and had reached over 3,000 feet below ground by early 2017. Potash Corporation of Saskatchewan (PCS) also expanded their Rocanville facility which recently underwent a \$3 billion expansion. The mines are located near Esterhazy, approximately 90 kilometers south of Yorkton. While the potash market was suffering major decline due to falling prices in 2016, Mosaic and PCS continued to focus on their mining operations near Yorkton. The City of Yorkton, as the regional centre, is often the first choice for most of the workers as far as housing or conducting their other business is concerned.

Saskatchewan's economic boom in mining, construction and value-added industries created a need for more training capacity, specifically in the skilled trades area. The increase in demand for skilled trades led Parkland College, a Yorkton campus, to expand its existing facility. The College underwent a 26,910 square foot expansion in 2015 at a cost of approximately \$11 million to build a Trades and Technology Centre in order to meet future training needs.

Construction activity significantly decreased to \$17.1 million in 2016 from \$41.7 million in 2015, representing the lowest level of construction activity in the last ten years. The decrease was primarily due to a decrease in all permits, except institutional. The City undertook a \$12.3 million complete reconstruction of the Dracup Avenue corridor both

above and underground. This included additional resurfacing on Mayhew Avenue and a traffic circle at Dracup and Darlington Street. This project was completed June 2017.

The York Station is a new 12 acre commercial development area west of the Parkland Mall prepared by Harvard Developments Inc. and includes businesses such as Dollarama, A&W, Bulk Barn, Subway, Mr. Mike’s Steakhouse and Brown’s Socialhouse. Phase 1 of the city’s Roundhouse commercial subdivision was opened in 2014 and lots are still currently available. Jim Pattison Developments proposed a future highway commercial development plan on the south side of Highway 16 in 2015. The 96 acre site would expand retail development in the City but a commencement date has not yet been set. Canopy Growth Corporation announced a 90,000 square foot medical cannabis growth facility in 2017. The facility will create 40 to 50 new jobs and is expected to open in 2018. Although new construction has slowed down in the city, existing vacant retail spaces are being filled. Winners and Save-On Foods are set to open in the Parkland Mall in early 2017.

There are 11 hotel/motels with the Home Inn & Suites Hotel and the Days Inn opening in 2013. The Holiday Inn opened in 2014 making up over \$20 million of investment in hotels in the last four years.

City of Yorkton Building Permits							
Year	2010	2011	2012	2013	2014	2015	2016
Residential	\$17,699,820	\$20,582,895	\$10,955,615	\$21,029,630	\$19,348,490	\$7,327,079	\$5,726,780
Commercial	\$7,058,600	\$10,113,471	\$28,112,500	\$15,322,231	\$19,853,552	\$18,562,800	\$10,059,182
Industrial	\$76,000	\$2,600,000	\$2,214,000	\$1,850,000	\$1,862,300	\$15,466,791	NA
Institutional	\$2,063,000	\$1,210,244	NA	\$2,513,650	NA	\$380,768	\$1,285,000

According to the MLS service, an indicator of the real estate sales market, the 2016 residential gross sales volume of \$113.6 million was down from \$118.4 million in 2015, and the average house selling price was \$176,656 in 2016, up slightly from 2015 at \$175,669. This includes both urban and rural residential properties. The average house selling price in the City of Yorkton was \$225,416 in 2016, down slightly from 2015 at \$235,379. This downward trend in average housing prices is similar to other smaller communities across Saskatchewan as a result of a softening in the resource market.

According to CMHC, Yorkton's apartment market has approximately 841 suites. The following table summarizes the multi-family market in Yorkton.

CMHC - YORKTON PRIVATE APARTMENT SUMMARY														
PRIVATE APARTMENT VACANCY RATES (%)														
Bachelor			1 Bedroom			2 Bedroom			3 Bedroom +			Total		
Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16
4.0%	4.2%	6.4%	6.1%	8.7%	6.6%	5.5%	8.4%	3.8%	3.7%	9.6%	4.4%	5.4%	8.2%	5.1%
PRIVATE APARTMENT AVERAGE RENTS (\$)														
Bachelor			1 Bedroom			2 Bedroom			3 Bedroom +			Total		
Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16
\$572	\$656	\$671	\$758	\$783	\$798	\$869	\$890	\$904	\$915	\$1002	\$1078	\$807	\$844	\$859
NUMBER OF PRIVATE APARTMENT UNITS IN 2016														
Bachelor			1 Bedroom			2 Bedroom			3 Bedroom +			Total		
Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16	Oct-14	Oct-15	Oct-16
74	74	80	295	285	294	387	404	396	78	83	71	834	846	841

The apartment rental market in Yorkton appears to be stabilizing after an increase in rentable units in 2015. In 2016, vacancy rates were in decline while rents were increasing overall.

Yorkton is a growing city that serves a large trading area in southeast Saskatchewan and southwest Manitoba. The commercial markets in Yorkton have been strong over the past couple of years while the overall Saskatchewan economy has slowed down due to lower resource and commodity prices. The overall outlook for the city and the region is positive in comparison to similar communities in the western portion of the province.