

Genesis Land Development Corp. TSE Stock Symbol: GDC

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Genesis Reports 2011 Second Quarter Results and a Restructuring of \$54 million of Debt

Results of Operations

Genesis Land Development Corp. (“Genesis” or the “Company”) is pleased to report net earnings of \$3.6 and \$7.1 million or \$0.08 and \$0.16 (basic and fully diluted) earnings per share on total revenues of \$20.5 and \$48.4 million for the three and six months ended June 30, 2011 (2010 - \$66.2 and \$84.2 million).

The Company achieved sales of 32 and 114 single-family lots during the three and six months ended June 30, 2011, primarily in the recently completed Phases 1 and 2 of the Calgary community of Sage Meadows and the Airdrie community of Bayside Phase 9, resulting in significantly higher lot revenues in comparison to the first six months of 2010. Genesis also sold 21 and 30 single- and 1 and 3 multi-family homes in the three and six months ended June 30, 2011, reporting lower home-building division sales volume in comparison to the same periods in 2010.

Debt Restructuring

Genesis has refinanced \$54 million of its debt, freeing up \$9 million of previously required annual principal repayments, and reducing its borrowing costs on these loans by 2.5%. Five existing loans, with varying maturities and capital repayment requirements have been consolidated into 3 loans which are not due for 30 months. The loans are interest only and bear interest at the greater of 7.2% or prime +4.2%. The security for the loans is unchanged. The elimination of the capital repayments reduces the need for Genesis to seek working capital loans as it works to improve its capital structure.

Outlook

Genesis is currently operating 6 show homes in 4 communities. And while new home closings in 2011 are expected to be below those of 2010 due to weather related delays in the completion of serviced lots and the showhomes, given the customer traffic Genesis is experiencing in the showhomes, it is believed the home closings volume will return to normal levels in 2012.

The land division has now completed servicing of the first two phases of NE Calgary community of Saddlestone, and has commenced servicing of phases 3 and 4 which will yield 132 lots with substantial completion expected late in 2011. It also expects to have 131 lots available for sale in Bayside 7. A third party builder is negotiating the purchase of 46 of those lots. Genesis has also agreed to sell 2 additional lots in Bayside 7 to Habitat for Humanity at a significant discount.

As expected, RioCan Real Estate Investment Trust (“RioCan”) has exercised their second and final extension on the conditional sale of +/- 33.5 acres for \$31.6 million in Sage Hill Crossing in NW Calgary. If the deal goes firm on September 2, 2011, RioCan will be required to pay a 15% deposit on the purchase price. Once firm, the deal will close on the completion of servicing. Genesis will likely complete the servicing in early 2012.

Genesis continues to refine its plans on a +/-180 unit multi-family rental project in its community of Saddlestone. Focusing on two-bedroom units that are less than a 1,000 square feet with average target rental revenues of one-thousand-dollars per unit range, designs are being finalized with construction expected to commence in 2011. Once construction is complete, the Corporation intends to retain it as revenue producing property.

UNAUDITED FINANCIAL SUMMARY

As at and for the six months ended June 30, 2011 and 2010

(all tabular amounts are in thousands of dollars except per share amounts and number of shares)

	2011	2010
Assets	363,251	340,829
Liabilities	129,230	129,852
Total equity	234,021	210,977
Revenue	48,368	84,157
Expenses net of finance and other income	38,855	54,861
Earnings before taxes	9,513	29,296
Earnings attributable to equity holders	7,127	22,143
Earnings per share (basic & fully diluted)	0.16	0.50
Common Shares Outstanding	44,473,999	44,306,759

Key Performance Indicators:

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Funds From Operations	\$ 6,321,000	\$ 25,928,000	\$ 13,438,000	\$ 28,306,000
	For the twelve months ended			
	June 30,		December 31,	
	2011		2010	
Return on Equity	11.2%		23.9%	
	June 30,		December 31,	
	2011		2010	
Debt to Gross Book Value	23.7%		23.5%	

Genesis Land Development Corp. is a Calgary based land development company with an inventory of over 17,500 lots and units and a 535-acre commercial and industrial land reserve. The vast majority of this inventory is within the Calgary metropolitan area.

This press release should be read in conjunction with the Consolidated Interim Financial Statements and Management Discussion & Analysis of the Corporation for the three and six months ended June 30, 2011, which have been filed on the System for Electronic Document Analysis and Retrieval (SEDAR). Copies of these documents may be obtained via SEDAR at www.sedar.com

Cautionary Statement Regarding Forward-Looking Information

This press release contains certain statements which constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation concerning the business, operations and financial performance and condition of Genesis. Forward-looking statements include, but are not limited to, statements with respect to the estimated pre-tax net asset value of the Company, the estimated after tax net asset value of the Company and estimated corporate tax rate and the number of dwelling sites that Genesis will actually develop and sell. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Although Genesis believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Genesis to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, Genesis cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to, general economic conditions; local real estate conditions, including the development of properties in close proximity to Genesis' properties; timely leasing of newly-developed properties and re-leasing of occupied square footage upon expiration; dependence on tenants' financial condition; the uncertainties of real estate development and acquisition activity; the ability to effectively integrate acquisitions; interest rates; availability of equity and debt financing; the impact of newly-adopted accounting principles on Genesis' accounting policies and on period-to-period comparisons of financial results; economic conditions in Western Canada, not realizing on the anticipated benefits from the transaction or not realizing on such anticipated benefits within the expected time frame and other risks and factors described from time to time in the documents filed by Genesis with the securities regulators in Canada available at www.sedar.com., including the Annual Information Form under the heading "Risk Factors" and in Genesis' most recent interim report under the heading "Management's Discussion and Analysis." Furthermore, the forward-looking statements contained in this press release are made as of the date of this press release and, except as required by applicable law, Genesis does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.

Caution should be exercised in the evaluation and use of the appraisal results. The appraisal is an estimate of market value at specific dates and not a precise measure of value, being based on subjective comparison of related activity taking place in the real estate market. The appraisal is based on various assumptions of future expectations and while the appraiser's assumptions are considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.