



Genesis Announces Special Cash Dividend and Reports 2016 Third Quarter Results

For Immediate Release – CALGARY, November 10, 2016

SPECIAL CASH DIVIDEND

On November 10, 2016, Genesis Land Development Corp.'s (TSX: GDC) (the "Corporation" or "Genesis") Board of Directors approved the payment of a special cash dividend of \$0.25 per common share for a total of approximately \$10,900,000 payable in December 2016.

THIRD QUARTER RESULTS

Genesis is pleased to report its financial and operating results for the three and nine months ended September, 2016.

Key financial results and operating data are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
<i>(\$000s, except for per share items or unless otherwise noted)</i>				
Key Financial Data				
Total revenues	29,240	34,918	87,812	82,513
Gross margin	6,839	9,734	22,676	13,278
Net earnings attributable to equity shareholders	2,184	4,256	7,122	5,649
Net earnings per share – basic and diluted	0.05	0.09	0.16	0.12
Cash flows from (used in) operating activities	10,060	8,919	36,723	(11,132)
Cash flows from (used in) operating activities per share ⁽¹⁾	0.23	0.20	0.85	(0.25)
Key Operating Data				
Residential lots sold to third parties (units)	24	13	46	19
Residential lots sold through home building business segment (units)	22	32	93	74
Average revenue per lot sold	196	160	187	175
Development land sold (acres)	7	-	1,674	4
Homes sold (units)	28	67	110	158
Average revenue per home sold	537	484	534	498
New home orders (units)	38	38	112	99

	As at September 30,	
	2016	2015
Homes (with lots) subject to firm sale contracts (units)	65	78

	As at September 30, 2016	As at December 31, 2015
	Key Balance Sheet Data (<i>\$000s, except for per share items or unless otherwise noted</i>)	
Cash and cash equivalents	15,938	11,399
Total assets	302,424	331,045
Loans and credit facilities	38,558	63,819
Total liabilities	77,644	106,054
Shareholders' equity	217,995	212,125
Total equity	224,780	224,991

⁽¹⁾ Basic and diluted amounts per share

Summary of Operating Results

The results for the nine months ended September 30, 2016 are substantially improved relative to the same period in 2015. 2016 revenues included three land parcel sales (\$21,237,000) with no significant land parcel sales in the same period in 2015 (\$100,000). Despite an ongoing challenging economic environment, the business is delivering strong results. General, administrative and sales expenses for the third quarter of 2016 were reduced by \$1,302,000 to \$3,388,000 compared to \$4,690,000 in the third quarter of 2015, or by 27.8%. General, administrative and sales for the period ended September 30, 2016 have reduced by \$1,871,000 to \$11,706,000 compared to \$13,577,000 for the same period in 2015.

Highlights

Volumes and Revenue:

- The Land division:
 - Sold a 7 acre development land parcel to the City of Calgary in Q3 2016 with revenues of \$9,437,000 (Q3 2015 – Nil).
 - Sold 46 lots during Q3 2016 compared to 45 lots during Q3 2015.
- The Genesis home building division:
 - Sold 28 homes in Q3 2016 with revenues of \$15,051,000 (Q3 2015 – 67 and \$32,448,000 respectively). Of the 28 homes, 22 were built on residential lots supplied by Genesis, generating residential lot revenues of \$4,267,000 (Q3 2015 – 32 and \$4,739,000 respectively), which is included in the revenues of the home building division.
 - New home orders were 38 during Q3 2016 compared to 38 in Q3 2015. YTD new home orders were 112 during 2016 compared to 99 in 2015.
 - The Q3 2016 closing order book of 65 firm home sales contracts compares to 78 firm home sales contracts at the close of Q3 2015. This year over year decline is believed to be due to home buyers preferring homes that can be delivered on a quick possession basis. Genesis has been successful in delivering quick possession homes in sufficient volumes to offset the decline in pre-construction sales orders.

Net Earnings:

- Net earnings were \$2,184,000 for Q3 2016 compared to \$4,256,000 in Q3 2015 and \$7,122,000 for YTD 2016 compared to \$5,649,000 for YTD 2015.
- Net earnings for the three and nine months ended September 2016 were impacted by a \$3,293,000 write-down of a single parcel of undeveloped non-core land located in Alberta (2015 - Nil and \$11,261,000).

Cash Flows from Operating Activities:

- Cash inflows from operating activities on a quarterly basis were \$10,060,000 (inflows of \$0.23 per share) at Q3 2016 compared to cash inflows of \$8,919,000 (inflows of \$0.20 per share) at Q3 2015. Cash inflows from operating activities were \$36,723,000 (inflows of \$0.85 per share) YTD compared to cash outflows of \$11,132,000 (outflows of \$0.25 per share) at Q3 2015. This is a positive year-over-year increase of \$47,855,000.

Loans and credit facilities:

- Loans and credit facilities at September 30, 2016 were \$38,558,000, compared to \$63,819,000 at December 31, 2015, a reduction of \$25,261,000. This includes payment of the first \$8,000,000 installment on the \$40,000,000 VTB paid in January 2016.
- The components of loans and credit facilities related to land servicing and home building (excluding the vendor-take-back mortgage and a loan held by a limited partnership) amount to \$2,068,000 as at September 30, 2016 which is a reduction of \$2,777,000 since June 30, 2016 and \$19,305,000 since December 31, 2015.

Continued cost reductions:

- Genesis continues to review its business with a focus on cost reductions and improving operational efficiency.

Additional Information

The information contained in this press release should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2016 and 2015 and the related Management's Discussion and Analysis ("MD&A") dated November 10, 2016 which have been filed with Canadian securities regulatory authorities. Copies of these documents may be obtained via www.sedar.com or our website at www.genesisland.com.

About Genesis

Genesis Land Development Corp. is a land developer and residential home builder in the Calgary Metropolitan Area. The Corporation's common shares are listed on the Toronto Stock Exchange (TSX: GDC).

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ADVISORIES

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