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CONDOGUIDE

INDUSTRY OUTLOOK

The changing real-estate market

by hugh heron

In the 1960s when I started in the residential construction industry, the designing and marketing of communities was more cut and dried. In those days, couples rented individually until they married, bought homes and had 2.4 kids. Today, the purchaser landscape is more varied. Housing markets have changed, new niches have evolved and builders have had to adapt by marketing to broader groups of people.

For example, a growing number of single people are purchasing homes rather than renting. For young professionals, the home is an investment and they may choose a condo or townhome that requires little or no maintenance. With time being more precious than money these days, aspects of home ownership allow for more leisure opportunities and are appealing to the over-50 crowd as well.

It's refreshing that there are more single women purchasing homes today – something rarely seen in the '60s. Women have become a powerful force on the economic scene. Even when couples purchase homes, the woman often makes the final decisions on the design, features and finishes. Single parents are also hopping on the home-buying wagon, as they build equity for their family's future.

We are also seeing co-owners who share in the expenses of a home for a period of time. This is a phenomenon that is not new, as immigrants have often shared housing with relatives and lodgers until they become established.

Of course, baby boomers make up a big segment of the new-home market. As they become empty nesters, they often choose a residential path different from the ones their parents followed. They don't necessarily stay in the family home until they're 65 and then retire to live in their cottages. Many active adults over the age of 50 are downsizing to more compact homes or condos that are close to their favourite activities. Look at all the adult-lifestyle communities, golf communities and waterfront condominiums that offer a recreational lifestyle. Then

there are other empty nesters who choose to live in a mixed, suburban, low-rise community where they can enjoy interacting with younger families.

In addition to varying the marketplace, demographics have blurred the distinctions that once dictated who bought what. First-time buyers who have inherited money or have done well in business may buy in an upscale community of executive homes. On the other hand, we might design a collection of compact townhomes priced for younger buyers, and find that empty nesters who want to move down in space and maintenance are attracted to them. Families are buying condominium suites and childless couples are buying sprawling estate homes – the mix is exciting.

It's also exciting that there are so many beautiful new homes and condominiums available today for purchasers of all ages and from all walks of life. Choices range from 400-sq.-ft. bachelor suites in condominiums to sprawling 2,000-sq.-ft. penthouses. Sometimes these are all in the same building, even though the markets for these two extremes are probably different in age and life circumstances. We're seeing this kind of mixed use more and more in both high-rise and low-rise. What the purchasers have in common may be a waterfront location, a golf course, proximity to a downtown area or a particular housing style. When builders include a scope of housing or suite styles, purchasers can buy with the intent of moving up within the community or building.

The new-home industry continues to change as we respond to evolving customer needs. The result is a terrific mix of communities, homes and people who make the GTA vibrant.



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