

CONDOS LEAD IN HOUSING STARTS: High-rise condominiums on False Creek in Vancouver: strata units now dominate new home starts across Metro Vancouver and may for the next 25 years. Photo: Tourism BC

Stratas make 80 per cent of housing starts

Condominiums and townhomes now account for nearly eight out of 10 of all the housing starts in Metro Vancouver, and are about six times higher than single-family starts in the city of Vancouver.

In the first six months of this year, 1,7770 strata units or rental apartments were started in the city, compared to less than 300 detached houses, reports Canada Mortgage and Housing Corporation.

Across all of Metro region, strata units accounted for 8,472 new homes, while just 1,659 houses broke ground in the first half of the year, the federal housing agency said. Strata units are dominating suburban

markets, once the domain of the detached house. In Coquitlam and Richmond, for instance, strata units dominate detached construction by a 10-to-one ratio. In Richmond, strata units totaled 1,315 starts in the first half of this year, compared to just 130 detached houses.

It is not just the lower cost of ownership that is making strata units more dominate, analysts say. An aging population that desires smaller homes and a general increase in more people living alone and couples without children are also supporting the strata demand.

The Canadian Housing Observer released

by CMHC in May, notes that an aging population and more single-person households could mean that condos may be the home of choice and lead demand over the next 25 years.

The report shows that from now to 2036 almost all of Canada's population growth will be from immigration, while the senior population increases. As such fewer households will be formed and there will be a much larger increase in people living alone or two or more people living together that are not considered a family. This will in turn increase the demand for condos, the report notes.