



# SURPRISE: SENIORS ARE BUYING, NOT SELLING

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**A** scenario that many have long been accepted as fact - that older Canadians would sell their houses and create a mini-glut on the market - does not hold water, according to a survey by Scotiabank.

The perception formed the basis of the 1996 bestseller 'Boom Bust and Echo' a that forecast an oversupply of suburban houses as aging boomers downsized.

"Contrary to some dire predictions, population aging will not fuel a demographically-induced selloff in Canadian real estate," Adrienne Warren, senior economist and real estate specialist at Scotiabank, said in the report.

Instead, Canadians are increasingly likely to remain homeowners as they grow older, the report states - in fact

many of them continue to buy homes.

The Scotiabank survey says said an aging population doesn't inevitably lead to a bulge in the housing supply. Homeownership rises steadily with age up to about 60, and only begins to drop off after 75, the report said.

"Even then, the homeownership rate of Canadians 75+, at close to 70 per cent, is roughly the same as for those aged 35-44," it said.

The biggest increase in home ownership rates in recent decades has been among those 65-74 and above 75.

However, an aging population can mean a lower level of housing turnover, sales and listings, as seniors are less likely to move in a given year than other age groups. "In a given five-year period, only about 20 per cent of Canadians aged 65 and over are likely to move, about half the rate of the overall population," Scotiabank found.

When seniors do choose to move, a lot of them move into condominiums. Seniors, along with buyers under 35,

are more likely to live in a condo than other age groups, it said. They're attracted by lower maintenance requirements, proximity to public transit and other services, and the mobility advantages of single-floor living, Scotiabank said.

Scotiabank also found that condos will remain in demand because of a sharp rise in people living alone: there are now more single-person households (28 per cent of all homes) than couples with children; and higher rates of immigration. The survey found that 25 per cent single buyers purchase a condominium and that recent immigrants are more than twice as likely to buy a condo than non-immigrants.

**Seniors are as likely to become home buyers as sellers, a new survey suggests.**