

## Condominium market in Canada heating up: Re/Max

OTTAWA — Condominiums have become a hot sector of the Canadian real estate market, particularly as an option for first-time homebuyers spooked by high prices for single-family homes, says a report released Monday.

Real estate-services firm Re/Max says affordability, lifestyle, investment opportunities and urban renewal efforts are among the reasons condo sales have spiked over the last year in some Canadian markets.

"As one of few affordable housing options available to first-time buyers, the concept is poised for dramatic growth in years to come," Michael Polzler, executive vice-president for Re/Max's Ontario-Atlantic Canada operations, said in a statement.

Re/Max said condo sales in the Greater Toronto Area are up 10.4 per cent, year-to-date, as of September, and now represent one out of every three homes sold there. In Ottawa, condo sales are up 11.9 per cent.

"The lifestyle has also gained a foothold with younger, hipper audiences as the definition of home ownership evolves with the changing demographic," Polzler added. "Dreams of the small home with a white picket fence are being replaced by the funky loft apartment in proximity to shops, restaurants and entertainment."

Price comparisons provided by Re/Max for Ottawa showed the average price for condominiums had risen 12.9 per cent to \$252,641 over the last year, but was still more than \$100,000 cheaper than the average price of \$366,587 for a single-family home.

While the Re/Max report focused specifically on Ontario and Eastern Canada, Gregory Klump, chief economist for the Canadian Real Estate Association, said condo sales are becoming a bigger share of more expensive housing markets across the country, such as Toronto and Vancouver.

"(Condos) have been accounting for a greater percentage over time of all sales activity," Klump said. "Condo units are an affordable alternative to single-detached home ownership."

The Re/Max report said other factors driving the condo market include urban redevelopment that favours intensification over urban sprawl, empty nesters seeking low-maintenance retirement properties and investors hoping to sell when prices appreciate, the report said.

Re/Max said the "vast majority" of newly built condominiums in Toronto are purchased by long-term investors from Asia and the Middle East, who will often rent them out until they find their desired sales price.

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