

# Affordability and the million dollar home



## BEN MYERS REAL DATA

The Toronto real estate market just keeps setting records. In June 2015, the Canadian Mortgage and Housing Corporation (CMHC) reported that the average new single-detached house sold in the Toronto Census Metropolitan Area (CMA) topped \$1 million for the first time.

This represents a 33% annual increase. Toronto isn't the same city that it used to be. It's changing — for the better — but that means that our expectations have to change along with it.

Many Torontonians have an old set of expectations, they have always dreamed about owning a brand new single-detached house, just like their parents bought years ago. I have that dream too.

But I currently live in the City of Toronto and quickly realized that making that dream a reality is going to be very difficult. The average new single-detached house completed in June of this year was sold for \$1.9 million in the City of Toronto, an increase of 31% year-over-year.

I've read the commentary and feel homebuyers' pain. But there's no avoiding it: these prices are set by the fundamental laws of economics, supply and demand. The Toronto CMA is a much different place than it was just 20 years ago.

The average price of a new single-detached house in the CMA was just over \$300,000 in 1995. Between January 1995 and June 2015, there have been approximately 668,000 new

homes built in the CMA, including 270,000 single-detached houses.

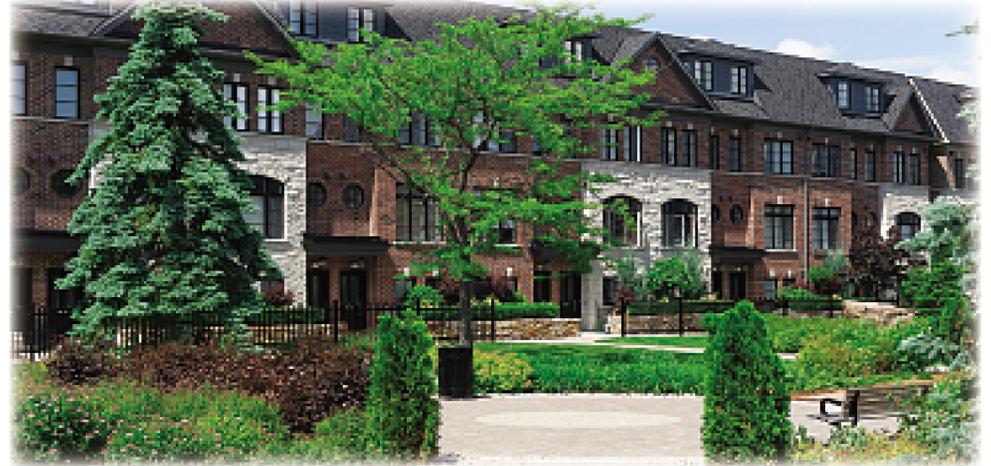
Our parents, who lived the dream of detached home ownership, likely bought in a market with much more available new housing supply, less housing demand, more future development lands, in a metro area that lacks the vast array of amenities we currently enjoy.

All these new houses, and all these new people have brought excitement, innovation, diversity, entertainment and energy to the region. Toronto was recently ranked by the Economist as the best city to live in the world.

Unfortunately, if you want to buy anything that is 'the best', you have to pay a high price for it. However, it doesn't mean your dream of buying a new home can't come true, it requires you to get creative, and look at other solutions.

The solution for people looking to escape their high-rise condo and move-up to a bigger low-rise home is a stacked townhouse.

I conducted a survey of build-



A recent survey of which alternative housing types buyers are now most interested in and townhomes topped the list.

ers and developers for my next Market Manuscript (a comprehensive housing report due out in the fall!), which asked what alternative housing types are they most interested in, and stacked townhouses topped the list.

Referred to in the industry as 'stacks', these three- or four-storey townhouses have units one above the other, some homes offer ground-level outdoor

space, while others offer private rooftop terraces.

You won't get your two-car garage or pool-sized backyard, but it is a great next step for buyers looking to climb the property ladder.

You may not have \$1 million bucks to spend on a new home, but I suggest checking out a couple less expensive stacked townhouse projects, The Treehouse in Toronto and The

Anchors at Lakeview in Mississauga at [www.fortressrealdevelopments.com](http://www.fortressrealdevelopments.com). Good luck.

— Ben Myers is senior vice-president of market research and analytics at Fortress Real Developments and has been writing about the Toronto housing market for more than a decade. Follow him at @BenMyers29 on Twitter.com.

# George Kent to join Improve Canada



## JESSICA VITULLO EIEIHOME.COM

The home improvement experts at George Kent have a lot to look forward to in the next few months. From the earlier formation of an industry Buying Group (Enerview Windows & Doors), to the start of a new joint venture in the heating & air conditioning market (Kent Home Services) to the recent investment in a location in the new Improve Canada building, which will be opening later this year.

Wayne Palmer of George Kent spoke to [eieihome.com](http://eieihome.com) about the company's latest business developments.

George Kent participated in the formation of a partnership with a group of companies across the province to cre-

ate a buying group known as Enerview Windows & Doors. The Enerview branded window is manufactured under a separate license agreement to the highest standards, with an emphasis on energy efficiency and design.

The advantage of working with a manufacturer is the ability to not only design the best window for our Canadian climate, but to continuously upgrade the window through investment in research and development, says Palmer.

"They're high-quality windows at very affordable prices," says Palmer. "The dealers invited to join the Buying group are carefully selected and tend to be the most respected in their

geographic areas for quality workmanship."

**How the buying group works.** Palmer explains: "We have other members throughout Ontario that have protected geographic territories." For example, there will be only one window expert in Kitchener and one in London who can sell Enerview window products. The plan for the group is to grow and have an Enerview dealer supplying the company's products province-wide.

What often happens in the industry is a window expert will spend several hours educating a homeowner about a window product only to have another company offer the exact same product at a discounted price, but without the same quality installation, says Palmer. This is an opportunity for George Kent to provide an exclusive product and the same high-quality installation expected from the company.

**Earlier this year the company opened "Kent Home Services,"** a joint venture with a large Energy Management Com-

pany. The company specializes in heating and air conditioning. The target market is primarily the GTA but will expand into Alberta by October 2015.

**The group has invested in a unit in the Improve Canada building.** The new 320,000 sq. ft. facility located in Vaughan, north of the city of Toronto, is a permanent one-stop home show where homeowners can plan home improvement projects and shop for hundreds of renovation goods and services.

George Kent, in partnership with another member of the Enerview buying group, has purchased a unit under the Enerview private label brand, says Palmer. "It's a unique opportunity," he says, adding Improve Canada is a chance to be involved in a 'year-round' home show.

Visitors will have a chance



to speak with an expert about Enerview window products and a variety of products George Kent has to offer, including roofing, insulation, furnace and air conditioners.

"We're in booth 381. Come and see us later this year!"

For more information on

George Kent Home Improvements and their line of products, visit [www.georgekent.ca](http://www.georgekent.ca), or call 1-800-668-5439.

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