

Townhomes an increasingly important part of the lowrise market

By Michael DiPasquale



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TOWNHOMES HAVE BEEN A PART OF the housing scene for decades, but this trend is being embraced with new enthusiasm.

Over the past few years, there's been a growing demand for luxury lowrise living in preferred neighbourhoods. And what many people are turning to is a housing form other than the traditional single detached home.

While townhouses used to be considered an entry point to homeownership – and many projects still cater to first-time buyers on a budget – a hot market has emerged for elegant townhomes with high-end features and quality craftsmanship. Purchasers of such homes are seeking a residence that is suitable for a family or professional couple, located in an area well served by schools, shopping, parks, highways and transit. Convenience is paramount.

Location is still the number one rule of real estate. Many higher end townhome communities are found in infill sites in existing preferred or up-and-coming urban neighbourhoods in accessible, vibrant areas.

The demand for upscale townhomes will continue to grow, as more people seek homes in settings in or close to the city where they don't have to deal with long commutes and have a host of shops, restaurants and amenities close by.

Some people don't want to live in a highrise condo, but the price of a detached home is beyond what they are willing to spend. According

to March real estate data from the Toronto Real Estate Board, the average detached home sale price hit \$910,375 in the 905 and was more than \$1 million in the 416. Townhouses offer many of the same benefits as detached home, but at a more reasonable price.

Townhouses are resonating with several types of buyers, including young professionals, young families and downsizers. When a young couple gets married, they naturally want more space than many condos provide – consider that the average square footage of a condo in Toronto is just 600 sq. ft. Townhouses average 1,800 to 1,900 sq. ft. in size. That's space you can grow in.

Many empty nesters want to downscale from their large family homes and all the maintenance it requires. They still want enough space to host family gatherings and have overnight guests. They want superb architecture, interior design and high-end features. The good news is that luxury townhouses offer all of these, so buyers don't have to compromise their standard of living.

Form and function matter. The owner of townhome builder, Dunpar Homes for instance, lives in a townhome, so his experience has helped him create liveable spaces with large kitchens with islands, dining rooms that can handle a dozen people, living room with fireplaces and spa-like bathrooms. Some of their newest townhomes even have heated

floors in the ground floor entry, den and powder room.

Many buyers don't like to buy from plans or can't get a sense of how the space flows or what the finishes will look like. Buyers appreciate having model homes to tour, so they can see for themselves what the finished product will be like.

As well as the lifestyle benefits, townhomes in desirable or up-and-coming neighbourhoods represent a good investment. Areas that used to be on the city outskirts are becoming urban, such as up-and-coming Etobicoke, and these urban areas are expanding beyond Toronto to all of the 905.

We are starting to see the effects of Places to Grow, the provincial plan that curbs urban sprawl and requires municipalities to create sustainable communities that use land, resources and infrastructure efficiently. That means less land is available and intensification is happening within existing urban boundaries. Large lowrise new home developments are becoming a thing of the past. These factors will continue to fuel the demand for lowrise homes and result in strong price growth in the lowrise market.

Low interest rates will be continuing for some time. And that's why there may be no better time to consider buying a townhouse.

Michael Di Pasquale is Vice-President of Finance and Operations for Dunpar Homes