

SUPPLY, SUPPLY, SUPPLY: **WILL** **TRICKLE DOWN** **DELIVER** **AFFORDABILITY?**

NOVEMBER 22, 2022





Robyn Brown

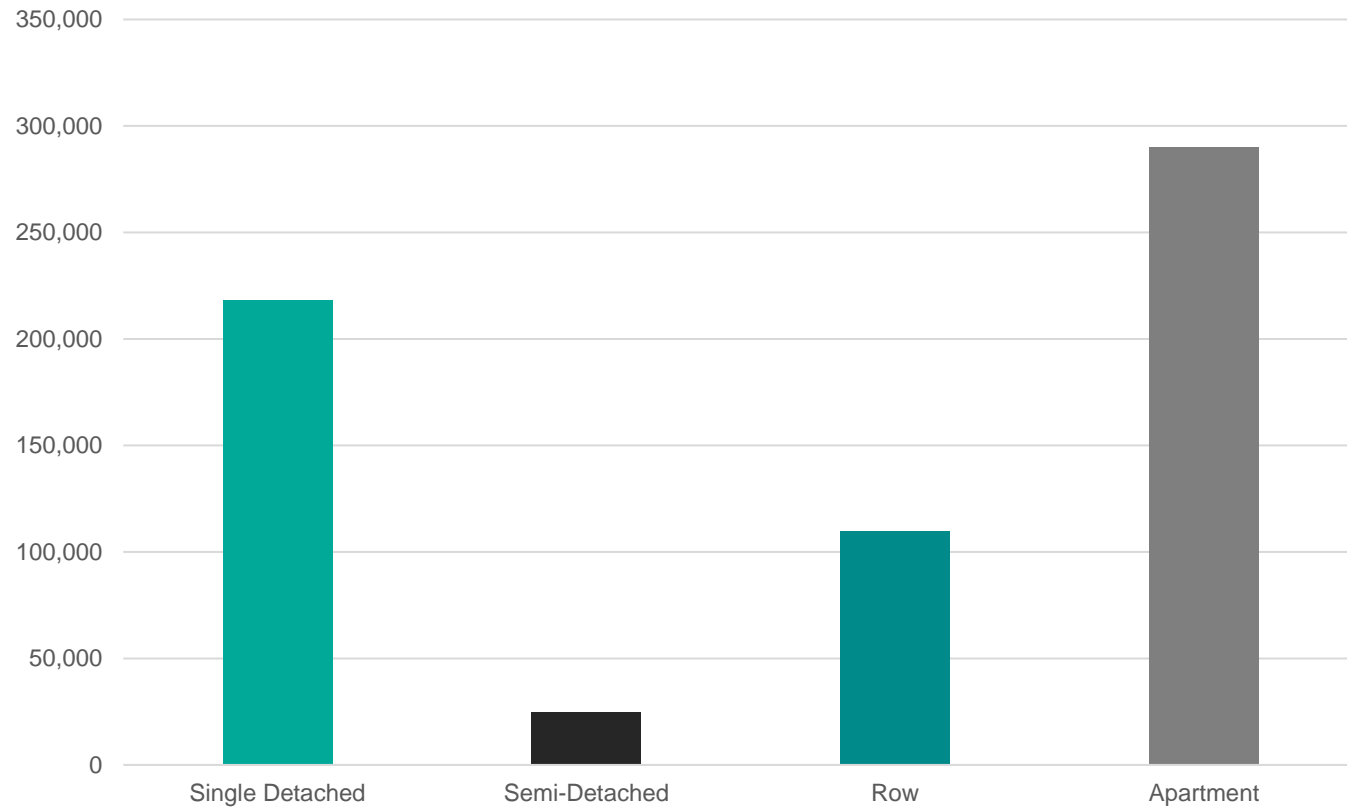
Director,
Senior Practice Lead,
Planning Development
Arcadis IBI Group

Supply! Supply! Supply!

ROBYN BROWN, MA, MPL, PLE
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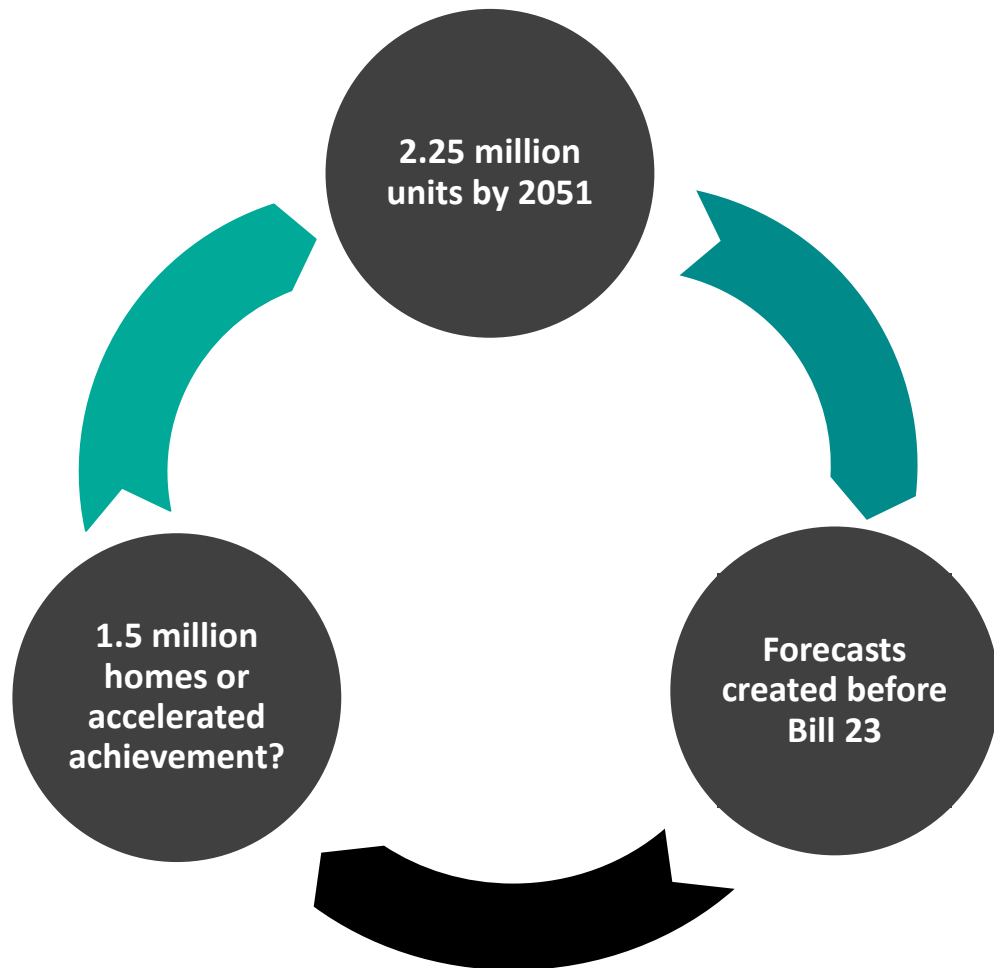
10 Year Ontario Housing Completions



Completions – All Products (2013-2022 YTD)					
	Single Detached	Semi-Detached	Row	Apartment	Total
10 Year Total	217,890	24,490	109,710	289,930	642,019

Source: CMHC – Starts and Completions Survey

Greater Golden Horseshoe Growth Forecasts



Housing by Type (2016-2051)			
Year	Ground Related	Apartments	Total
2011	2,202,000	974,000	3,176,000
2016	2,326,000	1,078,000	3,404,000
2021	2,477,000	1,196,000	3,673,000
2031	2,915,000	1,465,000	4,380,000
2041	3,362,000	1,671,000	5,033,000
2051	3,760,000	1,868,000	5,628,000
2016-2051 Growth	1,434,000	790,000	2,224,000

Source: Hemson Consulting (Greater Golden Horseshoe: Growth Forecasts To 2051, August 26, 2020)

Other Issues Related to Supply



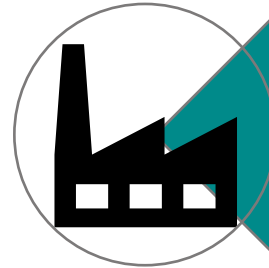
Financialization of
Housing



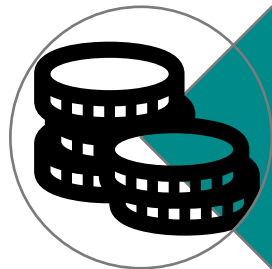
Housing
typologies



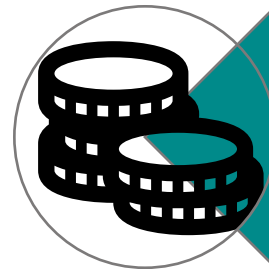
Construction
Labour Market



Servicing



Cost of living v.
construction costs



Growth
funding tools



Professor Karen Chapple

Director
School of Cities
University of Toronto

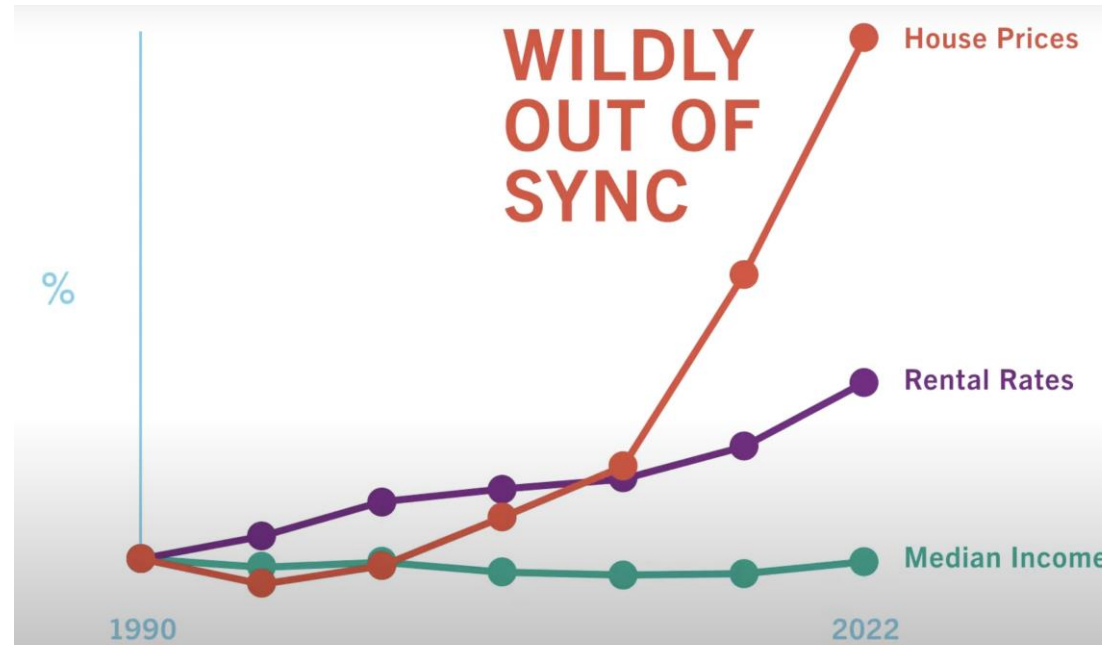
Supply, Supply, Supply: Will Trickle Down = Affordability?

*Karen Chapple, Ph.D.
Director of School of Cities and Professor of Geography
and Planning, University of Toronto
Professor Emerita, University of California at Berkeley*

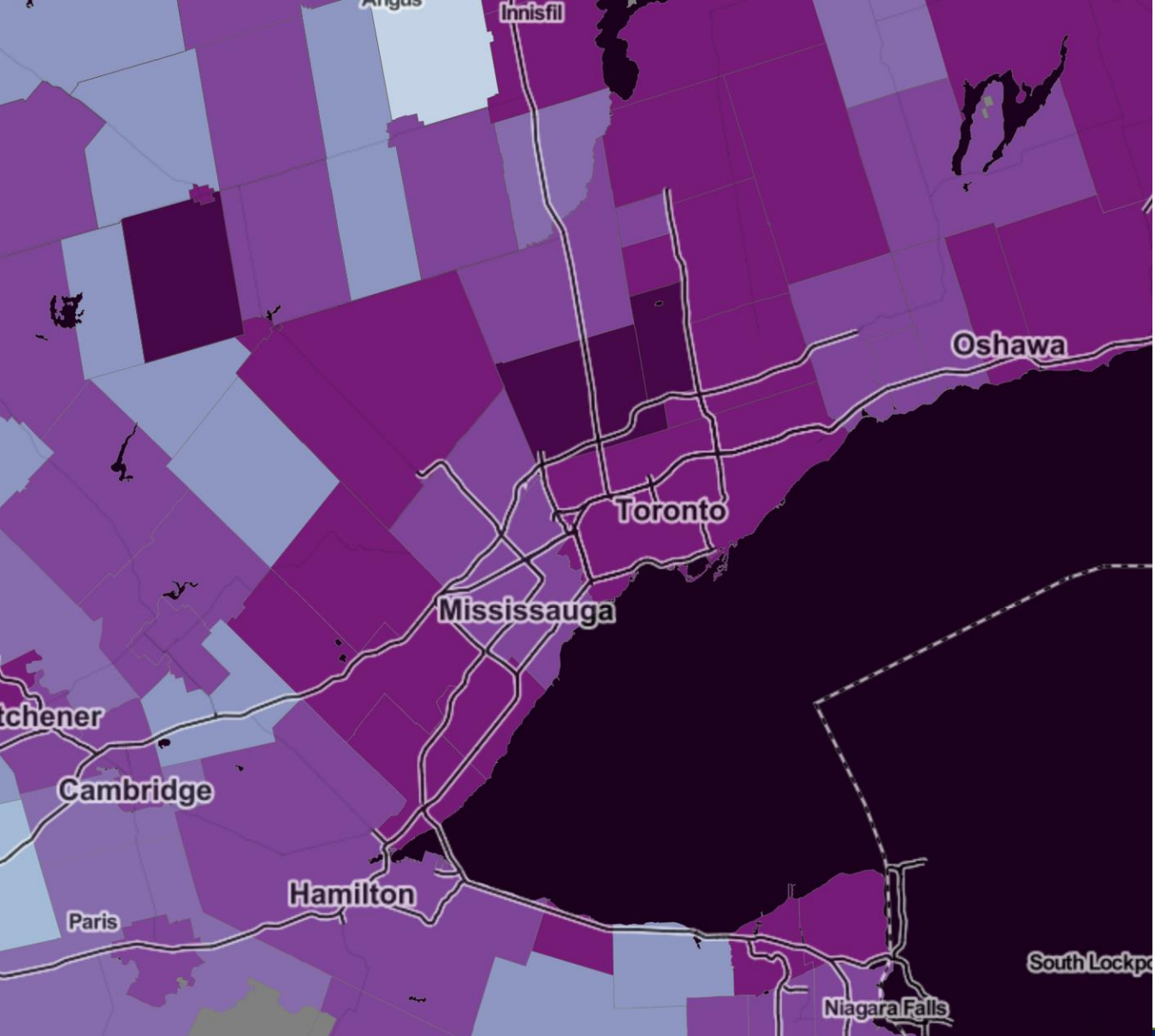
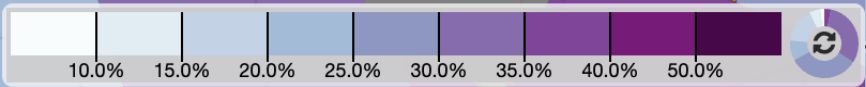




Explaining the housing crisis

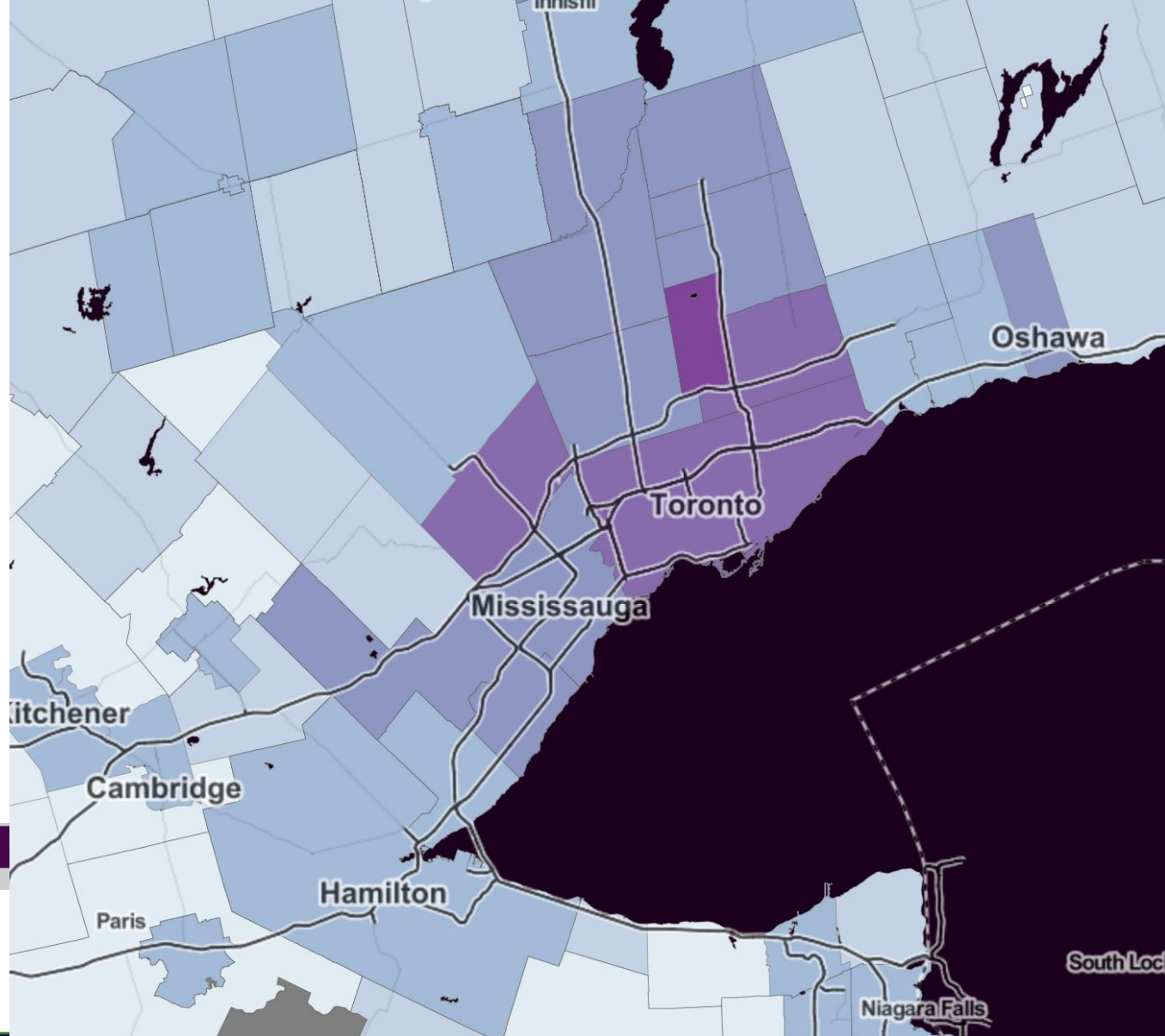
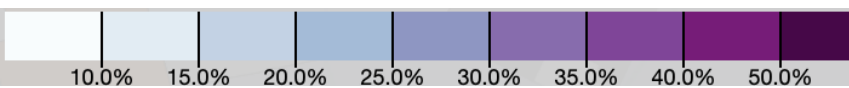


Rent burden in the GTHA, 2021



Source: Census Mapper

Renter and owner cost burden in the GTHA, 2021



Source: Census Mapper



Robert Kavcic
Director,
Senior Economist
BMO Capital Markets

Canadian Housing: Demand vs. Supply

Robert Kavcic

Senior Economist and Director,
BMO Capital Markets
robert.kavcic@bmo.com

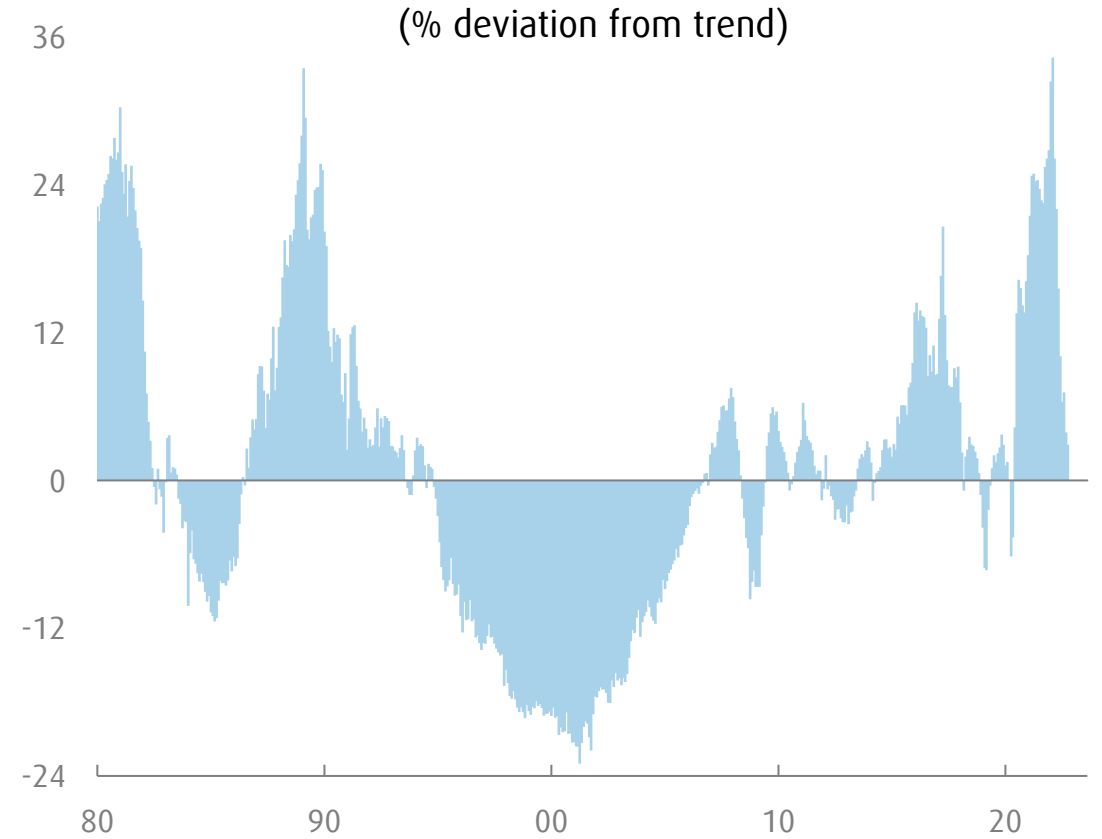
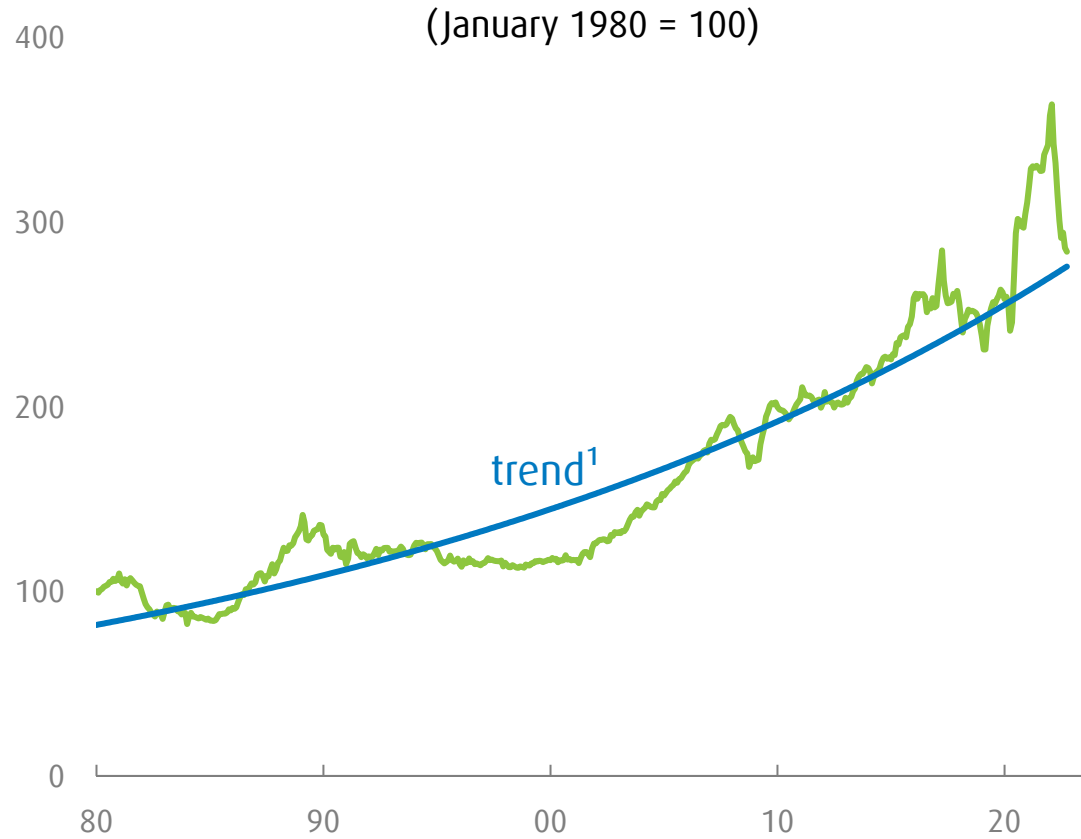
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House price froth

Canada – Real home price

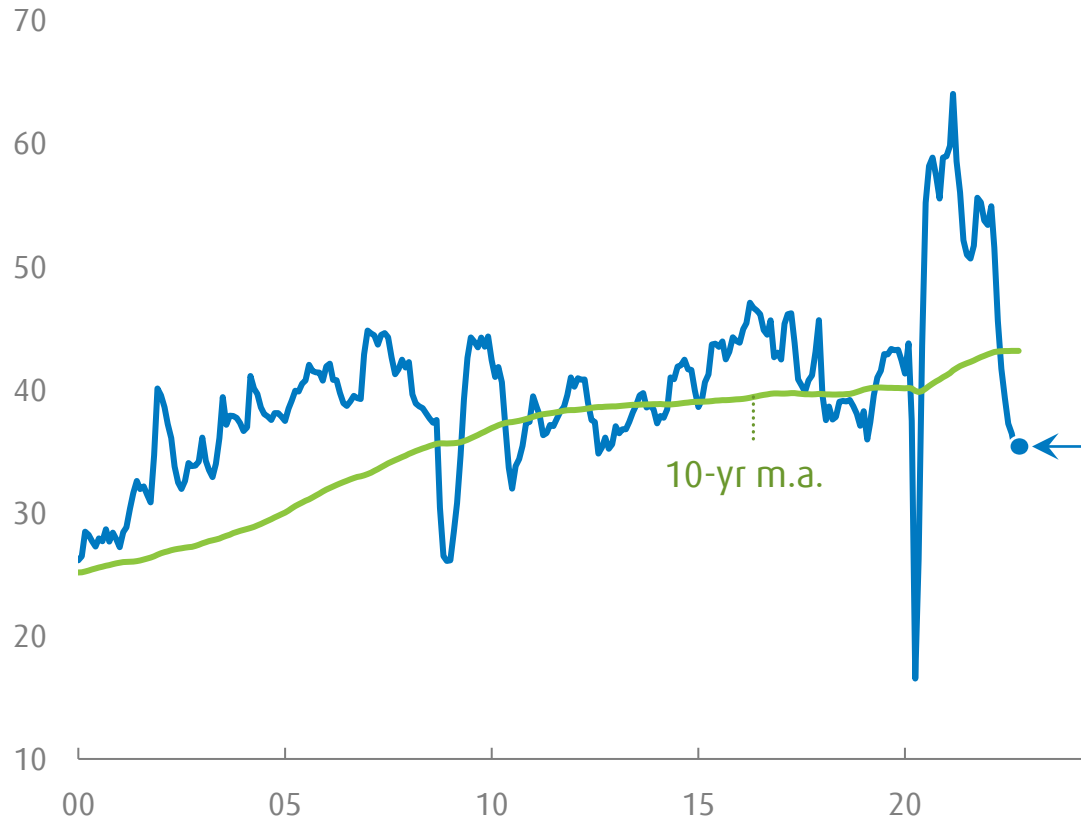


¹ Exponential growth trend since 1980

Demand surge

Canada – Homes (000s of units)

Residential sales



Demand surge

Pandemic preference for more space
Households pulled forward purchases

And...

Record-low mortgages rates
FOMO
Speculative purchases

Higher interest rates are breaking down demand

Building all that we can

Canada – Homes (000s of units)



¹ (s.a.) • ² (4-qtr m.s.)

Do we need more houses?

Millennials creating households
Immigration targets to hit 500k per year

But...

Record-low jobless rate
Record-high job openings
Project cancellations incoming?
NIMBY, please

Ambitious targets can't be met

Important disclosures

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