



## Condominium boom fuelled by prices, low interest rates

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The Era condominium building on Yates Street is about 55 per cent sold. Photograph By BRUCE STOTESBURY, Times Colonist

Wendy and Barclay Taylor can't wait to move into their new condominium in downtown Victoria.

Their unit in the 16-storey Era, in the 700-block of Yates Street, overlooks downtown and the Inner Harbour. The couple are part of a growing trend of homebuyers populating an increasing number of new condos in the region.

"We'll be able to drink coffee on the deck and watch what is happening all around us," Wendy said. "We are excited about our big windows and our big deck. It is going to be lovely."

Downtown is a convenient location for the Taylors. Barclay works in the core and Wendy can catch a bus directly to her job at the University of Victoria.

The Taylors move in their condo in mid-May, adding to the more than 7,000 people who already live downtown. Wendy is excited about living on Yates Street, saying "there are new storefronts there, it's always bustling, there is lots going on, and it is very, very vibrant."

Era, being developed by Vancouver's Concert Properties, is about 55 per cent sold, a spokeswoman said.

There were 152 housing starts in the capital region last month, nearly triple the total of February 2014, according to data from the Canada Mortgage and Housing Corp. Of those, 113 were multi-family units such as apartments and condos while 39 were single-family houses.

“Construction activity in the multiples housing segment trended upwards in February, while single-detached starts held steady,” said Eric Bond, CMHC senior market analyst. “New home construction in Victoria is being supported by a strong resale home market, declining inventories of completed and unsold homes, and a low mortgage interest rate environment.”

Strong prices for single-family houses in Greater Victoria see some buyers choosing to enter the real estate market with a more affordable condominium, revving up demand in the multi-family sector.

Of the total 542 sales through the Victoria Real Estate Board last month, 139 were for condos, up from 90 in January. Last month’s condo sales were also higher than February 2014, when 107 sold.

The benchmark price for a condo in the region was \$289,000 last month, an increase from \$277,000 the previous year. In comparison, the benchmark price for a single-family house in the core municipalities was \$557,000 last month.

Langford took the lead last month in housing starts with 66 homes. Of those, 57 were multi-family.

Last month’s performance follows a strong January, which saw 205 homes started, compared with 55 in January a year ago.

Condominiums have been at the forefront of the housing rebound since the 2008-09 recession with builders such as Chard Developments and Concert Properties leading the way with building in the core.

Greater Victoria has more than 32,000 condo units and more are being built, prompted by increasing sales. Last year, saw 1,626 condo sales in the capital region, up from 1,443 the previous year.

Other condo projects planned and proposed include an 18-storey tower in the 900 block of Yates Street, the Escher, a Chard development, in the 600-block of Broughton Street, and 170 rental units in Hudson Walk.