



Newly renovated homes are attractive to would-be home buyers, real estate experts say. SYDA PRODUCTIONS/SHUTTERSTOCK

Canadian housing starts jump 8% in April

JOEL SCHLESINGER

New homes construction gained momentum last month in Canada, recent statistics show.

Housing starts were up eight per cent last month from March with more than 267,000 units on an annualized basis, recent Canada Mortgage and Housing Corp. numbers reveal.

Driving the increase has been activity in urban areas from multi-family development, which increased month-over-month in April by 14 per cent.

Single-family detached home starts showed more modest growth last month, increasing by one per cent from March.

According to CMHC, the level of activity remains high by historical standards, well above 200,000 units on an annualized basis since June 2020, when the industry began recovering from the initial impact of the pandemic.

The strong growth comes even though Toronto — Canada's largest market — experienced a decline in activity, driven by reduced multi-family and single-family home starts, CMHC found.

The largest percentage jumps in activity were seen in the Atlantic provinces, led by Newfoundland, which saw starts increase, year over year, by 87 per cent among single-family detached home and by 70 per cent for other housing types.

Alberta also saw strong growth in April with single-family home starts up four per cent, year over year, and other housing types rising by 24 per cent.

Calgary experienced even a faster pace of activity for single-family homes with an eight per cent increase in starts last month compared with the same month in 2021. Multi-family starts fared even better, increasing by 16 per cent.

Remodelled kitchens, bathrooms tops for boosting resale value of your home

JOEL SCHLESINGER

If you're looking to renovate your home, a new survey suggests a new kitchen could add the most pizzazz when it comes to return on investment upon its sale.

"By doing a kitchen remodel, you might see upward of a 20 per cent increase in your property value," says Mike Heddle, broker and team leader of Royal LePage State Realty.

The Hamilton, Ont.-based industry expert is referring to the realty firm's recent survey of more than 400 industry professionals across Canada.

The survey listed 13 renovations from a revamped kitchen to a swimming pool, ranking them based on their potential to add value to the property.

Heddle notes an updated kitchen has long been attractive for buyers because they often recognize it as the most costly renovation to un-

dertake. Yet it's not just about the money; it's about the "wow" factor.

"The kitchen is the heartbeat of the home, often where people gather," he says. "So when I am showing a property, a really nice kitchen will really stand out to buyers."

Other top-ranked improvements potentially adding the most value to a home include a bathroom renovation, adding an estimated 16 per cent. It ranked second behind kitchens, while a finished basement was third with a 15 per cent bump, just ahead of a basement rental unit, also offering an estimated 15 per cent boost to home value.

Rounding out the rest of the list are new windows (13 per cent), interior paint (12 per cent), upgraded exterior (11 per cent), outdoor entertainment space (10 per cent), landscaping (10 per cent), a home office (eight per cent), eco-upgrades (seven per cent), driveway

improvements (seven per cent) and a pool (six per cent).

Calgary realtor Doug Cabral says he often recommends to homeowners asking about renovations and their impact on a home's value to do more than "a lipstick renovation." Instead, they should invest in a project that makes their home "substantially different" from its previous state to maximize return on investment, he says.

Still, major renovations can be "risky" in a peaking hot real estate market like Calgary's, Cabral adds.

The survey points to this concern with 59 per cent of realtors noting clients are less inclined to renovate their home since the start of the pandemic amid sellers' conditions.

As well, rising prices for labour and materials are factoring into their decisions, with the survey finding 57 per cent of realtors indicating homeowners are more reluctant to renovate before listing

due to these concerns.

In markets like Toronto and Vancouver, which have been very hot for several months, "there may not have been as strong reasons to do these renovations to get a great sale price," Heddle says.

Yet as conditions move toward balance between supply and demand, renovations may become more impactful.

"In softening markets, renovations can be a key advantage in getting your home sold," Heddle says.

Homeowners considering upgrades through this lens should first seek advice, Cabral adds. "They should have a chat with a realtor to get a present valuation and a future valuation" based on their plans.

Still, newly remodelled homes often are attractive for would-be buyers.

"Most buyers are looking for a renovated, turnkey home," Cabral says.

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