

# LEADERSHIP LESSONS

FROM THE **BEST WORST YEAR EVER**

by WAYNE KARL



The homebuilding industry went through its best worst year ever in 2020, and 2021 is shaping up to be more of the same.

So hot, in fact, there's talk of changes to mortgage regulations and other measures in the new federal budget to cool the market.

The challenge with the GTA, specifically, is supply and cost – there's not nearly enough of the former, and that drives up the latter. Combine this with immigration numbering in the tens of thousands every year, the result is routine double-digit price growth.

It all amounts to what some call the proverbial elephant in the room.

"Over the past year, record-breaking home sales and price increases have provoked urgent discussions on how to address the chronic undersupply of housing in the face of skyrocketing demand," Mike Collins-Williams, CEO of the West End Home Builders' Association, told *HOMES Magazine*. "With each passing year, homeownership, especially for younger generations, is becoming even more unattainable."

*We invited a select group of homebuilding executives to share their insights on the state of homebuilding, affordability and how their company stands out. Visit [nexthome.ca](http://nexthome.ca) for the full story.*



**ZEV MANDELBAUM**  
President and CEO  
Altree Developments  
[altreedev.com](http://altreedev.com)

One thing we all learned during this pandemic is that you spend a ton of time in your home, and above all else, people want to feel comfortable and safe. Before, homes were about being connected to a larger community or city, but now they're an escape from the world – a sanctuary.

Our clients want to be next to greenspace now more than ever. Whereas before, most projects were built around subway lines and everything was about connectivity and transit, now the most important amenities are outdoor greenspace and nearby practical retail. In terms of unit sizing and layout, we're seeing increased demand for "a space within a space." Before, a lot of

people preferred open-concept, but now they want divisions and boundaries.

Major cities are always going to see high demand and prices, and the only way to mitigate this is to drastically increase supply. Toronto is a fantastic place to live and is going to continue to grow and attract more people once we get the pandemic fully under control. Increasing supply is key to limiting prices. Creating more housing and increasing density would go a long way in helping make housing more affordable.

Altree is all about authenticity and being present. We're able to create the homes and spaces our clients want because we understand our product better than anyone else.



**VINCE SANTINO**  
*Senior Vice-President of  
 Development*  
 Aoyuan Canada  
 Aoyuan International  
 aoyuaninternational.com

Traditional single-family homes and freehold townhomes are becoming more and more scarce, simply because demand has really outstripped supply. We have, however, noticed that there is a price sensitivity ceiling for buyers who would otherwise purchase a single-family dwelling or townhome, and this has turned their attention to two- and three-bedroom condominiums. Though it seemed, early in the pandemic, that buyers were looking at more space outside the city core, preference was still focused in areas where they could still have easy access to public transit and TTC hubs outside the 416, thus protecting their choice to be able to get back into the city when we eventually get past COVID. .

To address affordability, we need shorter development approval times. There simply isn't enough supply being made available.

It's really important that municipalities, developers and all regulatory agencies recognize this and work together to relieve the bottleneck, so that supply can catch up with demand, and long-range planning can again become the focus, as opposed to applying reactionary approaches. This is paramount in these times, as Ontario and the GTA continue to be a destination for so many around the world to come and settle and to work and raise their families.

At Aoyuan, our focus has been to provide homebuyers with the opportunity to live in complete communities. It's important that they have choice, not just in the suite they reside in, or the amenities that accompany them, but also choice in terms of transit and mobility, shopping, schools and parks, so they can live the best possible quality of life.



**FRANK SPAZIANI**  
*Vice-president*  
 Kylemore  
 kylemorecommunities.com

As the impact of the current pandemic was being felt, Kylemore was finalizing our home designs for Angus Glen South Village in Markham. Our wellness initiative was implemented, and we were well along the path to delivering features and finishes that contribute to the health and well-being of the residents. Spacious gathering areas, lots of storage options throughout, generously proportioned bedrooms with ensuite or shared ensuite bathrooms, and rooms dedicated to yoga/meditation and fitness. Plans that accommodate work and study from home requirements. We know our buyers are looking for larger homes and are embracing our customization options, than they may have purchased two years ago.

Home prices in prime locations closer in

the GTA will be higher, and it may mean that buyers have to travel a little farther to find an area that's affordable for them.

The pandemic will have a long-term effect, in that many people will be able to continue to work from home. Where less commuting is required, this could be a benefit to those seeking a home further from the core.

Kylemore offers homeowners the highest standards in architectural design, craftsmanship and community amenities. Our focus has always been a niche market; we build a finite number of luxury homes in desirable communities. The excellent locations, designs and built-in features and finishes we include mean our homes come at a premium price we know may not suit every buyer.



**DEENA PANTALONE**  
*Partner*  
 National Homes  
 nationalhomes.com

Our philosophy is that "You are the Blueprint," and we keep close communication with our homeowners and potential customers to understand clearly what their needs are. What we're finding recently is that home office spaces are now a key feature for almost all buyers. And, of course, the need for outside private space is more important than ever.

In terms of affordability, we're working on so many creative ways to keep home prices down. Design is one important way that we can give people better functionality in their home, and make smaller spaces live like a larger home.

Our research division is constantly testing new products and materials to find ways to

improve the homeowner's experience and to save them money at the same time. But initial cost is only part of the story. Our Panergy pre-fabricated wall system can save significant amounts of energy and make owning a home less expensive in the long run. It reduces CO2 emissions by three times and can cut your energy costs by (up to) 20 per cent.

At National, you are the blueprint. We start with you and your needs. Then we design homes to suit the way you live. That is why the needs of the customer are the driving force behind every home we build. Because, here at National, it isn't about all the great features we put in. It isn't just about our quality or our service. It's really all about you.