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Canadians are buying homes with family or friends because they can't afford anything on their own: report

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A study conducted by brokerage Royal LePage found that individuals in Canada are teaming up with members of their close circle to put a roof over their heads. (Courtesy: Tierra Mallorca/ Unsplash)

It's safe to say that the housing crisis isn't slowing down for anyone, and that includes Canadians who have had no choice but to purchase homes with family or friends because they can't afford anything on their own.

A study conducted by brokerage Royal LePage found that individuals in Canada are teaming up with members of their close circle just to put a roof over their heads.

In fact, 76 per cent of Canadian co-owners blame the lack of housing affordability as a major reason for choosing to co-purchase a property.

Right now, on a national scale, six per cent of homeowners own a home with someone other than their spouse.

“Different generations of families living under one roof is not a new phenomenon, but has been growing in popularity in recent years,” Karen Yolevski, COO, Royal LePage Real Estate Services Ltd said in a press release issued Thursday.

“In an environment where home prices and interest rates have risen quickly and sharply, and where the threshold to qualify for a mortgage has become much more challenging, Canadians are pooling their resources and buying homes together. In cases where homebuyers cannot afford to purchase on their own, they are combining their buying power with their parents, children, siblings or even friends,” she continued.

Interestingly, the study shows 56 per cent of co-owners “co-own a home with their parent(s) or parent(s)-in-law” and “18 per cent co-own with their adult child(ren).”

That’s not all, almost one third of co-owners bought their house after the Bank of Canada began raising interest rates in March of 2022, citing low affordability as the reason.