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REPORT

02

Winter/Spring 2025

A Shift to Secondary Markets

Secondary markets are the future—but only for those who understand how to build and market for them.

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Introduction

The real estate market has fundamentally changed. Big cities and high-rise towers are struggling and secondary markets are the future—but only for those who know how to build and market for them.

If you're a developer looking to succeed in the current market, it's time to rethink your strategy. The high-rise boom in big cities is losing steam and buyers and renters are turning to secondary markets in search of affordability, space, and a better quality of life. But simply shifting your focus to these markets isn't enough—winning in these markets requires a new playbook.

This report is your guide to navigating the shift. We'll break down why the market is changing, where the biggest opportunities lie, what's working (and what's not), and the strategies you need to build thriving, in-demand communities. The future of real estate belongs to those who know how to adapt. Are you ready?

The market shift

> In 2024, we saw the weakest sales in new homes and condominiums since the mid-1990s.

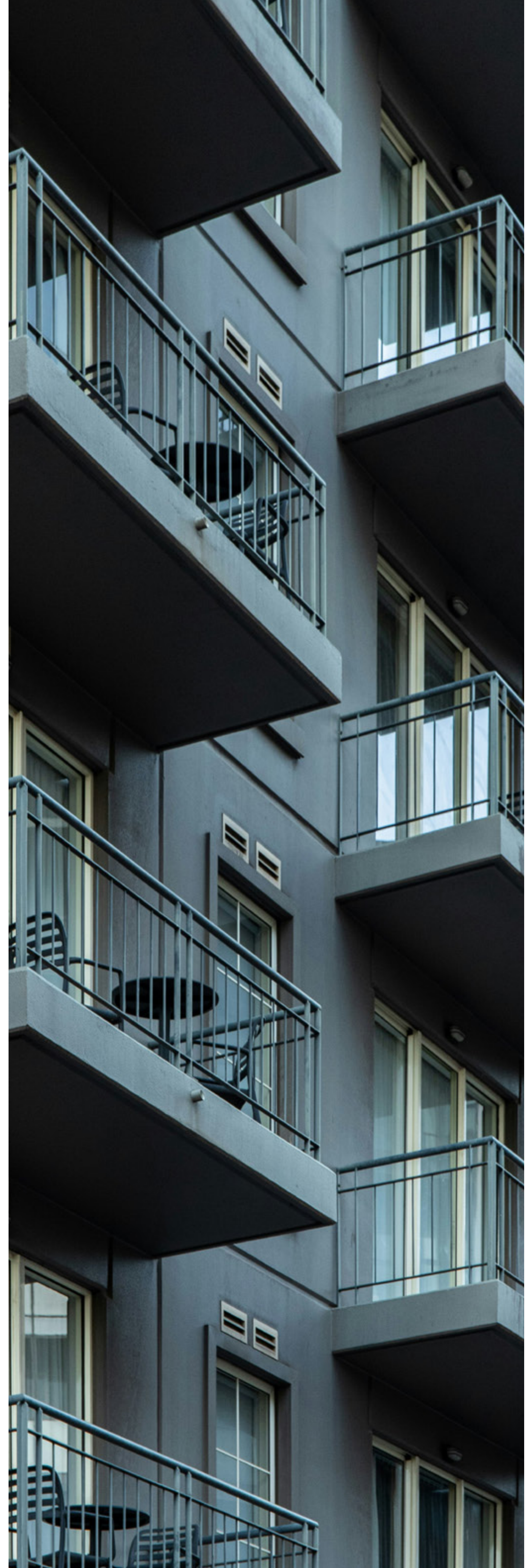
Richard Lyall
President of RESCON

The Canadian homebuilding industry is at a crossroads and the old playbook no longer works.

In 2024, most homebuilders faced record-low sales, even as interest rates began to decline. As Richard Lyall, President of the Residential Construction Council of Ontario (RESCON), put it: "In 2024, we saw the weakest sales in new homes and condominiums since the mid-1990s." Despite the Bank of Canada lowering the policy rate to 3% by January 2025, mortgage rates remain stubbornly high, development costs continue to climb, and buyer confidence is weak. Builders are now navigating a landscape where traditional strategies no longer guarantee success.

Builders are not optimistic about the foreseeable future of the industry.

This uncertainty is shaping builder sentiment across the country. According to the CHBA's Housing Market Index, over a third (34%) of builders say further rate cuts are essential to reignite demand, while more than half (55%) are pulling back on new developments. If this trend continues, critically low housing starts will deepen Canada's supply crisis, leaving families stuck in transitional living situations with few viable options. To move forward, developers must rethink their approach—focusing on markets where demand is strong and opportunities exist.



Condominium Sales by Major Canadian Urban Centre

January 1-August 31, 2024

MARKET	2023 SALES	2024 SALES	% CHANGE
Greater Vancouver	10,075	9,248	-8.2%
Fraser Valley	3,422	3,130	-8.5%
Calgary	5,577	5,722	+2.6%
Edmonton	2,452	3,351	+36.7%
Greater Toronto Area	18,263	16,786	-8.1%
Ottawa	1,420	1,407	-0.9%
Halifax	547	510	-6.8%

The "hidden" costs holding builders back

Bureaucratic delays and rising development charges

Long municipal approval processes continue to stifle homebuilders, delaying much-needed housing supply and driving up costs. The longer a project is stalled, the higher the carrying costs—expenses that ultimately get passed on to homebuyers.

According to data from Altus Group for CHBA, the average approval timeline for residential construction across key Canadian municipalities is 14 months, while larger urban centers face delays of up to 32 months—over two years before construction can even begin. Meanwhile, development charges at all levels of government keep climbing, adding further financial pressure. These compounded costs contribute to Canada's growing housing crisis, keeping homebuilders well below the number of housing starts required to meet demand.

Average timeline comparison, by study municipality, 2022 & 2024

Rank	Municipality	2022 study (Months)	2024 Study (Months)
1	Saskatoon	4.1	2.0
2	Moncton	n.d.	2.4
3	Regina	4.2	3.2
4	Edmonton	10.5	3.4
5	Charlottetown	3.4	3.5
6	Calgary	5.4	4.2
7	London	10.1	4.6
8	Kelowna	5.7	5.8
9	Surrey	13.8	5.9
10	Kamloops	9.1	6.9
11	Vancouver	15.2	7.7
12	St. John's	9.4	8.6
13	Halifax	20.8	9.8
14	Winnipeg	5.0	10.1
15	Oakville	13.9	14.1
16	Brampton	19.1	14.1
17	Burnaby	20.9	15.9
18	Ottawa	13.0	16.9
19	Pickering	20.7	17.3
20	Markham	23.5	22.6
21	Bradford West Gwillimbury	20.4	23.5
22	Toronto	32.0	25.0
23	Hamilton	22.9	31.0

Escalating Costs and Global Market Uncertainty

Rising construction costs, land costs, and trade uncertainties are putting immense pressure on homebuilders, making it increasingly difficult to deliver housing at an affordable price point. According to Statistics Canada, residential construction costs across Canada's 15 major metro areas rose by 3.7% in Q4 year-over-year.

Several factors drive these increases:

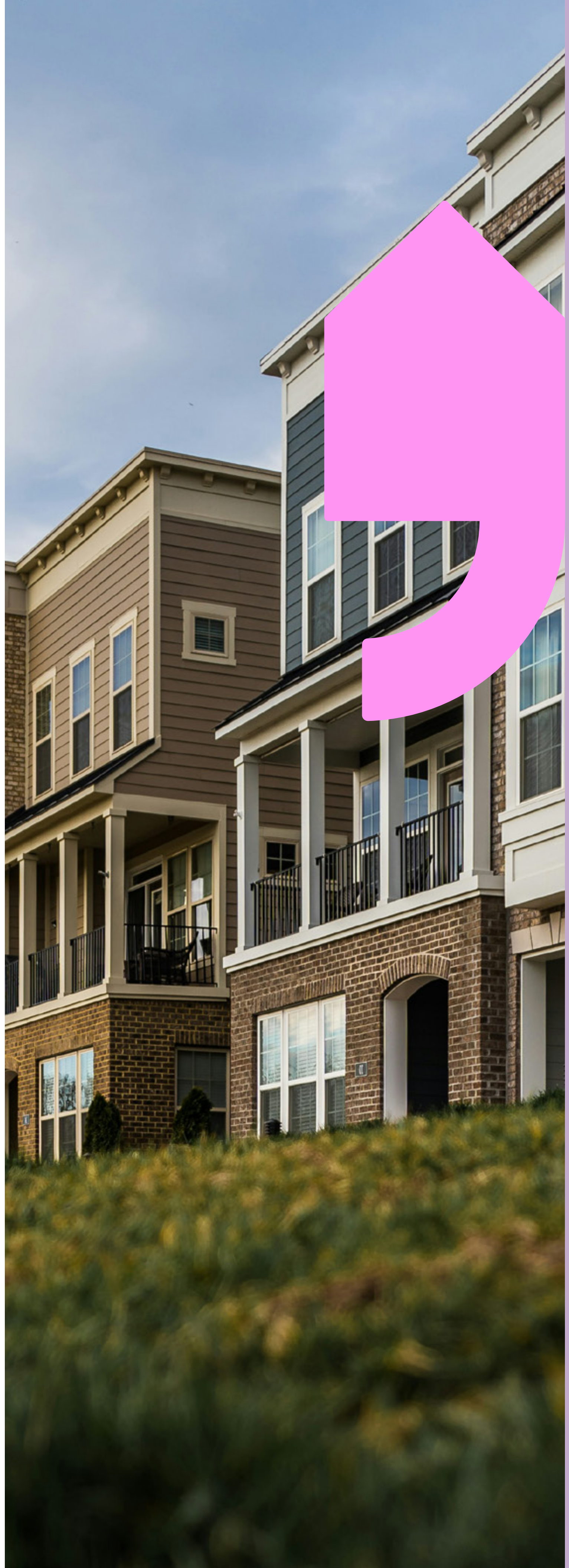
- Skilled labor shortages and rising wages
- Building code changes that add complexity
- Land constraints that push up acquisition costs
- Material price volatility, with steel and lumber costs surging due to supply chain disruptions, inflation, and global demand

Adding to the challenge, ongoing trade uncertainties and increased tariffs push costs even higher. As Scott Andison, CEO of OHBA, warns: "Right now, our builders can build homes, but the problem is that they would have to build them at a price that consumers cannot afford, particularly first-time homebuyers." With affordability already stretched, these cost pressures are narrowing profit margins and forcing developers to rethink project viability—further deepening Canada's housing crisis.

For years, investor demand has been a driving force behind condo sales in urban centres. But as interest rates climb and carrying costs outpace rental income, the math no longer works. Many investors have pulled back entirely— redirecting capital to secondary markets where returns are stronger or shifting to other industries altogether. With this once-reliable buyer pool shrinking, developers are facing slower sales, longer absorption timelines, and increased financial risk in an already challenging market.

Investors have fled the scene

For years, investor demand has been a key driver of condo sales in urban centers. However, rising interest rates and soaring carrying costs have outpaced rental income, making the numbers no longer add up. Adding to these headwinds, the federal ban on foreign homeownership in Canada has been extended until January 1, 2027. Combined with cuts to immigration, this has eliminated much of the foreign investment that once fueled high-rise urban developments. As a result, many investors have stepped back entirely—redirecting capital to secondary markets with stronger returns or shifting to other industries. With this once-reliable buyer pool shrinking, developers are grappling with slower sales, extended absorption timelines, and heightened financial risk in an already challenging market.



So—what does this mean for you, as a builder?

As the real estate landscape shifts, the opportunities in secondary markets become increasingly clear. With major urban centers grappling with affordability issues, slow sales, and rising costs, secondary markets are emerging as the key to future growth. Builders who understand the unique dynamics of these regions—ranging from evolving family needs to greater affordability—will be in the best position to succeed.

Industry stats at a glance

2.75%

Bank of Canada policy rate as of as of March 12, 2025

2%

Forecasted rate by July, per BMO, reflecting the potential impacts of a North American trade war

2.2%

The average vacancy rate among purpose built rentals in Canada's urban centres, still below the 10-year average of 2.7%

19%

Of builders indicated that the high cost of construction will be their top challenge in the year ahead

44%

Reported that generating buyer demand and sales will be their top business challenge in 2025

54%

Reported that the current rate environment and market conditions led them to scale back on the number of units they are building

The secondary market opportunity

Canadians are becoming increasingly selective about where they choose to live—and it's not just about affordability.

As Canadians become increasingly selective about where they choose to live, traditional urban centers are losing their appeal. With livability factors such as affordability, evolving household structures, and a desire for balanced living taking priority, more Canadians are seeking communities that offer a better integration of work, lifestyle, and well-being—qualities often found in secondary markets. The rise of remote work has made this shift even more feasible, allowing individuals who would have once been tethered to urban centers to prioritize livability without compromising career opportunities. This presents a prime opportunity for builders who can meet the growing demand for livable, sustainable communities outside major cities. In this section, we'll explore how livability is driving this migration, highlight the regions that are thriving, and discuss how you can capitalize on this emerging demand to succeed in the evolving housing market.

Why it's happening: key livability issues driving the shift

Housing affordability and financial uncertainty

Affordability is a growing challenge as home prices and rental rates continue to outpace income growth. Despite financial gains, more Canadians are facing financial strain—32.8% of Canadians reported financial difficulties in 2024. Younger generations, in particular, are feeling the squeeze, with many under 35 struggling to afford a home. Renters are facing high prices and low vacancy rates, forcing many to choose between staying put or moving further out to find something affordable.

Increased costs affecting Canadian consumers

Consumer price index percentage change January 2020 to January 2025

+27.3%	+21.8%	+19.1%	+29.5%
Increase in shelter costs	Increase in consumer food costs	Increase in private transportation costs, excluding gasoline	Increase in energy costs, including gasoline

Evolving household structures

Canadians are increasingly sharing living spaces, with more multi-generational households emerging. According to Maclean's, the "growing appreciation for multi-generational living has caught on in part due to the influx of immigrants from places where these arrangements are built into the fabric of family life." At the same time, affordability challenges are reshaping life plans—Habitat for Humanity's Housing Affordability Report found that 66% of Gen Z Canadians have considered delaying starting a family because they can't afford a suitable home. This shift is driving demand for larger, more adaptable homes, yet many high density developments prioritize unit numbers over space and privacy, leaving families with fewer viable options. There's a growing gap in housing that truly supports larger households, especially as young families seek purpose-built rentals with more room and privacy.

Balancing convenience with holistic living

Many Canadians are moving away from urban congestion to find more holistic living environments, where they can live, work, and play in one community. Families are prioritizing larger homes and access to nature over being close to everything. Secondary markets offer an opportunity for these families, as long as key amenities—like parks, schools, healthcare, and retail—are thoughtfully integrated into the design of new communities. Creating balanced, well connected communities is crucial to meeting the needs of today's families.

Where are secondary markets going?

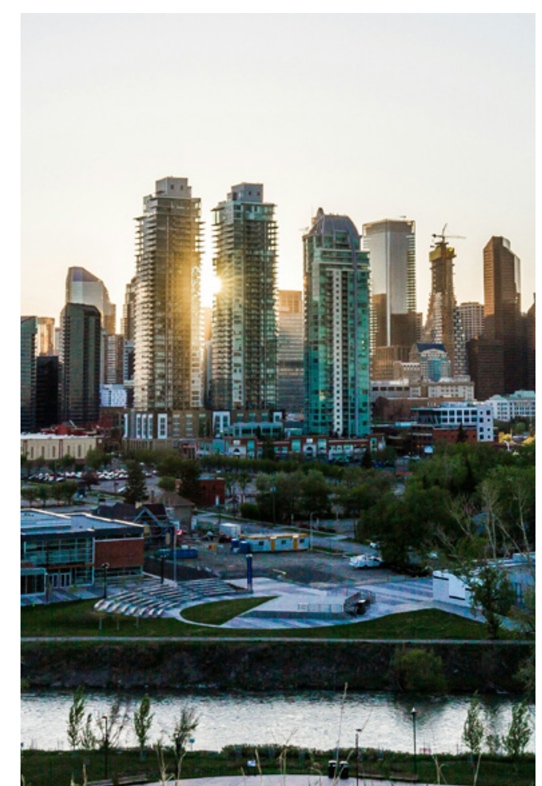
As Canadians seek a better balance of work, lifestyle, and well-being, secondary markets are becoming an increasingly attractive option. The growing desire for higher quality living outside of traditional urban centres is reshaping where people choose to settle. These areas offer more space, lower costs, and a healthier lifestyle, making them ideal for families and individuals who are rethinking urban living. As the data reveals, secondary markets—smaller cities and regions—are experiencing significant growth, providing a unique opportunity for homebuyers, renters, and builders to thrive.

Most livable cities in Canada: 2024

Globe and Mail

Rank	Municipality	Growth
1	North Vancouver, BC	0.58%
2	West Vancouver, BC	0.76%
3	Victoria, BC	0.96%
4	Winnipeg, MB	0.96%
5	Regina, SK	1.5%
6	Saskatoon, SK	1.3%
7	Calgary, AB	1.37%
8	Pitt Meadows, BC	0.61%
9	Penticton, BC	1.79%
10	Oakville, ON	2.45%
11	Port Coquitlam, BC	0.97%
12	Vancouver, BC	0.95%
13	Whitchurch-Stouffville, ON	2.5%
14	Delta, BC	1.19%
15	New Westminster, BC	2.14%
16	Ottawa, ON	0.98%
17	Whitby, ON	1.53%
18	Mount-Royal, QC	0.66%
19	Erin, ON	0.93%
20	Port Moody, BC	N/A

Each year, U-Haul publishes a migration report, which tracks over 2.5 million one-way transactions across North America, highlighting the cities and provinces experiencing the highest net gain of new residents.



Fastest growing cities in Canada

U-Haul Growth Index

Rank	Municipality
1	Calgary, AB
2	Edmonton, AB
3	Belleville, ON
4	Trenton, ON
5	Pembroke, ON
6	Brantford, ON
7	Medicine Hat, AB
8	Collingwood, ON
9	Parry Sound, ON
10	Chatham-Kent, ON
11	Innisfil, ON
12	St. Thomas, ON
13	Barrie, ON
14	Woodstock, ON
15	Lindsay, ON

With a shift toward livability, many of Canada's top cities offer a holistic balance of housing, safety, transportation, healthcare, and community. In fact, 44% of the most livable cities in Canada have populations under 100,000. Similarly, migration trends indicate that smaller cities like Belleville, Collingwood, and Barrie are seeing a surge in residents, driven by increased investment in infrastructure and amenities. This shift highlights the growing appeal of secondary markets as viable, thriving communities for both homebuyers and builders alike.

So—what does this mean for you, as a builder?

This is your chance to tap into markets where people are eager to invest in homes that offer space, quality of life, and access to essential amenities—all without the hefty price tag of big cities. However, success in secondary markets requires a shift in how you approach development. These areas may not have the same density as urban centers, but they offer plenty of room to design vibrant, sustainable communities that meet the needs of modern households. By aligning your projects with the evolving priorities of today's homebuyers, you can position yourself at the forefront of this growing trend.

Hendrik Farm | Ottawa, ON
Landlab Inc.

What's working (and what's not)

To succeed in today's evolving housing market, you must move beyond traditional approaches and embrace the new realities of demand and design.

What worked in urban centers may not translate seamlessly to secondary markets, where the needs and expectations of homebuyers and renters are shifting rapidly. In this section, we'll examine the strategies that are driving success and highlight the missteps to avoid as you navigate the emerging opportunities in these growing regions. Adaptation is key, and the builders who understand what's truly working will be the ones leading the way forward.

Purpose-built rentals

Purpose-built rental (PBR) developments are increasingly vital in addressing Canada's housing needs. These professionally managed properties offer longterm stability and high-quality living spaces and amenities, attracting diverse tenants—from downsizing baby boomers to younger generations priced out of homeownership. And now, with renters making up 33% of Canadian households, demand for well-designed, purpose-built rentals has surged.

The Carrick | Waterloo, ON
Killam

The Carrick | Waterloo, ON

Indoor-outdoor lounge

Killam Reit

Two Park Central | Calgary, AB

Co-working & micro offices

Hines

Purpose-built rentals

What's working?

Market demand

Affordability constraints

Rising home prices and mortgage rates have made ownership unattainable for many, especially first-time buyers. Purpose-built rentals provide an attractive alternative with predictable costs and modern amenities.

Aging rental stock

Many Canadian rental options consist of decades old buildings with outdated layouts, inefficient energy systems, and limited amenities. New PBR developments offer a fresh, high-quality living experience that appeals to a wide range of tenants.

A more mobile workforce

Younger generations, particularly Millennials and Gen Z, are prioritizing flexibility over ownership. Many prefer renting in well-managed buildings that offer convenience, amenities, and minimal maintenance responsibilities.

A shift in demographic

Downsizing baby boomers and retirees are also a growing segment of the rental market, seeking professionally managed properties that eliminate the burdens of homeownership while offering comfort and community.

Government incentives

The federal government

Now offers a 100% rebate on the Goods and Services Tax (GST) or the federal portion of the Harmonized Sales Tax (HST) for new PBR projects. This enhancement of the GST/HST new residential rental property rebate supports the construction of new apartment buildings, student housing, and seniors' residences designed for long-term residential rental.

Provincial initiatives

Provinces like Ontario, Nova Scotia, Newfoundland and Labrador, and Prince Edward Island have mirrored this initiative by providing a 100% rebate of the provincial portion of the HST, further reducing financial barriers for developers.

Purpose-built rentals

What's not working?

Financial model challenges

Purpose-built rentals aren't a simple pivot

Thinking purpose-built rental is a simple pivot from condo development can be a costly mistake. Unlike condo projects, which generate fast returns through unit sales, rental developments require long-term capital investment and a different financial strategy. Even with new incentives like the federal removal of GST on purpose-built rentals and provincial programs such as Ontario's HST rebate, many developers remain hesitant to shift their approach. As Ryan Mounsey of Urban Insights explains:

"You have to look at how the market is changing and who the target market is. A big business decision has to be made: do you continue down the condominium path, or do you cautiously transition to an apartment rental model?"

Lack of specialized expertise

Requiring unique financial skill sets

Success in purpose-built rental isn't just about adjusting financial models—it also requires a different skill set. Specialist developers with deep experience in zoning, financing, and long-term management of operating and maintenance costs are better positioned to navigate this space. For those entering the market, partnerships or hybrid approaches—such as mixed condo and rental projects like Jinju by Anthem—can provide a viable path forward. However, if you assume that what works for condo development will automatically translate to rentals often leads to misaligned projects and underwhelming returns.

What success looks like

Jinju by Anthem is a market-savvy approach, balancing rental and ownership opportunities to meet diverse housing needs while maintaining project viability.

Jinju | Coquitlam, BC
Anthem

Getting local right

Building in a secondary market isn't just about breaking ground—it's about building trust. Unlike urban centres with well-documented buyer trends, these communities require you to take a more localized approach. The most successful developments are those that reflect the character, needs, and aspirations of the people who will call them home.

Getting local right

What's working?

Understanding the community

Successful projects start with a deep understanding of the local culture, priorities, and growth potential. Secondary markets don't follow the same buyer trends as major urban centres—knowing what truly matters to residents ensures your development meets real demand.

Consulting local experts

Engage with planners, real estate professionals, and community leaders to gain insights that your internal teams may overlook. These experts can help you identify what residents value—whether it's walkability, green space, or family friendly amenities—and help you fine-tune marketing strategies to resonate with local buyers and renters.

Designing for community

Developments that reflect the character and needs of the area maintain longterm appeal, which is critical in secondary markets, where sales cycles are typically longer than what you may expect. Thoughtful design choices rooted in local aesthetics and lifestyle expectations lead to stronger demand and lasting value.

Getting local right

What's not working?

Copy-pasting urban models

Your formulas that worked in a high-density city won't necessarily translate to a secondary market. Communities with different commuting patterns, lifestyle priorities, and space expectations need a tailored approach.

Overlooking established local builders

Many secondary markets have well-respected, deeply connected builders who understand the local buyer mindset. These established players also hold a significant cost advantage—having owned land for years, they can price more competitively in response to new entrant pressure. Failing to recognize both their expertise and cost position can lead to missteps in execution and reduced community buy-in.

What success looks like

Clear Skies by Sifton Properties highlights two key factors for success: a deep understanding of the location and a thoughtfully crafted community that aligns with local needs through a well-balanced product mix and design style.

Clear Skies | Ilderton, ON
Sifton Properties

Building for all family types

As economic and social pressures reshape household dynamics in Canada, trends like intergenerational living, accessory dwelling units (ADUs), and aging-in-place are becoming more common. These shifts present an opportunity for success in secondary markets, where developers can better meet the evolving needs of families. However, the pre-construction and purpose-built rental industries have struggled to keep pace with this demand, particularly in urban centers. As a result, many families are left without housing options that truly align with their lifestyle needs—an opening that secondary market developers are uniquely positioned to address.

Building for all family types

What's working?

Multi Gen Towns | Niagara, ON
Pinewood Homes

Aging-in-place

The demand for homes that accommodate aging residents is on the rise. By incorporating accessible design features, you can tap into a growing market, positioning your homes as a smarter long-term investment Thoughtful design not only enhances comfort and mobility but also allows homeowners to remain in their homes longer, reducing the need for disruptive moves or costly renovations in the future.

Some developers, like Sifton Properties in London, Ontario, take a strategic life cycle approach, designing communities that support residents through every stage of life. By offering residential rentals, new-build homes, and retirement living, they not only meet the evolving needs of buyers and renters but also foster long-term customers. This approach keeps families within their portfolio longer, strengthening both community stability and business sustainability.

Flexible home plans for different use cases

Developing homes that can easily adapt to various family needs is a key success factor. Flexible layouts allow families to adjust spaces as their circumstances evolve, whether it's adding a home office or creating a multi-generational home with a balance between communal areas, and private spaces.

A prime example of this is Pinewood Homes' Multi Gen Towns project in Niagara. These townhomes feature up to three separate, thoughtfully designed units within a single structure, catering to families who need independent living spaces while maintaining close proximity to loved ones. The homes are also an ideal solution for those seeking to offset living costs through rental opportunities, offering both flexibility and functionality.

Building for all family types

What's not working?

Micro units that don't respect the way families live

Whether in a condo, townhome, or rental community, smaller living spaces, such as micro units, have a place but shouldn't be the default. A heavy focus on investor-friendly units—often making up 70% or more of a project—doesn't align with the real housing needs of the market. Families, including those with children or multiple generations, require 2- and 3-bedroom options that provide space, privacy, and flexibility. Prioritizing these unit types fosters stronger community ties and long-term stability, which are essential in secondary markets.

Amenity selection

As builders design homes for secondary markets, particularly in smaller cities, it's essential to prioritize amenities that meet the practical needs of modern families. While these communities may be more affordable than urban centers, they come with their own set of challenges, such as limited public transit and longer distances to essential services. Understanding these factors allows builders to incorporate features that elevate the living experience while addressing these challenges.

West5 | London, ON

Amenity map

Sifton

Eastbrook on the Greens | Regina SK

Dream

Playground by Earthscape Play

earthscapeplay.com

Amenity selection

What's working?

Prioritizing the outdoors

Even as homes become denser, access to greenspace remains essential— especially for families with children. Thoughtfully designed communal outdoor areas provide a connection to nature without the need for individual yards. Features like play areas positioned within view of interior windows allow parents to supervise their children while they play, enhancing both safety and peace of mind. Investing in high-quality, imaginative playgrounds further elevates community livability. Companies like Earthscape Play excel at this, using natural materials to create play spaces that inspire exploration.

Transportation & parking

Access to transportation is critical. Higher-density developments work best when located close to major public transit lines. In areas with limited public transportation, ample parking is essential for families, particularly in multi-unit housing like stacked townhomes. Adequate parking ensures that residents can conveniently use their vehicles for everyday needs, making it easier for families to thrive in suburban or secondary markets.

Master-planned amenities

As families juggle busy schedules, on-site amenities that cater to their needs become increasingly important. Features like playgrounds, walking paths, and multipurpose communal spaces offer residents a convenient way to enjoy recreation and social time without leaving the neighborhood. These amenities contribute to a higher quality of life and create a sense of community within developments.

Catering to the needs of high density dwellers

For purpose-built rental developments and condominiums, the key to attracting long-term tenants is understanding the amenities they might not have in a traditional home. Co-working spaces for remote work, extra storage, spaces for hobbies or tinkering, and guest suites are practical additions that improve the rental experience. Additionally, wellness amenities like gyms, playrooms, or saunas offer convenience and comfort, making the community more attractive and ensuring long-term tenant satisfaction.

Amenity selection

What's not working?

Neglecting the balanced site plan

Designing communities like you would for high-density urban settings can lead to an imbalance in areas like greenspace and parking. In secondary markets, where families rely on personal vehicles and outdoor spaces for recreation, the absence of adequate parking or lack of easily accessible greenspace detracts from the livability of the community. Overlooking these fundamental needs can diminish the overall quality of life for residents and reduce the long-term appeal of the development.

Focusing only on urban amenities

Building with an urban-centered mindset, focused primarily on high transit or high amenity availability, can lead to suburban developments that feel disconnected from the needs of residents. For example, trying to emulate city designs in rural or secondary markets often results in congested streets, a lack of parking, and insufficient spaces for children to play or adults to enjoy outdoor time. These misaligned amenities can make these developments feel more like urban-style islands rather than well-integrated, functional communities.

Overlooking the value of strong amenities

In both purpose-built rental and new build communities, skipping amenities can be a costly mistake, especially in today's climate, were your prospects have options. In competitive markets, they can easily choose units or communities with superior amenities. Without thoughtful communal spaces, fitness centers, or social hubs, a development risks losing tenants to competitors that offer a more complete living experience.

So—what does this mean for you, as a builder?

While there are available paths to success, you have to remain nimble in adapting to the evolving needs of today's market. From understanding the distinct needs of secondary markets to creating flexible, family-friendly designs and prioritizing community-centric amenities, success lies in balancing innovation with a deep understanding of local dynamics. The rise of purpose built rental developments and the shifting investor landscape require a rethinking of traditional financial models and design approaches, especially in areas outside of urban cores.

To remain competitive and continue to meet the demands of the modern Canadian household, you must prioritize the elements that truly matter to residents—community connection, sustainability, and functionality.

How to win from the start

A strong foundation starts with clarity—and when it comes to project development, that clarity begins with understanding costs from the very beginning.

Understanding costs from the very beginning and defining your project's brand, vision, and design early on is a key to success. In these evolving secondary markets, where growth potential and community needs are unique, setting a clear plan upfront helps ensure that your development aligns with local demands. By doing so, can avoid costly missteps, create more accurate pricing, and build projects that resonate with both current and future residents. A cohesive strategy early on is not just a good practice—it's essential for thriving in the secondary market landscape.

Site plan & amenities design

One of the first steps in successful project development is crafting a site plan that reflects both the needs of the residents and the realities of the site itself. For secondary markets, understanding the community's priorities is especially crucial. Consider key questions: What amenities will residents truly benefit from? Is this a family-oriented neighborhood that needs playgrounds and safe outdoor spaces, or a more urbanized area where residents might prioritize co-working spaces, community lounges, or shared gardens? By understanding these local needs, developers can create a site plan that serves the intended market while maximizing land use and considering financial feasibility.

Product design and brand cohesion

Once the site plan is established—or well underway—it's time to shift your focus to design: crafting the community vision and bringing it to life through branding, material choices, architecture, and interior elements. At this stage, it's essential to steer clear of building based on personal preferences or opinions. Instead, let the needs and desires of the market guide your decisions.

Create a cohesive and authentic brand experience that aligns with the target demographic's lifestyle. From the community brand identity to home styles and marketing, every element should work together to create a seamless and meaningful experience for both prospective and future homeowners. A thoughtfully executed brand story not only strengthens market positioning but also builds a lasting emotional connection with buyers.

When it comes to interiors, offering curated design packages within a standardized framework gives buyers the personalization they crave while maintaining cost efficiencies. By keeping certain features consistent across units, you can streamline production without sacrificing quality. This thoughtful approach ensures broad market appeal while staying within budget.

Century Gardens | Edmonton, AB

Pre-Cast Concrete Procura & Eagle Builders

livecenturygardens.ca/

Grain | Toronto, ON

Mass Timber Lofts - Gairloch

grainlofts. com/

Stack Modular A Bird Partnership

Modular

FastTrack by Stubbe's Precast

Modular

Early estimating & building a detailed ProForma

Once these foundational elements are established, your estimating team can create early, more accurate projections about the project's feasibility and marketability. With a clearer and more detailed proforma available upfront, you'll have a better understanding of how each design element impacts cost, ensuring the project remains financially viable while meeting the needs of future residents. This early and well-constructed proforma will also help with more accurate timelines, reduce the risk of unexpected costs, and will equip your team with the insights needed to make informed decisions at every stage of development.

Tip: Involve your marketing agency early in the planning process to develop a holistic strategy and budget—including contingency marketing spend. This way, your proforma will be more accurate, whether managed internally or with external support.

Building innovations

Advancements in construction technologies are reshaping the way homes and communities are built—offering faster timelines, improved cost efficiency, and greater sustainability.

- Precast Concrete allows for off-site manufacturing of structural components, reducing on-site labor needs, minimizing weather-related delays, and enhancing long-term durability.
- Mass Timber Construction provides a lightweight yet strong alternative to traditional materials, enabling faster assembly while reducing the project's carbon footprint.
- Prefabricated Modular Systems streamline construction by producing large sections of homes in controlled environments, leading to higher precision, lower waste, and accelerated build times.

As you are navigating secondary markets, these innovations can help meet affordability and livability demands while maintaining quality and efficiency. By integrating these technologies, you can reduce risk, optimize resources, and create communities that are built to last.

Station District | Tillsonburg, ON

BMI Group

So—what does this mean for you, as a builder?

Ultimately, the key to success is to adapt to shifting trends—whether through thoughtfully designed amenities, family-centric spaces, or cost-effective building strategies—while keeping financial sustainability front and center. Winning in this new environment requires a balance of market insight, creativity, and financial discipline, ensuring that developments meet the current needs of residents while positioning them for long-term success.

Conclusion

Success in the evolving pre-construction landscape requires more than just building homes—it demands strategic foresight, compelling branding, and a vision that resonates with buyers.

As the housing market continues to evolve, you're likely going to face more challenges in creating communities that meet the needs of today's buyers. From shifting affordability and livability demands to the rise of multi-generational living and purpose-built rentals, success in this landscape requires more than just building homes—it demands strategic foresight, compelling branding, and a vision that resonates with buyers.

By focusing on the core elements outlined in this report—understanding local market dynamics, designing with families in mind, establishing a strong brand early, and leveraging innovative building technologies—you can confidently expand into secondary markets. These regions offer growing demand with evolving competition, presenting a prime opportunity for strategic growth. A well-executed approach, rooted in a deep understanding of local needs, will better position your developments for long-term success.

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Jordan Taylor	DECO Homes
Carrie Curtis	Killam REIT
Ryan Mounsey	Urban Insights
Kayleigh Johnson	Peterson Real Estate
Dan Hashemi	LNG Studios
Angela Walsh	Sifton Properties
Hannah MacTaggart	Zehr Group

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