Investors among residential real estate buyers, 2018 to 2020

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There has been growing concern about the role of real estate investors in the Canadian housing market in recent years. As house prices increased rapidly during the COVID-19 pandemic, several reports suggested that investors were playing a larger role in the market and that their buying activity was contributing to the price escalation.

In response to these concerns, the Canadian Housing Statistics Program has produced statistics on real estate investors and investment properties for selected provinces. Until now, these statistics have related to the entire residential property stock, rather than the role of investors in recent sales and, therefore, the dynamics of the market.

The study released today, "Investors among residential real estate buyers: An analysis of Nova Scotia, New Brunswick and British Columbia," shows that investor buyers represented an average of 28.1% of buyers in Nova Scotia in 2018, 2019 and 2020, the highest rate among these provinces. In British Columbia, investors accounted for 24.8% of buyers during this period, while they represented 20.3% of buyers in New Brunswick. Among census metropolitan areas, though, the highest rates of investor buyers in these years were all in British Columbia: specifically, in Kelowna, Vancouver and Victoria.

The analysis also finds that in 2020—the first year of the pandemic—the prevalence of investors among buyers decreased in Nova Scotia and British Columbia, whereas it increased in New Brunswick.

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Note to readers

The data used in this study pertain to buyers of residential properties sold in market sales that involve unrelated and independent parties. Buyers of properties sold in non-market sales (such as sales by related parties, sales of special interest, sales of part-interest, forfeitures and foreclosures) are not included.

The methodology adopted for the analysis of investor buyers requires examining the investment status of properties after a purchase is made. This allows the analysis to distinguish between in-province investors who are buying a new principal residence and those who are buying an investment property. Only the latter are considered investor buyers. This feature of the methodology helps explain the delay in producing statistics on investor buyers, since property and owner data in a subsequent reference year after a purchase is made are required to produce the data.

Definitions

*An **investor** is defined as an owner of at least one residential property that is not used as their primary place of residence. This category can include secondary residence owners, residents of other provinces or countries, short- or long-term rental owners, for-profit businesses, and speculators.*

Definitions, data sources and methods: survey number 5257.

The article "Investors among residential real estate buyers: An analysis of Nova Scotia, New Brunswick and British Columbia," part of the publication *Housing Statistics in Canada* (**46280001**), is now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; **infostats@statcan.gc.ca**) or Media Relations (**statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca**).