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Polygon Homes Ltd.

Market Chat

WINTER 2025

Reflections on 2024

We'll remember 2024 as a challenging year that many of us are happy to move on from. It was a year of frustration with continued global unrest and political upheaval. There was economic uncertainty with high inflation, changes in policy and so many new fees and taxes on housing.

These elements combined to create an atmosphere of 'wait and see' for many potential homebuyers. It was hard to make a purchase decision when lower mortgage rates were imminent.

At Polygon, our year started out slower due to these challenges, but we pushed through and worked diligently to continue to design and build quality homes across Metro Vancouver. We introduced new communities in Coquitlam, Squamish, Burnaby, South Surrey and at UBC as well as welcomed over 1,200 new families to a Polygon home. As we reflect, we are grateful for the trust placed in us by our homeowners and the support from our dedicated team and trade partners.

Moving Forward

A new year signals a fresh start for many and, although recent political news means there is more change to come, life goes on around us. Despite the turmoil, we believe that people still want to move forward with their dreams and goals of owning a new home.

Maybe you're thinking of getting married, starting a family, considering a new job, or a lifestyle change. Maybe you're wanting to move to a new home with upgraded features. From the thousands of visitors to our sales offices, we know that many people are poised to act when the timing is right. So, why is now the time to buy?

- **Low Mortgage Rates** – Over the past year, mortgage rates have decreased from close to 6% to almost 4%. While some may wish that we'll return to the exceptionally low rates of 2021, it's unlikely to happen anytime soon so why miss out on a homebuying opportunity now? Rates today remain historically low so there is no need to wait!
- **Invest in Your Future** – Home ownership over the long run has proven to be a strong investment. For example, the average year-over-year return on an apartment in Greater Vancouver since 1985 is over 6%.
- **Buyer's Market** – January is a time when many homes come to the market meaning there are more homes for sale than there are buyers for them. This gives today's savvy buyers the benefit of choice and better bargaining power which often leads to lower prices.
- **Why Rent When You Can Own?** – Isn't it time to stop paying for someone else's mortgage? Rents are high so put that monthly payment into an investment that works to build your own equity.

Attention First-time buyers

With lower mortgage rates, we've heard from our banking partners that there's a significant increase of prospective first-time buyers getting pre-qualified for mortgages so they're in a position to purchase this year.

At Polygon, we're ready to help with this milestone and want to make sure you know about all the programs available:

- **30 Year Amortization** – Did you know that first-time buyers are now eligible for 30-year amortization periods on insured mortgages? This provides the benefit of lower monthly mortgage payments to help with expenses.
- **Lower Downpayments** – CMHC has a new program that provides insurance allowing first-time buyers to purchase with downpayments as low as 5%... this could help you get into your first home faster!
- **Home Buyers' Plan** – Are you aware that first-time buyers can withdraw up to \$60,000 per person from your RRSP savings for a downpayment? This federal government program helps make owning a reality.
- **First Home Savings Account** – With this federal program, up to \$8,000 per year can be contributed into a tax-deductible registered plan. We've seen purchasers take advantage of this account to reduce taxes while saving for their new home during its construction period.
- **Property Transfer Tax Exemption** – On homes priced up to \$1,100,000, this provincial program eliminates the property transfer tax on new homes as long as it's your principal residence. Depending on your purchase price, this could save you up to \$20,000!
- **Bank of Mom and Dad** – One of the biggest hurdles to home ownership is coming up with the downpayment. We often see first-time buyers tap into the "Bank of Mom and Dad" who will use the equity of their own homes to help their children get into the market.

If you are looking to buy your first home, I encourage you to explore these programs and be fully informed before buying. Our Polygon sales teams are a knowledgeable resource to guide you through your new home search.

Building with Purpose

At Polygon, we pride ourselves on building with purpose. With over four decades in business and more than 34,000 homes completed, we have a proven track record of quality design, sound construction and exceptional customer service.

As we move into 2025, our goal is to start construction on over 2,000 homes throughout Metro Vancouver and the Fraser Valley. We remain committed to creating vibrant communities that welcome buyers of all stages of life, from those purchasing their first homes to families looking for more space or empty-nesters downsizing with ease.

I encourage you to visit polyhomes.com today to learn more about our new communities.

Start here.