



Subdivide and Conquer - A New Trend in Vancouver, BC that Increases the Value of Your Property and Makes It Sell Quickly

By Geraldine Santiago, REMAX/Crest Realty (Westside), Published Author

The demand for mid-rise housing continues to increase throughout Vancouver as more residents want affordable choices for family living. Recent demographic forecasts are predicting over 150,000 more people living within Vancouver's city limits in the next 30 years. How does Vancouver meet this demand? Densification. It is a trend that is here to stay in order for the city to accommodate this substantial growth and encourage affordable housing options.

"It used to be that where your property was located within Metro Vancouver that dictated its value," says Geraldine Santiago, REMAX/Crest Realty (Westside) agent and published author, "but now it is also a combination of the associated lot size, zoning and future development potential that needs to be considered when evaluating property values for sale."

How does densification impact real estate sellers in today's market? Consider how high a developer can build on a lot to accommodate mid-rise, duplex and triplex housing relative to the zoning bylaws within a particular area in metro Vancouver. "The reality is that Vancouver needs more housing options," observes Santiago, "and the only direction to go in is up."

Do you know your property's zoning options? Zoning not only refers to the division of land into two parcels, but it can include consolidation of two or more parcels into a single site, the adjustment of an existing property line or dedication of land for road or lane purposes.

"What's key to properly valuing your lot is clearly understanding its full potential and best use," suggests Santiago, "this includes factors such as your property's Floor Space Ratio (FSR)."

FSR is calculated by taking the floor area of a building on a lot and dividing it by the area of the lot. For example take a 33 x 127 square foot lot with a total of 4,100 square feet. The FSR is 65 which will permit a building up to 2,700 square feet to be built on the property.

Other important questions to consider before listing your property for sale include: Do you know your property's permitted use? Do you know which properties in your neighbourhood have applied to rezone their property?

Due to the complexity of zoning bylaws, partnering with your listing agent to maximize your property's value has become more important than ever. If you don't take advantage of your area's zoning laws and its future development potential, and promote them relative to your lot, you could easily undervalue your property.

"Capacity is needed," says Santiago, "and developers and builders are seeking options. It's up to your listing agent to properly describe the property's zoning potential and to value it appropriately."

The City of Vancouver is divided into zoning districts with their own particular zoning bylaws. For details on each district, you need to check the Zoning and Development Bylaw and any official development plan bylaws that may apply to that area. Land use is divided into "Outright" or "Conditional" where outright land uses are those permitted providing that all the regulations are met. Conditional refers to land uses that have impact on the community and must meet numerous government-specified criteria prior to being approved. Zoning district and descriptions can be found at <https://vancouver.ca/home-property-development/descriptions-of-zoning-districts.aspx>.

Densification is also impacting how new homeowners are buying properties. "Look for the market potential of your property five years from now," states Santiago, "Consider where new transportation lines, roads and amenities are being built and how this will impact your property's future value. If you are a first-time home buyer, you can invest in a property to sell it in a short period of time with a high rate of return if there is infrastructure being built around it." This trend could translate into increased real estate values for properties located around transit stations and lesser values of properties that are located further away, due to the increase in supply over time. "Future value should also be a part of how a property is assessed when purchasing within the Vancouver area," says Santiago. "Think of your property's appreciation and anticipation. Anticipation is created by the expectation of benefits to be derived in the future. Home buyers may anticipate that a property in a certain neighbourhood will be in demand in the next five years, and may be motivated to purchase the property for future development."

In addition says Santiago, "if you are buying a property and not considering how zoning and sub-dividing the lot over time could impact its future value, you might be missing out on a tremendous investment opportunity."

An example of how the future value of a lot can be impacted is to consider the City's introduction of laneway housing, so that every single family lot in the city can potentially have three suites – a main, basement and laneway house. For now, only homes in Kitsilano can be made into strata with different owners for each unit, but this may change over time and extend to other neighborhoods such as Marpole or Grandview-Woodland.

If you are looking to sell your Vancouver property, seize upon the opportunity to learn about how to best leverage sub-dividing to optimize your property's value by attending the "Subdivide and Conquer" real estate seminar on April 12, 2014.

Topics that will be presented during the seminar include: laneway homes; in-fill and coach houses; duplex; triplex; zoning, dealing with architects, builder/developers.

"Vancouver's real estate market has an appetite for transactions, but it is difficult to find deals," states Santiago, "Learn how to best position and market your property by learning the new trends in zoning due to densification."

(922 words)

To register for the event:

(instructions here) By registering through this publication, you can obtain a free download of (name of book) by (instructions).

About the Organizer

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