

THE MERIDIAN HOUSING ATTAINABILITY REPORT

BRIDGING THE DISCONNECT BETWEEN CANADIAN
HOUSING ASPIRATIONS AND CONSTRUCTION REALITIES

20 26



Meridian™

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**The future of housing won't
be built with yesterday's
assumptions.**

JAY-ANN GILFOY, CEO

01



FOREWORD



We cannot solve Canada's housing challenges by looking at only one side of the equation. True progress requires us to support the resilience of hopeful buyers while simultaneously developing the workforce and empowering the local builders who construct the foundation of our communities.

—

JAY-ANN GILFOY

President and CEO, Meridian Credit Union

Bridging the Gap: A Cooperative Approach to Canada's Housing Challenge

When we look at the economic landscape today, the pressures facing Canadian households and business owners are undeniable. High borrowing costs, persistent inflation, and a complex real estate market have created a challenging environment. At Meridian, we see these headwinds not as abstract statistics, but as the lived realities of our Members, our neighbours, and the local businesses building our communities.

The Meridian Housing Attainability Report was born out of a desire to deeply understand these pressures from both sides of the housing market. What the data reveals is a profound systemic disconnect: we have a generation of hopeful buyers who are ready to adapt, and a construction sector eager to build, but both are constrained by a lack of support, labour shortages, and rigid financing models.

For our younger generations, the financial and mental toll of housing costs is immense. 87% of Millennials and 81% of Gen Z report ongoing stress, with many forcing themselves to make difficult trade-offs, such as reducing long-term savings contributions just to stay afloat. Despite this, their resilience is striking. They are actively rewriting the rules of homeownership, showing an incredible openness to co-ownership, rent-to-own models, and alternative builds.

Yet, on the other side of the market, the builders responsible for delivering new supply are hitting a wall of their own. Rising material costs have broken the traditional economics of building starter homes, while a severe shortage of skilled trades workers delays projects and drives up labour costs.

This report points to a clear conclusion: the housing challenge is about whether the right kinds of homes can be financed, approved, built, and delivered at a price people can realistically afford.

This dual-sided squeeze is exactly where Meridian's purpose-driven difference must come into play.

As a cooperative financial institution, our mission is to help our Members achieve their best lives, especially during times of economic uncertainty.

We believe that banking differently means stepping up when traditional financial models fall short.

To help bridge the gap between buyer demand and builder capacity, we are focusing on personalized, flexible solutions. For aspiring buyers, this means providing earlier financial guidance, clearer savings pathways, and mortgage options tailored to alternative ownership. For the small and medium-sized builders who form the backbone of the housing supply chain, we are expanding access to working capital and investing in workforce development and financial confidence through our social impact initiative called **REFRAME**.

We also see an important opportunity to help advance the housing models Canadians are increasingly willing to consider, including purpose-built rental, missing middle housing, modular and prefabricated homes, co-ownership, and other alternative pathways that better reflect today's financial realities.

No single developer, financial institution, or level of government can solve Canada's housing challenges alone. Progress will require a shared commitment, bold innovation, and open collaboration. At Meridian, we are determined to be a trusted partner in this journey, working alongside our Members and partners to build a more resilient, accessible housing market for generations to come.

Our role is to help move the conversation from what is broken to what can be built next, by pairing local insight, long-term capital, practical partnerships, and community-based solutions that help turn housing intent into homes on the ground.

Thank you for being part of our journey.

Sincerely,

JAY-ANN GILFOY

President and CEO, Meridian Credit Union

The 2026 Housing Crisis in 5 Numbers

Most Canadians are open to alternative housing. The challenge is building the financing, policy, and delivery conditions needed to make those options real.



62%

The Adaptability Pivot

62% of Canadians are actively willing to consider alternative housing options—such as modular, prefabricated, or tiny homes—redefining what the “Canadian Dream” looks like.

77%

A National Priority

Nearly 8 in 10 Canadians identify housing attainability as a critical concern for the country's future. It is no longer a localized real estate issue; it is a national economic and social priority.

73%

The Trust Deficit

73% of Canadians believe their financial institution does not understand the housing challenges they face. There is a profound gap between traditional banking products and consumer realities.

94%

The Enterprise Bottleneck

While skilled trades shortages affect 78% of all construction firms, that number skyrockets to 94% among larger employers (100+ employees), severely limiting Canada's ability to build at scale.

63%

The Capital Crunch

Nearly two-thirds of builders (63%) struggle to secure project financing amid rising material costs and economic uncertainty, stalling projects before shovels ever hit the dirt.

Q2

An aerial photograph of a suburban neighborhood. The image shows several rows of houses with brown and grey roofs, interspersed with green trees. A road runs horizontally across the middle of the image, with a yellow school bus visible on the left. The text "CORE THEMES" is overlaid in white, bold, sans-serif font in the center of the image.

CORE THEMES

The Rise of Alternative Housing

Faced with a highly competitive market, Canadians are abandoning traditional definitions of homeownership. What was once considered “unconventional” or “niche” is now viewed as a practical, financially sound response to affordability pressures. This cultural shift is opening up new frontiers for buyers, builders, and lenders alike.

Interest in alternative housing reflects a broader shift in how Canadians are approaching housing attainability. Consumers are increasingly open to new ownership models and housing formats, while builders are looking for ways to deliver housing more efficiently and at a lower cost.



Housing attainability is not just a supply challenge. It's an affordability challenge. While builders want to build, many are facing a market where rising costs, financing pressures and reduced buyer confidence make it difficult to advance new projects. To create more attainable housing, we need an environment where development is economically viable and where aspiring homeowners have the confidence and means to enter the market.

— JASON TEAL, VP, Business Banking

Embracing the Alternative

Canadians are showing an unprecedented willingness to adapt. 62% of Canadians state they would consider alternative, non-traditional housing formats. Furthermore, half (50%) now view prefabricated, modular, or tiny homes as a highly viable route to homeownership.

This open-mindedness is driven by a ruthless focus on financial fundamentals. When deciding on a home, purchase price (89%) and monthly carrying costs (84%) reign supreme. If alternative housing delivers on these two metrics, consumers are ready to sign.

62%

of Canadians would consider non-traditional formats

50%

of Canadians view prefab/modular/tiny homes as a viable path

Alternative Housing Beyond Modular Construction

Alternative housing extends beyond modular, prefabricated, and tiny homes. Canadians are increasingly considering co-ownership arrangements and rent-to-own models, while industry and policymakers are placing greater attention on housing forms that can add attainable supply, including purpose-built rental and missing middle housing.

Purpose-built rental and missing middle housing are among the most practical ways to increase attainable housing supply while responding to changing household needs.

The Builder Pivot

This is not just a consumer trend; the supply side is responding. Nearly half of all construction businesses surveyed (45%) report a measurable increase in client interest in unconventional, prefabricated, or modular housing options. Builders recognize that these factory-built, highly efficient models offer a potential alternate route from high on-site labour costs and unpredictable weather delays.

Why Builders Can't Build

Demand alone cannot solve Canada's housing attainability crisis. While 47% of Canadian builders report growing business demand, they are trapped in a systemic bottleneck. A crippling combination of labour shortages, soaring material costs, and rigid financing structures makes it nearly impossible to deliver the entry-level supply Canadians desperately need.

The Broken Economics of Affordable Housing

The math behind homebuilding has changed fundamentally. 60% of builders state that high construction costs have made delivering affordable starter homes financially unviable. When the cost of land, materials, and municipal fees exceeds what an average first-time buyer can afford, builders are forced to build premium properties simply to maintain viable business margins.

The Labour Deficit

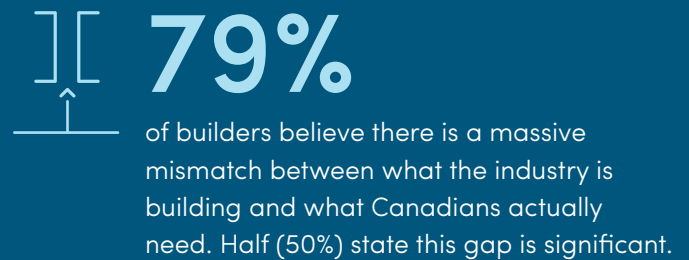
Even if financing and materials were cheap, Canada lacks the hands to build. Skilled trades shortages affect 78% of overall construction firms and an overwhelming 94% of enterprise-level employers (100+ employees). These labour shortages have severe cascading effects:



The hardest-to-fill roles are general construction labourers (**28%**) and carpenters or framers (**18%**).

Builders are fighting back by investing in the talent pipeline. More than 7 in 10 **(71%)** support apprentices through on-the-job mentorship **(31%)** and flexible scheduling for education **(25%)**. However, industry-led mentorship alone cannot close a gap of this magnitude.

The Product Gap



Improving housing attainability requires increasing the supply of housing people need. Meridian works with builders, developers, municipalities, and housing providers to help bring purpose-built rental and missing middle housing projects to life across Ontario. By combining local expertise, long-term capital, and strong partnerships, we're helping create the housing options communities need today while building a stronger foundation for future generations.

—KEVIN VANKAMPEN, SVP, Business Banking

Partnering for Supply

Small and medium-sized builders are the key to unlocking Canada's housing supply, but economic uncertainty shouldn't stall your progress.

Meridian can help support construction, trade, and related service businesses manage cash flow, absorb input cost volatility, and scale operations.

Connect with a Meridian Commercial Specialist today to secure the flexible working capital and project financing your business needs to build.

Young Canadians Under Pressure

The dream of homeownership remains deeply rooted in the Canadian identity. Two-thirds of Canadians (67%) view owning a home as a cornerstone of their long-term financial plans. However, a stark generational divide has emerged. While older generations sit on established equity, Gen Z and Millennials are carrying the psychological and financial weight of an unforgiving market.





The Mental and Financial Toll:

Housing is no longer just a line item on a budget; it is a primary source of chronic stress. Across the broader population, 40% of Canadians identify housing as their single largest source of financial anxiety.

This anxiety is concentrated heavily among younger demographics. An astonishing 87% of Millennials and 81% of Gen Z report ongoing stress related to housing costs. Regionally, the strain is particularly acute in Ontario, where 80% of residents report housing-related stress, and 66% worry they may never be able to afford a home.

The Housing Squeeze:

To cope with soaring shelter costs, 63% of Canadians have been forced to make significant financial trade-offs. These compromises directly threaten long-term wealth accumulation and personal milestones:

40%

have reduced everyday spending on essentials.

31%

have scaled back savings contributions (rising to 37% among Millennials who are actively sacrificing their retirement readiness).

23%

have postponed major life purchases or milestones.

These financial pressures are fundamentally reshaping life trajectories. 70% of both Gen Z and Millennials report delaying a move, planning for longer-term renting, or drastically lowering their housing expectations.

For many younger Canadians, the goal of homeownership remains unchanged, but the path to getting there is increasingly taking different forms.



The Squeezed Millennial

Age: 32 | Location: Southern Ontario

The Reality: Enjoys a stable career but feels trapped. Housing costs consume over 40% of their take-home pay.

The Sacrifices: Has cut back long-term savings contributions by 37%. Is actively considering relocating to a cheaper rural or agricultural community (39%) just to gain a foothold.



I did everything I was told to do: I went to school, got a good job and yet I'm sacrificing my retirement savings just to keep a roof over my head.

The Gen Z Co-Buyer

Age: 23 | Location: Urban Centre

The Reality: Believes the traditional dream of buying a home alone is entirely out of reach (78%).

The Strategy: Actively exploring co-ownership arrangements with friends or family (26%) and looking at rent-to-own programs (29%). Desperately wants a financial institution to guide them through these complex non-traditional models (52%).



I want to buy, but I can't do it alone. I need a financial institution that knows how to write a mortgage for three friends buying a house together, not just a married couple.



The “Homeownership Readiness” Checklist

5 Steps to Navigate Today’s Housing Market



01. Audit Your Sacrifice Margin:

If you are cutting back on retirement savings to buy a home, calculate the long-term compound interest cost. Ensure your home equity gains will realistically offset this gap.



02. Explore the Co-Ownership Framework:

Buying with friends or family? Draft a formal, legal co-ownership agreement covering exit strategies, equity division, and maintenance split before approaching a lender.



03. Investigate Rural Migration Realities:

Before moving to a more affordable region, factor in hidden costs: increased commuting expenses, potential lack of high-speed infrastructure, and local property tax variances.



04. Maximize First-Home Accounts:

Utilize tax-free savings vehicles like the FHSA (First Home Savings Account) to their absolute limit to shield your down-payment savings from taxation.



05. Seek Early Guidance:

52% of Gen Z want financial guidance before they start house hunting. Don’t wait until you have a purchase agreement; speak to an advisor to map out a multi-year savings pathway.



03



SYSTEMIC ISSUES AND STRATEGIC SOLUTIONS

The Capital and Policy Gap

A common thread runs through both sides of the Canadian housing market: access to capital is restricted, and policy frameworks are outdated.

Consumers feel alienated by the financial sector. Only 27% of Canadians believe their financial institution truly understands the housing challenges they face. For younger buyers, the mortgage process feels like an insurmountable wall, with 53% of Millennials stating that qualifying for a mortgage is overly difficult.

Builders are facing a remarkably similar capital constraint. 63% of builders identify securing project financing as a major obstacle to housing development. When developers must tie up massive amounts of capital under rigid borrowing terms amid rising material costs (62%) and economic uncertainty (52%), projects get shelved.

The Policy Lever

To break this logjam, builders point directly to policy changes that could immediately accelerate construction:

38%

call for targeted funding or tax incentives for affordable, entry-level construction.

33%

call for streamlined municipal permitting processes to reduce costly administrative delays.





A scenic landscape at sunset. In the foreground, a white picket fence runs across the bottom of the frame. Behind the fence is a green lawn. In the background, there are trees and a house. The sky is a mix of orange, yellow, and blue, indicating sunset. The text "MERIDIAN'S COMMITMENT" is centered in the middle of the image.

MERIDIAN'S COMMITMENT

Meridian's Role: Supporting the Housing Ecosystem

At Meridian, housing attainability requires action from across the housing sector. As a Member-owned credit union, Meridian supports homebuyers, builders, skilled trades initiatives, and community partners through financing solutions and programs that help increase housing supply.

01

Flexible Financial Solutions for Evolving Buyers

Canadians are pursuing a range of paths to homeownership, including co-ownership arrangements, secondary suites, self-employment, and other non-traditional buying models. Through OnYourWay, Meridian helps people navigate important financial decisions, including homeownership, by connecting them with personalized guidance, digital tools, and expert advice tailored to their goals. Meridian provides mortgage products and advisory services to help people buy, build, refinance, or renew a home, including construction mortgages, Secondary Suite Financing, Flex Line Mortgages, Self-Employed Mortgages, Friends and Family Mortgages, high-ratio mortgage options, and support through Mobile Mortgage Specialists. Meridian also offers flexible repayment features, including annual prepayment privileges and multiple payment frequency options.

02

Empowering the Builders of Supply

The small and medium-sized developers central to Ontario's housing supply face growing financing, cost, and labour pressures. Meridian supports housing delivery through financing for new construction, with a focus on projects that add attainable housing supply. Through financing programs backed by the Canada Mortgage and Housing Corporation (CMHC), Meridian supports purpose-built rental housing, missing middle housing, smaller and mid-sized residential developments, and community-based or regional housing projects. Meridian has also financed CMHC-supported housing developments currently under construction or recently completed, including purpose-built rental projects.

03

Investing in the Trades Pipeline

Labour shortages are a significant barrier to housing delivery. Meridian launched **REFRAME**, a social impact initiative focused on strengthening Ontario's skilled trades workforce. **REFRAME** provides skilled trades training, paid work experience, financial confidence coaching, and employment pathways for individuals facing barriers to work. To date, Meridian has invested \$1.3 million in the program, working with training partners including Building Up, Community Builders, and Elephant Thoughts. The program has supported and graduated hundreds of participants across Ontario, with 87% securing related employment following completion.



The findings of the Meridian Housing Attainability Report 2026 make one thing clear: no single organization, builder, lender, or level of government can solve Canada's housing challenges in isolation.

Progress will require a coordinated approach that expands access to capital, supports new housing development, invests in workforce capacity, and strengthens the conditions needed to bring more housing supply online.

Improving housing attainability will require coordinated action across governments, builders, lenders, housing providers, community organizations, industry associations, and policymakers.

As a Member-owned credit union, Meridian contributes to the housing ecosystem through homeownership solutions, developer financing, CMHC-backed lending programs, skilled trades initiatives, community partnerships, and research that help support housing delivery across Ontario.



Housing attainability is about more than the homes we build. It's about ensuring people have the skills, opportunities, confidence and support they need to participate in the workforce that makes those homes possible. Through REFRAME, we're investing in people facing barriers to employment by providing not only skilled trades training, but also financial confidence coaching and wraparound supports that help individuals build lasting careers and economic stability. By strengthening Ontario's skilled trades pipeline while supporting the whole person, REFRAME demonstrates how social impact and economic impact can work together to build stronger communities.

— SARAH SASO, VP, ESG and Social Impact



Methodology and Survey Scope

This report is based on research conducted between May 13 and June 8, 2026, which analyzed Canada's housing landscape from both the demand and supply sides.

THE FINDINGS ARE COMPILED FROM FOUR DISTINCT, PARALLEL SURVEYS CAPTURING THE UNIQUE PERSPECTIVES OF:



The Canadian Public:

A nationally representative panel of n=1,500 Canadian consumers, weighted to align with Canadian census demographics.



Meridian Retail Members:

A comparative benchmark survey of n=527 Meridian Members.



Construction Decision-Makers:

A national panel of n=250 construction industry owners, operators, and executives.



Meridian Commercial Members:

A targeted survey of n=25 of Meridian's commercial construction partners.



To learn more about our commercial financing options, or our homeownership advisory services, visit us at **MeridianCU.ca**

For more information, contact:
media@meridiancu.ca

