

# REAL ESTATE NEWS



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## SIX WAYS TO POWER-\$AVE YOUR WAY TO A DOWN PAYMENT

The question that comes up more and more in the country's expensive housing markets is: Where are first-time buyers getting the money?

Parental help is a big factor, so much so that the federal agency Canada Mortgage and Housing Corp. has launched a study of the phenomenon. Also, it's virtually a given that today's buyers will raid their registered retirement savings plans to use the federal Home Buyers' Plan. And then there are savings — money put away week by week over a period of years to build a down payment.

Here are six ways to power-save your way to a house down payment in any city:

### 1. Move in with your parent or in-laws

Explain that you're thinking strategically in moving back home. The quickest way to get into the housing market is to maximize savings, which is difficult to do when you're paying the cost of rent in a big city. You'll pay your parents a token amount of rent, but most of your savings will go directly into your house down payment fund. Tell your parents to think of the grandchildren you'll be raising in the house you're saving for.

Yearly rent at \$800 per month: \$9,600  
Minus token rent payment to parents: \$2,400  
One-year savings: \$7,200

### 2. Move down one level of rental

If you have a two-bedroom apartment, try going down to one bedroom. Or, trying squeezing into a bachelor apartment. You could also look at moving to a cheaper part of town, as long as it won't jack up your commuting costs. Get rid of stuff that won't fit in your new, smaller place, or store it in your parents' basement. Don't spend money on a storage unit.

Yearly rent at \$800 per month: \$9,600  
Minus yearly rent at \$650 per month: \$7,800  
One-year savings: \$1,800.

### 3. Sell your car and take the bus

You'll be saving on fixed costs such as parking, insurance, gas, maintenance and possibly car payments, and you'll be protected against the risk of financially catastrophic four-figure repair bills. Rent a car or use a car-sharing service for those

times when the bus won't cut it. A cheap bike will help you save on bus fare.

Estimated annual cost of gas, insurance and maintenance and parking: \$5,000  
Minus estimated annual cost of a bus pass and occasional car rental: \$1,500  
One-year savings: \$3,500

### 4. Stop buying lunch

A pain, but worth it. You'll have to think ahead by either picking up the right groceries to make your own lunch, or by scooping up after-dinner leftovers. Healthier than your food-court lunch, which you're probably sick of anyway.

Estimated cost of buying lunch at \$8 or so per day: \$2,000  
Minus cost of spending about \$15 per week to stuff to make your lunch with: \$750  
One-year savings: \$1,250

### 5. Cut your cable TV and landline

Almost like heat and hydro, an Internet connection is essential. But a home phone is dispensable if you have a smartphone, and cable TV can be replaced by Netflix, watching shows online and using an HDTV antenna. Also, try buying up DVDs of movies and TV show seasons at garage sales, or find stores that sell used DVDs, CDs and videogames.

Yearly cost of cable and home phone: \$1,200  
Minus approximate cost of a Netflix subscription: \$110.  
One-year savings: \$1,090

### 6. Halve your spending at restaurants and bars

Studies of Generation Y spending habits show that going out to eat and drink is big. Hey, everyone needs a hobby. But this one is too expensive for people who are set on buying a house. Aim to eat out less often, and rather than pay marked-up restaurant or bar tabs, grab a beer from the fridge.

Annual cost of spending \$250 monthly: \$3,000  
Minus half that annual cost: \$1,500  
One-year savings: \$1,500

TOTAL ONE-YEAR SAVINGS FROM ITEMS 1-6: \$16,340

## STEADY AS SHE GOES FOR SEPTEMBER REAL ESTATE SALES IN OTTAWA

Members of the Ottawa Real Estate Board (OREB) sold 1,133 residential properties in September 2014 compared with 1,118 in September 2013, an increase of 1.3 percent. There were 1,203 home sales in August 2014.

"Our community is fortunate to enjoy one of the most stable real estate markets in Canada," said OREB's President. "This is evidenced by the fact that the units sold and the average sale price in August and September has stayed within a few percentage points from the year before. We are also right on par with sales and average sales price year-to-date compared with 2013."

The average sale price of residential properties, including condominiums, sold in September in the Ottawa area was \$356,915, an increase of 3.0 percent over September 2013. The average sale price for a condominium-class property was \$254,036, a decrease of 1.2 percent over September 2013. The average sale price of a residential-class property was \$383,406, an increase of 3.2 percent over September 2013.

"The \$300,000 to \$399,999 price range continues to have the highest concentration of properties sold, followed by the \$500,000 to \$749,999 range, which is closely followed by the \$275,000 to \$299,999 price range, he added. "Condos performed better in September than in August, which could be a contributing factor in the latter price range having a higher concentration of properties sold than in the past."

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advice and information!

## REAL ESTATE NEWS

# 5 TIPS FOR CLOSING YOUR COTTAGE FOR THE WINTER



Every spring, people return to their cottage with the hopes that there is no damage, however statistics would indicate that the top claims for cottages usually include water or wind damage caused during the winter or early spring months.

Here are some tips to help keep the cottage safe during the winter months while you are away:

### 1. AVOID WATER DAMAGE:

Any time you leave your home during months that temperatures will drop well below freezing, you should take precautions to avoid water damage.

*Did you know that almost 50% home claims paid in Canada this past year were related to some sort of water damage?*

The best way to avoid water damage is to drain the plumbing and turn off the water so the pipes don't freeze. Shut off the main water valve and any water supply valves like for example on a toilet, dishwasher or washing machine. FamilyHandyman.com has some awesome detailed explanations on how to do this, if you want more details.

### 2. IF YOU HAVE A SUMP PUMP, CHECK IT TO MAKE SURE IT IS WORKING.

Often the water will rise in the spring when the snow melts. If you will not be at the cottage when this starts to happen it is critical to make sure you have left everything ready to go.

### 3. BRING IN ALL YOUR DÉCOR AND OTHER ITEMS LIKE LAWN CHAIRS, BOATS AND BBQ'S FROM THE GARDEN AND PROPERTY.

These items will preserve better indoors and you will also avoid the possibility of them flying off causing damage to property or others in heavy winter storms, or fall and spring winds.

### 4. CLOSE THE FLUE OR BLOCK THE STOVE PIPES ON YOUR FIREPLACE, CHIMNEYS OR WOODSTOVES.

These make good places for animals to get into your home, or make nests in. This may also be a good time to have your chimney cleaned, the build up within a chimney can cause chimney fires and if left for the winter, you may have a nasty surprise in the spring when you go to use them again.

If you have a BBQ make sure you disconnect the propane tank and store it in an appropriate location out of direct sunlight – you may want to refer to your BBQ manual for specific details for your tank. Remember that the BBQ tank carries contents that are explosive – handle this with care.

### 5. TRIM ANY BRANCHES HANGING OVER THE COTTAGE, AND INSPECT THE ROOF AND GUTTERS TO MAKE SURE THERE ARE NO AREAS THAT WILL BE VULNERABLE.

Weight of snow and ice in various circumstances, or blocked up drainage systems can create significant damage while you are away. Prevention is your best option. Clean out eaves troughs.

Make sure they are clear of leaves and that the drainage is directed at least several feet from your home.

