



The Ottawa Region Report

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Market Update

Condo sales continue to strengthen in the Ottawa resale market mostly in the downtown area says President of the Ottawa Real Estate Board. In comparison to last year the number of condo units sold was up 24.7% (year to date) and remaining in balanced market conditions. Residential units have remained steady with a 7.7% (y.t.d.) increase over this time last year. "While Realtors have reported fewer multiple offer situations in the past month. In residential homes, we are seeing Sellers receive asking price or very close to it," President of the Ottawa Real Estate Board. "Cumulative days on market have tightened significantly since last year. Residential listings are selling almost 30 per cent faster than this time last year, and condo units are selling over 10 per cent faster than last year. Although, keep in mind that while some areas within the Ottawa market are quite active, other areas of the city remain less active".

Canadian Home Buying Power Has Doubled Since The Millenium

In the year 2000, the bank lending interest rate in Canada was 7% but by last year it had fallen to 2.7% while incomes increased, more than doubling the amount that homebuyers could borrow. "Increased borrowing power, brought by falling interest rates and rising incomes is potentially the most overlooked and least understood factor influencing home prices across Canada," says Niels Veldhuis, President of the Fraser Institute.

Some interesting facts:

- Up to a million Canadians would struggle to cope with a 1 percent rise in interest rates with 700,000 at risk from even a 0.25 percent rise.
- Vancouver, Toronto and Calgary are 3 of the 10 most liveable cities in the world.
- Average mortgage load in Canada is about to break the \$200k mark
- 25 year olds are changing the game.

(Excerpts from HomeMarket Update by Steve Randall)

Lysanne Brault, Your Real Estate Broker For Life.

WHAT'S IN THE NEWSLETTER

Market Update/Canadian Home Buying Power Has Doubled Since The Millenium/More Mortgage Changes/Few Things To Know About Prime & Your Mortgage/A Little Funny or Insight

Ottawa Board Residential & Condominium
Sales Year-To-Date up to August 2017 and % change
since last year

TYPE	# UNITS 2017	# UNITS 2016	% OF CHANGE
1.5 Storey	257	269	-4.5
2 Storey	5,895	5,373	9.7
3 Storey	521	455	14.5
Bungalow	2,387	2,251	6.0
Double/SBS	19	16	18.8
Duplex- Up/Down	73	46	58.7
Hi-Ranch	304	315	-3.5
Split	405	431	-6.0
Other	21	26	-19.2
Condominium	2,518	2,020	24.7

***The Board cautions that averages sale price information can be useful in establishing trends over time but should not be used as an indicator that specific properties have increased or decreased in value. The average sale price is calculated based on the total dollar volume of all properties sold.*

MORE MORTGAGE CHANGES

The federal government is considering implementing additional mortgage tightening rules that could have an important impact on uninsured mortgage applicants.

We believe all Canadians should have access to housing that meets their needs and that they can afford.

However, the Office of the Superintendent of Financial Institutions (OSFI) is proposing a new stress test for uninsured mortgages. The proposal would require lower-risk borrowers to be approved at two percent above the rate offered to them by their lender. This measure would shut many consumers out of the market. We will watch and keep you informed on the developments on this matter.

Few Things To Know About Prime & Your Mortgage

1. On July 12 lenders increased variable-rate borrowing cost by 0.25% to match the Bank of Canada increase of the same amount on the same day. Fixed-rate mortgage holders are not affected by Bank of Canada rate changes during their current term.
2. There was another increase in September. There is one more scheduled Bank of Canada meeting this year.
3. These were the first increases to Prime in nearly seven years, and it follows two 0.25 % reductions in 2015.
4. A 0.25% rate increase equals a payment increase of \$13 per month per \$100,000 of outstanding mortgage balance for those in an adjustable-rate mortgage. That means a \$300,000 mortgage balance will see payments rise by \$39 per month.

(Excerpts from Dominion Lending Centres)

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Residential and Condominium Sales (Year-to-date up to August 2017) And % change over last year

PRICE RANGE	2017 # OF SALES	2016 # OF SALES	% CHANGE
Under \$100,000	114	106	7.5
\$100,000-\$124,999	94	102	-7.8
\$125,000-\$149,999	201	193	4.1
\$150,000-\$174,999	366	339	8.0
\$175,000-\$199,999	520	479	8.6
\$200,000-\$224,999	594	596	-0.3
\$225,000-\$249,999	545	573	-4.9
\$250,000-\$274,999	629	638	-1.4
\$275,000-\$299,999	860	891	-3.5
\$300,000-\$349,999	2,162	2,084	3.7
\$350,000-\$399,999	1,649	1,471	12.1
\$400,000-\$449,999	1,317	1,128	16.8
\$450,000-\$499,999	917	738	24.3
\$500,000-\$749,999	1,842	1,487	23.9
\$750,000-\$1 Million	439	318	38.1
Over \$1 Million	209	109	91.7
Total	12,458	11,252	10.7

A little funny or insight

La compagnie Warner a eu à payer 28 millions \$ pour obtenir les droits d'auteur de la chanson (Happy Birthday) Bonne fête.

The company Warner paid \$28 million to get the rights to the song "Happy Birthday".