



# The Ottawa Region Report

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## Ottawa Market

The Market has now moved into a Seller's market, all categories and almost all sectors of the urban section of Ottawa. The satellite towns and countryside is starting to activate itself. Recent experience in this 2018 market concludes that it is worth investing in preparing your home: painting, minor repairs, and of course presentation or as we call it in the Real Estate world: Staging. This does not mean to spend a lot of money. But to invest smartly and get larger audience and faster interests usually translates in more return and in this market you can often double your preparation/staging investment.

## Introducing Dan Mayer

I would like to introduce you to Dan Mayer. Some of you have met him. Dan has been providing me with assistance in the last year or two with open houses, replaced me when I was away and worked with some of my clients towards their purchases. Dan has now moved into a more official role and joined me to provide more services to my clients. We will put his bio on the LBHOME website shortly so you may get to know him better.

## What is a rate hold? What is a pre-approval?

Securing a rate hold is like having insurance on your mortgage rate – you no longer have to worry about mortgage rates increasing while you find your new home over the next 90-120 days. And if rates drop within that same period, so too will your pre-approved rate.

For instance, if you obtain a 3.39% rate hold and then global risks subside and the economy strongly recovers over the next three to four months, that 3.39% could easily jump to 4% or higher. In this case, your rate hold for 3.39% would have saved you more than half of a percentage point, which would translate to a savings of a significant amount of money over the term of your mortgage

But a rate hold means nothing if you don't meet the lender's qualifications. By obtaining a preapproval and a rate hold, you can be confident you have access to mortgage financing and you'll know how much you can spend before you head out shopping for a property.

## WHAT'S IN THE NEWSLETTER

### Ottawa Market Update/Introducing you to Dan Mayer/ What is a rate hold? What is a pre-approval? / A Little Funny

Ottawa Board Residential & Condominium  
Sales Year-To-Date up to May 2018 and % change  
since last year

TYPE	# UNITS 2018	# UNITS 2017	% OF CHANGE
1.5 Storey	178	144	23.6
2 Storey	3561	3471	2.6
3 Storey	295	308	-4.2
Bungalow	1393	1381	0.9
Double/SBS	8	13	-38.5
Duplex- Up/Down	47	39	20.5
Hi-Ranch	177	180	-1.7
Split	262	228	14.9
Other	5	10	-50
Condominium	1681	1420	18.4

*\*\*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.*

What about a Pre-approval?

It's important to note, however, that there is a significant difference between being PREAPPROVED and PREQUALIFIED. In order to obtain a preapproval, the lender fully underwrites the deal, whereas with a prequalification only the most basic details are considered. Remember that many banks will only issue a pre-qualification, while mortgage brokers will usually ensure you're pre-approved.

Lysanne Brault  
Your Broker for Life

**And they said the New measures to curb the climb in prices in Toronto and Vancouver do not work?**

An extract from the RBC Real Estate Report:

*"It increasingly looks like the new stress test is causing more than just a temporary dip in housing market activity in the greater Toronto and Vancouver areas. Home resales were weak again in May for a fifth-straight month in both markets. The Toronto Real Estate Board reported that resales were down 22.2% from the same period a year ago while the Real Estate Board of Greater Vancouver reported an even steeper drop of 35.1%. We don't make much of the fact that this represented the slowest year-over-year rate of decline in four months in Toronto. As a matter, we fully expected such a slowdown because May 2017 provided a significantly lower base for year-ago comparisons. May 2017 was when activity really started to nosedive in the Toronto area following the introduction of Ontario's Fair Housing Plan in late-April. In Vancouver, market-cooling measures announced in the 2018 provincial budget in February also likely weighed on May resales".*

It seems like Ottawa and Montreal are benefiting from the high prices in Toronto and to a certain degree in Vancouver. We are definitely in a seller's market in pretty much all categories now.

Your Broker For Life,  
Lysanne

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**Residential and Condominium Sales  
(Year-to-date up to May, 2018)  
And % change over last year**

PRICE RANGE	2018 # OF SALES	2017 # OF SALES	% CHANGE
Under \$100,000	57	60	-5
\$100,000-\$124,999	32	33	-3
\$125,000-\$149,999	49	52	-5.8
\$150,000-\$174,999	58	68	-19.1
\$175,000-\$199,999	82	91	-9.9
\$200,000-\$224,999	107	112	-4.5
\$225,000-\$249,999	120	152	-21.1
\$250,000-\$274,999	174	257	-32.3
\$275,000-\$299,999	237	416	-43
\$300,000-\$349,999	864	1129	-23.5
\$350,000-\$399,999	1051	864	21.6
\$400,000-\$449,999	831	714	16.4
\$450,000-\$499,999	578	490	18
\$500,000-\$749,999	1319	1024	28.8
\$750,000-\$1 Million	282	233	21
Over \$1 Million	131	111	18
Total	5969	5806	2.8

**A little funny!**

