



# The Ottawa Region Report

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## Ottawa Market

The remarkably busy market we have had all through the fall and winter so far is a tell-tell sign of a strong seller's market.

We now have the Year-end figures show an average sale price of \$486,590 for residential class properties in 2019, an 8.9 per cent increase from 2018 and \$304,203 for condominium properties, up 9.3 per cent from last year.

Also historically low supply yet higher unit sales than in previous years combined with a declining average number of days on the market, especially in certain pockets of the city, means buyers have to be well prepared and pre-approved and sometimes pre-inspect properties before making an offer. Multiple offers on houses is becoming very common.

"2019 was a record-breaker in both the number of sales as well as average prices, with the residential property class reaching \$500K in several months during the year. This price growth is warranted due to the fundamental economic principle of supply and demand playing out, with limited supply putting upward pressure on prices" says the Ottawa Board President.

Indeed, since employment and interest rates are main driving forces to generate Real Estate demand this situation is not surprising. The Business Ottawa Journal reported that the Ottawa-Gatineau's unemployment rate in September had fell to 4.4 per cent, down from 4.7 per cent in August and the lowest rate in the region since June 2018. Businesses across virtually all industries were in a hiring mood in September, adding 12,600 new jobs, while the size of the region's labour force – which includes people who are searching for work – expanded by about 10,000 workers in the same period.

Two of Ottawa-Gatineau's key employment drivers – the public-service and tech sectors – both experienced slight gains last month, with government payrolls edging up from 174,200 to 174,500 positions and total tech employment rising from 49,000 to 49,600.

But with few exceptions, industries across the board picked up jobs in September, led by the construction sector (up 2,700 positions), retail (a gain of 2,500) and health care (up 1,800).

This means the pressure on Real Estate prices is far from over, as the Builders cannot build houses fast enough to help increase the supply.

## WHAT'S IN THE NEWSLETTER

### Ottawa Market Update/Hydro Helps...lower your electricity costs/A Little Funny

Ottawa Board Residential & Condominium Sales Year-To-Date up to Dec 2019 and % change since last year

TYPE	# UNITS 2019	# UNITS 2018	% OF CHANGE
1.5 Storey	434	418	3.8
2 Storey	8,143	7,869	3.5
3 Storey	775	661	17.2
Bungalow	3,383	3,203	5.6
Double/SBS	22	18	22.2
Duplex-Up/Down	98	101	-3.0
Hi-Ranch	465	448	3.8
Split	588	584	0.7
Other	28	17	64.7
Condominium	4,584	4,056	13.0

*\*\*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.*

So, we must face this reality and readjust what we had indicated in our Christmas newsletter. With 2019 increase in price and the multiple offers ( sometimes 5 to 20 plus offers) we see across the city, and no sign of relief, we anticipate an increase of approximately 10% in prices this year as the demand keeps growing faster than the supply already this year.

## **HYDRO helps...**

### **Helping Customers Lower Their Electricity Costs**

Funded by the Government of Ontario, The Affordability Fund provides free energy-saving upgrades to residential customers to help them improve their home's energy efficiency and reduce their electricity costs.

The program is intended to help customers who are not eligible for other low-income conservation programs but are unable to make energy-efficient improvements without financial assistance.

Three levels of support are available. A calculator is available online at [AffordAbilityFund.org](http://AffordAbilityFund.org) for customers to determine the level of eligibility they may qualify for.

If you are interested, you can call 1-855-494-FUND (3863) or visit [AffordAbilityFund.org](http://AffordAbilityFund.org) to apply. If you are a customer of other Ontario utilities, such as Hydro One, you will also have access to the program through your local utility. Access to more information is available through the above phone number and website.

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## **Residential and Condominium Sales (Year-to-date up to Dec. 2019) And % change over last year**

PRICE RANGE	2019 # OF SALES	2018 # OF SALES	% CHANGE
Under \$100,000	124	151	-17.9
\$100,000-\$124,999	89	140	-36.4
\$125,000-\$149,999	178	243	-26.7
\$150,000-\$174,999	326	500	-34.8
\$175,000-\$199,999	527	664	-20.6
\$200,000-\$224,999	612	880	-30.5
\$225,000-\$249,999	847	853	-0.7
\$250,000-\$274,999	905	770	17.5
\$275,000-\$299,999	881	883	-0.2
\$300,000-\$349,999	1,912	2,370	-19.3
\$350,000-\$399,999	2,469	2,631	-6.2
\$400,000-\$449,999	2,437	1,994	22.2
\$450,000-\$499,999	1,806	1,401	28.9
\$500,000-\$749,999	4,178	3,035	37.7
\$750,000-\$1 Million	951	664	43.2
Over \$1 Million	380	288	31.9
<b>Total</b>	<b>18,622</b>	<b>17,467</b>	<b>6,6</b>



**A little funny!**