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REAL ESTATE NEWS



from Gisele

Certified Negotiation Expert (CNE)®



Negotiation skills are fundamental when negotiating deals on my clients behalf.

Having successfully completed several CNE courses, I have now earned my Certified Negotiation Expert (CNE)® designation. This designation gives me a significant competitive advantage over other agents when negotiating deals.

What a crazy year so far. Many of my listings sold in days for list price or above price. This year has seen less inventory (seller's market) and buyers scrambling to find a home, which meant many multiple offer scenarios. Check out my website and view some of the testimonials my happy clients had to say.



Steady September contributes to strong third quarter for 2017

REAL ESTATE SNAPSHOT SEPTEMBER 2017

Market is stabilizing after a record setting spring & summer.



RESIDENTIAL
1,076 UNITS SOLD

UNIT SOLD SEPTEMBER 2017

1,387
ON MLS®

UP
1.6%



CONDOMINIUM
311 UNITS SOLD

RESIDENTIAL AVERAGE SALE PRICE

\$416,464

UP 8.2% OVER SEPT 2016

CONDOMINIUM AVERAGE SALE PRICE

\$261,548

UP 3.9% OVER SEPT 2016

Average 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. Contact us for neighbourhood statistics and/or details on current market value of properties of interest to you. *Based on information provided by the Ottawa Real Estate Board, October 2017

We love to chat real estate - Contact us anytime!

info@teamrealty.ca
www.teamrealty.ca

CANADA'S
REAL ESTATE COMPANY

Market highlights

Condo Sales have "been increasing since February, with the average increase per month coming in at 25.5 per cent," says OREB President. "The boost in condo sales has impacted our year-to-date unit sale figures and is putting us on track for a strong year-end finish."

"Although properties continue to sell much faster in comparison to this time last year, our market is still balanced, though trending toward a Sellers' market. The average increase in sale price has not skyrocketed, but rather has increased gradually due to more homes selling in the \$450+ price range compared to last year."



"Success is determined by the relationships I build."

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Purchasing a Home from a Seller that is a Non-Resident

The CRA considers people who don't live in the country at least six months a year and don't pay income taxes here to be foreign property investors, and thus, subject to capital gains taxes.

When a non-Canadian resident sells a property, the Buyer of the property must withhold and remit a portion of the purchase price to the Canada Revenue Agency (CRA). Generally this amount is 25% of the *gross* selling price that is payable to the Seller on closing. *(Note that the actual tax owing may be different, this is just to make sure the government will get its money by stopping the money from leaving the country until they can determine what is actually owing.)*

Alternatively, a **Certificate of Compliance** related to the sale of the property can be filed and approved by the CRA to reduce or eliminate the withholding taxes. Upon filing of this Certificate of Compliance, the 25% withholding tax required is calculated on the gross sales proceeds net of the purchase cost of the property (or in other words, the *net profit*).

When a non-resident taxpayer (Seller) sells taxable Canadian property – which includes real estate – they are required to file for a 116 Tax Certificate (Form T2062) with CRA within 10 days of the sale.

The certificate can take two to three months to obtain. In the absence of the certificate, the BUYER becomes liable for any tax owed by the non-resident Seller.

If the SELLER leaves and doesn't pay the tax, the government has decided it has the right to collect against the Buyer.

Practical Impact of Section 116

If a non-resident sells a Canadian property without receiving a clearance certificate, the purchaser is entitled to deduct or withhold the appropriate amount (usually 25% of the purchase price) from the amount otherwise payable or credited to the seller. The purchaser also has the right to recover any such amount paid as tax. If the seller has received a clearance certificate, then the

purchaser will only be required to withhold 25% of the actual capital gain.

- Get the Certificate of Compliance before the property is listed for sale and is marketed. CRA will issue a Certificate before a sale actually occurs, using the price you expect to get for the property.
- If there is tax payable, the Seller pays the tax or provides security to the CRA that the tax will be paid. Contact the Revenue Collections Division of the applicable Tax Services Office.
- The Seller must file a tax return for the year the sale of the home took place. Any overpayment of the tax can be refunded.

Failing to withhold the requisite amount could be disastrous for the purchaser, who could potentially be liable for the seller's taxes.

If your Realtor suspects that the Seller is a non-resident do some inquiries early on. There are clauses that the Realtor can use in your Agreement of Purchase and Sale to help safeguard you. As well, inform your lawyer of your suspicions.



RONA
585 West Hunt Club Rd
OTTAWA REAL ESTATE BOARD



Ontario REALTORS Care® Foundation
ACCOUNT # 148116
Present this card to receive a **10% Discount** on most purchases & RONA will make a donation to the REALTORS Care® Foundation.

RONA Card program brings in over \$4,000 for the year AND ups the discount to 10% off!

The RONA Home & Garden at 585 West Hunt Club Rd. has raised the discount to **10% off** instead of the usual 5%. In addition to the discount, five per cent of all the money spent by OREB cardholders will continue to be rebated to the Board annually in support of the Ontario REALTORS Care® Foundation, which goes towards helping local, shelter-related charities.

If you have old cards, they will continue to be accepted and you will receive the **10% off discount**. There is NO Expiry Date.



Mortgage/Appraisal Costs

Make sure your bank won't charge you a fee to set up your mortgage or for a mortgage-related appraisal (which can run from \$250 to \$500). Most banks don't, so feel confident negotiating to have the fee waived.

Are you a Landlord? Do you know someone Renting?

The Landlord & Tenant Board implemented new changes that came into effect September 1st, 2017.

Know your rights!

1-888-332-3234

<http://www.sjto.gov.on.ca/lrb/>