



# THE TRIPP TIMES

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## 24% of Canadians See Their Homes as Main Source of Retirement Income

By: Bertrand Marotte, *The Globe and Mail*

Almost one quarter of Canadians say they are looking to their homes as the primary source of retirement income, according to new research.

Twenty-four per cent of respondents to Sun Life Financial's annual "unretirement" survey said they agree with the statement, "My residential real estate will serve as my primary source of retirement income."

Another 17 per cent said they don't know and 59 per cent said they disagree.

"We were really quite surprised to see such a high percentage of Canadians thinking of using their homes as a primary income source of retirement and another 17 per cent saying they weren't quite sure," Kevin Dougherty, president of Sun Life Financial Canada, said in an interview.

"The fact is that many people don't have access to pension plans at work," he said. Many also do not have significant personal savings, making home equity more attractive, he added.

But real estate is a volatile asset class and can't be counted on to sustain high

values forever, Mr. Dougherty cautioned.

"It is really quite striking how fast home equity can disappear. One needs to really think through whether that strategy will work and whether it will be enough."

On a slightly more positive note, the average expected retirement age has hit its lowest level in four years: 66, down from a high of 69 in 2011, he said.

Last year, the average retirement age was 67.

Across Canada, 28 per cent of those polled said they expect to be fully retired at age 66, up from 27 per cent in the 2013 survey.

And 27 per cent said they'll be working full-time at 66, up from 26 per cent.

In 2009, the same survey found that more than half of those polled expected to be retired at 66.

On average, Canadians expect 10 per cent of their retirement income to come from home equity, with government plans accounting for the biggest income slice at 30 per cent, followed by 27 per



**Average retirement age: 66**

cent from personal savings, 23 per cent coming from employer plans, 5 per cent from inheritance and 6 per cent from other sources.

Of those planning to work past 65, 65 per cent said they figure they will have to while 35 per cent said it will be out of choice.

Another sign of rising optimism: 38 per cent said they are satisfied with their retirement savings, up from 34 per cent last year.

The survey was conducted by Ipsos Reid using online interviews with 3,005 working Canadians between 30 and 65 years of age, from Ipsos' online panel.

The survey is accurate to within plus or minus 2 percentage points had all Canadian adults been polled.

# How Does a Rent-to-Own Really Work?

You may have seen more and more people advertising that they have a house or condo for sale, and offer to do a rent-to-own. It seems to be becoming a popular way for selling a property, but not a lot is known about exactly how it works, and to whose benefit.

When a seller advertises that he will consider doing a rent-to-own deal, he will be looking for someone to lease the house with two contracts. One contract will be a regular lease contract, and the other will deal with the purchasing part of the deal. This contract will be for a period of time

that is agreeable to both the seller and the buyer, usually anywhere from one year to three years. Many people think that the seller will simply set aside some of the rental money as a down payment contribution, but this is not exactly the case. The buyer will have to pay the regular amount of rent, and in addition they will have to pay a monthly installment that will be credited towards the down payment.

There are usually clauses in the contract that state if the buyer is late or misses any payment, the contract is null and void. As well,

the buyer may be responsible for repairs and maintenance; however sometimes the seller will accept responsibility for major maintenance issues.

One thing to keep in mind is that house prices are always changing. The calculations are based on today's prices, and it can be next to impossible to calculate what the house may be worth in the future. Sometimes this is addressed by agreeing to a certain percentage increase for each year of the term, and sometimes sellers will ask you to agree to pay the appraised value of the house at the end of the term. (In this case,

you may have to pay a little extra at the end of your term to meet the 5% down payment.) The seller will also want a down payment deposit, generally not less than \$5000.

Here is an example of how the seller may calculate your monthly contribution towards the down payment:

Say the purchase price is \$200,000, you have agreed to a 2 year term, and you have already paid \$5000 towards the down payment. In order for you to save up enough money for a 5% down payment in 2 years, you will calculate five percent

of \$200,000 and divide that by the 24 month length of the contract. So in this case, you will need to save up \$10,000, but since you've already paid \$5000, your monthly contribution is \$208.33. Keep in mind that this will be in addition to your rent payment. If the buyer decides to walk away from the deal, they will lose their deposit money, as well as any money paid towards the down payment. At the end of the contract, you must be able to qualify for a mortgage for the remaining balance.

Not every seller will structure the rent-to-own in the same way, but as in any real estate deal, you can always try to negotiate the terms that are not satisfactory to you. It is very important that you get independent legal advice for any contract that you sign.

For some people who need time to repair their credit score, or are unable to save up for a down payment any other way, this can be a great way to eventually purchase your own home. You must be very sure that this particular real estate deal is of benefit to you, and that you can afford to take the risk of not being able to follow through with the contract.

*Source: Canada Real Estate Advisor*



Is it right for you?

## Bancroft and District Real Estate Board Yearly Statistics



Year:	Total Listing Activity YTD:	Total Sales YTD:	Total Sales Volume YTD:
2012	149	46 Units	\$5,854,100
2013	139	39 Units	\$4,705,400
2014	299	44 Units	\$4,712,100

## What's Happening in Bancroft

**March 1st:** Algonquin Park's Wildlife Ski Tour, Leaf Lake Trails, Algonquin Park, 11:00 am - 2:00 pm

**March 1st:** An Evening of Camaraderie, Hastings Highlands Community Centre

**March 2nd:** Darts for Cancer, Bancroft Legion, Register 11:00 am

**March 5th to March 29th:** "Michael Manson Memorial" 23rd High School Exhibition, Art Gallery of Bancroft, Reception/Awards March 7th at 7:30 pm.



Get involved in your community

**March 5th:** Take-A-Break 2014 is Back, Bancroft Bible Chapel, 9:30 am to 11:30 am.

**March 7th:** Thursday Morning Coffee Club at the Chamber, Bancroft Railway Station, 8:30 am to 10:00 am.

**March 7th to March 9th:** Hunter ED/P.A.L., Phone: 613-332-0729.

**March 8th:** Women in Wellness, Marmora Community Centre

**March 11th:** North of 7 Film Fest: The Hunt, Bancroft Village Playhouse, 4:15 pm & 7:00 pm shows.

**March 14th:**

Thursday Morning Coffee Club at the Chamber, Bancroft Railway Station, 8:30 am to 10:00 am.

**March 15th:** A Practical Herbal Course, Phone: 613-334-4101

**March 21st:** Thursday Morning Coffee Club at the Chamber, Bancroft Railway Station, 8:30 am to 10:00 am.

**March 28th to March 30th:** 2014 Spring Cottage Life Show

**March 28th:** Thursday Morning Coffee Club at the Chamber, Bancroft Railway Station, 8:30 am to 10:00 am.

For more information or to see other upcoming events visit the Bancroft & District Chamber of Commerce website: [www.bancroftdistrict.com](http://www.bancroftdistrict.com)

## 6 Tips to Get Your Home Ready for Spring

By: Brian McKechnie

**1. Check your gutters and downspouts.** Whether you did this in the fall after all the leaves fell or not, there's a good chance your gutters and downspouts need some care after the buildup of ice and snow. Do a perimeter check from the ground to make sure nothing has come loose or detached from the house.

Get out the ladder and check for any clogs and make sure water is making its way out of the downspouts (and away from your foundation). You should also do a visual check of your chimney and the shingles on your roof during this process to see if there is any damage. If you're not comfortable climbing a ladder, check with contractors in your area, as many offer services to do this for you.

**2. Fix cracks.** Cracks that may have occurred in your foundation, walkways, and patio during the winter months are a welcome sign

for water to get in your house and cause damage. Fill these as soon as you can and avoid paying for repairs after the spring rain.

Also make sure your patio and walkways are sloping away from your house so water does not pool near your foundation.

**3. Caulk, repair windows.** Just like cracks, gaps between your windows can let water (and critters) inside. Scrape off any old caulking and replace. Also check any wood trim or sills for signs of decay and repair or replace as needed. As a bonus this will also help keep drafts out and your energy bills down.

**4. Move wood, junk away from your house.** That stack of firewood you had up against the house all winter needs to be moved. It's damp and will be the perfect breeding ground for a variety of insects.

Same goes for any junk you left out all winter that could have water

accumulate when all the ice and snow melts. Have bugs breed now and you'll be bothered by them until next winter.

**5. Inspect your air conditioning unit, outdoor faucets, lights.** Having your air conditioning unit inspected by a certified professional before turning it on for the season is not only a good safety measure, but could also help prolong the life of the unit.

It's also wise to make sure your outdoor faucets, receptacles, and lighting are not damaged. If you have a gas barbecue you did not use over the frigid months you should have that inspected as well.

**6. Don't forget the inside.** While you're eager to get outside, spring is also the perfect time to replace or clean your furnace filter, check your smoke and carbon monoxide detectors, check your dryer vent for lint buildup, and have your fireplace cleaned.

# Banana Oatmeal Cookies

This is a recipe that a friend of mine sent to me. It is for when you have a sweet tooth and want to stay on track with healthy eating. Sugar is NOT an added ingredient. So from one friend to another— enjoy!

## Ingredients:

- 3 mashed bananas (ripe)
- 1/3 cup apple sauce
- 2 cups oats
- 1/4 cup almond milk
- 1/2 cup raisins (optional)
- 1 tsp vanilla
- 1 tsp cinnamon



## Directions:

Mix all the ingredients together then place it in the oven 350°F to bake for 15-20 minutes.

# Einstein's Riddle

There are 5 houses in 5 different colors. In each house lives a person with a different nationality. The 5 owners drink a certain type of beverage, smoke a certain brand of cigar, and keep a certain pet. No owners have the same pet, smoke the same brand of cigar, or drink the same beverage.

The question is: **Who owns the fish?**

Hints:

- The Brit lives in the red house.
- The Swede keeps dogs as pets.
- The Dane drinks tea.
- The green house is on the left of the white house.
- The green homeowner drinks coffee.
- The person who smokes Pall Mall rears birds.
- The owner of the yellow house smokes Dunhill.
- The man living in the center house drinks milk.
- The Norwegian lives in the first house.
- The man who smokes Blend lives next to the one who keeps cats.
- The man who keeps the horse lives next to the man who smokes Dunhill.
- The owner who smokes Bluemaster drinks beer.
- The German smokes prince.
- The Norwegian lives next to the blue house.
- The man who smokes Blend has a neighbor who drinks water.

A. The German

# Rx Laughter

*always the best medicine*

Crabby Road

Crabby Road



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- Q: Why don't you iron 4-Leaf clovers?  
A: Because you don't want to press your luck.
- Q: Why can't you borrow money from a leprechaun?  
A: Because they're always a little short.
- Q: How can you tell if an Irishman is having a good time?  
A: He's Dublin over with laughter!
- Q: Are people jealous of the Irish?  
A: Sure, they're green with envy!
- Q: When is an Irish Potato not an Irish Potato?  
A: When it's a FRENCH fry!
- Q: What is Irish and stays out all night?  
A: Paddy O'Furniture

Knock Knock  
— Who's there?  
Irish!  
— Irish Who?  
Irish you a happy St. Patrick's Day!

