

Nova Scotia calling

by BRIAN LOCKHART

A friend of mine recently sold her house and headed off to the east coast to enjoy the freezing temperatures and hefty amount of snow in Nova Scotia.

As far as I can tell, she's living a free-wheeling nomadic type of life style fuelled by the good amount of cash she received when selling her Ontario house for well over a common sense price someone should be paying for a place to live.

She got the idea of heading east a few years ago when she went to Nova Scotia for a vacation.

She was looking at a large Victorian style house with an ocean view that was listed for \$250,000. At the time the locals told her they thought it was crazy that a house would be up for sale at that price.

The average home price in the area at the time was closer to \$150,000.

They could hardly believe it when she told them that same house in Southern Ontario would easily sell for over \$1 million.

Another friend of mine just retired. Guess where he's heading? Yes, the east coast.

Off to New Brunswick where they purchased a home with a lot of ocean front property.

?Living the dream,? he calls it.

For the first time in Canadian history, there is a reverse migration going on.

It has always been typical for many east coasters to leave their province and head to Ontario.

If you remember the movie, ?Goin' Down the Road,? it was a very realistic portrayal of two guys from Cape Breton who see Ontario as the land of opportunity.

Over the past two years, there are more moving vans heading east than west.

People see the lower cost of living and lower housing prices as a huge bonus and hope to see their money stretch alittle farther.

Several towns are reporting a huge increase in population as more people are buying property in the area.

Moving from the coast to Ontario these days will probably be a shock for someone who wants to establish themselves in Ontario ? especially in the GTA.

Rents for a typical apartment are going through the roof and have reached a level where you will be spending more of your earnings on a place to live than you should be.

The general rule has always been that your housing costs be about 30 per cent of your gross income.

That used to be a reasonable figure. However, for lower income people, that monthly rent now takes a big chunk out of their pay cheque. So much so, that there is little left at the end of the month.

If you want to arrive in Ontario and buy an actual house, you better show up with a lot of money in your bank account, especially if you are a first time buyer.

With average prices now in the \$800,000 to \$900,000 bracket, it's only the fact that interest rates are so low that allows many people to get into the market. A blip on the radar that sends interest rates up, even by one percentage point, would spell disaster for thousands of people across the province.

No one seems to be able to explain how some people are bidding on properties and submitting offers way over the asking price. Where are they getting the funding to pay for a property that is appraised at \$400,000 less than the offer, just so they can buy a house?

Southern Ontario is now reaching a point where the cost of living is just getting too high for the typical resident.

I know I wouldn't want to be forced to spend so much money on a house that the mortgage payments leave nothing at the end of the month. I know a lot of people that haven't been to a restaurant or a movie in years because there's nothing left after their mortgage payment is sucked out of the bank account every month.

There's a lot of talk about building 'affordable housing.' Unfortunately, affordable housing means cheaply built, small townhouses jammed onto a street with barely enough room to park a bicycle, let alone a car.

You should be able to get much more than that for the several hundred thousand dollars it will cost to get into affordable housing.

The migration east is apparently going to continue as more and more people now see it as a land of opportunity.

Just make sure you budget for a snow blower ? you're going to need it.