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GUELPH STRIP COMMERCIAL
96 feet of frontage where the Action is! Great exposure for your business! Newly listed at \$299,900. Discuss with Bill Ellis**.

PRIME STRIP COMMERCIAL
C2 zoning on this corner lot for high visibility in uptown location. Newly offered at \$299,900. Get details from Bill Ellis*. 98-427-30

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Canadian real estate is a good investment bet

When Tom wanted to diversify his investment portfolio, his dad advised him to look at real estate. "You can never go wrong there," he said. But Tom, remembering the collapse of the real estate market in the early 1990s, was not so sure.

"I'm with dad," says Dennis Epstein, CA, a partner with Toronto-based Horwath Orenstein. "We've been advising clients for years that although real estate values collapse from time to time, these investments are viable for the long term. Now we're seeing exciting new opportunities in Canadian real estate."

Harold Burke, CA, a partner of Price Waterhouse Coopers in Toronto adds that "mortgage rates are low and financial institutions are very anxious to lend money. As a result, people are in a position to make reasonable returns."

Burke explains that we are currently in a "positive-spread investment environment." This means that the more you use debt to finance your real estate purchase, the higher your potential return on the equity portion of that investment.

It works like this. Say you pay \$100,000 for a piece of real estate, perhaps a small office building. Income after all expenses is \$9,000, giving you an annual return on your investment of 9 per cent. "This is called a cash-on-cash return."

"Now, if you borrow \$50,000 at 7 per cent, then you will have \$9,000 income, with a \$3,500 in interest expense, giving you a total return of 6.5 percent. But you've only invest-

ed \$50,000 of your own money, so the cash-on-cash return on that is actually 13 per cent. If you took this to the ultimate end and borrowed all the money—which is unlikely—you'd still get your \$9,000 and pay \$7,000 interest, leaving you with \$2,000 even though you've spent none of your own money."

Burke warns though, as with any investment, there are risks. "You must be able to identify all the pertinent costs, not just the sale price. The property must be in a good location. The quality of your tenants is a big factor. There are many things to consider before making a real estate investment."

Stephen Thompson, CA, a tax partner with Wilkinson & Company in Trenton stresses that these types of investments are not for short-term gains.

"They are for long-term investors. With raw land, for example, you are looking at least 10 to 15 years, with little potential return on investment likely unless you're looking at developing the land for residential housing. In that case, higher returns are possible."

Before doing anything though, he advises, talk to a chartered accountant. "A CA will help you assess such investments by analyzing the costs, potential risks and return on investment. The CA will also be able to determine current and future tax consequences and help you structure your investment in the most tax-effective way possible. For investors who have patiently waited for the market to stabilize, real estate is once again a very good bet."

—By The Institute of Chartered Accountants of Ontario.

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Gord Dawe
Assoc. Broker



Michele Dawe
Sales Rep.

BOVIS BEAUTY \$184,900
Well cared for and immaculately kept. 3+1 bedrooms, eat-in kitchen with walkout to deck and private back yard, bay window, hardwood floors, finished basement. A pleasure to show. Please call Gord**.

DOUBLE CONSERVATION LOT \$349,000
3400 sq. ft. custom built home featuring 4 car garage, oak kitchen with sunroom, 4+2 bedrooms, 4 washrooms, hardwood floors, skylights, circular oak staircase. Brick fireplace, walk-out, huge deck, finished basement with extra kitchen. Upgrades & quality. Please call Michele*.

BUNGALOW ON 50'X154' LOT \$144,900
Bright, cosy and affordable. Large lot backing onto open field. 2 bedrooms, hardwood floors, gas fireplace, back deck, main floor laundry & front porch for lazy summer evenings. Please call Gord**.

GREAT OPPORTUNITY! BRICK BUNGALOW \$167,900
Mature lot, quiet area, hardwood floors, plaster walls. Finished basement with gas fireplace, breeze-way, attached garage. Please call Gord** or Michele*.

WELCOME TO HERITAGE HILL FARM - \$410,000
This spectacular Century Stone home was built in 1858 and features a stone fireplace, exposed stone walls, deep sills, 4 bedrooms, 3 washrooms & large front porch. The picturesque tree lined driveway opens up onto 9+ acres of landscaped parkland with spring fed pond. The Cottage Studio offers a second residence. The unique, historical Stone Barn was built in 1859. Please call Michele* or Gord**.

100 YEAR OLD VICTORIAN BEAUTY \$224,900
Stately home in mature area by park, hardwood floors, high ceilings, bay windows, beveled glass door, wood-stove, main floor family room with walkout to large 17' x 26' deck and private backyard. Many upgrades. Renovated by Peter Zions. Please call Gord** to view.

2 ACRES OF COUNTRY \$79,900
Scenic Eramosa Township. Beautiful views. Excellent building lot. Vendor will take back mortgage. Call Gord** or Michele*. RMRW97-147

CUSTOM BUILD HOME \$184,900
3 bedroom backsplit (to be built) in mature area backing on to open fields. Great opportunity to choose your own colours and customize your house plans or ask us about our lot in Rockwood for \$79,900. Please call Michele*.

OLDER HOME IN ESTABLISHED AREA \$174,900
90 year old home nestled in the mature area of Rockwood. Large trees, perennial gardens, large private backyard, large deck, 3 bedrooms plus nursery, separate dining room, main floor family room. Please call Michele* or Gord** to view. RMRW98-072

COMMERCIAL \$249,000
Main downtown location. Approx. 3,000 sq. ft., 400 amps, security system, land for side loading 1 or 2 bedroom apt. Vendor may assist in financing or lease premises. Please call Gord**.

FAMILY HOME IN ROCKWOOD \$169,900
Bright sidesplit on mature lot, 3+1 bedrooms, finished rec room, hardwood floors, walkout from kitchen to brick patio. Michele* or Gord**. RMRW98-036

WAITING FOR YOUR COUNTRY ESTATE 10 ACRES \$189,900
High and dry with wonderful views of the countryside. Fronting on 2 roads. 50 minutes to the Pearson International Airport. Please call Michele* or Gord**. RMRW98-064

REDUCED RAISED BUNGALOW \$172,000
Bright 3 bedrooms, finished basement (potential in-law suite), family room with fireplace. Parking for 6 cars. Private side yard with 2 tiered deck. Please call Gord**. RMRW98-109

10 WOODED ACRES IN ERAMOSIA TOWNSHIP
Partially cleared, sandy loam soil, potential pond site. \$69,900. Please call Gord** or Michele*. RMAC97-196

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Heather (Whiting) Scotland**
R.L.L., Associate Broker
heatherscotland@yahoo.com

Leigh Whiting*
Sales Rep.
leighwhiting@yahoo.com

LOVELY HOME AND GARDEN
Well kept 1400 sq. ft. bungalow on private treed lot with gorgeous garden. 3+1 bedrooms, 2 baths, country kitchen, finished walkout basement, cosy rec room, 2 fireplaces and deck. Asking \$189,900. Please Call Heather Scotland** or Leigh Whiting*.

3/4 ACRE QUANT VILLAGE LOT \$49,900
This 169 x 192 foot building lot would be ideal for a walkout basement overlooking the babbling brook - surrounded by mature trees and evergreens & just a stone's throw away from the river. Bring your plans or use ours - we can recommend a great builder too!! Please call Heather Scotland** or Leigh Whiting* at 1-888-833-1945. RMAC97-200

CALEDON ACREAGE - \$279,900
This comfortable 4 bedroom home is set well back from the road on 7.9 gorgeous rolling and treed acres with frontage on Centreville Creek. Features include a main floor fam. room w/3 pc. rough-in suitable for in-laws, country kitchen, 4 pc. master ensuite, double garage and excellent barn/workshop. Please call Heather Scotland** or Leigh Whiting* at 1-888-833-1945.

SOLD