ISSUE

The rising cost of home ownership is inspiring some Canadian families to get creative about the roofs over their heads BYKIRA VERMOND

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t's 9:30 on a chilly winter morning and Cara Radcliffe is chatting on the phone, stopping briefly to cuddle and make snacks for her threeyear-old daughter playing nearby. Radcliffe's son, only two months old, is always close by.

Not that giving him space is an option: The family home is a 1,001-square-foot condo unit in Toronto's west end—and her newborn is the youngest of (gulp) three children.

Radcliffe and her husband, Hector Suarez-Goldby, a computer network administrator, bought the place after a search in the neighbourhood revealed traditional family homes were financially out of reach. Not wanting to be house poor, they opted for the condo when Radcliffe was pregnant with their first child, daughter Bella, now six, but didn't move in until it was built a couple of years ago. At that point, their second child had already arrived. "Thankfully, we had the foresight to purchase the biggest unit we could afford," she says.

In the wake of skyrocketing housing prices and stagnant salaries, their story and attitude toward home ownership reflects the reality of what many Canadian families face today. Buying a home—particularly in large urban centres but increasingly in smaller communities, too—requires one of two things: an iron stomach when faced with paying \$800,000 for a two-bedroom teardown in places like Toronto or Vancouver, or the ability to think outside the 2,000-square-foot, detached box.

Kurt Rosentreter, a senior financial advisor with Manulife Securities Incorporated in Toronto, works with young families. Many are struggling to buy a home.

"They're trying to do what their parents did: pay off the mortgage in 25 years. But they're looking at the numbers and telling me 'It's impossible now because my paycheque hasn't gone up and the houses have doubled in price,'" he explains.

Last December, the average price of a Canadian home was \$389,119, up 10.4 percent from the year before. Meanwhile, salaries grew by only 2.5 percent during that time. Suddenly, many people are shelling out 40 or 50 percent of their takehome pay for housing expenses, significantly more than the 30 percent financial experts advise.

But a new generation of homeowners is coming up with some inventive ways to make accommodation affordable again. White picket fences and granite kitchen countertops may not always be part of the package, but neither is a massive mortgage. Here's how four families are thriving in untraditional living arrangements.



Average 2013
residential housing
price in Toronto:
\$571,416
SOURCE: TORONTO
REAL ESTATE BOARD

WHEN RADCLIFFE AND HER HUSBAND

started looking around Toronto neighbourhoods for a home

about seven years ago, they couldn't find a place in their price range in an area they wanted to live in. Fortunately, they stumbled upon Options for Homes, a non-profit organization that develops condos in up-and-coming neighbourhoods. At \$280,000, plus low condo fees that are expected to stay that way, the price was right.

"At that point, you couldn't have bought a house in this neighbourhood for under \$300,000—and that would have been a serious fixer-upper," she says.

Their condo boasts two bedrooms and a solarium where the girls hang out and play. The new baby bunks down beside mom and dad for now.

♦ THE UPSIDE With lower mortgage payments, even in this gentrifying, family-friendly neighbourhood, Radcliffe can afford to stay home rather than work outside the house. It's a choice she wouldn't have been able to make if they'd bought a house requiring two incomes. It also doesn't hurt that the new property is practically maintenance-free. THE DOWNSIDE Although Radcliffe takes her brood to the local park in the summer to stretch out and play in the grass, winter months can feel cramped in the small space. And sometimes her older daughter gives Radcliffe grief that they don't live in a house like her friends do. "I give her a succinct answer: A house costs a lot of money and this is the home our family can afford. We're so lucky to have such a pretty home," she says. \$\psi\$ THE VERDICT Small is beautiful and affordable if you're efficient, small-space dwellers who can stay on top of clutter, especially if you have only one or two kids. Keeping a pair of earplugs or noise-cancelling headphones handy when the whole family is home probably wouldn't hurt either.



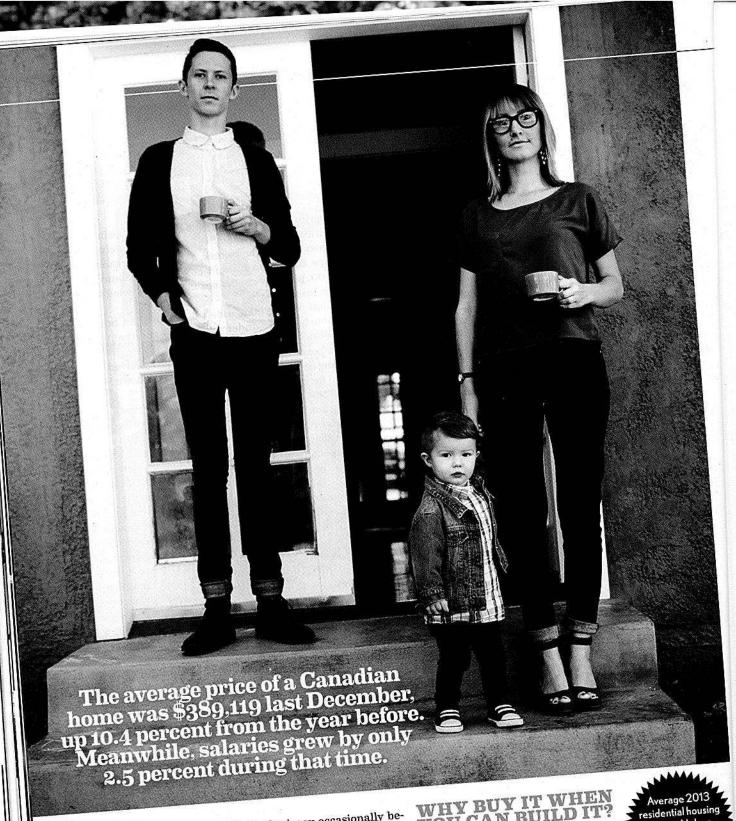
Dai & Asninger Saggu

DAL SAGGU, A FATHER OF TWO in Brampton.

Ont., remembers the day he approached his dad to talk about moving in together.

"You're working and I'm working. Why don't we split the expenses and go to a better area and share a bigger house?" he remembers telling him.

price in Brampton,



years. • THE DOWNSIDE The lack of privacy occasionally becomes an issue, but with a four-year-old and a one-year-old in the house, the benefit of having extra sets of loving adult hands—and the peace of mind Saggu finds from knowing his wife and kids aren't alone when he works late—more than makes up for that right now. • THE VERDICT Sharing the financial load with family isn't for everybody, particularly if your relationship is rocky, but for others like Saggu, it's the perfect arrangement. They all hope to sell the house in a few years for a profit and use the money to buy separate homes in a small town-mortgage-free. "It's better to live with family for a few years than to live in an unsafe area because that's what you can afford," says Saggu.

WHY BUY IT WHEN YOU CAN BUILD IT? Seth Reidy & Katie Sawyer

PERCHED ON THE MOUNTAIN above Nelson,

B.C., Seth Reidy and Katie Sawyer's home has a million-dollar view. Luckily for them, they spent far, far less on the house. With some financial help from Reidy's mother and Sawyer's

parents, the couple bought a \$140,000 piece of property and pu \$30,000 into renovating a four-car garage that was already then into a livable space. (The property had been part of a larger \Longrightarrow He saved money by using reclaimed materials and installing a wood-burning stove that heats the 1,000-square-foot, open-concept, light-filled space. Collected over a year as good deals came along, the reclaimed windows and doors set him back only \$1,000.

piece of land, and the garage used to repair vehicles, before it was divided and sold by the original family.)

"You can't buy a house here unless you have family help, you're rich for some reason...or you grow pot," says Reidy, grinning. "We did it this way mostly out of necessity. My wife teaches yoga and I'm a self-employed carpenter. Banks wouldn't even look at us."

After buying the property and the building four years ago, Reidy, who now runs a business building tiny homes for others, spent three months converting the garage into a two-bedroom home before he, Sawyer and their newborn son moved in. It took a couple more years to finish the job. He saved money by using reclaimed materials and installing a wood-burning stove that heats the 1,000-square-foot, open-concept, light-filled space. Collected over a year as good deals came along, the reclaimed windows and doors set Reidy back only \$1,000.

THE UPSIDE Three words: very little debt (and none of it to a bank). Today, the couple is only \$50,000 away from being debtfree. They also know they'll be saving hundreds of thousands in rent over the years because they built their own place. ♦ THE DOWNSIDE One word: stress. The couple were paying out of pocket for nearly everything needed to build their home, and Reidy continued to work to pay for it all while constructing the home himself. For a year, he worked 60-hour weeks and only saw his family at night. He admits that building their home while easing into new lives as parents was emotionally tough on everybody. \$ THE VERDICT Building a house on the cheap wasn't easy, but with a new baby girl, three-month-old June, and an energetic son, Asher, 4, needing attention, the couple are finally able to focus on their family rather than looming mortgage payments. Considering Nelson's inflated housing prices are putting home ownership out of reach for many, the do-it-yourself approach might work for others who know how to merge creative financing and construction experience.

RENTING OUT THE LOWER HALF Anita Zaenker &

Randy Gatley

OWNING A DETACHED HOUSE with a back-

yard in Vancouver is a costly endeavour: The price at the beginning of 2014 was a staggering \$929,700.

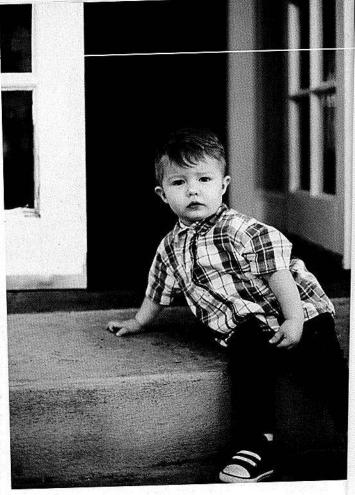
2013 residential

housing price in

\$769,568

reater Vancouver:

No wonder Anita Zaenker and Randy Gatley, parents of two boys, ages eight and five, decided to buy a place just over four years ago with a "mortgage helper"—what the real estate



industry calls a rentable apartment in the home. "If you have tenants paying a monthly rent, it's what makes buying your home here more affordable," says Zaenker. "We couldn't have bought a house without it."

Zaenker and Gatley rent out their basement apartment to another family with two young girls while they live on the upper two floors. It's an arrangement that feels natural to Zaenker: She grew up in Vancouver with tenants living in her parent's home, too.

THE UPSIDE The family, who had previously been living in a two-bedroom apartment, was eligible for a larger mortgage to buy a detached home on the northeastern side of the city. Although they wanted more space and a large yard, they weren't prepared to save money by moving out to the suburbs. It was important to them that they live close to work and avoid a long commute. Renting out the basement suite gave them the financial boost they needed to live in an area they love. $\mbox{$\phi$}$ THE DOWN-SIDE Although its sometimes noisy, the utility bills are a little high and Zaenker occasionally has to wait to use the washer and dryer, the shared laundry space gives the two moms a chance to hang out and catch up. Zaenker says they've become friends over the years. THE VERDICT Renting out a portion of the home hasn't just been a good financial move but a social one, too. The two families have backyard barbeques in the summer, visit on the porch and drive each other to the airport on occasion. In five to seven years, Zaenker expects they'll be able to take possession of their basement again and let their growing boys spread out and take over the space. Noise and waiting to do the laundry are merely minor inconveniences until then. "If the trade-off is we get to live in a house with a backyard in the city we love and where our parents live, we can deal with that," says Zaenker. 🤀