



The Easiest Way to Bring in Passive Income This Year

Description

Passive income is something every Canadian wants in their lives. But not everyone has the cash on hand to get there. Whether it's making a large purchase of real estate to create a rental property, or even [investing](#) a few bucks in the stock market, some of us just don't have the capital on hand.

But if you're a homeowner, there is certainly a way to bring in passive income this year. And it all comes down to the increase in housing prices.

Canadian housing soars

I'm sure it will come as no surprise that the Canadian housing market has gone nuts during the past few years. While some markets have been due for an upward correction, others have seen home prices soar beyond any reasonable means. This especially concerns large urban centres like Vancouver and Toronto.

In 2019, the average cost of a home in Toronto was around \$767,000. As of writing, that has soared to about \$1.2 million! Yet there is still a lot of demand and very low supply for homes in large and small urban centres.

So what's the easiest way to create some passive income practically [immediately](#)? Move!

First step: find a new location

If you're going to create passive income from selling your home, you want to make sure you're actually going to produce income. That means doing your research and finding a location where you are comfortable living, and where housing prices are lower.

For example, let's say you now work from home a lot, but your job is located in Toronto. You may want to consider moving to the outskirts and living in a place like Barrie. Here, you can still have access to highways and even commuting methods, but pay far less. In fact, the average house costs \$744,000 in

Barrie, as of writing.

Next, sell!

Once you've found a place to live, you can sell your home for top dollar. Right now, let's use the example given earlier and say you purchased your home at \$767,000. That means if you sell for the average of \$1.2 million, that would give you \$433,000 to put in your pocket as passive income.

So while it can seem inconvenient and even drastic to move out of the city, moving can be an easy way to make hundreds of thousands of dollars in passive income. Then you can put that cash to good use, investing and saving to live out the rest of your life in style.

Foolish takeaway

Moving can be an incredibly easy way to bring in passive income during this crazy housing market. You don't have to live in Toronto or another major urban centre. Even simply moving from downtown to the suburbs can save you tons of cash.

Now, of course, there are other considerations that go along with any move. If you have children still in school, that relocation could be hard on them. Your job may require you to be close by. Or the commute could simply be too much. So talk to your financial advisor at your banking institution to see if it's a choice that's right for you, or if you should [find another](#) passive income method.

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