

Hamilton – Burlington

Bolstered by strong economic performance, residential housing sales in Hamilton-Burlington soared throughout 2011. An estimated 14,000 homes are expected to change hands by yearend, up eight per cent over 2010 figures and the best year on record for Hamilton-Burlington. Average price has also shown no signs of abating, with values climbing seven per cent to \$335,000 in 2011, up from \$311,683 one year earlier. Tight inventory levels contributed to healthy price appreciation this year—with fringe communities such as East Burlington, Aldershot, Southwest Hamilton, West Mountain, and East Mountain experiencing the greatest increases. Compared to markets east - namely Oakville, Mississauga, and Toronto—residential real estate in the Hamilton-Burlington area is seriously undervalued. First-time buyers have realized the discrepancy and remain the most active segment of the market, driving sales of smaller detached homes, condominium apartments and townhomes. Homeownership is top of mind with young purchasers today, with many looking to take advantage of historically low interest rates and affordable inventory. An aging demographic has also placed pressure on local builders and developers to accommodate their changing needs. While smaller condominium apartment units

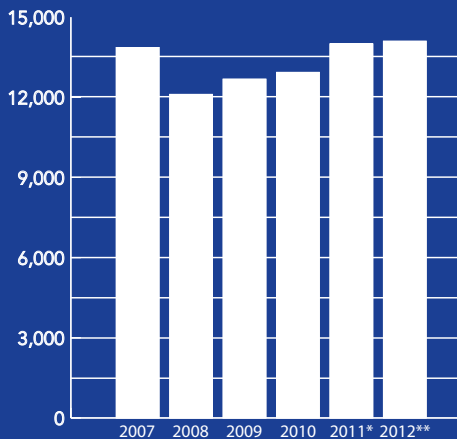
are available, larger, 1,600 square foot units are few and far between—especially in Hamilton. Construction of bungalow towns—with double car garages—in Burlington are helping to meet empty-nester/retiree demand to some extent, but more units are needed. Renovation, infill, and redevelopment are also a common phenomenon in Hamilton-Burlington now, with existing properties being torn down to make way for new, custom-built homes. The trend is particularly evident in areas like East Burlington, along the shoreline of Lake Ontario, Aldershot, and Old Ancaster. Entire neighbourhoods are changing - with new construction revitalizing older, established communities.

The winds of change have been blowing, and nowhere is that more apparent than in Hamilton - Burlington. The economy continues to ramp up, despite concerns over global uncertainties. Major announcements have been made in recent months that underscore the region's growing attraction, from the Maple Leaf expansion into the Red Valley Business Park in Hamilton to the 700,000 square feet of retail space contained in the two major commercial developments to be built in Ancaster and Stoney Creek. Industrial land is moving at a pace not seen in years and momentum is building. Job

creation efforts are well underway—with the Maple Leaf announcement alone creating more than 1,500 jobs and infusing more than \$2 million into municipal tax coffers annually. Unemployment rates were well below the national average of 7.3 per cent, hovering at 6.6 per cent in Hamilton in October. The area's push to diversify is finally paying off.

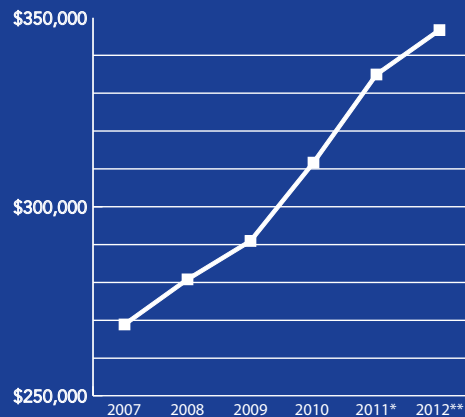
As Hamilton sheds its steel manufacturing industrial base, a vibrant new city emerges. Coupled with Burlington, the stage is set for another solid year of residential real estate activity. Balanced market conditions will prevail throughout much of the year as more inventory comes on-stream. Proven blue-chip neighbourhoods will continue to command a premium, including the beach strip from Oakville to Hamilton, Southwest Hamilton, Waterdown, Grimsby, and Lower Stoney Creek. New construction is expected to gain traction, particularly in greenfield developments. First-time buyers will work in tandem with empty-nesters and retirees, fuelling demand for smaller detached properties and townhomes. Sales are expected to climb one per cent, rising to 14,100 units, while average price climbs three and a half per cent to \$346,750—once again setting new records for the Hamilton-Burlington area.

HAMILTON – BURLINGTON
Residential Unit Sales 2007 – 2012



*Estimate **Forecast
Source: RE/MAX, CREA

HAMILTON – BURLINGTON
Residential Average Price 2007 – 2012



*Estimate **Forecast
Source: RE/MAX, CREA



LOCAL CONTACTS

Market	Contact	Office	Phone
ONTARIO			
Hamilton-Burlington	Conrad Zurini	RE/MAX Escarpment	905-575-5478
Greater Toronto Area	Richard Pilarski	RE/MAX Realtron	905-944-8800
Kingston	Bob McKean	RE/MAX Realty Concepts	613-389-7777
Ottawa	Geoff McGowan	RE/MAX Affiliates	613-216-1755
QUÉBEC			
Montréal	Maude Bolduc	Massy Forget Public Relations	514-842-2455 ext. 28
Québec City	Maude Bolduc	Massy Forget Public Relations	514-842-2455 ext. 28
NEW BRUNSWICK			
Fredericton	Shawna Roy	RE/MAX Group Four	506-452-9888
Moncton	Brian Richford	RE/MAX Quality	506-384-3300
Saint John	Gordon Breau	RE/MAX Professionals	506-634-8200
NOVA SCOTIA			
Halifax	Al Demings	RE/MAX Nova	902-468-3400
PRINCE EDWARD ISLAND			
Charlottetown	Don Martin	RE/MAX Charlottetown	902-892-2000
NEWFOUNDLAND & LABRADOR			
St. John's	Jim Burton	RE/MAX Plus Realty	709-738-7587