



CANADA'S
TOP 100
NEIGHBOURHOODS



ANNUAL INVESTMENT GUIDE 2013





CANADA'S TOP 100 NEIGHBOURHOODS

Picking the right area to invest in ensures you maximize your profit no matter what the broader market is doing. But choosing the best area could be a daunting prospect. So we've done the hard work for you. We've brought you the top spots where capital appreciation and rental returns are set to surge

Welcome to the inaugural Top 100 Neighbourhoods report where we showcase Canada's best locations to invest in 2013.

Chosen from hundreds of great neighbourhoods across Canada, this is the pre-eminent guide for investors looking to outperform the national averages and double their profits.

While most of the coverage of Canada's real estate market tends to focus on the major city centres – Vancouver, Toronto and Calgary – there are a myriad of provincial capitals, smaller cities and growing towns that don't fit into the sweeping statements about where these big markets have been and where they're heading.

For example, there are places in Newfoundland that were untouched by the pinch felt by many Ontario cities during the
(Continued on page 6)

WORK WITH THE BEST

- Most **Productive** agents in Canada*
- **Most** productive real estate brokerages in Canada**
- Voted #1 by **consumers*****
- Raised over **\$44 million** for Canadian children's hospitals
- Most **visited** branded website****
- Awarded 256 Grade 12 bursaries, totalling **\$144,000**



Visit us online at remax.ca or talk to a local RE/MAX associate about your real estate needs.

* Based on 2011 closed transactions for all of Canada. Source CREA, RE/MAX internal data.

** Real Trends – Canadian Top 250 Brokerages report, based on closed 2011 transactions.

*** Consumers Choice award for Calgary 2010, 2011, 2012 and Vancouver 2010, 2011.

**** comScore, Inc. ALT, Unique Visitors Jan 01 - Dec 31, 2011.

Each office independently owned and operated.



(Continued from page 4)
2008 recession; there are resource towns in the Prairies and West Coast whose meteoric rise is quite recent; and communities with grounded markets that stayed slow and steady over the last decade.

Using information from the Canadian Mortgage and Housing Corporation, Statistics Canada, and countless local real estate boards, we've analyzed each of the 100 communities using the best growth indicators available.

Aside from population growth, we took into account median and average home values, capital growth, rental yield, and vacancy rates.

But the market isn't simply about stats and percentages. We talked to the locals – realtors, economic experts and local representatives – to get a better understanding of the market in the individual communities.

So after painstakingly analyzing each of the areas, we're proud to bring you this year's top 100 neighbourhoods.

THE EXPERTS:



RE/MAX

Canadian Real Estate Wealth wishes to thank the contributions and support of the realtors at RE/MAX. Their incisive insights and analysis helped us produce this ambitious project. Their local views provide inter-provincial investors the knowledge they need to make a quick investment decision.

VERICO

A big thank you to the team of mortgage professionals at VERICO who provided us with insider information about the areas covered in the top 100 report. This invaluable information provides readers with a snapshot of the financial requirements necessary to invest in these areas.

ABOUT VERICO

VERICO Financial Group is Canada's largest network of independent mortgage brokers comprising of over 190 offices with over 2,300 brokers who originate over \$12 billion in annual loan volume. Our brokers collectively originate approximately 45,000+ mortgage transactions per year.

VERICO is comprised of the top professional and influential mortgage companies and originators in the country. Our members are among the ranks of provincial and national mortgage associations, many of whom are regularly interviewed by the media for expert opinions.

The VERICO Mortgage Broker Network prides itself on our core pillars of excellence, professionalism and ethical standards; as a result, we have earned a reputation that is coveted in the industry.

For mortgage help, contact a VERICO mortgage broker near you.

www.verico.ca

PROCEED WITH CAUTION

The Top 100 Neighbourhoods report did not take into account your personal goals and risk profiles and therefore should be used as a guide only. While we've endeavoured to provide you with the most accurate information available at the time of writing, the actual performance of the municipalities in the list also depends on unforeseen factors such as government policies, global economy and interest rate movements. This means that not every property in these communities automatically grows in value and rental yields.

CANADIAN REAL ESTATE WEALTH RECOMMENDS THAT YOU:

- Carry out your own detailed due diligence on any area or property before purchase
- Make sure you get an independent valuation before you make an offer
- Consult with relevant property professionals before buying
- Invest with a clearly-defined strategy



TOP 100 ANNUAL INVESTMENT GUIDE 2013

TOP 100 SUMMARY

CITY/TOWN	NEIGHBOURHOOD	POPULATION (2011)	AVERAGE PRICE	CAPITAL GROWTH	AVERAGE RENT	VACANCY RATE
ALBERTA						
Calgary	Bowness	1,096,833	\$449,260	9.0%	n/a	1.9%
Chestermere	Downtown area	14,824	\$435,000	3.57%	\$1,200	n/a
Edmonton	Ambleside	812,201	\$528,152	-4.7%	\$1,036	2.7%
Grand Prairie	Royal Oaks	55,032	\$330,705	-2.7%	\$894	1.1%
Lethbridge	West Lethbridge	83,517	\$250,123	-0.6%	n/a	0.3%
Medicine Hat	Desert Blume Estates	60,005	\$350,000	9.9%	\$661	7.0%
Red Deer	Sunnybrook	90,564	\$332,000	6.3%	\$843	2.5%
St. Albert	North Ridge	61,466	\$525,800	10.0%	\$1,035	0.5%
Strathcona County	Ardrossan	92,490	\$399,472	3.0%	\$1,067	4.7%
Wood Buffalo	Fort McMurray	65,565	\$484,850	16.3%	\$2,049	10.8%

BRITISH COLUMBIA						
Abbotsford	Mill Lake	133,497	\$340,000	-0.3%	\$815	6.7%
Burnaby	North Burnaby	223,218	\$1,000,000	4.0%	n/a	0.5%
Chilliwack	Chilliwack Proper	79,357	\$343,000	11.95%	\$680	4.1%
Coquitlam	Coquitlam Town Centre	126,456	\$507,500	3.0%	\$1,075	3.0%
Dawson Creek	Central Dawson Creek	11,583	\$268,309	25.0%	n/a	3.2%
Delta	North Delta	99,863	\$864,500	8.0%	\$1,015	1.2%
Kamloops	Sahali	85,678	\$311,442	8.5%	n/a	4.2%
Kelowna	Kelowna North	117,312	\$468,482	2.6%	n/a	3.0%
Langley	South Langley	104,177	\$699,000	9.2%	\$828	3.5%
Maple Ridge	Central East	76,052	\$500,000	1.67%	n/a	2.0%
Nanaimo	Old City Quarter of Nanaimo	83,810	\$360,007	2.0%	n/a	7.0%
New Westminister	Sapperton	65,976	\$799,824	38.3%	\$848	2.9%
North Vancouver	Lower Lonsdale	84,412	\$654,500	3.9%	n/a	0.5%
Port Coquitlam	Northern Oxford Heights	56,342	\$561,000	1.9%	\$870	3.0%
Prince George	The Bowl District	84,230	\$240,561	0.00%	\$900	2.0%
Richmond	Hamilton	190,473	\$585,100	-1.5%	\$1,568	1.2%
Saanich	Gordon Head	109,752	\$490,000	1.4%	\$923	1.0%
Surrey	South Surrey	468,251	\$699,000	5.7%	\$814	3.7%
Vancouver	Yaletown	603,502	\$795,000	-0.1%	\$1,285	1.1%
Victoria	Fairfield	80,017	\$443,200	0.35%	n/a	2.8%

MANITOBA						
Brandon	Valley View	46,061	\$203,438	5.56%	n/a	0.7%
Winnipeg	North Kildonan	663,617	\$269,175	n/a	\$1,400	1.0%

NEW BRUNSWICK						
Fredericton	Golf Club/Woodstock Road	56,224	\$170,563	2.9%	\$746	3.8%
Moncton	Riverview	69,074	\$150,640	-5.0%	\$721	5.4%
Saint John	Milledgeville	70,063	\$180,000	-2.0	\$1,500	8.0%

NEWFOUNDLAND						
Paradise	Downtown centre	17,695	\$327,774	4.5%	n/a	1.2%
St. John's	Mount Pearl	106,172	\$280,000	4.0%	\$808	3.3%

NOVA SCOTIA						
Cape Breton	Baddeck	97,398	\$212,500	2.4%	\$694	4.5%
Halifax	Fairview	390,096	\$406,900	3.77%	\$926	3.2%

SASKATCHEWAN						
Regina	Fairways West	193,100	\$430,000	3.0%	\$948	0.6%
Saskatoon	Varsity View	222,189	\$369,000	2.5%	\$976	3.1%
Swift Current	Downtown core	17,535	\$240,000	3.7%	n/a	2.8%



TOP 100 ANNUAL INVESTMENT GUIDE 2013

CITY/TOWN	NEIGHBOURHOOD	POPULATION (2011)	AVERAGE PRICE	CAPITAL GROWTH	AVERAGE RENT	VACANCY RATE
ONTARIO						
Ajax	North of Salem and Rossland Rds	109,600	\$333,393	5.87%	n/a	2.0%
Aurora	Bayview/Wellington	53,203	\$515,000	17%	\$945	1.0%
Barrie	Downtown core	166,634	\$302,905	5.4%	\$1,395	1.7%
Brampton	Fletcher's Creek Village	523,911	\$383,000	6.89%	n/a	1.4%
Brantford	Downtown Brantford	93,650	\$251,654	5.1%	\$807	1.3%
Burlington	Downtown Burlington	175,779	\$385,000	2.8%	n/a	n/a
Caledon	Bolton	59,460	\$483,000	7.3%	n/a	7.9%
Cambridge	Galt	126,748	\$290,743	4.3%	\$904	1.8%
Chatham-Kent	Downtown core	103,671	\$142,000	n/a	\$693	4.4%
Clarington	Bowmanville	84,548	\$276,000	4.2%	n/a	3.0%
Great Sudbury	New Sudbury	160,274	\$234,202	17%	\$828	3.1%
Guelph	St. Patrick's Ward	121,688	\$294,000	5%	\$868	1.0%
Halton Hills	Goergetown South	59,008	\$520,000	5.9%	\$1,003	1.6%
Hamilton	North End Hamilton	519,949	\$215,675	8.5%	\$843	2.9%
Kawartha Lakes	Town of Lindsay	73,214	\$257,500	1%	\$788	4.1%
Kingston	NW of Queens	117,787	\$412,000	-0.1%	\$998	n/a
Kitchener	Victoria Park	219,153	\$303,896	7.1%	\$916	2.0%
London	North London	366,151	\$260,172	11.1%	\$910	3.7%
Markham	Cornell	301,709	\$650,000	5.48%	\$1,027	0.3%
Milton	Scott	84,362	\$447,000	4.7%	n/a	1.6%
Mississauga	Churhchill Meadows	713,443	\$410,000	9%	n/a	1.3%
Newmarket	Yonge St. north of Davis Dr	79,978	\$449,204	4.3%	\$1,557	1.0%
Niagara Falls	Downtown Niagara Falls	82,997	\$213,032	3.4%	n/a	n/a
Norfolk County	Waterford	63,175	\$203,000	n/a	\$950	n/a
North Bay	Downtown North Bay	53,651	\$290,000	3.4%	\$750	2.4%
Oakville	Central Oakville	182,520	\$560,000	-1.8%	n/a	1.2%
Oshawa	North Oshawa	149,607	\$252,588	n/a	n/a	n/a
Ottawa	Hintonburg	883,391	\$358,018	-1.2%	\$1,190	1.4%
Peterborough	Downtown core	78,698	\$257,400	n/a	n/a	3.5%
Pickering	Nautical Village	88,721	\$380,000	8.9%	\$450	0.6%
Richmond Hill	Essex Ave area	185,541	\$595,000	8.2%	\$1,250	0.8%
Sarnia	Bright's Grove	72,366	\$221,295	n/a	\$2,500	5.0%
Sault Ste. Marie	Downtown	79,800	\$149,440	0.64%	\$698	1.0%
St. Catharines	Glenridge/Glendale	131,400	\$223,006	2.3%	n/a	3.2%
Thunder Bay	Sherwood Estates	108,359	\$333,000	9.1%	n/a	1.5%
Toronto	Mimico	2,615,060	\$429,000	7.3%	n/a	1.4%
Vaughan	Maple	288,301	\$560,000	7.77%	\$1,208	0.9%
Waterloo	Downtown Waterloo	98,780	\$512,400	10.7%	\$968	1.2%
Whitby	North of Whitby	122,022	\$269,852	5.87%	n/a	2.0%
Whitchurch-Stouffville	Main Street	37,628	\$538,888	17.15%	n/a	1.0%
Windsor	Bridgeview	210,891	\$155,819	n/a	\$680	7.7%
QUEBEC						
Blainville	Chamberly district	53,510	\$416,213	2%	\$677	2.0%
Brossard	C sector around Quartier DIX30	79,273	\$216,704	5%	\$650	n/a
Drummondville	Saint-Charles-de-Drummond	71,852	\$170,000	16%	\$750	6.0%
Gatineau	Districts Des Promenades	265,349	\$163,539	7%	\$705	2.2%
Granby	Le Jardin de l'Odyssee	63,433	\$286,404	14%	\$563	2.8%
Laval	Rivière des Prairies	401,553	\$426,666	7%	\$756	2.5%
Lévis	Downtown area	138,769	\$160,907	n/a	\$633	2.2%
Longueuil	Victoria Bridge	231,409	\$235,019	9.8%	\$661	3.6%
Montreal	Coté Saint-Luc	1,958,257	\$425,000	1.4%	\$737	2.5%
Quebec City	Sillery	506,622	\$284,315	1.1%	\$725	0.7%
Repentigny	Chemin Du Roy	82,000	\$195,919	3.7%	\$652	2.8%
Saguenay	Jonquière	144,746	\$188,000	8.2%	\$533	1.9%
Saint-Hyacinthe	Bourg Joli	53,236	\$240,000	-11%	\$551	2.1%
Saint-Jean-sur-Richelieu	Rue McInnis area	92,394	\$273,285	3.3%	n/a	1.2%
Saint-Jérôme	Lafontaine	68,456	\$257,739	9.3%	\$601	2.8%
Sherbrooke	Rue de Verdun	154,601	\$187,500	2.9%	n/a	0.8%
Terrebonne	Rivière Des Mille-Iles	106,322	\$232,060	7.5%	n/a	2.0%
Trois-Rivieres	Rue de L'anse	131,338	\$181,039	14.3%	n/a	3.8%



ABBOTSFORD



Top neighbourhood: **MILL LAKE**

Other neighbourhood to watch: **EAGLE MOUNTAIN**

	Population:	133,497
	Median price:	\$340,000
	Average rent (2-bedroom):	\$815
	Vacancy rate:	6.7%



BEST BUYS
Smaller homes near schools and proximate to transportation routes

Abbotsford has boasted a population growth from 86,928 to 133,497 since 1991, according to the 2011 census. As a consequence, many investors have gained from buying low in Abbotsford in previous years and seeing the capital gains rise. But few expect much to happen to prices in the near future as the entire region faces slower conditions.

Abbotsford has held a lot of national statistical demographic titles over the years, including third highest in visible minorities, third least affordable city in Canada, and the country's most generous giver to charity. But it has also regularly taken one of the most important titles in the real estate field – one of the top five British Columbia investment towns, according to the Real Estate Investment Network.

The economy received a boost recently with the newest general hospital in the lower mainland opening in Abbotsford, with a cancer clinic employing more than 500 professionals, says Elton Ash, regional executive vice president of Re/Max Western Canada.

“Recent airport expansion makes Abbotsford international airport an important transportation hub next to Vancouver,” he says. “In addition, the rail system provides easy shipping access to the United States. And there’s a highly productive agriculture base.”

As a result, employment growth is expected to rise by 2.3% this year. With population growth set to grow even faster, rental vacancy rates are likely to fall further, which could yield higher rents for investors.

While most of Abbotsford offers great opportunities for investors, Mill Lake stands out as possibly the best positioned to take advantage of the strong demand for housing. Located right in the middle of Abbotsford, residents enjoy a wide range of amenities

WHY BUY?

- Relatively stable compared to other Fraser Valley locations
- Population growth
- New infrastructure providing economic boost

from shopping, to entertainment and dining. The area is characterized by a mix of home types from single homes to condos and townhouses. Its proximity to the lake is a big attraction for residents who value nature. Middle Lake is also attractive to growing families thanks to a number of parks and playgrounds, and all levels of schools.

Eagle Mountain is another desirable area for both homebuyers and investors looking to capitalize on the strong demand from buyers. The masterplanned community boasts premium quality homes with breathtaking views.

Capital growth potential
Abbotsford still offers a relative affordability to Vancouver, as well as a more stable line of growth in average home price, despite the sharp population gains. With rental vacancy rates expected to trend lower, investors are set to reap solid returns and a steady growth over the near to medium term.

Amenities and infrastructure
Good. A new arts, recreational and sports centre recently opened, and Abbotsford has a convenient shopping stretch along Fraser Way. 🏠

EMPLOYMENT GROWTH
2.3%



BURNABY



Top neighbourhood: **NORTH BURNABY**

	Population:	223,218
	Average price:	\$1,000,000
	Rental yield:	4%
	Vacancy rate:	0.5%

Capital growth (12 months):



WHY BUY?

- Elevated transit system
- A growing and diverse population
- Rapid condo developments
- Hot student rental market

AMENITIES

Excellent. Burnaby is home to an accessible transit system, the second biggest mall in the country and an abundance of schools and parks.

BEST STREETS

"Burnaby has no bad areas," says Moore. "It's very desirable."

BEST BUYS

Condos or apartments near the city's two post-secondary institutions.



Nestled among parks, lakes and rivers, Burnaby is fast becoming a popular destination for BC residents. It now ranks as the third most populated city in BC, and sits just 17 minutes outside downtown Vancouver.

SkyTrains and regular buses connect this bustling borough to the main city, but this excellent transit system hasn't impeded the development of condos that have sprung up over the past decade. "Burnaby has rezoned all the land along the skytrain to accommodate condos," says Phil Moore of Phil Moore and Doris Gee Realty, which has serviced the area for more than 25 years. "In the past 10 years, at least 30 high rises have been built. As quick as they are built, they are sold."

Rental units are in high demand thanks to the number of students attending the University of British Columbia (46,000 students) or Simon Fraser University (32,000 students). Moore notes condos and houses can be rented for a conservative price, with a one bedroom condo fetching \$1,000, and a two bedroom more than \$1,200. The average condo price sits at \$450,000, and with an air-tight vacancy rate of just 0.5%, investors can expect a big bang for their buck.

Capital growth potential

With housing prices expected to continue to appreciate in the upcoming years, an investment in Burnaby now has huge potential. 🏠



COQUITLAM



Top neighbourhood: **COQUITLAM TOWN CENTRE**

	Population:	126,456
	Median price:	\$507,500
	Average rent:	\$1,075 for a one-bedroom unit
	Vacancy rate:	3.0%



WHY BUY?

- Proximity to Vancouver
- Population growth
- Reputation for good schools
- Proximity to green space

Located 20 minutes from Metro Vancouver with no bridge to cross, Coquitlam is one of the fastest growing communities in the Metro Vancouver region. Quality of life is one of the major draws to new residents, with a growing arts and cultural community, surrounding parks and trails, and excellent schools.

Prices are relatively lower here than in some other parts of Vancouver, but Coquitlam has begun to see active listings rise steadily in the past year.

Yet those are trends affecting the entire region, and, within Vancouver, Coquitlam remains one of the top options for investors. One of the best parts of Coquitlam is its proximity to green open space to the north and northeast, yet the city lifestyle is also right next door.

“The SkyTrain is at our doorstep, there’s a Westcoast Express train running down the north side, and a new proposed Evergreen Line,” says Elton Ash, regional executive vice president of RE/MAX Western Canada.

The Evergreen Line would extend the SkyTrain line from Lougheed Town Centre to Douglas

College in Coquitlam, along with six new stations and other upgrades.

Access to these major transportation networks has resulted in an influx of multinationals such as Coca-Cola, Rolls-Royce Canada, Natural Factors and many others.

Coquitlam offers a range of affordable housing options from premium apartments and executive homes to smaller homes, duplexes and rental apartments.

The neighbourhood tipped to have the best potential for strong returns and capital growth is the Town Centre, which is the main commercial and retail hub for the city. It also boasts the largest number of high-rise condos in the city.

The neighbourhood is home to two shopping malls, Coquitlam Centre and Westwood, both of which have seen major expansions. Other well-established commercial centres include Pinetree Village and Sunwood Square.

This area provides a wide range of services and retail outlets, easily accessible to both Coquitlam residents and those living in other northeast sector municipalities.

In addition to commercial and retail amenities, the Town Centre also features educational, cultural and recreational facilities, including the David Lam campus of Douglas College, the Pinetree Secondary School as well as the Evergreen Cultural Centre.

Capital growth potential

Apartments have continued to be a hot buy in Coquitlam. Ultimately, a more affordable cost here than the Vancouver average could start to pull in more residents seeking value. The growing population has already doubled in the past 30 years, which will ultimately push house prices higher.

Amenities and infrastructure

Excellent. Quality schools, public transportation, large shopping areas and recreation options make this one of the better quality of life options in Canada. 🏠

BEST BUYS

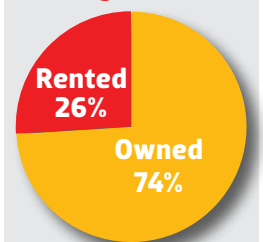
Townhouses and smaller houses near public transportation and shopping

BEST STREETS

Eagle Ridge Drive, Albion Drive, Hansard Crescent



Town centre housing



Apartments have continued to be a hot buy in Coquitlam



CHILLIWACK

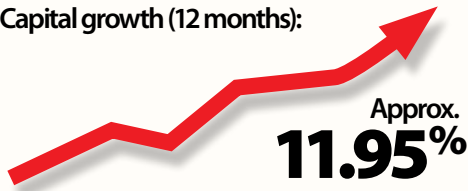


Top neighbourhood: **CHILLIWACK PROPER**

Other neighbourhood to watch: **SARDIS**

	Population:	79,357
	Median prices:	\$113,500 (condo); \$248,000 (townhouse); \$343,000 (single-family home)
	Average rent:	\$672 (condo); \$680 (townhouse)
	Vacancy rate:	4.1%
	Average days on market:	75

Capital growth (12 months):



WHY BUY?

- Rapidly-growing community
- Affordable property taxes and prices
- Easy access to the interior of B.C.
- Close proximity to the U.S. border
- Various new housing developments being built



British Columbia is a province full of many mid-sized cities and towns that are ripe for investing in. One of the best examples of these kinds of areas is the city of Chilliwack. Located in the Fraser Valley, Chilliwack is a vibrant community that is on the move in terms of population growth. It also offers affordable property tax rates and attractive pricing, two key elements that buyers always look for when searching for new places to invest in.

Chilliwack Proper, the city's largest community, is tipped to be the best neighbourhood to invest in for strong capital growth and returns on investments. Home to over 33,000 residents, accounting for nearly half (46%) of the city's population, Chilliwack Proper continues to attract homebuyers and investors, thanks to its desirable location and lifestyle.

According to Penny Mills, an agent with Royal LePage Wheeler Cheam, Chilliwack is a community that will soon be experiencing a considerable amount of growth. "[Chilliwack is a] growing community with an estimated 14.75% population increase [expected] in the next five years," Mills explains.

In 2011, a total of 1,889 (1,244 detached, 645 attached) homes were sold within the city, and there are presently a number of new developments underway.

"There are several townhouse sites and retirement communities being built, as well as several subdivisions with detached and attached homes," says Mills.

Going forward, the city's projected growth will result in many more opportunities for potential investors. "By 2017 Chilliwack will continue to grow steadily with the population, and we will need more housing," Mills says.

Other neighbourhoods to watch

Another neighbourhood tipped to see solid growth is Sardis, which is located about five kilometres south of downtown Chilliwack.

According to the City of Chilliwack, Sardis-Vedder was once the "suburbs" of Chilliwack Proper, but is now a major residential and commercial centre. "In fact, it is home to the City's largest shopping centres and single detached neighbourhoods. For over three decades, it has been the centre of growth," it says.



TOP 100 BRITISH COLUMBIA

Sardis-Vedder’s population has surged to 21,000 which accounts for a third of the city’s total population. It also boasts a number of major subdivision developments including the redevelopment of the former CFB (Canadian Forces Base) lands located south of Highway 1.

With over 150 acres of mixed use housing and commercial, this master-planned development has attracted a lot of interest from both home buyers and investors.

Another area worth watching is the historic downtown area, thanks to its ongoing gentrification. The tax incentives offered by the city have resulted in redevelopment in the area.

With its affordable housing, close proximity to Metro Vancouver as well as easy access too many great outdoor activities, Chilliwack will see a very steady real estate market for years to come.

Capital growth potential

Strong population growth will see demand for housing continue to rise, which would result in price increases over the near to medium term. “[There is a] strong likelihood [of capital growth] due to the expansion of the town,” says Mills.



Amenities and infrastructure

Good. It has a good local transit system, access to green space, mountains, lakes and trails. The road network covers city well, and provides access to other major cities, including Abbotsford and Maple Ridge. It’s accessible to two major highways [1 and 7]. 🏠

BEST BUYS

Says Mills, “Detached rental homes are in high demand at the moment, especially with yards. These are great for people who have pets”

BEST AREAS

“It depends on what [the investors] want.” Mills adds that the majority of the city’s streets offer “views, acreage, and access to the lakefront and riverfront”





DAWSON CREEK



Top neighbourhood: **CENTRAL DAWSON CREEK**

	Population:	11,583
	Average price:	\$268,309
	Rental yield:	4%
	Vacancy rate:	3.2%



VACANCY RATE
3.2%

WHY BUY?

- High number of resource-based jobs in area
- Accessibility via Alaska highway
- Affordable properties
- Growing population
- Strong local economy
- Growing industry

The small, northeastern city of Dawson Creek is miles away from British Columbia's lower mainland and just as far away price-wise. With property values well below the provincial average of \$525,183, the city's caught the eye of a number of out-of-town investors. Kevin Kurjata, a realtor in the city, says there's been mounting interest from people in the southern parts of the province and the major cities in Alberta.

Though the house prices remain relatively low for the province, rents tend to be high. "You could pay \$150,000 for a duplex and, on either side, you've got a two bedroom and one bathroom apartment. You can generate \$2,200 a month just off one side," he says.

Though the city has strong agricultural and retail industries, an expansion in oil and natural gas drilling is fuelling the rental market. In 2004, Encana began

drilling in the Peace region, which brought many new faces, including loads of temporary workers, into town.

"It has become a resource-based community. You do deal with fluctuations; you do deal with vacancies. The flipside is the revenue you generate [from rentals] more than covers the vacancies you should have if you're responsible with your investment," says Kurjata.

Multi-family units are some of the hottest properties on the market and new subdivisions such as Crescent View cater to the demand.

In 2011, the British Columbia Real Estate Association reported 69 housing starts. They're predicting 75 starts for 2012 and 90 for 2013. Though the rental market fluctuates with the job market, Kurjata says there's still rental demand for families moving into the area who need to rent for a year or two.

"There's strong demand for that as well. The rents aren't as high but it's what keeps it steady."

While many people are unaware of Dawson Creek, it's an affordable option with a large number of renters that could be a good addition to anyone's portfolio.

Capital growth potential

According to the BC Real Estate Association, the average house price in the Northern Lights real estate district (which includes Dawson Creek) is set to rise by about 1.7%. The British Columbia Real Estate Association forecasts 90 housing starts for Dawson Creek in 2013, up 20% from 2012. 🏠

AMENITIES

The city marks the starting point of the Alaska Highway. The Dawson Creek Public library is the largest in Northern B.C. The South Peace Community Multiplex is home to the Kenn Borek Aquatic Centre, the EnCana Events Centre and the Lakota Agri-Plex.

BEST BUYS

Multi-family units have seen rapid appreciation and attract the highest demand.



DELTA



Top neighbourhood: **NORTH DELTA**

	Population:	99,863
	Median price:	\$864,500
	Capital growth (12 months):	8%
	Average rent:	\$1,015
	for a two-bedroom unit	
	Vacancy rate:	1.2%

Capital growth (12 months):

8%

WHY BUY?

- Proximity to Vancouver
- Very low vacancy rate 1.2%
- Strong capital growth

Situated around 27km south of Vancouver and 22km north of the U.S. border, Delta is a major transportation hub and one of the most agriculturally important areas in Metro Vancouver.

Delta is made up of three distinct communities: suburban North Delta, which is home to over half of Delta's population; the 19th century fishing village Ladner, separated from North Delta by the 40 square kilometre Burns Bog; and Tsawwassen to the southwest, where luxury waterfront homes fringe the coastline and the Tsawwassen Ferry Terminal links the mainland to Vancouver Island and the Gulf Islands Combined, Ladner and Tsawwassen are often referred to as South Delta.

Century 21 Real Estate Valley reports that North Delta real estate is "highly sought after by families and individuals that seek to move away from the busy metropolitan area".

Known as a bedroom community, which is a neighbourhood near a major metropolitan area where commuters reside, North Delta was originally

called Anniesville. Because Delta's flat, fertile land is protected, land supply in the region is capped, as Agricultural Land Reserve regulations preserve most of local land for agricultural use, preventing its conversion to suburban housing.

This perhaps explains why developers in the region are building up rather than out, as over 55% of all new recent housing starts related to apartments. Housing starts overall have almost doubled in the last 12 months, with the CMHC recording 455 in July 2012, up from just 252 in 2011.

With such strong capital growth rates, the CMHC has earmarked Delta as being a seller's market at present, so buyers need to be prepared to negotiate hard. "Steady conditions suggest the rental market will likely continue to see low vacancy rates and increases in rents," it adds.

Neighbourhood to watch

While Delta is one of the fastest-growing industrial areas in Greater Vancouver, it's also the site of several clean, safe and quiet neighbourhoods.

Homes in the established residential area of North Delta – also known locally as Anniesville – appeal to a broad range of renters including families, retirees and young professionals.

"Residents are situated in the heart of a family-friendly community. Close at hand are hiking and biking trails, good schools, shopping and convenient commuter access to Vancouver and beyond," says Mick McLennan, real estate agent from RE/MAX Advantage Realty.

"If you want to tailor your investment to families, be sure to buy a property located within close proximity to one of the region's elementary or high schools. Easy access to the recently opened Sungod Recreation Centre on 112th Street – which boasts four pools, a swirl pool, sauna, weight room, aerobic studio and an ice rink – will also work in your favour."

Capital growth potential

While specific capital growth predictions for Delta were not available, the CMHC predicts that properties in the Greater Vancouver Area will appreciate by 2% in 2013.

"Growth in employment will support demand for housing," they report, "and average weekly earnings have increased since the fourth quarter of 2011. This is expected to continue in 2012 and 2013." 🏠

BEST AREAS

North Delta is the most densely populated of the three communities that comprise Delta, and is also directly north of the popular city of Surrey, so make this region your first port of call.

BEST BUYS

Stick with apartments and condos; they're not only sought after with renters, but they're also the most affordable.

AMENITIES

As a major transportation hub for the Lower Mainland, Delta has several major roads and freeways, as most vehicles leaving Vancouver for the U.S. pass through Delta at some point. Locals also make use of the local bus transit system, and although there is no rapid transit system within Delta, Surrey's SkyTrain system comes within 3km of the city's borders.



KAMLOOPS



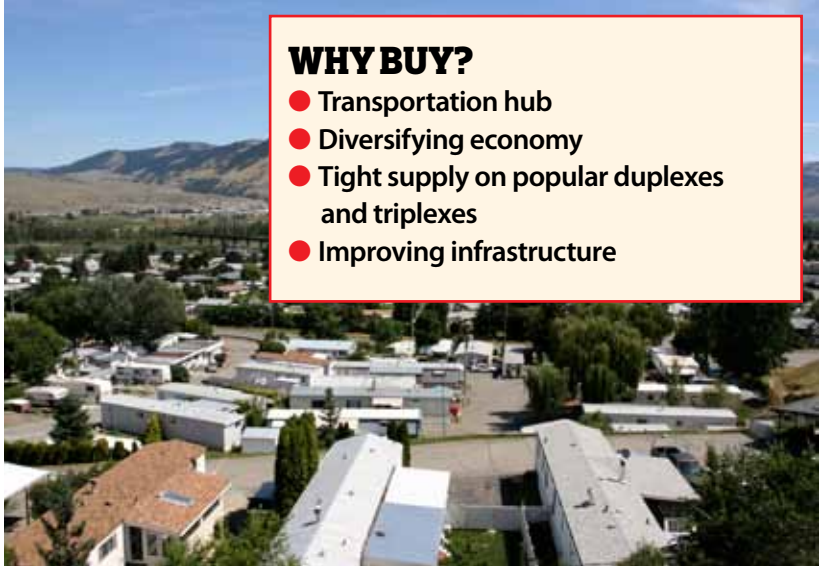
Top neighbourhood: **SAHALI**

Other neighbourhoods to watch: **NORTH KAMLOOPS/BROCKLEHURST, ABERDEEN, WEST END**

	Population:	85,678
	Median price:	\$311,442
	Rental yield:	5-7%
	Vacancy rate:	4.2%

Capital growth (12 months):

8.5%



WHY BUY?

- Transportation hub
- Diversifying economy
- Tight supply on popular duplexes and triplexes
- Improving infrastructure

BEST BUYS

Houses with two rentals, near university

AMENITIES

Excellent. Some \$50 million has been invested in new and renovated sports facilities to host tournaments and training camps, thus raising the profile of the city outside of the local area

Real estate values in Kamloops took a hit for years following the 2008 global recession, dropping nearly 8% as recently as 2011 on average, but they've started to turn around again in 2012. Located deep inside British Columbia's interior, the city is set in the Thompson Nicola Valley and has a diverse economy helping to drive demand and provide stability. Prices are back to where they were four years ago.

"Kamloops has a strong diversified economy and a multitude of recreation possibilities in the surrounding area," says Elton Ash, regional executive vice president of Re/Max Western Canada, noting there's boating, fishing, hunting, snowmobiling and more. "In addition, it's a service hub for the entire area, providing first-class entertainment, shopping, dining and medical services."

Especially attractive to investors is a wide pool of renters, including many students. Thompson Rivers University is in Kamloops, as well as a regional medical centre, pulp mill, tourism, and a mining industry. While prices may have been down, investors have still enjoyed low vacancy rates and good yields based on the value.

Five major arterial highways run through Kamloops from all directions, and two train companies and an airport add to the options.

For best returns on investment and highest potential for capital growth in the near to medium term, experts urge investors to look to the subdivisions of Aberdeen/Sahali on the south shore of Kamloops or Brocklehurst/

North Kamloops on the north shore point.

Sahali is a highly desirable place to live because of its excellent amenities and location. The area is well-developed and has limited real estate left for development. As a result, many houses in the neighbourhood are tightly held. It also has a university with 10,000 students, as well as commercial/industrial retail and big-box stores.

North Kamloops/Brocklehurst is increasing in popularity due to new construction, hotels, retail/business with apartments on the upper floors and new parks. People who live there are mostly blue collar, mill workers and retirees in the area.

Houses on the south shore run on the higher end at \$360,000-380,000 while the north end is less expensive at about \$320,000-340,000.

Vacancy rates in Aberdeen/Sahali are tighter at 1% to 2% while the north end is equal to the average town's vacancy at 2% to 4%.

However, as the town continues to grow and more people look to call Kamloops home, the town will remain a strong investment in the coming years.

Capital growth potential

Given the fact that prices have been relatively flat here compared to many other parts of British Columbia, Kamloops offers a more stable future for investors who might shy away from locations with steeper price gains in recent years.

Strong yields of about 7% also ensures healthy cash flow for savvy investors. 🏠



KELOWNA

Top neighbourhood: **KELOWNA NORTH**

Other neighbourhood to watch: **KELOWNA SOUTH**

	Population:	117,312
	Capital growth (12 months):	2.6%
	Rental yield:	3%
	Vacancy rate:	3%
	Average detached house price	\$468,482 down .4% from August 2011
	Average Condo price	\$238,223 down 5.8% from August 2011
	Average Townhouse price	\$344,905 down 1.42% from August 2011
	Average Lot price	\$194,194 down 15.96% from August 2011

Source: Real Estate Board

WHY BUY?

- Prime lakefront location
- Competitive resale market
- Fantastic amenities
- Migration rates on the rise

WHAT THE EXPERT SAYS



"It appears as though demand is increasing and inventory is decreasing so values are likely to hold. There is also a very strong demand for rental properties in central Okanagan and limited construction under

way so this will likely remain for some time," says Daryl French, LendingMax Direct.

Backed by a diverse economy, a rising population and low vacancy rate, it's not hard to see why Kelowna is a hit list among property investors. The city is undergoing major growth and development. In fact, Kelowna is the largest centre for urban development, business, commerce, retail and health care services between Vancouver and Alberta. Top employers include Kelowna International Airport, which recently expanded to accommodate direct international flights, and Kelowna General Hospital, where the government invested \$253 million in order to quadruple the emergency department and build a new outpatient hospital and two extra inpatient floors.

Kelowna attracts students to the Okanagan Campus of the University of British Columbia, as well as Okanagan College. The high student population, the majority of which rents, is one cause for the low vacancy rate.

Many out-of-province workers in the health industry are being transferred to Kelowna and often prefer to rent before buying, or rent until their employment contract is up. Another part of the renter demographic is the large tourist population, as well as retirees.

Neighbourhoods to watch

Kelowna North is at the heart of the Cultural District. Most of Kelowna's high-rise hotels and condominiums, many with lake views, are in this area near the lakefront.

"We find many singles and professional couples wanting to lease here for the lifestyle and walk to their offices," says Brenda Bachmann of Macdonald Realtors. "The area has a lower vacancy rate than the city average of 3%, thanks to the neighbourhood's desirability. Just two blocks away, you can find an area of quaint affordable character homes built on small lots highly desired for monthly rentals."

Kelowna South is the home of Kelowna General Hospital, a medical school and many additional health services attached. "Okanagan College attracts students to the suites," says Bachmann. "Among the biggest draws to the area are the streets of boutiques, beautiful beaches and parks. The neighbourhood boasts tree-lined streets of well-kept homes, many with rental suites and some with carriage homes, which are small secondary homes on the same lot." This area attracts couples, singles, and families according to Bachmann.

"Rentals are highly desired, especially on the streets closest to the lake. Condos are mostly under five stories and high quality so attract quality tenants.

"The properties hold their values well," she says. 🏠

Minimum income you need to buy in Kelowna

- Average mortgage: \$278,000
- Income required to qualify: \$56,000 per year

Calculated by Daryl French, LendingMax, Direct: (250) 869-3975 Web: www.lendingmaxmortgage.ca

BEST STREETS

Downtown close to Bernard remains a popular area.

BEST BUYS

Single-family units account for almost half the residential home sales in Kelowna.

AMENITIES

Excellent. Nestled among mountains and Lake Okanaga, Kelowna is home to forests, gardens, entertainment facilities and beaches.



LANGLEY



Top neighbourhood: **SOUTHLANGLEY**

	Population:	104,177
	Median price:	\$699,000
	Average rent:	\$828
	Vacancy rate:	3.5%



WHY BUY?

- Close proximity to Vancouver
- Good value compared to other Vancouver CMA regions
- Balanced market



BEST BUYS

2-bed condos from \$200,000–215,000

BEST AREAS

South Langley, Willoughby

AMENITIES

Translink connects Langley to the rest of Vancouver CMA, while the Fraser Hwy serves as a major east-west corridor for the City of Langley and the township. Langley offers several schools from K–12, as well as several community facilities such as recreational centres, library, casino and numerous parks

The City of Langley and Langley township lie directly east of Surrey in the Vancouver CMA. Langley is redeveloping itself as “the place to be” – offering a low cost of living, central access to urban markets and numerous recreational activities. The region is not only a hub for retail, restaurant, professional services, technology and value manufacturing, Langley also has one of the most active industrial and service commercial land bases in the area.

“There is huge growth here in Langley and it’s still an affordable option,” says Yvonne Van Gelderen, RE/MAX Treeland Realty, adding that transportation links between Langley and central Vancouver are improving to provide easier access.

“But there are also a lot of businesses out here,” she says. “We’ve got a brand new business park going in south Langley, so a lot of people don’t even have to commute anymore to work.”

Van Gelderen adds that Langley is a great place to raise a family, as it has an excellent school system.

Meanwhile in the housing market, the number of housing starts slowed considerably in Langley City, with the CMHC recording just three from January to June in 2012, compared to 122 in 2011. However, the number of housing starts in Langley district jumped 36.2% to 632 housing starts in 2012, compared to 464 in 2011.

Hot pick!

Anything in the South Langley area would be a good investment, says Van Gelderen.

According to the realtor, South Langley, which includes Brookswood, Campbell Valley and Murrayville, still has acreage for a reasonable price.

“Even if it is a quarter or half acre, properties like these are going to be more in demand as people are wanting to move out of high density areas and are willing to sacrifice the glitz of a new house for space, parking and peace and quiet.”

Van Gelderen indicates prices in these areas are a bit depressed from where they have been in the past so they will only go up over the long term.

“And some of them can have more than one dwelling, which makes them great properties for families to share. It is also fabulous if you are into horses as the trails of Campbell Valley park are fabulous for riders. A little bit of country close to the city!”

Capital growth potential

“I think the potential for capital growth is huge. Prices here are a little bit depressed, because they’ve overbuilt a little and there is some saturation in the condo market,” says Van Gelderen. 🏠



MAPLE RIDGE



Top neighbourhood: **CENTRAL EAST**

	Population:	76,052
	Average price:	\$260,000 (apartments/townhouses); \$500,000 (single-family home)
	Capital growth (12 months):	1.67%
	Rental yield:	5%
	Vacancy rate:	2%
	Average days on market:	55

WHY BUY?

- Most affordable city in the Greater Vancouver area
- Great market stability
- Friendly, small-town atmosphere
- Close proximity to Vancouver
- Access to many recreational attractions and facilities

When investors look for new places to purchase properties, one major element that factors into their search is pricing. With interest rates fluctuating greatly across the country, market prices can often change in an instant. However, one place that combines both market stability and affordable prices is Maple Ridge, BC.

“From an investment perspective, pricing is the most affordable of any area in Greater Vancouver,” says Laurissa Rasmus of RE/MAX Results Realty.

Although the supply and demand ratios can change very quickly, Maple Ridge’s market has been stable. “As with any market area, supply and demand can fluctuate seasonally, but in general, the market remains fairly balanced but slightly in favour of buyers,” explains Darcy McLeod of RE/MAX Results Realty.

With many new housing developments being built, McLeod and Rasmus are optimistic about Maple Ridge’s future.



“The real estate market in Maple Ridge has great potential. Prices are likely to rise as the population increases and the demand grows,” says Rasmus.

“The market has a history of being more predictable than some other areas, and I expect this will continue to be the case. (There will be) no radical peaks and dips, just continuous sustained growth,” adds McLeod.

Capital growth potential

“The combination of affordability and the projected population growth for the area make the prospects for capital growth excellent and rental return quite good, especially when compared to other areas of Greater Vancouver, where prices are higher and there is less potential for growth,” says Rasmus. 🏠

WHAT THE EXPERT SAYS



“Maple Ridge combines a small town atmosphere and close proximity to Vancouver. It has some of the most affordable housing and land in the Lower Mainland. We are a safe family oriented city with plenty of schools, activities and amenities. Upgraded transportation and corridors have been opened, boasting Maple Ridge’s accessibility.”
Gordon Hone, Verico Armada Mortgage

BEST AND WORST AREAS

Worst: The south side of the Lougheed Highway, one of the main thoroughfares in Maple Ridge
Best: Virtually anywhere else in the city

BEST BUYS

“I would focus on detached homes with secondary suites,” explains McLeod. “There are a number of homes available for under and around \$400,000 that have potential for two rental units and the possibility of the rental income covering the cost of ownership with a reasonable down payment.”

AMENITIES

- Good local transit system, which includes buses and a commuter train line.
- New bridges provide easier access to other cities, including Langley and Surrey.
- A toll-free highway provides direct links to Vancouver and other communities.
- Close proximity to various golf courses, lakes, and provincial parks.



NANAIMO



Top neighbourhood: **OLD CITY QUARTER OF NANAIMO**

Other neighbourhoods to watch: **UNIVERSITY DISTRICT**



Population: 83,810



Average price: \$360,007



Vacancy rate: 7.0%

Capital growth (12 months):



WHY BUY?

- Growing population and economy
- Remains considerably more affordable than Vancouver
- Opportunities for long-term holds

AMENITIES

Excellent amenities, including a convention centre, university and expanding airport, all surrounded by endless outdoor activity options.

BEST STREETS

Sherwood Drive and Shearwater Drive offer mountain views to the north. More affordable options to the south, such as Lambert Avenue and Howard Avenue, near the universities.

BEST BUYS

Larger condos, affordable houses in the south.

VACANCY RATE

7%

Affordability is only a ferry ride away from Vancouver. Located about two hours west of Vancouver by ferry, Nanaimo’s home prices are less than half that of its nearby major city.

The median price was \$335,000 in July. While low prices alone aren’t enough to spark new demand, Nanaimo has plenty for its economy, and much still on the way.

Once an economy based on coal mining and forestry, Nanaimo now has 5,400 unique businesses and is attracting investment in many sectors. A new convention centre, an expanding airport, a university, and a proposed \$9 million marina redevelopment in the city’s harbour are all part of what the city has boasted as a “major transformation” of its economy. A recently built cruise ship terminal is one of the first purpose-built cruise ship terminals created for a small city.

Real estate investors are also finding good reasons to get into this market.

“The market makes a good investment due to the increasing interest from commercial and retail buyers and the relatively low median prices,” says Elton Ash, regional executive vice president of RE/MAX Western Canada. “Investing in rental properties will provide positive cash flow with a comparatively low initial investment.”

Faye Drope of Sand Dollar Mortgage agrees and adds that Nanaimo residents are spoiled with almost every home boasting a view of either the coastal mountains or the Georgia Strait, while taking advantage of over 100km of local trails and 588 hectares of parkland. “Nanaimo enjoys mild winters,” she says. “Initially you might come for the weather but you’ll stay because of the adventure.”

Neighbourhoods to watch

Julie Broad, *CREW*’s resident expert and prolific real estate investor tips the Old City Quarter of Nanaimo as an area worth considering. “There are millions being spent to create the Cruise Ship Terminal which is open and welcoming tourist to Nanaimo, a great French Immersion school, quick and easy access to the mainland through the nearby ferry and float plane service, and all the amenities of downtown (and the street voted best street in Canada). This area is also perfect for the renovator – the trick is to find a great deal before all the other investors find one,” says Broad.

The University District is another area that offers great potential according to Broad. “With a growing student population and limited housing options, this is an area with plenty of opportunity for student housing rentals. Once considered one of the worst areas in Nanaimo, the area has undergone a massive transformation and clean up, but house prices are still attractive to investors and homeowners compared to other areas in the city (sometimes as much as \$75,000 less for a comparable house with a larger lot!).”

Capital growth potential

Although lacking in sweeping views, investors will find that properties in some of the more affordable areas in the south offer some of the best returns. A \$350,000 house can rent a downstairs suite for \$900 or more per month. A three-bedroom condo bought for \$190,000 can rent for around \$1,200 per month. But a rising vacancy up to 7% this year raises the importance of finding the best locations. 🏠



NEW WESTMINSTER



Top neighbourhood: **SAPPERTON**

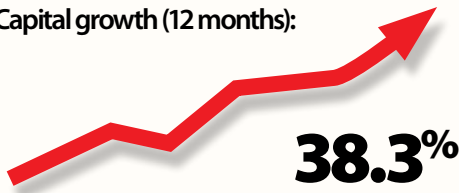
Population: 65,976

Median price: \$799,824

Average rent: \$848
(two-bedroom unit)

Vacancy rate: 2.9%

Capital growth (12 months):



WHY BUY?

- Proximity to Vancouver
- Strong capital growth
- Commencement of \$1 billion residential/commercial development

Around 20km southeast of Vancouver, on the north bank of the Fraser River, lies the city of New Westminster.

“New Westminster is an affordable option within the Greater Vancouver area,” says managing broker Arthur Ng of Coldwell Banker Westburn Realty.

“It’s centrally located with some great neighbourhoods and wonderful restaurants. It is the central transit hub with five Skytrain stations, and there is currently a massive \$1 billion residential and commercial redevelopment project on the riverfront.”

The area is going through a period of renewal, including redevelopment of the waterfront and a slew of new condo housing starts. Late last year, the City of New Westminster also undertook a \$6 million project to transform 3.2 hectares of derelict industrial land into residential green spaces, with connections to regional trail and greenway networks.

Housing starts increased substantially in 2012 – up from just six new homes in July 2011, to 75 new condos and four single-family houses 12 months on.



BEST/ WORST STREETS

Around Quayside Drive and Front Street, but not too close to the industrial and commercial pockets.

BEST BUYS

For those on a budget, consider a one-bedroom apartment located close to public transport, particularly the train stations, for around \$150,000–\$175,000; they cash flow nicely, but keep in mind that the more features within the complex, the better. “Generally, lower vacancy rates for rental units in larger structures suggest that consumers prefer these to smaller structures,” confirms the CMHC. “Larger rental structures are more likely to have amenities such as recreation and exercise facilities, as well as parking and on-site laundry.”

Neighbourhood to watch

Just north of the centre of New Westminster and situated on the banks of the Fraser River is Sapperton, the location of the historic Aidan Hunter, which closely matches Victoria’s Ross Bay Cemetery in the number of historically significant graves and monuments.

That may not be the region’s biggest selling point from a property investment perspective, but the suburb’s plentiful features and amenities – including the Royal Columbian Hospital and two local Skytrain stations – keeps Sapperton in high demand with renters.

It’s the suburb’s “great central location” that tenants find attractive, confirms realtor Mike Skvortsov from One Percent Realty Ltd., who is marketing a two-bedroom, one-bathroom condo in the area for \$195,000.

“It’s two minutes from the freeway,” he says, “with easy access to the Skytrain, specialty shops and restaurants.”

Homes located close to the hospital on Sherbrooke Street and East Columbia Street will have great appeal with hospital employees, so consider focusing your search around this area.

Capital growth potential

In the short term, prices are likely to cool as a result of the new condo supply coming onto market, however, the long-term prospects remain very strong. 🏠

AMENITIES

Excellent. Major projects have been completed or nearing completion including the Plaza 88 three-condo development, the new \$25 million Westminster Pier Park, and the \$1 billion riverfront redevelopment.



PORT COQUITLAM

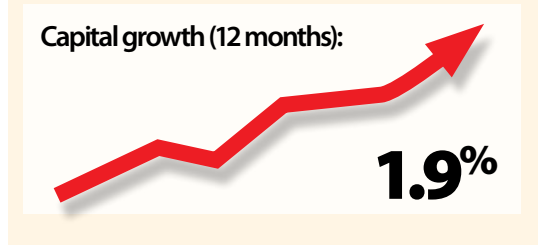


Top neighbourhood: **NORTHERN OXFORD HEIGHTS**

Other neighbourhood to watch: **GLENWOOD**

	Population:	56,342
	Median price:	\$561,600 (detached)
	Average rent:	\$870
	Vacancy rate*:	3.0%

(*Figures represent Tri-Cities which consist of Coquitlam, Port Coquitlam and Port Moody)



Centrally located within the Lower Mainland, Port Coquitlam offers east access to Vancouver via road, transit and commuter rail links. Its proximity to the major city and affordable housing options has made it an attractive area to live for those willing to make the hour-long commute.

“Being that Port Coquitlam is so close to Vancouver, I think that it’s undervalued,” says Dee Hnatko, Re/Max Sabre Realty Group. “Especially when you have Port Moody prices much higher and it’s only a five-minute drive away.”

Set in a picturesque natural setting, the city offers more than 271 hectares of parkland and boasts an extensive system of outdoor trails for cycling, hiking and walks.

According to the CMHC Spring 2012 housing market report, steady market conditions in and around Vancouver suggest the rental market will continue to see low vacancy rates and increases in rent that are in line with the provincially mandated allowable rate of rent increase. The last CMHC survey of Port Coquitlam found vacancy rates in the area to be balanced at 3.0%, just slightly below the previous 12-month period. The most significant drop in vacancy rates was for three-bedroom units, which dropped to 1.0% in Fall 2011 from 4.5% the previous year.

Increased full-time employment and low unemployment rates, combined with the gap between

WHY BUY?

- **Balanced market**
- **Strong economic growth in surrounding areas**
- **Excellent amenities**
- **Growing population**

the average monthly rent and mortgage payments may encourage some to continue renting rather than move to home ownership.

According to the CMHC 2012 Housing Market report, in Port Coquitlam there were 37 housing starts compared to six total housing starts in June 2011. The report also indicates that it’s currently a seller’s market in Port Coquitlam.

Top neighbourhood pick

If Hnatko had to pick one area for investors to watch in Port Coquitlam it would be the northern parts of Oxford Heights and Glenwood “because of location and affordability.”

According to Hnatko, homes in these neighbourhoods start in the low to mid \$400,000 range and are just blocks away from a new development called Burke Mountain where the average home is sold in excess of \$800,000.

“It is inevitable that with the ongoing Burke Mountain development it will have a positive effect on increasing the home and property values in the northern Oxford Heights and Glenwood areas. These two areas will become more affordable and desirable for people to move to. It has been a little forgotten pocket in Port Coquitlam that offers affordability,” she says.

In addition, these areas are set in a beautiful natural landscape – nestled between Coquitlam River Park and Hyde Creek Nature Area, with tall trees, nature trails, Hyde Creek Recreation Centre and Pitt River Dikes at the doorstep.

Capital growth potential

The CMHC Housing Outlook for Vancouver CMA forecasts an increase of 4.6% in 2013 in average prices in the resale market, while the average rate of rent increase in purpose-built rental units is expected to remain in line with the provincially mandated allowable rate of rent increase. 🏠



BEST AREAS

Downtown core – older homes (valued under \$500,000) could be held for future development.

BEST BUYS

Single-family dwellings
\$500,000–\$700,000

AMENITIES

The suburban area has a number of schools, both public and private for all grade levels, a community arts village, library, recreation facilities, community groups and shopping. It’s also well connected to Vancouver by major roads and public transit services.



NORTH VANCOUVER



Top neighbourhood: **LOWER LONSDALE**

Other neighbourhood to watch: **CENTRAL LONSDALE**

	Population:	84,412
	Median price:	\$654,500
	Rental yield:	N/A
	Vacancy rate:	0.5%

Capital growth (12 months):

3.9%



With numerous water and skyline views on a higher gradient of land, the North Shore is one of Vancouver’s most sought-after neighbourhoods. Elton Ash, regional executive vice president of Re/Max Western Canada, says it’s hard to find a better city to live in than North Vancouver, known for providing a superior quality of life.

“Every year, Vancouver is voted the best place in the world to live and North Vancouver was voted the best place in Vancouver to live,” says Ash.

One of the best advantages is everything from the downtown to nearby amenities is 10 minutes away. There are ski mountains, boating, hiking, mountain biking and golfing close by. And despite the proximity to Vancouver’s downtown, North Vancouver maintains a small town community atmosphere in neighbourhoods like Lynn Valley, Edgemont Village and Deep Cove, says Ash.

Profit-seeking investors can look past the spectacular views and instead focus on any type of investment properties. An apartment vacancy rate of 0.5% last year has led to more development lately, but the demand hasn’t let up. “There are excellent returns on investment for residential and commercial properties,” says Ash.

While people prefer to live in North Vancouver, away from the hustle and bustle of the city, they generally tend to work in one of the surrounding areas. Vancouver’s Seabus transit ferry makes this possible for commuters. It leaves every 20 minutes from the Lonsdale Quay and has connections to Coal Harbour, downtown Vancouver and Yaletown.

“North Vancouver’s investment prospects are primarily based on demand and a potential increase in values as opposed to pure cash-flow investing,” says Karen Gibbard, VERICO Gibbard Group Financial. “Its natural beauty, clean air and close proximity to downtown Vancouver make North Vancouver one of Metro Vancouver’s most sought-after communities. That coupled with the new \$8 billion ship building contract awarded to Seaspan with the expectation that 3,200 new jobs will be created over the next few years should further assist in fuelling housing demand.”

Lower Lonsdale is a neighbourhood in North Vancouver with plenty to offer. The area has new high-rise buildings overlooking the harbour, and features the main Esplanade at its centre point. This strip includes a wide variety of restaurants, shops and live entertainment. Lower Lonsdale is the most populated and fastest growing. In 2006, population surged by 4.4% from 2,001 to 1,925.

The condo market is very active in the Lower Lonsdale neighbourhood, where the diverse population represents a group of socially active people who can easily commute to downtown Vancouver.

Capital growth potential

While Greater Vancouver’s benchmark residential price has risen nearly 16% since 2007, North Vancouver has posted 9% gains over that same period, allowing room for further growth.

Because of the overall cost of buying property, rental returns can be challenging despite one of the lowest vacancy rates in the country. A \$250,000–300,000 property can attract \$1,000 or more in rent, depending on location and condition. 🏠

WHY BUY?

- Stable and safe with strong demand
- Wide range of properties, including waterfront, condominiums, single family and commercial
- Good proximity to major employment centres

AMENITIES

Excellent amenities in all directions. Residents get an urban offering of shops and restaurants, but also plenty of green space all around to escape to



PRINCE GEORGE



Top neighbourhood: **THE BOWL DISTRICT**

Other neighbourhood to watch: **THE WEST DISTRICT**

	Population:	84,230
	Average price:	\$240,561
	Capital growth (12 months):	Zero
	Average rent:	\$600-\$750 (single bedroom) \$750-\$900 (two-bedroom suites)
	Vacancy rate:	2%
	Average days on market:	55

WHY BUY?

- High quality of living
- Most of the city is ripe for investment
- Good connections to other major cities in Western Canada (Vancouver, Edmonton, Calgary, etc.)
- Employment and education are on the rise
- All of the features of a big city, with small-town charm

Prince George is one of British Columbia's rising stars. Located in central BC, the city is home to many burgeoning industries, and it offers a very high quality of living. When it comes to finding a new place to invest, Prince George offers many opportunities to expand your portfolio.

"There is huge potential (for investing) in Prince George," says Dean Birks of Royal LePage. "It is a hub for employment and providing education for employees, and it has a great lifestyle where you have the ability to raise kids."

Known for its close proximity to many of BC's picturesque recreational attractions, properties in Prince George have been selling quickly. "There have been 653 sales of single-family homes since January 1," Birks explains.

Going forward, Birks predicts that within the next

five years, the population will increase significantly, and that increase will have a positive impact on investing within the city. With the employment market and numerous infrastructures on the rise, Birks is very optimistic about the future.

"I defy people to find a better town the size of this city, and then go and find something cheaper with this quality of living," says Birks.

Other neighbourhoods to watch

While not a very large city, Prince George is divided into three key areas: the East, Bowl, and West districts. The Bowl area serves as the main part of the city, and the East and West districts surround it.

Of these three areas, Birks highlights the Bowl and West districts as the best neighbourhoods for investors looking to expand their portfolios. The Bowl and West districts are home to a number of different types of properties that have the potential for getting high returns. However, Birks indicates that best buys in these areas are duplexes.

Birks explains that duplexes offer the best value for investors because of the higher rental income revenues they command, in addition to the way that they are zoned by the city. The prices for duplexes in Prince George are relatively low as well, which would entice savvy investors to purchase numerous units.

Capital growth potential

"Within the next five years here, we're going to see a significant increase in population," explains Birks. "There is a ton of room for growth because the replacement costs for the construction of brand new homes is more expensive than existing homes." "Duplexes that are close to the central area tend to only have one or two bedrooms per side," says Birks. "But with today's rents, you can buy these for less than \$100,000 or \$200,000, and you can easily make \$2,000 per month (in rent)." 🏠

Prices for duplexes are relatively low which would entice investors

BEST AND WORST AREAS

Best: The "Bowl."
"People want to be in the bowl, or the main part, of the city," Birks explains. "It's the centre of the city, and people can easily come and go to the university and other places of interest."
Worst: The Veterans' Land Act (VLA) area. Says Birks, "It is very attractive to outside investors because the cost of the home or rental property versus the rents make it very enticing. However, you'd have to be on the ball, have a good property manager, and do your homework."

AMENITIES

Prince George is served by a good local transit system, and home to a University of Northern BC (UNBC) campus. The city is located near various parks, lakes, and ski hills, and also serves as a key centre for the province's burgeoning mining industry, where employment is on the rise. The employment growth in the mining industry has led to an increase in demand for housing within the city.



RICHMOND



Top neighbourhood: **HAMILTON**

	Population:	190,473
	Average price:	\$585,100
	Capital growth (12 months):	-1.5%
	Vacancy rate:	1.2%



- WHY BUY?**
- Strong international appeal
 - Proximity to downtown Vancouver
 - Strong local economy

BEST STREETS
Spires Road,
Shackleton Drive

BEST BUYS
Condos near the
many public transport
hubs, houses under
\$600,000.

Richmond has recently seen a spike of interest for immigrant buyers, particularly those from mainland China, according to media reports. That's helped the benchmark home price rise 23.5% in the past five years, compared to 15.8% in Greater Vancouver as a whole.

But the upward price pressure seemed to hit a wall earlier this year, dropping 1.5% since 2011. At the same time, active listings have doubled, and that has some in the real estate industry concerned.

Team 300 real estate agent James Wong blogged in August that there is a high probability that detached homes could drop 30% in value over the next three years. But such a drop could start to swing the balance in favour of buyers again in a market that has long favoured sellers.

For investors, getting into this city's market as it takes a breather from such strong price growth could be an attractive proposition. Other factors point to Richmond remaining a high-demand residential location, with a strong economy as well.

"Richmond has long been seen as a favourable place for business, with the resulting high employment and livability for families," says Elton Ash, regional executive vice president of RE/MAX Western Canada.

The container port, industrial areas of North Delta and New Westminster, along with being home to Vancouver International Airport, makes it ideally situated.

Many factors point to Richmond remaining a high-demand residential location, with a strong economy as well

Capital growth potential

It's not likely a buyer in 2012 will see strong price gains anytime soon, but strong demand would ensure prices will grow steadily over the medium to long term.

Amenities and infrastructure

Excellent. There is shopping, golf, restaurants and public transportation, including Vancouver's international airport. 🏠

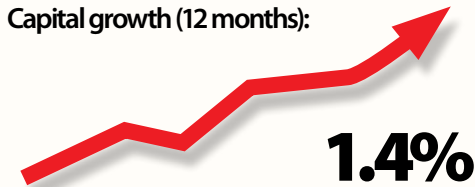


SAANICH



Top neighbourhood: **GORDON HEAD**

	Population:	109,752
	Average price:	West \$490,000, East \$628,000
	Average rent:	\$923
	Vacancy rate:	1%



WHY BUY?

- Close proximity to provincial capital
- Sustainable, diverse local economy
- Over 18km of waterfront area
- Temperate climate

AMENITIES

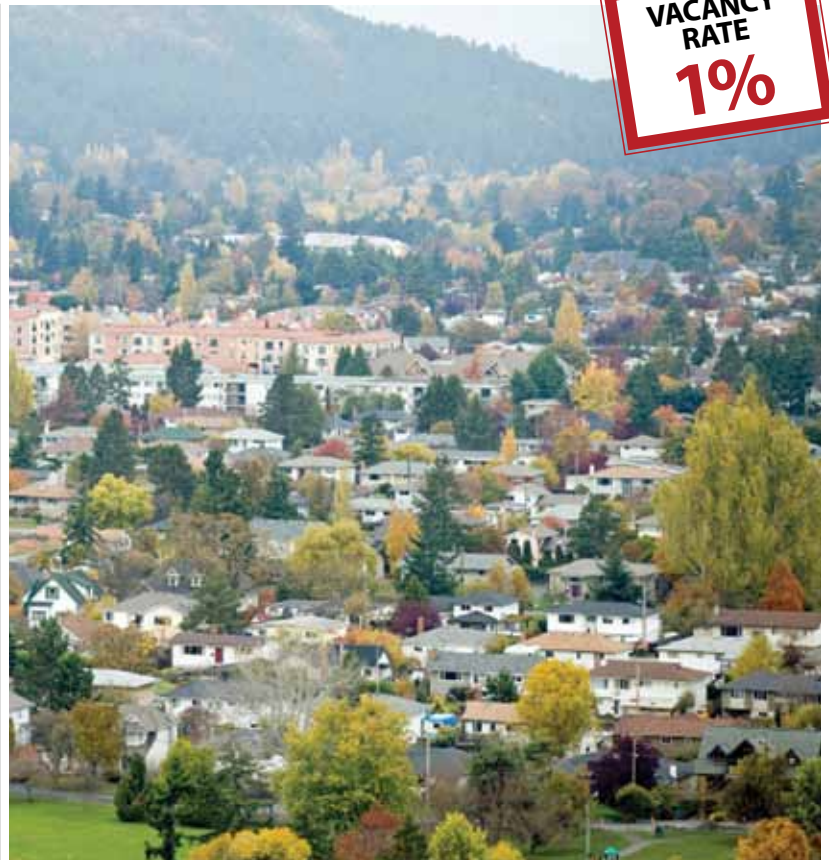
Saanich boasts more parks per capita than any other B.C. municipality, not to mention golf courses and an extensive cycling route. Saanich has also received two infrastructure loans under Canada's Economic Action Plan.

BEST STREETS

"Best is Gordon Head or anywhere close to the University. Worst areas for an investor would be high executive areas like Broadmead, Ten Mile Point and Cordova Bay ... rents just don't cover costs at all," says Crause.

BEST BUYS

Investing in houses with suites will maximize ROI.



Few areas can boast a seamless integration of suburban and pastoral neighborhoods, job opportunity, first-rate universities and excellent property options – but Saanich is one of them. This once somnolent, rural community now offers something for even the most fastidious tenant – and investor.

Changes to legislation allow houses in certain areas of Saanich to have suites, something that, according to Cheri Crause, residential realtor with Royal LePage Coast Capital Realty, will boost rental yield and resale value.

"Saanich has now joined Victoria in legalizing suites, which eases some people's minds about being a landlord," she explains. "Visiting faculty (for one year), PHD students, and people looking for a mild winter are good renters."

The visiting faculty and students are drawn to Camosun College and University of Victoria, which contributes to the demand for rental units. For a room and shared bathroom and kitchen, students can expect to stump out \$500-\$600 a month, regardless of whether the unit is on the basement or main floor.

Also responsible for the tightened rental market is the expected job growth. "The awarding for the Sea-Span contract will bring a lot of jobs and revenue to the area," says Crause. "The weather and lifestyle are big draws [to the area], but the navy and ship yards and tech industry are also big contributors."

Capital growth potential

Buy now and reap the rewards, as the tech industry and improvements to the university are set to draw more people to the area. 🏠



SURREY



Top neighbourhoods: **SOUTH SURREY**

Other neighbourhoods to watch: **WHALLEY**

	Population:	468,251
	Median price:	\$699,000
	Average rent:	\$814
	for a two-bedroom unit	
	Vacancy rate:	3.7%



WHY BUY?

- Proximity to Vancouver
- Strong capital growth
- Affordable unit/condo market

How much income do you need to buy in Surrey?

- Average house price: \$566,000
- Average mortgage in this neighbourhood: \$339,000
- Minimum salary needed to afford this property: \$75,000
- Average monthly payments: \$1,692 based on 3.29% 5-year rate and 25-year amortization

*Calculated by Jared Dreyer, Accredited Mortgage Professional.
President VERICO Dreyer Group Mortgages Inc.
www.dreyergroup.ca*

Located around 30 to 45 minutes' drive south of Vancouver city, Surrey is an expansive area comprised of six communities: Fleetwood, Whalley (City Centre), Guildford, Newton, Cloverdale, and South Surrey.

The area is close enough to Vancouver to allow local residents to commute, while also providing a lower cost of living than that on offer in the city.

"Prices are lower in Surrey than they are north of

WHAT THE EXPERT SAYS



"Surrounded by the Pacific Ocean adorned with ancient trees, larger lots and an abundance of sunshine, South Surrey is one of the hot spots in the city of Surrey. House prices in South Surrey are substantially higher than Surrey combined [Surrey Central, Surrey North and Cloverdale] sitting at an average of \$1.1 million."

Jared Dreyer, Accredited Mortgage Professional

the Fraser [River], and transit and local improvements make commuting to Vancouver a great option to allow you to get more for your money," explains Steve Karrasch, realtor with Chris Whitehead & Associates.

"Supply in strata units is plentiful, making it a great time to be a buyer as you can pick and choose what you want. Detached houses are still going strong in the Surrey area."

Neighbourhood to watch

Situated in the north, the densely populated suburb of Whalley is considered the commercial centre of Surrey. Whalley packs plenty of renter appeal: it is the only town centre in Surrey to be serviced by the SkyTrain, and is home to the Simon Fraser University Surrey satellite campus, within the popular Central City Shopping Centre.

Homes in this area offer "great future investment potential", says realtor Nat Dhaliwal from Sutton Group-Medallion Realty, especially for those who adopt a long-term view.

"You're in the city centre with high-rises and townhouses [as your neighbours]," he explains. Several train stations (Gateway, Surrey Central and King George) are within walking distance and existing homes are "surrounded by high-density development", with the city council's official community plan calling for more high density zoning in the region.

Capital growth potential

The region has experienced capital growth of 5.7% in the past 12 months and the CMHC predicts a similar performance moving into 2013. "Surrey, specifically North Surrey, is one of the most undervalued areas in the Lower Mainland and, in the dead centre, growth potential is huge," says Karrasch. 🏠

AMENITIES

Excellent. Boasting a strong network of roads, good public transport via the train system and easy access to Vancouver proper, Surrey has excellent infrastructure and amenities in place.

BEST AREAS

"Vancouver commuters are buying in North Surrey, while families looking for the white picket fence are looking mostly in areas like Cloverdale. The older demographic that can afford it are moving South," Karrasch explains.

BEST BUYS

Older, more established units make better investments than brand-new condos in the current market: the price points for newer stock is too high when you consider the rental returns on offer, Karrasch says. "Profits on rentals are great on older units, but most investors buying new are losing money monthly, if they didn't put down a sizable down payment," he adds.



VANCOUVER

Top neighbourhood: **YALETOWN**



Population: **603,502**



Population growth: **4.4%**



Average price: **\$942,100**
for a detached property



Greater Vancouver benchmark price
for all residential properties: **\$609,500**



Average price: **\$370,100**
for a condo apartment



WHY BUY?

- Currently experiencing a buyer's market
- Growing population
- Economic factors supporting rental demand
- Growing immigrant population
- Rental vacancy rates are low

BEST BUYS

Often, lower vacancy rates for rental units in larger buildings suggest renters prefer these to smaller apartments. Larger buildings are more likely than smaller buildings to have amenities such as recreation and exercise facilities, as well as parking and on-site laundry.

Vancouver is Canada's gateway to the Pacific and home to the 2010 Winter Olympics. With one of the more mild climates in Canada, Vancouver is a great place for people to retire or invest in, given its strong relationship with immigrant communities and economic influences.

The area is somewhat of a buyer's market as the sales trend in 2012 has been down for all property types. The condo market saw an increase in completed units and those under construction compared to recent years, but the supply of new homes on the market remained below recent highs.

Rental vacancy rates have fallen to 1.4% in Vancouver for purpose-built rental apartments and to 0.9% for rental condominium apartments – mainly due to a growing population and employment base.

“Right now, the Greater Vancouver market is a great place for investors, with activity at a 10-year lull and sales the slowest they've been in recent memory; the power in the marketplace has switched to the buyer,”

WHAT THE EXPERT SAYS



“Trendy is frequently the word used to describe the look and feel of Yaletown today. For investors, Yaletown often boasts residential vacancy rates under 1%. Such high demand has generated very favourable returns for investors in both rental income and significant property value appreciation.”

Garth Ellis, President, Verico Ellis Mortgages

says Sarah Daniels, an agent with RE/MAX Colonial Pacific. “With new mortgage restrictions that affect first-time buyers in particular, and a ton of inventory, a savvy investor might pick up a good deal,” she adds.

“West side Vancouver is always a great investment if your wallet can stand up to the test, and the Main



TOP 100 BRITISH COLUMBIA



Street corridor is popular, too. The Olympic Village is now starting to bustle, and there are some good deals to be had there as well. If at all possible, get the most square footage you can – and aim for a detached home if your budget can allow it.”

Garth Ellis, president of VERICO Ellis Mortgages tips Yaletown as the best neighbourhood to invest in for capital growth and rental return. Yaletown was once the warehouse district of central Vancouver, but has since been gentrified. Being located close to the land housing Expo 86, the district received significant attention and its redevelopment began not long after the World’s Fair had ended.

“The development of Yaletown is typified by the conversion of these warehouses into street-level bars, restaurants and boutique stores, while upper storeys consist of loft-style condos and apartments,” says Ellis.

Capital growth potential

Population growth, employment opportunities, and

Minimum income needed to buy in Vancouver

- Average mortgage in Vancouver: **\$426,650**
- Average home price of \$609,500 x 70% = **\$426,650 average mortgage size**
- Approximate minimum salary needed: **\$89,000**

**Rental income can often be used to offset the mortgage payments for mortgage qualification*

Minimum income needed to buy in Yaletown

- Average condo price in Yaletown: **\$795,400**

Source: Vancouver from the REBGV website

- Average house type in Yaletown: **Majority are apartments and some townhomes**
- Average mortgage in Yaletown: **\$556,780 (average condo price of \$795,400 x 70%)**

Source: CAAMP Spring Mortgage Report

- Minimum salary needed to afford this: **\$113,000 (mortgage of \$556,780 property*)**
- Average monthly payments: **\$2,707 (mortgage of \$556,780, 25-year amortization, average qualifying rate of 3.25%)**

**Rental income can often be used to offset the mortgage payments for mortgage qualification.*

**Calculated by Garth Ellis, President, Verico Ellis Mortgages, contact: P: 604.742-2180, F: 604.739.0334 W: emcmortgages.ca*

Forecast: Resale condominium apartment market

	2013	2014	2015	2016
Median price forecast	\$348,152	\$354,557	\$367,616	\$385,941
Percentage change	-0.2%	+1.8%	+3.7%	+5.0%

Sources: The Conference Board of Canada; Canadian Real Estate Association; and CMHC Housing Time Series Database

The area is a buyer's market as the sales trend in 2012 has been down

AMENITIES

Excellent. With a moderate climate and laid back 'West Coast' mentality, Canadians and others are migrating to Vancouver for its great outdoors spirit in an urban setting.

the relative affordability of rental accommodation compared to home ownership, are expected to support demand for rental housing, which is likely to keep investors interested. 🏠



VICTORIA



Top neighbourhoods: **FAIRFIELD**



Population: 80,032



Average prices: \$327,100 (condos); \$443,200 (townhouses); \$582,200 (single-family homes)



Capital growth (12 months): 0.35%



Rental yield: 3.2% for townhouses



Vacancy rate: 2.8%

WHY BUY?

- Buyer's market
- Constantly growing city
- One of Canada's healthiest cities
- Most temperate climate in Canada

Several cities in British Columbia are quickly becoming real estate investment hotbeds, and Victoria is one of them. The BC capital boasts the most temperate climate in Canada, and is also among the country's healthiest cities. With several new housing developments already on the rise, the time to begin investing in Victoria is now.

"We have one large residential development currently underway, and at least two large developments in the early planning stages," says Ray Blender, agent with RE/MAX Camosun. "We also have at least five apartment condo projects being built in the downtown core."

When it comes to supply and demand, Victoria has a large inventory of properties available. "We currently have a seven-month inventory of residential properties available, including single-family homes, apartments, and townhouses," says Blender.

With these and other new projects currently in development, Blender believes Victoria is "great to invest in because it is a constantly growing city".

Neighbourhood to watch

Fairfield stands out as offering the best potential for strong capital growth and rental return, says Geoff Parkin, CEO, VERICO Select Mortgage.

Boasting an enviable proximity to the downtown

WHAT THE EXPERT SAYS



"Investment near the downtown core in established neighbourhoods like Fairfield, continue to be a best bet for investors. The rental vacancy rate is 2.8% for Greater Victoria as a whole but the City of Victoria proper, including Fairfield, has a rental vacancy rate of only 1.8%, making this area and neighbourhood a continued winner for investors."

Geoff Parkin, CEO, VERICO Select Mortgage

core's jobs, good schools, restaurants, waterfront and harbour, the neighbourhood features tree-lined streets with suited and character homes. "While prices for suited homes in Fairfield generally start closer to \$700,000, capital appreciation potential has made this a favourite for investors for years," says Parkin.

Rents in Fairfield are higher than other areas in town. The average rent in the City of Victoria is \$1,353 per month for a two-bedroom unit, but character suites in Fairfield can rent for more. Rental listings reveal unique character two bedroom units renting for up to \$1,650 per month, making rental returns good.

"Victoria-based investors, comfortable living in their multi-suite rental, can reduce their own homeownership costs and have the opportunity to affordably buy into an established and popular neighbourhood. Current low mortgage rates make it possible for investors to buy into this neighbourhood," says Parkin.

Capital growth potential

In the short term, capital growth within Victoria is subdued but set to outperform over the long term. 🏠

AMENITIES

Close proximity to Vancouver and BC's mainland and a good local transit system. There's access to a number of educational institutions and it's home to a highly-respected cancer treatment centre.

BEST AREA

"[The] downtown core is the best place for investment," says Blender.

BEST BUYS

According to Blender, the best buys in Victoria are "new construction condo apartments with vacation rental zoning."

How much income do you need to buy in Victoria?

- Average property is \$573,056 (August)
- Average mortgage in this neighbourhood: unknown but a conventional mortgage based on the average price would be \$458,444.80 with 20% down payment
- Minimum salary needed to afford this property: \$93,000 (excluding consideration of rental income)
- Average monthly payments: \$2,190

Calculated by Geoff Parkin, CEO, VERICO Select Mortgage. Geoff.Parkin@vericoselect.com, 604-531-7310, vericoselect.com

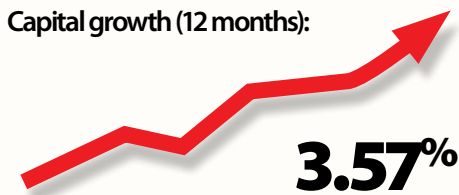


CHESTERMERE



Top neighbourhood: **DOWNTOWN CENTRE**

	Population:	14,824
	Median price:	\$435,000
	Median rent:	\$1,200



WHY BUY?

- High population growth
- Popular with families
- Commuting distance to Calgary
- Recreational opportunities around Chestermere Lake

Thirty-two years ago, just over 400 residents called the Summer Village of Chestermere Lake home. In 1993, when its population of permanent residents had swelled past the 1,000 mark, the recreational community officially became the town of Chestermere.

More recently, new residents have flooded the town. In 2011, it became the fifth fastest growing community in Canada after seeing a 49.4% spike in population in just five years. The appeal largely lies in its namesake, a man-made reservoir popular with boaters, water-skiers and sport fishers.

But its growth is also tied to Calgary's economic boom and expansion. The town is roughly 20 minutes away from the centre of the city, making it a popular bedroom community.

"Its proximity to Calgary is excellent. You can get to downtown Calgary faster than most residents in the new suburbs of Calgary can," says Mike Fotiou, a realtor who serves the Calgary region.

Popular with families, the Alberta government recently announced plans to build an additional school in the area to keep up with the expanding population. Much of the construction in the area has



focused on this demographic.

"Since 2007, about 86% of the homes sold on MLS have been single family," says Fotiou. "Compare that to Calgary [at] 70%."

However, new condo and townhouses have sprung up with price points that cater to first-time homebuyers. Between January and May 2012, the town saw 86 housing starts, 47 of which were row houses.

According to the town's master plan, there will be an increase in population to about 25,000 in the next 10-15 years. Housing starts were also up 115% from the year before, suggesting the town will continue to grow.

Capital growth potential

Strong demand is set to fuel solid real estate price growth in the area. Its proximity to Calgary and its booming economy would also help ensure steady growth in the medium to long term. 🏠

AMENITIES

The town currently has no public transportation service to Calgary. The reservoir provides recreational opportunities and there's a Lakeside Greens Golf and Country Club.

BEST BUYS

Single-family homes remain the big draw in the town.



CALGARY

Top neighbourhood: **BOWNESS**

Other neighbourhoods to watch: **MARTINDALE, TUSCANY, ROCKY RIDGE**

	Population:	1,096,833
	Average price:	\$449,260
	Rental yield:	3.15%
	Vacancy rate:	1.9%

Capital growth (12 months):

9%

WHY BUY?

- Booming local economy
- Affordable cost of living
- High demand for rental units

Calgary continues to be one of the hottest real estate markets in Canada this year, with prices and sales ramping up from a year ago.

The booming job market paired with the city's five post-secondary institutions makes Calgary one of the most attractive cities for young and new Canadians. The demand for single-family units and apartments is on the rise, which spells good news for west coast investors.

Property prices have risen steadily over the past 10 years. The average housing price sits at \$449,260, and investors can expect to pay just under \$300,000 for a condo. Duplexes, small townhouse condos and apartments are in demand as Calgary's population grows.

"Calgary is the head office town for the oil industry, so jobs, oil money, engineering and designs for the Oil Sands and the upcoming pipelines bring people to the city," says realtor Glen Godlonton.

With Calgary's expected 2012 GDP projected to pip most Canadian cities to the post, the need for housing is increasing. Tenant profiles are varied in Calgary, ranging from professionals on contract to blue collar workers who are not in a position to buy.

"Calgary is so big and diverse you find investors looking at all different property types, areas and price points from small condos to executive homes.



Everybody has a different take on what type of property they want," says Godlonton.

Neighbourhood to watch

Godlonton cites Bowness as the up-and-coming neighbourhood to invest in Calgary.

"The properties are very affordable and high cashflow is possible," he says. There are a number of property types available in the area, which can cater to the families moving into the area to take advantage of the secondary and elementary schools.

"The area has a mix of multi-family and single-family homes. Some of the single-family homes on the Bow River sell for more than \$1.5 million. Duplex properties sell between \$400,000 and \$600,000, with 4-plexes selling for \$600,000 and more."

An area redevelopment plan is in place for the community, which includes Bowness Park, one of the most popular in Calgary.

Other areas tipped to deliver high return and capital growth include the Martindale, Tuscany and Rocky Ridge neighbourhoods, which are going through gentrification and are next to planned transportation upgrades. The areas positively affected by the new Ring Road expansion, for example, are all poised for

BEST STREETS

Properties close to transportation and jobs are likely to fill quickest.

BEST BUYS

Low vacancy rates and higher-than-average rental rates make condos an attractive buy. Godlonton also notes that suited homes and duplexes provide excellent financial return.



TOP 100 ALBERTA

growth and provide potential for profit. Once these improvements have been completed, new demand is set to increase the prices of the local real estate.

Martindale is located just east of the Calgary International Airport and has seen population grow by 6.7% to over 12,000. The median household income is over \$65,000 according to Statistics Canada.

The tenant profile in Martindale has a slightly lower socio-economic profile due to lower income as the area is also older. However, the affordability of the neighbourhood is set to attract demand from value-seeking investors, which would help push prices up over the medium term.

Tuscany is one of the newest communities in Calgary with population of more than 17,000. The area is a very popular place to live in as evidenced by the strong population growth of 66.6% between 2004 and 2008. The median household income is more than \$90,000 according to Statistics Canada. Tuscany is located in

proximity to the Ring Road in the northwest quadrant of Calgary city and is considered one of the more posh neighbourhoods. Residents who live in Tuscany tend to commute to and work in downtown Calgary, which is a 15-minute drive.

Rocky Ridge is another community located in the far northwest tip of the city. The population has doubled in the past five years, totalling almost 7,000. The median household income is about \$85,000, reports Statistics Canada. In both Rocky Ridge and Tuscany, the tenants are a bit more affluent than other areas because these two neighbourhoods are newer. Like residents in Tuscany, those living in Rocky Ridge also tend to work in Calgary inner city, which is about a 20-minute drive.

Capital growth potential

Calgary's market has levelled out but prices are expected to grow solidly over the medium to long term. Calgary's condos have a potentially lucrative resale value. 🏠

AMENITIES

Amenities within the city are excellent, and Banff National Park is just an hour away.

VACANCY RATE
1.9%

EDMONTON

Top neighbourhood: **AMBLESIDE**

	Population:	812,201
	Median price:	\$528,152
	Capital growth (12 months):	-4.7%
	Average rent:	\$1,036 for a two-bedroom unit
	Vacancy rate:	2.7%



WHY BUY?

- Huge infrastructure projects
- Strong economic performance
- Low vacancy rates
- Positive cash flow potential

The capital of Alberta, Edmonton has long topped investors' hot spot lists, and for good reason.

"The economy is booming, major billion-dollar projects are being started, and Edmonton is constantly upgrading infrastructure," explains realtor Kerri-lyn Holland from RE/MAX River City.

Edmonton as a city "is constantly re-investing in



itself,” she adds. Case in point: the new Edmonton Arena district, which aims to revitalize the downtown core and ignite a spark of social, cultural and economic energy in the heart of the city.

Edmonton is the first major city close to the oil-rich boomtown of Fort McMurry, and Holland says there are several other projects slated that will positively impact the local area. “There’s the \$5.5 billion Enbridge Northern Gateway Pipeline, which starts in Bruderheim 51km North East of Edmonton, and the Keystone pipeline which starts in Hardisty, 200km southeast,” she explains.

The oil industry and oil prices remain the biggest risk factor locally, and Holland admits that it can present problems for investors who are adopting a “buy and flip” strategy.

“Oil is obviously the main concern. Historically, the price of oil will rise and fall but long term it will continue to climb. If you’re planning to invest short, the risk could be greater – people who purchase homes to flip for a profit will have to pay attention to the housing market and current economy situation of the day,” she says.

“Timing will be really important on a short-term project. If you can get in and get out while the same market conditions exist, then your planned profit will be most likely realized.”

Top neighbourhood to watch: Ambleside

On the outskirts of town, to the southwest of Edmonton’s centre, is the masterplanned community of Ambleside in Windermere.

With its walkways and tree-lined promenade connecting homes, parks and playgrounds with a future school site, Ambleside is a carefully designed neighbourhood that is serviced by public transport. Local amenities are growing, with a retail precinct in development that will eventually offer a rich mix of shopping, dining, entertainment and health services.

Local realtor Jason Holland from RE/MAX River City names this emerging neighbourhood as an area to watch for investors, pointing to a diverse range of housing types, from condos and high-rise buildings to townhouses and single-family homes.

“The neighbourhood of Ambleside is sought after due to the amenities nearby, including a new theatre and a brand new Terwilligar recreation centre, plus quick access to the Anthony Henday Ring Road,” he explains.

Homes are listed at “price points to suit everyone”, he adds, with condos starting as low as \$159,900, and houses ranging from \$250,000 to around \$750,000.



Minimum income you need to buy in Edmonton

- Average sale price SFD: **\$384,477**
- Average house type (condo, single detached, other?): **Single detached**
- Average mortgage in this neighbourhood: **\$357,030**
- Minimum salary needed to afford this property: **\$76,185**
- Average monthly payments: **\$1,777**

Calculated by Sandy Fisher, broker/owner, iMortgage Solutions Inc. Contact: Phone: 780 982 1511, toll free: 1 888 485 1320 ext 1111, Fax: 1 800 865 5480

WHAT THE EXPERT SAYS



“Edmonton remains a city of opportunity. It’s affordable, it has low unemployment, and is globally recognized as the gateway to the north. Ownership is higher than renters, due to affordability”

Sandy Fisher, broker/owner, iMortgage Solutions Inc

BEST AREAS

“The best places for single family home investments would be in the west to south side of city,” Holland says. “These areas offer superior amenities, with direct access to the Whitemud Drive Freeway. The completion of the LRT subway system that travels east to west, from the downtown core through the university campus to the Century Park stop, has also made it popular. These areas such as Rutherford, Blackmud Creek, Twin Brooks have all seen property values strengthen.”

BEST BUYS

Holland recommends two-storey duplexes or raised bungalows around the university area. “Go for three bedrooms on the main floor, and 2–3 bedrooms in the basement suite.”

Capital growth potential

Overall, Edmonton’s property prices have retracted slightly in the last 12 months, but as a growing city that attracts big money from large corporations, Edmonton’s economic future and capital growth prospects are strong. “A long-term investment of five years or more will be less risky, because it will be less sensitive to the fluxes of oil prices,” Holland says.

Amenities and infrastructure

Excellent. The City of Edmonton is investing \$215 million in a total of 76 neighbourhoods in 2012, to renew infrastructure and enhance community living. Elsewhere, the Arena project is expected to “change the face of Edmonton’s downtown area, and be a positive change to downtown real estate investments” – and with the completion of the Anthony Henday ring road, “there is much undeveloped land which will be popular with commercial investors,” Holland says. “With the constant influx of buyers and renters from across Canada and international workers, the market is busying.” 🏠



LETHBRIDGE



Top neighbourhood: **WEST LETHBRIDGE**

Other neighbourhood to watch: **SOUTH LETHBRIDGE**

	Population:	83,517
	Average price:	\$250,123
	Capital growth (12 months):	-0.6%
	Rental yield:	6-7%
	Vacancy rate:	0.3%

WHY BUY?

- **Affordability benefits investment returns**
- **Stable economy**
- **More balanced than other oil-reliant Alberta options**

Alberta's fourth-largest city might not hit the highs of other oil-based cities in the region, but it also doesn't usually hit the same lows.

Its real estate and economic growth have been more controlled over the years. That stability, combined with the affordable cost to buy a property and one of the best vacancy rates in the country, has combined to make attractive conditions for investors. Options include rental apartments in small buildings, and a smaller number of houses for rent.

"Investment returns continue to be stable with an affordable market," says Elton Ash, regional executive vice president of Re/Max Canada.

Immigrant growth, as well as a strong demand from seniors, has kept the rental market tight for years. Another key factor impacting rental demand is the University of Lethbridge and Lethbridge College, which in recent years have combined enrolments forming about one fifth of the city's population of nearly 90,000. These schools are located to the south and southwest. And, in the nearby west, a lot of new development has been happening.

For maximum return on investment and highest capital growth potential, west Lethbridge is tipped to be best bet. In the past couple of years, the community



has more than double the population growth rate of the north and south sides. Standout growth areas in the community include Copperwood, which grew by more than 110% since a new subdivision was completed. The neighbourhood has many new condos and duplexes rented out to students as well as families. A new four-bedroom duplex rents for around \$1,600.

For the best value, look for entry-level single-family homes in Varsity Village on the west side of the university. Demand is strong for these properties, which are typically 25 years old, 1,000 square feet and contain three bedrooms. The bedrooms are subdivided into units that rent for about \$600 per bedroom.

In south Lethbridge, the commercial sector traditionally centered in the downtown core has begun to spread south, making the Lakeview area an attractive target for investors. Because of this relocation, the south end is most desirable because it's closer to work and amenities. The area is also just a few kilometres away from the college.

Here, your best buys are simple box-built bungalows, 45 years old and 1,000 square feet. These units are rented, often by young families who are in the last step of the rental chain and who typically will purchase their first home in the area as well.

BEST STREETS

Laval Road, Edgewood Boulevard.

BEST BUYS

Rental homes in the southwest of the city. Large homes to rent out near hospitals and university. Any houses under a \$250,000 price point.

AMENITIES

Good. Monsanto Canada, recently spent \$14.7 million to expand and upgrade a seed manufacturing plant in the city.



Also on the south side, east of Mayor Magrath Drive and south of Fairmont Park, Coulee Creek has seen the largest population spike over the past year, growing 50%. The area is close to great shopping, including Wal-Mart and Home Depot and is also near parks and lakes. With prices ranging from \$250,000 to more than \$500,000, experts expect the popular area to see significant capital gains in the future.

Capital growth potential

Tight rental conditions, affordable housing, and steady demand has made this one of the best options in the region for investors. Local experts say older homes get the best yields due to more affordable purchase prices. 🏠

For maximum return on investment and highest capital growth potential, west Lethbridge is tipped as a good bet

RENTAL
YIELD
6-7%





GRANDE PRAIRIE



Top neighbourhood: **ROYAL OAKS**

Other neighbourhood to watch: **NORTHRIDGE**

	Population:	55,032
	Median price:	\$330,705
	Capital growth (12 months):	-2.7%
	Average rent:	\$894
	Vacancy rate:	1.1%

“Grande Prairie has a very diversified economy,” says D’Arcy Donald, associate broker with Century 21 Grande Prairie Realty. “It also has one of the youngest, if not the youngest, age demographics in Canada making for a youthful, energetic and entrepreneurial environment.”

Robust economic growth is boosting construction activity in the region. Grande Prairie experienced a 31.6% increase in housing starts to 225 in the second quarter of 2012 from 171 in the previous 12 months.

Neighbourhood to watch

Investors in Grande Prairie would be hard-pressed to find a “bad area”, according to Donald.

“Grande Prairie has done an excellent job of community planning so we don’t really have one single-family area worse than the others. Each of our family residential subdivisions offer a balanced mix of property types and price points. Because Grande Prairie is such a youthful community, the presence of schools within the subdivisions can be a deciding factor for buyers when making a locational decision.”

However, Donald does see some potential with the Royal Oaks and Northridge subdivisions, which are well-placed for hospital employees working at both the new regional hospital and cancer centre, which is currently under construction, and the Queen Elizabeth II Hospital. Currently, the Queen Elizabeth II hospital employs more than 1,000 people.

Capital growth potential

According to Donald, the capital growth potential for Grande Prairie is excellent. “We have just weathered the most recent economic setback and prices are still recovering so there is time to take advantage of current market opportunities with the anticipation of near term and long-term capital growth.” 🏠

AMENITIES

A \$540m regional hospital and cancer centre is being built in Grande Prairie to complement the existing Queen Elizabeth II Hospital. The city also offers post secondary education. Connected with a major transportation route, Grande Prairie has regular flights to Calgary and Edmonton.

WHY BUY?

- Low vacancy rates
- Strong economic growth in the surrounding areas
- Excellent amenities
- Growing population

While apartment vacancy rates tightened in three of Alberta’s five largest census agglomerations, Grande Prairie experienced the largest drop to 1.1% in April 2012, from 5.5% the previous year.

The growing city is strategically located between Edmonton and the Peace River oil and gas fields of northeastern British Columbia. Its proximity to these natural resource activities is fuelling tenant demand and driving average rental rates up, which hit \$894 in Spring 2012 from \$815 in 2011.

In addition to oil and gas jobs, the region also offers work in agriculture, forestry and food service industries.

BEST AREAS

Royal Oaks, Northridge, Signature Falls, O’Brien Lake, and Riverstone expansion.

BEST BUYS

The \$300,000 single family home with a double garage. The condo market is still in recovery but, with the vacancy rate dropping to new lows, this market segment is showing signs of life, says Donald.



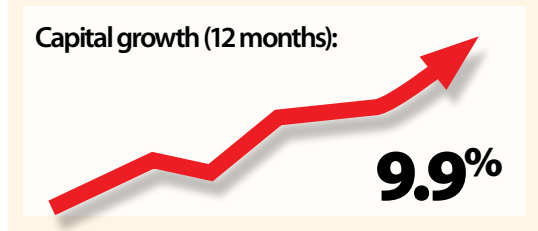


MEDICINE HAT



Top neighbourhood: **DESERT BLUME ESTATES**
Other neighbourhood to watch: **PARKVIEW**

	Population:	60,005
	Median price:	\$350,000
	Average rent:	\$661
	Vacancy rate:	7.0%



- WHY BUY?**
- Strong economic growth in surrounding areas
 - Good proximity to major employment centre
 - Excellent amenities

Also known as The Gas City, Medicine Hat's economy is driven by its large natural gas fields. However, other natural resources, such as coal, clay and farmland, play an important part in its growth. Robust job growth and rising migration have created tight rental market conditions across the province, and Medicine Hat witnessed a decrease in vacancy rates to 7.0% in April 2012 from 9.4% the previous year. Vacancy rates were lowest for one-bedroom units at 5.3%.

While average rents in Medicine Hat are \$661 – the lowest in the province – it does have several other draw cards, including the lowest combined tax rate in Canada, the lowest utility rates in Alberta and a sunny climate.

"It is a beautiful city, but also we are very central to a lot of the gas and oil activities. As well, we tend to see a lot of Saskatchewan residents support our area because we're so close to the border and we don't have the PST," says Natalie Heidinger, Realtor with RE/MAX Medalta Real Estate.



Neighbourhood to watch

Investors have plenty of opportunity in Medicine Hat, suggests Heidinger, depending on what they are after. "From an investing standpoint we're all over the map," she says. While the Parkview area "has been a tried and true area in terms of residential", she says Desert Blume Estates is showing a lot of promise.

"Desert Blume is one of our newer and more prestigious areas that support the golf course and is just a little bit outside the city but very accessible as well."

Desert Blume Estates includes a world-class pristine conditioned desert-style golf course and a 440 lot residential component set within the creek valley.

Heidinger adds there is a lot of new development going on in the southeast and northeast areas of Medicine Hat. "There's a nice mix of single-family homes that reach right into the \$800,000-\$900,000 range." However, she adds, single family starters in those areas can be found from \$240,000-\$250,000 as well.

Capital growth potential

According to the CMHC, a transition to balanced market conditions will boost price growth in 2013. The average prices are forecast to increase 2.3% to \$259,000 from \$254,000 in the resale market. 🏠

WHAT THE EXPERT SAYS



"Medicine Hat is a great place for investors because vacancy rates are traditionally low, rents provide a good return on investment, the overall market has been stable and the Residential Tenancy act in Alberta is very fair to landlords."

Cathy Sehn, Accredited Mortgage Professional, Verico Brokers for Life

- BEST STREETS**
Parkview, Desert Blume.
- BEST BUYS**
Single-family homes in \$275,000-\$350,000 range.

AMENITIES

Excellent. Medicine Hat is served by an airport, a long distance bus service and a local transit service. Attractions include the world's tallest tepee, the Medicine Hat Family Leisure Centre, and a large multi-purpose cultural centre. Retail giants Wal-Mart and Home Depot are also in the area. Medicine Hat boasts more than 100 kilometres of walking trails in the city, linking several major parks.



ST. ALBERT



Top neighbourhood: **NORTH RIDGE**

	Population:	61,466
	Median price:	\$525,800
	Average rent:	\$1,035
	Vacancy rate:	0.5%



St. Albert may have originally been separated from Edmonton by miles of farmland, but expansion of the Alberta capital has put the border of this suburb right at Edmonton's doorstep.

St. Albert's proximity to Edmonton and its distinct French/Metis heritage have made it a desirable area to live – with vacancy rates in the area the lowest in the Edmonton CMA, in fall 2011, at 0.5%. Increased demand is also putting upward pressure on rents with average rental yields in the area hitting \$1,035 per month in fall 2011 – an increase of 2.3% over the previous year.

"Historically, it's always been looked at as a community that's very stable and holds its price values very well," says Lynne Pipella, Sutton Group-Nor-Vista Realty. "There are a lot of factors that come into it, but the opening of Anthony Henday Drive gives us quick access pretty much anywhere and makes our travel time, even to the airport, very quick."

Pipella also notes St. Albert is an attractive place to live for oil and gas workers. "We've got a really different community in that St. Albert is an old city – it's not just a bedroom community, it's a city in its own right."

Robust job growth fuelled by the energy sector, rising incomes and increased net migration are all contributing to a buoyant housing market in the Edmonton CMA.

WHY BUY?

- Low vacancy rates
- Strong economic growth in surrounding areas
- Good proximity to major employment centre

Housing starts in 2012 will strengthen by 8% to 10,100 units. Average prices in the resale market were forecast to grow 3% in 2013.

Neighbourhood to watch

Pipella named North Ridge as being one of the best areas for investment. The prestigious community combines the "quiet of the countryside with a thriving city". While it's just minutes from downtown St. Albert, North Ridge is set against a natural landscape, with mature trees, walking trails and plenty of green space. Average listing price in September was \$524,910, but properties were starting out in the \$300,000 range.

In addition to natural beauty, the area is family-friendly and is serviced by three quality school systems, community walkways, and various lifestyle activities for youth and adults.

The community is located northwest of St. Albert and connects to the city via bus and easy access roads.

The community is mostly low-density residential developments, however there are seven multiple family sites dispersed throughout the neighbourhood.

Capital growth potential

"I feel strongly that our market has been stable for quite awhile and is creeping up. I think there is room for price growth because we do have very affordable housing here still," says Pipella. CMHC forecasts indicate average house prices will rise 3.0% across Edmonton CMA in 2013, while rents will increase 3.6%. 🏠

AMENITIES

St. Albert offers all the amenities of a major city, including a modern health care facility, an expanding bus transportation system and several education opportunities for all levels. Post-secondary schooling is offered at Athabasca University, which has a campus in the city, while the University of Albert, NAIT and MacEwan College are accessible by direct bus routes and roadways.

BEST STREETS
Grandin area, North Ridge.

BEST BUYS
Single detached homes under \$350,000.

Housing starts in 2012 will strengthen by 8% to 10,100 units



RED DEER



Top neighbourhood: **SUNNYBROOK**

Other neighbourhood to watch: **MOUNTVIEW**

Population: 90,564

Median price: \$332,000

Average rent: \$843 for a two-bedroom unit

Vacancy rate: 2.5%

Capital growth (12 months):



WHY BUY?

- Low vacancy
- Stable economy
- Mix of country and urban lifestyle



BEST BUYS

Land, more affordable older homes.

Well situated between Edmonton and Calgary, Red Deer is right in the middle of Alberta's growth corridor. The low operating costs has continued to attract businesses, and residents have also been attracted to the unique lifestyle offered.

The houses in Red Deer are fairly new, having been built within the past 25 years, and investors will note the vacancy rate is now down to about 2%, according to the Canada Mortgage and Housing Corporation. The vacancy rate was once closer to 8%, just a year earlier.

The CMHC predicted, in its latest report, tight conditions are likely to soon lead to rent increases for Red Deer. Land purchases are also in favour, given the demand for more new homes that expands beyond the city centre. The population gained about 10% in the latest census, as more living space is added and jobs created. Residential subdivisions surround the city centre in all directions, based around the Bow River.

Along with oil, grain and cattle production support the local economy, as well as tourism. It's essentially a central distribution centre for Alberta, and has a

potential market of more than 2 million people in a radius of 160 kilometres.

Topping the neighbourhoods with the strongest potential for solid growth in prices and rents is Sunnybrook.

Mike Wiseman of True North Realty grew up in the neighbourhood of Sunnybrook and attests the area's credentials as a homebuyer and investor hot spot.

"It is arguable the mature neighborhood of Sunnybrook is currently seeing the most positive increase in home value, with other areas like Mountview close behind," he says.

Wiseman points out Sunnybrook's desirability is due to its location, being in close proximity to green spaces, walking trails and forest. The elementary school within the area is also a big plus for families.

On top of this Wiseman notes the neighbourhood is very safe for growing families with the layout designed so there is only one main road and an abundance of closes/cul-de-sacs creating a safer flow of traffic in the area.

"With plenty of green spaces available, it is a great



VACANCY
RATE
2.2%

area to start growing a family while still maintaining a safe environment for your kids to grow up in,” he says.

Wiseman says there are a wide range of properties available for investors in the neighbourhood, with a minimum amount of apartments, townhouses and duplexes. The remainder of the neighbourhood is made up of single family detached homes of varying size and price.

“There is something for everyone,” he says. “The only thing to keep in mind is prices in Sunnybrook are creeping up. It seems like sellers have figured out they can get a few bucks more than if they were in other neighbourhoods.”

Properties in the area are tightly held and some homes sell privately before hitting the MLS, which, according to Wiseman, could mean people will pay a premium to be in the area.

Another neighbourhood in Wiseman’s radar is

Sunnybrook has the strongest potential for growth

Mountview. Located near downtown Red Deer, Mountview is a diverse community that enjoys some of the best locations in Red Deer, and has great walkability.

“Some of the finer locations in Red Deer are found in Mountview, including property along Spruce Drive backing onto the trail system, and Springbett Drive, which overlooks Waskasoo Creek and the downtown core to the north,” he says. 🏠



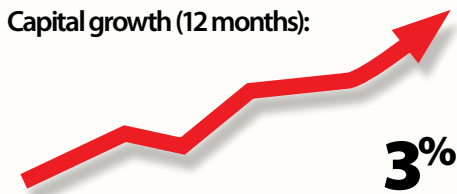


STRATHCONA COUNTY



Top neighbourhood: **ARDROSSAN**

	Population:	92,490
	Average price:	\$399,472
	Average rent:	\$1,067
	Vacancy rate:	4.7%



WHY BUY?

- Ideal for young families
- Oil & gas goldmine
- Low unemployment rate
- Tight rental market

AMENITIES

Fair. Although the new Ardrossan Recreation Complex is state-of-the-art and new retail developments are underway, the spread-out locale means they aren't as easily accessible as in other areas of Edmonton.

The combination of rural and urban is a lifestyle that is drawing many residents to Strathcona County.

Alberta's best-kept secret is starting to make some noise as a prime location for young families and professionals. The difference in the average sale price as of January 2012 was \$45,233 higher than the average price in Edmonton. The average resale price in January 2012 was \$417,264, and even the number of sales over the past year were up 0.7%.

Investors have caught wise to the many opportunities available in buying larger properties such as acreages,



VACANCY RATE
4.7%

such RE/MAX Elite realtor Geoff Pallett. "Many of our buyers are younger (25–35 years), and make \$150,000–\$250,000 a year," he says.

Strathcona County boasts the lowest unemployment rate of Edmonton's 19 districts, and it's one that sits well below the national and provincial average. A self-sustaining economy and a varied property market provides investors with many options.

Capital growth potential

"Prospects are excellent for this strong market to continue for the foreseeable future," says Pallett. 🏠

BEST AREAS

There has been an increased interest in acreages – residential country property – that make great homes for families.

BEST BUYS

Townhouses boasted a dead vacancy rate of 0%, dropping 0.4% from the year prior.



WOOD BUFFALO



Top neighbourhood: **FORT McMURRAY**

Population: 65,565

Median price: \$484,850*

Average rent: \$2,049 for a two-bedroom unit

Vacancy rate: 10.8%

* Relates to Fort McMurray, multi-family homes only

Capital growth (12 months):

16.3%

WHY BUY?

- Strong capital growth
- Good investment in infrastructure
- Strong rental returns for positive cash flow

Located alongside The Clearwater River, the greater area of Wood Buffalo, including the City of Fort McMurray, is a great place to live and to invest, says broker Colin Hartigan from Coldwell Banker, Fort McMurray.

“It’s basically a one-time remote location, which is not really that remote anymore,” he explains.

“In the past, a labour shortage has been an issue but this is starting to ease with migrant workers, as people are starting to understand that Fort McMurray is a community surrounded with oil sands that will last 100-plus years.”

Increasing the supply of developed land has been “the number [one] priority with local politicians in the past three elections”, while the city has also been focused on boosting local infrastructure.

“The start of construction of a new airport with customs handling facilities, the twinning of Highway 63, and the recent announcement of the expansion of one of three recreation facilities in the amount of

\$127 million is just the start,” Hartigan says.

“The addition of a four-lane bridge to the existing two-lane bridge over the Athabasca enforces the fact that the north is alive.”

One risk investors must take into consideration is the high vacancy rate, currently hovering around 10%. Felicia Mutheardy, a market analyst for CMHC, says more rental units are available in the region because oil companies are transferring more employees to work camps, with an estimated 30,000 workers currently living in the camps, up around 20% on last year.

Also, like a lot of resource-focused communities, it is the supply of and demand for that resource that largely influences risk for real estate investors.

“In the case of Alberta’s oil sands, the supply of the resource is vast,” he says. “Taxation rates are low, extraction methods have been fine-tuned and bringing it to market is only getting better.”

Neighbourhood to watch

The downtown core of Fort McMurray is where all the action is, Hartigan says, due to the capital investment being made by local government into what is dubbed the ‘Catalyst Projects’.

“Projects include a revamped public transportation system known as Whoosh, an extensive waterfront improvement scheme combined with a new civic and cultural centre, and the development of a new aging-in-place senior facility,” he explains. “This is all in addition to land sales by the municipality to the private sector, and construction of a downtown Convention Centre with a major sports arena.”

The desire to live downtown and avoid traffic delays is prompting many residents – both renters and homeowners – to move closer to the centre of town. “Land values will be expected to increase,” Hartigan adds, “As this incredible commitment to urban development only solidifies the amazing transition that is going to occur in Fort McMurray’s downtown.”

Capital growth potential

As with many locations, interest rates are “key” to growth in Wood Buffalo’s housing market, according to Hartigan. “If I was asked the same question three years ago, I would have said there was not much room [for appreciation], but the game is continually changing and I never fail to be surprised at the growth potential in Fort McMurray and surrounding areas, including Wood Buffalo.” 🏠

AMENITIES

Wood Buffalo has good access to amenities, including two major shopping centres, box stores, and major retailers including Walmart, Superstore and all major food chains. “Recreational facilities are world class and expansion is ongoing, including schools - both Catholic and public,” Hartigan says.

BEST AREA

Follow the population growth to ensure access to the widest possible pool of tenants, Hartigan advises. “The largest area of expansion is north of the bridge in Timberlea and, generally, is a sought after location to live,” he adds.

BEST BUYS

“The best buys in the market, which are in highest demand, are single family homes for those moving to Fort McMurray,” Hartigan explains. “Second to that would be homes with basement in-law suites, which are great for producing rental income.”



SASKATOON



Top neighbourhood: **VARSITY VIEW**

	Population:	222,189
	Median price:	\$369,000
	Capital growth (12 months):	2.5%
	Average rent:	\$976
	for a two-bedroom unit	
	Vacancy rate:	3.1%

WHY BUY?

- Affordable
- Low unemployment rate 5.9%
- Strong investment in infrastructure

Situated on the South Saskatchewan River (which splits the city into east and west sides), Saskatoon is located on a long belt of land rich in potash.

The world's largest potash producer, PotashCorp, has corporate headquarters in Saskatoon, as does the world's largest publicly traded uranium company, Cameco, and a \$1.5bn expansion of potash production capacity is on the cards in one of Saskatoon's surrounding communities.

Along with health, food processing and education industries – the University of Saskatchewan employs more than 7,000 people – these companies help underpin the region's strong local economy, which has translated into a low unemployment rate of just 5.9%.

The local housing market is experiencing a "heightened period of demand", confirms the CMHC. Year-to-date (July), single-detached housing starts totalled 1,093 units, 23% higher than 2011 levels.

"The combination of slower price increases, fairly strong migratory inflows, and historically low mortgage rates bolstered housing demand across Saskatoon," reports a spokesperson for CMHC Saskatoon. "Over the next two years, Saskatoon's economy will also benefit from a wide range of major public and private sector investment in new and ongoing capital projects ... which will positively impact the region's labour market."



Neighbourhood to watch

A residential neighbourhood located near the centre of town and directly west of the University of Saskatchewan, Varsity View has a diverse range of low-density houses, detached duplexes and apartments.

At least a quarter of the local population is comprised of students but, due to its close proximity to downtown Saskatoon, Varsity View is also popular with young professionals and small families too.

With two local schools, four public parks, the university to the east, and easy access to all downtown Saskatoon has to offer, realtor Norm Fisher says local landlords are able to take advantage of the suburb's broad rental appeal.

"Given its close proximity to the university campus, Varsity View does offer many rental options for students. The area has a higher concentration of apartments and two-unit dwellings than most," he says.

"But, in spite of the fact home ownership in the area is below 40%, Varsity View manages to have an owner-occupied feel. For the most part, a reasonable level of pride is evident in the way homes are cared for."

Capital growth potential

The CMCH expects houses to appreciate at a rate of 2.4% in 2013, lifting to a median of \$378,000.

Amenities and infrastructure

Excellent. As the largest township in the region, Saskatoon is accessible via the Yellowhead Highway spur of the Trans-Canada Highway system (Highway 16), which connects Saskatchewan, Manitoba, Alberta and British Columbia. Saskatoon also has a number of higher education institutions, museums, art galleries, theatres and several shopping centres. 🏠

BEST AREAS

The West College Park location can't be beat, according to local realtor Norm Fisher. "It's within easy walking distance of Cardinal Leger School, College Park School and Evan Hardy Collegiate," he says. "The area boasts numerous beautiful park spaces ... and nearby College Drive provides quick access to the university campus, and endless opportunities for shopping and dining in downtown Saskatoon."

BEST BUYS

For a cheap investment, consider a student rental. Fisher is marketing one-bedroom, one-bathroom units for as little as \$139,000, located in the central City Park neighbourhood. "Residents enjoy easy access to Saskatoon's downtown core and the University of Saskatchewan campus. Most will find it a manageable walk," he says. "For those looking for an active lifestyle, the location is close to the Meewasin trail system and Kinsmen Park, perfect for running, walking and cross-country skiing."



REGINA



Top neighbourhood: **FAIRWAYS WEST**

	Population:	193,100
	Median price:	\$430,000
	Capital growth (12 months):	3%
	Average rent:	\$948
	for a two-bedroom unit	
	Vacancy rate:	0.6%

WHY BUY?

- **Extremely low vacancy rate of 0.6%**
- **Diverse local economy**
- **Low unemployment rate of 5.8%**

As the capital of Saskatchewan, Regina is a beautiful city that boasts a strong local economy, a thriving housing market and all the amenities and attractions residents could want.

“With an economy thriving with natural resources such as potash, uranium, oil and agriculture, our location is well-situated to take advantage of the opportunities present,” says Colliers International Regina president/broker Tom McClocklin.

A strengthening economy characterized by solid job growth, rising incomes and a lift in migration reinvigorated demand for housing across Regina in 2011. The local economy is underpinned by a diverse range of industries, leading to Regina’s low unemployment rate of 5.8%.

“Economic, job and population growth, coupled with mortgage interest rates near historical lows, are underpinning strong demand for housing in our area,” adds Gord Archibald, executive officer of the Association of Regina REALTORS® Inc.

“This level of demand ... has led to a reduction in days to sell and upward pressure on price. We are hoping to see more supply come on the market in the second half of the year to bring more balance to it.”

Neighbourhood to watch

New residential subdivisions in the north and east suburbs are developing at a rapid pace, to keep up

the with the region’s strong population growth. Focus your search on these carefully planned neighbourhoods and you’ll be on to a property investment winner.

The emerging masterplanned community of Fairways West is one such suburb. Built around a golf course and located around 15 minutes from downtown, the family-focused suburb is located near north west Regina’s thriving shopping district, reputable schools, plenty of parks and the North West Leisure Centre.

All of this, and still only fifteen minutes from downtown Regina.

“Fairview West is designed to be an upscale community in north west Regina,” explains Blair Foster, vice president of developments for Harvard Developments.

“I think geography is the defining feature of the area. If you look at the surrounding area, we’re bounded by a creek, a golf course and walkways, which creates a very tight geographic footprint and a subdivision where there is no through-traffic... That means the traffic in Fairways West is [only] your neighbours, which provides families with peace of mind when their kids are playing outdoors.”

Capital growth potential

Following a 3% increase in property values between 2011 and 2012, the CMHC expects the housing market to lift a further 2.8% in 2013. 🏠



BEST AND WORST STREETS

For the strongest demand, look for properties close to the action downtown and amenities such as Mosaic Stadium, just west of the city.

BEST BUYS

Demand is high and supply is low for units and condos, although this is starting to rebalance, thanks to increased construction of these dwelling types. Housing starts were strongest in the multifamily market, Souleyman adds, “where the inventory of unabsorbed units remains low”.

AMENITIES

Excellent. Regina has two city hospitals, dozens of elementary and high schools, Regina University and Saskatchewan Institute of Applied Science and Technology. Regina’s public space is dedicated to parks and green areas with bike paths, cross-country skiing venues and five golf courses. The city also uses a fleet of 110 buses – rather than trams, trains or subways – to transport residents between suburbs.



SWIFT CURRENT



Top neighbourhood: **DOWNTOWN CORE**

Other neighbourhood to watch: **NE AREAS**

Population: 17,535

Average price: \$240,000 (average 1,200 sq ft detached bungalow)

Vacancy rate: 2.8%

Capital growth (12 months):

3.7%

WHY BUY?

- Prices yet to peak
- Infrastructure investment boom
- Solid private spending
- Accessibility

Swift Current has been a quiet performer over the last few years, but the investors have now started discovering its offering.

According to local real estate agent, Trevor Koot of 306 Real Estate Inc, there has been a great deal of interest in the local market from both national and global investors, lured by the steady increase in rental rates for multi-residential properties over the past six years, which in turn triggered price growth in this market.

“The increasing number of businesses and services setting up shop in Swift has added pressure on the labour market, resulting in a bump in demand for residential and commercial rental space,” he says.

Swift Current has been able to enjoy the benefits of a strong economy which has positively influenced the real estate market says Koot.

“It truly is a great time to invest in Swift Current. With a track record that shows steady, managed growth and all signs pointing to the same in both the short and long term future, now is the time to make Swift Current home to your investment dollars.”

Tyler Bragg, president and CEO of Pinnacle Financial Services agrees and adds that there is still a tremendous upside to investment in Swift Current as it

has not yet realized its full potential on rate of return.

“Rents and values continue to increase while market capitalization rates continue to decrease,” he says.

He also points out there appear to be no end in sight for further infrastructure investment and economic growth in the area. Meanwhile, agriculture, oil and gas, wind energy and other industries continue to show confidence in the area.

The increasing oil activity in the region surrounding the City of Swift Current has drawn strong interest from workers coming from other cities and this trend is expected to continue according to Bragg.

“One of the largest oil companies in the region, Crescent Point Energy, anticipates significant investments into their drilling program over the next number of years. This bodes well for the City of Swift Current as many service companies will be either expanding or relocating to the city to take advantage of this opportunity,” he says.

Bragg also noted post-secondary education expansions now offer several full undergraduate programs, including nursing, and is the only institution to offer a wind turbine program in the province.

Swift Current’s population has grown tremendously in the past few years to the point where additional lands had to be incorporated into the city limits as development had reached the existing city boundary. Between 2009 and 2010, population rose to 18,600 and expected to surge to 20,000 by 2020.

Property prices are yet to peak and there is plenty of upside to come over the near to medium term

Capital growth potential

Strong. Property prices are yet to peak and there is plenty of upside to come over the near to medium term. Solid population growth and strong local economy would continue to fuel demand that would trigger further price increases. 🏠

BEST AREAS

While the entire community is attractive, the downtown core may offer the best potential according to Bragg. “The downtown core has seen a significant amount of growth and regeneration and all signs point to that trend continuing. The NE area around the new hospital, schools and proposed recreational facilities will be in high demand as the area matures with planned transit improvements.”



BRANDON

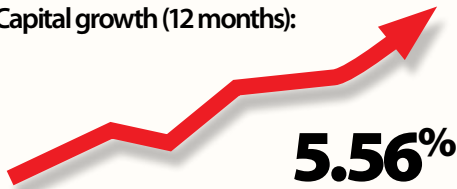


Top neighbourhood: **VALLEY VIEW**

Other neighbourhoods to watch: **WAVERLEY, LINDEN LANES**

	Population:	46,061
	Average price:	\$203,438
	Rental yield:	3.62%
	Vacancy rate:	0.7%

Capital growth (12 months):



BEST BUYS

There's a strong demand for affordable housing and condos in the \$180,000–\$240,000 range. Rental properties near schools in the north end of the city and within the city are also worth considering.

WHY BUY?

- Low unemployment rate
- Growing population
- Diverse economy
- Affordable homes

A near-zero vacancy rate has been the calling card of Brandon's investment real estate market for years.

It's the second largest city in Manitoba, with a population growth and rental market boosted by immigration as well as four post-secondary institutions. And for now, a limited supply has kept many of the residents renting, and often with limited options.

Part of the issue, says Darren Giilck, president of the Brandon Real Estate Board, is that new construction has been limited by the cost of land and labor. There are also few opportunities to build multi-family units. Projects that usually go forward are usually earmarked by the developer rather than individual investors.

"The rental market is still tight," he says. "There are new units constantly coming on the market, but the rental rates are out of reach for some. They have to go with lower-rent options like basement units."

So what's drawing people to the southwestern city?

Kit Harrison, a realtor in the community, has a one-word explanation: "Jobs." The unemployment rate in the city, as of July 2012, was just 5.4%, far below the national average of 7.3%.

The largest private employer in town, Maple Leaf Foods, is responsible for over 2,000 jobs. From 2004 to 2009, roughly 1,700 foreign workers moved to Brandon to work at the facility.

As the largest city in the western part of the province, Brandon attracts a diverse population.

"We have retirees, immigrants, Canadians seeking oil patch work, oil companies relocating here, and we have very steady agricultural-related jobs here," explains Harrison.

He estimates home values have doubled in the last decade. The city's housing market wasn't shaken by the 2008 crunch because of the steady local economy.

"In the last two years, we've had a very high demand for commercial and residential properties," Harrison says. Developers are "feverishly trying to meet the demand." From January to July 2012, the city saw 152 housing starts, up 36.9% from the year before.

The strongest demand from buyers are for traditional family homes in mature neighbourhoods in the middle price range of \$200,000–\$300,000, says Giilck. Those neighbourhoods include Valley View and Waverley in the northwest, and Linden Lanes in the west.

Capital growth potential

The tight housing supply and roaring demand from buyers and renters ensure solid growth in prices should be strong in the near to medium term.

Amenities and infrastructure

There's a city bus service via Brandon Transit. Brandon regularly organizes literary and musical festivals. The city plans on creating a series of recreational hubs – the first of which is under construction and will offer a beach volleyball court, BMX park and picnic areas. 🏠



WINNIPEG



Top neighbourhood: **NORTH KILDONAN**



	Population:	663,617 (2011)
	Average price:	\$269,175
	Average rent:	\$1,400
	Rental vacancy rate:	1%

WHY BUY?

- Stable market
- Average prices still affordable
- Great cash flow potential on relatively small investment
- Growing economy
- Lots of choice for real estate investors

With over 100 languages spoken and a diversified economy in the finance, manufacturing and transportation industries, Winnipeg has much to offer in terms of choice and growth. According to the Conference Board of Canada, Winnipeg is the third fastest growing economy in Canada among the major centres.

Demand for new homes in Winnipeg should remain strong especially among 'move-up buyers' who seek to take advantage of equity gained on existing homes. The relatively low number of listings available in resale market will also leave buyers with a limited selection.

Supported by low mortgage rates and heightened migration, sales of existing homes in the Winnipeg market posted a gain of over six per cent in 2011, reaching 12,297 transactions.

"Winnipeg has been a stable market and continues to be largely due to good immigration (about 10,000 people per year) and a stable economic environment. There will be about 14,000 homes sold on the MLS system this year, notes Allan Asplin, team leader with Judy Lindsay Realty in Winnipeg.

"Average rents on a \$260,000 home would be between \$1,200 and \$1,400 per month (with utilities). There are lower-end homes still available between



WINNIPEG



Winnipeg offers arts, higher education and a stable economy

\$100,000 and \$140,000. A lot of out of town investors like these because they can be rented for \$600-\$900 per month giving a greater cash flow," says Asplin. He adds that some of these lower-priced properties may have higher maintenance fees associated with them.

Capital growth potential

The vacancy rate in Winnipeg has been below two per cent since 2001. The CMHC expects little change in the rental market and a steady supply of new renters. However, demand pressures will somewhat ease, resulting in a modest increase in the vacancy rates.

Amenities and infrastructure

Good. Although relatively small by city standards, Winnipeg has much to offer by way of arts, higher education and a stable economy. 🏠

How much income do you need to buy in Winnipeg

- Average sale price of \$269,175
- Average down payment: \$12,500
- Property taxes: \$2,400 per year
- Income needed: \$55,300 per year
- Monthly payment : \$1,174.69 principal and interest

Calculated by Marty Coubrough, broker/owner, Verico One Link Mortgage & Financial. Telephone: (204) 954-7620

WHAT THE EXPERT SAYS



"We have a strong real estate market in Winnipeg and Manitoba. Overall, the August stats are on a record pace again with unit sales up 2% over 2011 and 7% increase in dollar sales volume. Average sale price in

Winnipeg is the second lowest average sale price in Canada."

Marty Coubrough, Verico One Link Mortgage & Financial

VACANCY RATE
1%

WHERE TO BUY

North Kildonan is known for its quality of life. It has a great school division and has a Gateway Trail along the old railway trail bed – an eight-foot-wide asphalt trail that runs several kilometres.

BEST BUYS

An average two-bedroom apartment. Rent in the Winnipeg area increased from \$837 in October 2010 to \$875 in 2011.



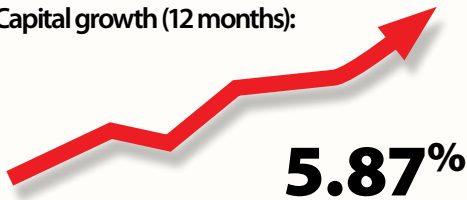
AJAX



Top neighbourhood: **NORTH OF SALEM AND ROSSLAND ROADS**

	Population:	109,600
	Average price:	\$333,393
	Rental yield:	7 to 10%
	Vacancy rate:	2%

Capital growth (12 months):



WHY BUY?

- Great proximity to Toronto
- Ideal for families and commuters
- Population is on the rise
- Stable economy and job prospects

One of the GTA's neighbouring communities has swiftly gone from farmland to commuter gem. Popular with young professionals and families looking for easy access to Toronto without paying city rent, Ajax is swiftly becoming one of the more popular areas to settle.

"Short commutes to Toronto, combined with the housing market growing drastically, have led to Ajax's popularity," says Michael Plowman of The Dan Plowman Team and Clear Goal Realty. "The population has boomed."

Downtown Ajax is undergoing several improvements to infrastructure, such as realignment of streets, new parkettes being developed and the restoration of conservation land. Coupled with the city's already sublime waterfront location, it's no wonder tenants are flocking to this area of Durham region.

More than 2,000 houses have sold in this market in the past 12 months, and the average time spent on the market is just 22 days. Three bedroom homes with two



to three bathrooms are in high demand and, with just a 2% vacancy rate, investors are in a great position to fill these units.

Neighbourhood to watch

Local broker Sandy Cockburn, who works across the region with The Mortgage Centre, cites easy access to the 401 and 407 as having spiked interest from renters and property investors in recent years. Neighbourhoods in the north of Ajax are particularly popular, notes local realtor Pino Bruni, RE/MAX Jazz Inc.

"If you are looking to purchase in Ajax, north of the town offers newer homes close to all the amenities," he says.

"One of the best and newer areas is North of Salem and Rossland Roads. There is great infrastructure and again, it is close to both commuter highways."

Areas north of this intersection, such as Westney Heights, offer new builds, and an average house price of \$365,006.

Capital growth potential

With houses taking just three weeks to exchange hands, now is the time to snap up a savvy investment before it's too late. 🏠



AMENITIES

Excellent – ideal for young families craving a combination of suburban life and outdoor space.

BEST STREETS

North East Ajax and Nottingham.

BEST BUYS

Town homes, two-storey 3 bedroom & 2-3 baths.



BRAMPTON

Top neighbourhood: **FLECTCHER'S CREEK VILLAGE**

Other neighbourhood to watch: **SNELGROVE**



	Population:	523,911
	Median price:	\$383,000
	Rental yield:	3.3%
	Vacancy rate:	1.4%

Capital growth (12 months):

6.89%

WHY BUY?

- One of the fastest growing communities in the GTA
- Close to Toronto
- Affordable houses prices in comparison to other GTA cities
- High amount of housing starts

There are a number of cities within the GTA that growing in leaps and bounds, and Brampton is one of them. Located about a half-hour west of Toronto, Brampton is quickly becoming a hit with investors, especially those who are just starting out.

“Affordability for first-time homebuyers is great,” says Arlene Samuel of RE/MAX MyDaddyHomes Realty. “Many people start off in a condo apartment, and then move onto a freehold-style property.”

A strong market with affordable price has would-be buyers looking into purchasing properties. “The price points in Brampton are less expensive than in other cities, including Mississauga, Caledon, Toronto, and others,” he says.

With a number of new housing developments currently being built, Brampton is a city on the move, and its market is showing no signs of slowing down.

“Brampton gives investors tremendous value for their buck,” Samuel explains. “In addition, Brampton is expanding further west and east. [As a result], the new

home-builders in Brampton have increased their housing inventory twofold.”

More than Mississauga, Markham or Richmond Hill, Brampton has seen one of the biggest population booms in the Greater Toronto Area. The numbers from the 2011 census are staggering: the population in the city increased by 20.8% in just five years. In 2001, the city was nearly half its current size at 325,428.

Jim Broadley has been a realtor in the community for 22 years and has seen the changes first hand.

“Brampton used to be a fairly small town and it’s developed into a big city,” he says. “All the highways – the 407, 410, 401 – they all make Brampton accessible which has stimulated the growth unbelievably.”

While the city is known for its subdivisions and new homes, Broadley insists the housing stock is more varied. “You can get anything you want. From townhomes to large, upscale properties to old-world type homes.”

Because of its competitive prices, the city is largely seen as an alternative to pricier GTA suburbs such as Mississauga, Etobicoke or Georgetown.

“The financial situation makes it attractive to first-time buyers,” Broadley says.

Neighbourhoods to watch

Like many cities within the GTA region, Brampton is split into a number of smaller subdivisions. Samuel highlights the Fletcher’s Creek Village area as one of the best places for investment in the city.

Located at the northwest corner of Bovaird Dr West and Chingacousy Rd North, Fletcher’s Creek “is a fairly new development that is centrally located,” says Samuel.

“The prices of homes [in that area] are very affordable for first-time or move-up buyers,” Samuel says of Fletcher’s Creek’s affordability.

With a total of 114 sales made since January 2012, and average prices ranging from \$319,000 to \$595,000, investors are beginning to discover that Fletcher’s Creek is a wonderful place to both live and invest in.

Fletcher’s Creek’s proximity to Brampton’s city centre is also a major selling point, as Fletcher’s Creek is just a short ride away from most shopping.

Capital growth potential:

The CMHC anticipates detached housing in Brampton to outperform as the prices are relatively affordable in comparison to other GTA municipalities. 🏠

BEST AND WORST AREAS

Heart Lake and Snelgrove are both extremely popular. Neighbourhoods near the airport are less so.

BEST BUYS

Single-family detached homes are always popular. As of July 2012, the Benchmark price grew by 7.28% compared to the previous year.

AMENITIES

The suburb has a number of big stores and malls such as Bramalea City Centre and Shoppers World. The city recently introduced Züm, a new Bus Rapid Transit plan that runs to York University and has plans to build and LRT line to Mississauga.



BRANTFORD

Top neighbourhood: **DOWNTOWN BRANTFORD**



Population: 93,650



Average price: \$251,654

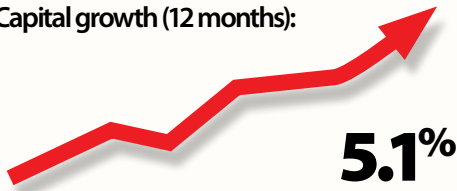


Average rent: \$807
(two-bedroom unit)



Vacancy rate: 1.3%

Capital growth (12 months):



Situated around 100km southwest of Toronto, Brantford has been going through something of a revitalization process in recent years.

“If you have visited our downtown city centre in the past three years, today you would find it almost unrecognizable with the revitalization that has taken place,” confirms Michelle Amey, Broker of Record and owner of Coldwell Banker Homefront Realty.

“Many of the old shops have been torn down and replaced with trendy new shops, and we’ve got lots of student housing, not to mention the casino. Harmony Square now hosts many fundraisers and outdoor concerts that light up our once-dingy streets.”

It’s all good news for residents and investors in the community, where the average property price is \$251,654. Local employment is strong, with Procter & Gamble and confectioners Ferrero SpA located within Brantford.

“It is geographically located almost halfway between two U.S. borders and therefore an ideal choice for industry,” Amey says.

Vacancy rates have fallen from 3.7% in 2010 to 1.3% at present, which Amey believes is “largely due

to the increased enrolment and growth at Wilfred Laurier University”. Over the past three years, sales listing inventory has decreased year-on-year by “an average of about 7% per year”, she adds, and while sales have slowed slightly as well, that gap between supply and demand is widening.

Neighbourhood to watch

Strategically located within easy access of both Toronto and Niagara Falls on the U.S. border, Brantford is a built-up residential community with plenty of investment options.

However, Amey believes the best value exists near downtown, in the luxury residential area that borders the Brantford Golf and Country Club and the Grand River.

“In these executive residential areas, homebuyers – if they are patient – can expect to find homes that are 30 to 60 years old, at least 2,500 square feet in size, and priced from \$400,000 and up,” she explains.

The area is home to some of the more expensive properties in the city, so a clever investment strategy could involve buying the ‘worst house in the best





WHY BUY?

- Affordable
- Popular with first homebuyers
- Proximity to nearby major towns
- Going through process of upgrade and renewal

street'. This allows you to leverage off the capital growth of your pricier neighbours, without outlaying huge amounts of cash yourself.

"This luxury and executive real estate is uniquely designed, as it has large, mature treed lots, access to the walking trails of The Grand River, and some of the finest golf course views of The Brantford Golf and Country Club, which is a private club and one of the oldest in North America," Amey adds. "It's really one of the country's best kept secrets."

Capital growth potential

House prices grew 5.1% in the 12 months to June 2012, and the CMHC is forecasting a modest increase of 2% through 2013. "Risk factors in Brantford include that because it's a smaller city, substantial increases in values tends to take a longer period of investment time than in larger cities," Amey says. "It's not as much of a concern if the intention is to hold the investment longer term. Brantford has a history of stable values, and property prices are substantially lower than surrounding communities."

Amenities and infrastructure

Sports facilities are excellent, and "draw a population from much larger communities to our location", Amey explains, adding, "Our city is home to Wayne Gretzky!" Shopping options are plentiful or retail on a larger scale can be found within a 30 minute drive. In terms of education, Brantford is also home to Wilfred Laurier University, Mohawk College, and The W. Ross MacDonald School for the Blind. 🏠

BEST AREAS

"The north end of the city and northeast parts are the best areas of our community to live in, as they are easily accessible to Highway 403, and shopping and entertainment are largely located in those parts," Amey explains. "The housing in those areas is mostly of newer construction and therefore the maintenance and upkeep required is minimized."

BEST BUYS

Amey says the best buys in the city are single-family, entry-level, starter homes. "There are many located in mature areas of the city that have character and charm," she adds.









BARRIE



Top neighbourhood: **DOWNTOWN CORE**

Other neighbourhood to watch: **SOUTH END, NORTH BARRIE**

	Population:	166,634
	Population growth:	5.8%
	Average cost of single-family home:	\$302,905
	Vacancy rate:	1.7%



Barrie, about a 50-minute drive north of Toronto is a “bedroom” community that offers larger cities amenities but with a smaller town feel. It is often a stopping point for Toronto vacationers who are travelling to their summer cottages.

Because of its proximity to Toronto, as well as its more affordable real estate, Barrie is an attractive area for homebuyers and investors. Although sales are expected to be slightly higher in 2012 than in 2011, stronger growth is expected in 2013 as employment and income improve with a global economic recovery.

The vast majority of rental units have two bedrooms, a characteristic which appeals to the majority of renters in Barrie. One- and two-bedroom units had the biggest drop in vacancy rate.

“Real estate investors like myself choose to invest in Barrie for a few reasons,” says Mark Turcotte, a sales representative with Sutton Group – Incentive Realty Inc. in Barrie.

“There is a very low vacancy rate for rental properties, which produces a better return on investment and stronger cash flows. And over the last few years major infrastructure improvements, including continuous public transportation, steady job growth and economic diversification [have come online]. All of these factors make Barrie attractive to real estate investors.”



Neighbourhood to watch

Areas with the highest potential for capital growth and rental returns include Barrie’s South End (Mapleview & Yonge) and areas surrounding the Urban Growth Centre (downtown), as well as specific gentrification nodes at key intersections on arterial roads such as Yonge Street and Big Bay Point Road as well as Dunlop Street and Anne Street.

The South End of Barrie has been a hot spot for investors for many years because of the anticipation of the GO Transit service returning. Real estate surrounding this area (within a radius of about 900 metres) has retained value because of the demand for access to the GO Transit service. The addition of Park Place and further development of Mapleview Business Park indicate housing will remain in demand in the area, increasing prices here faster than other areas.





The South End of Barrie attracts both professional singles and couples who want easy and convenient access to transportation (GO Transit and Highway 400 series), as well as younger families with small children in pre/middle school.

In this area of Barrie, rents are normally \$1,325–\$1,395 for a standard three-bedroom townhouse; while downtown, rents drop a little to \$1,225–\$1,325.

The downtown core is going through a major revitalization. It is an “Urban Growth Centre” with plans for a waterfront convention centre, the restoration of the historic Allandale Train Station as the second GO station, an expansion of Royal Victoria Hospital and a complete overhaul of Lakeshore Road along the waterfront. The areas in and surrounding this growth location will benefit from the intense building works during the next few years.



WHY BUY?

- Close proximity to other major metropolitan areas
- Low vacancy rates
- Greater infrastructure improvements
- Growing employment
- Economic diversity

Downtown attracts more single professionals, many of them in the medical profession who benefit from being close to the hospital. Families renting in this area tend to have children aged in their teens rather than infants or toddlers.

Investors targeting standard townhouses in these areas can expect to pay anywhere between \$190,000 and \$225,000.

Capital growth potential

CMHC expects price growth rate to slow during 2012 and into 2013. It now expects the average listing price to climb 5.4% to \$303,030 in 2012 and slow right down to 1.1% in 2013. However, Barrie’s booming economy will attract more people to the area which would support solid price growth in the near to medium term.

Amenities and infrastructure

Tourism plays a big part in Barrie’s economy and appeal. Situated on the foot of Lake Simcoe, Barrie offers children and adults something to do both summer and winter. Skiing is a big industry around Barrie. 🏠

WHERE TO BUY

North Barrie is a well-established neighbourhood with a wide variety of homes with large lots and trees. The area is also home to student housing and a hostel for Georgian College.

BEST BUYS

Townhouses under \$200,000.



AURORA



Top neighbourhood: **BAYVIEW/WELLINGTON**



Population: 53,203



Average price: \$ 515,000
(Toronto Real Estate Board)



Average rent: \$945
(Fall 2011 CMHC)



Vacancy rate: 1.0% (Fall 2011 CMHC)

Capital growth (12 months):



WHY BUY?

- Low vacancy rate
- Planned urban expansion
- Good transportation links to Toronto

Located just 20km north of Toronto, Aurora is a convenient residential area for those commuting to work in the big city. According to Mike Bishop, RE/MAX York Group Realty, the community's transportation links are a major selling point. "You've got the trains, highways and the buses. And there's so much to do in Aurora, but if you don't find what you're looking for you can always drive to Toronto."

Aurora residents are among the most affluent in Canada, with the average household income \$155,463 in 2010.

The city has developed a plan called The Aurora Promenade, which was created to revitalize the downtown. It anticipates 2,930 additional residents will live along the Yonge and Wellington Street corridors. There is also significant growth occurring in the north-eastern area of Aurora, as an increasing number of high-density residential homes and townhouses sprout up along Bayview Ave and north of Wellington St.E.

Vacancy in the area dropped to 1.0% in fall 2011, compared to 2.1% the previous year. According to

the CMHC Fall 2011 report that included Greater Toronto Areas, including Aurora, vacancies in the region declined due to a rising population of younger households, improved employment conditions and a slower outflow of renters into homeownership. Meanwhile, supply remains low.

The CMHC anticipated continued demand would push up average rents by a somewhat higher amount than the Ontario Rent Review Guideline of 3.1%.

In Aurora, there were 165 starts in June 2012, compared to three the previous year. Of those starts, 157 were apartments.

Neighbourhood to watch

The area to watch in Aurora is Bayview/Wellington, says Bishop. "The value of real estate in Aurora has been increasing steadily over the past few years. Within Aurora the Bayview/Wellington area is a good location for investors who are searching for townhomes or semi-detached homes to rent."

In addition to having excellent transit links, the area has the advantage of being close to numerous amenities, including great schools and nature trails.

Bishop points out, however, that lot sizes are generally smaller and, due to its age, has less mature trees. "Generally, the variety and affordability of these newer homes attracts many first-time buyers. These factors should influence selling your purchased property in a more timely fashion and cashing in on your investment down the road."

When it comes to this particular area, Bishop speaks from first-hand experience. He actually started out in Bayview/Wellington 12 years ago, citing the area's conveniences as being a major draw card.

"However, as our family needs grew, we moved further west into a more mature quieter area with larger lots."

For more specific information on the region go to www.LookingInAurora.com.

Capital growth potential

"I can't predict the future, but the market has been very strong in the past couple of years," says Bishop. "We do have a lot of people moving up from Toronto and I think it's going to help our economy."

The CMHC Housing Outlook for Toronto CMA forecasts average prices in the resale market will increase by 2.0% in 2013, while two-bedroom average rents will be \$1,217. 🏠

BEST STREETS

Close to the train station, Yonge street, in the Wellington area

BEST BUYS

"Due to the housing prices being so high, the only way I think you could turn a house into an investment is by converting it into a tri-plex. However, we simply do not have a lot of tri-plexes in Aurora," Bishop says.

AMENITIES




Aurora is serviced by York Region Transit and VIVA, and is well connected to Toronto via the GO train and buses. Several major roads run through Aurora, linking it to the region. The city has a vibrant theatre scene and numerous recreational activities. There are educational facilities for all levels, however the closest hospital is Southlake Regional Health Centre in Haymarket. A plan to revitalize downtown will boost commercial activities and create a vibrant atmosphere in coming years.



BURLINGTON



Top neighbourhood: **DOWNTOWN BURLINGTON**

	Population:	175,779
	Median price:	\$385,000
	Capital growth:	2.8%

WHY BUY?

- Steady annual population growth
- Low crime
- High quality of life
- Most affordable in Halton region



Of the growing communities west of Toronto, Burlington is one of the best valued. A median price of \$385,000 makes it the most affordable community in the popular Halton region, and only Brampton is slightly lower within the entire Toronto area, according to July stats.

Proximity to nearby industry jobs, as well as an overall diverse economy, has kept local demand steady over the years. The population has never declined in the five-year census, but it's experienced a more steady growth rate lately rather than the explosions of nearby communities like Milton.

Like Oakville to the northeast, Burlington has a lakefront, but it lacks a luxury market as is seen closer to Toronto. Many homes along the lake are modest, and it's reflected in the difference in price.

Along with the area's affordability, quality of life is one of its biggest draws. MoneySense ranked Burlington as the second best place to live this year, behind only Ottawa.

A concern going forward is that by 2031, Burlington will hit its population capacity of 195,000. Real estate investors who get in now will see an advantage, as demand for housing in such a location is only likely to continue to increase from that point.

Burlington has often been referred to as a bedroom community of Toronto because a large number of its residents commute to the city for work. Many businesspeople, software developers and other professionals make the 45-minute daily journey to

Toronto by driving on the QEW or by crowding onto trains at one of Burlington's three GO Stations. But to simply label Burlington as just another suburb of Toronto is to overlook many other important and interesting aspects of the city.

For instance, the city is home to more than 4,700 businesses, including Maple Leaf Meats, Cogeco Cable Canada Inc., Boehringer Ingelheim (Canada) Ltd., Genum Corporation, ABB Automation and L-3 WESCAM.

In addition, Burlington is looking to add another 10,000 jobs to its professional service sector over the next 10 years, including positions in scientific research, software development and financial services.

While the demand for condominiums in Burlington is deemed high right now, the city's jobs plan will ratchet up that demand even more as increasing numbers of professionals move in from Toronto.

For investors, Downtown Burlington is definitely the hot spot for waterfront condos in the GTA. Whether it's new or resale, local realtors say consumers have been quickly snapping up whatever condominiums the Downtown has to offer.

With demand massively outstripping supply, price growth is likely to take off.

Capital growth potential

The relative affordability is set to attract interest from homebuyers, while the strong yields and limited supply are likely to fuel demand from investors. 🏠

BEST STREETS

Maplewood Drive, Winterberry Drive, Penn Drive

BEST BUYS

Detached houses in established neighbourhoods

AMENITIES




Excellent. Quality schools, public transportation, a lakefront and parks, and reputation for a quality of life are all found here.



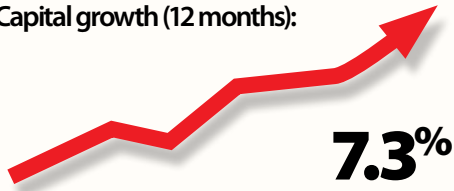
CALEDON



Top neighbourhood: **BOLTON**

	Population:	59,460
	Median price:	\$483,000
	Vacancy rate:	7.9%

Capital growth (12 months):



BEST BUYS Two-bedroom apartments

Caledon is located on the outskirts of the Greater Toronto Area, and while it has the advantages of being in close proximity to a large urban centre, it prides itself on having a small town ambience. The region is an amalgamation of villages and hamlets and at the heart of Caledon is Bolton, which sits on the eastern side adjacent to York Region. Caledon anticipates significant population and employment growth over the next 25 years and is building local amenities to accommodate that growth. Its current transportation infrastructure, which provides good transportation connections to provincial highways coupled with its proximity to the international airport, make it an attractive location for business investment. Agriculture plays an important role in the region's economy and going forward Caledon is hoping to support this industry through development of compatible agri-businesses and value-added products. It is also looking to grow its manufacturing industries and professional, scientific and technical services.

Meanwhile, CMHC statistics reveal a 42.4% increase in dwellings in June 2012, with 47 housing starts over 33 in June 2011, with the majority in row freehold and condominiums.

Neighbourhood to watch

The most populous community in the town of Caledon is Bolton. The village is in a valley, divided by the Humber River. Expansion continues on both sides.

WHY BUY?

- Proximity to Toronto
- Good transportation links
- Growing retirement destination

Just 50km northwest of Toronto, Bolton is accessed by two 400-series highways nearby, including Highway 427 and Highway 400.

Housing developments began near King Street, up to 15th Sideroad of Albion. Urban expansion picked up in the late 1970s and early 1980s and newer housing has cropped up toward the southern and western parts of Bolton, as well as the north.

In addition to being a cultural centre, the area offers great shopping amenities.

Capital growth potential

The CMHC Housing Outlook for Toronto CMA forecasts average prices in the resale market will increase by 2.0% in 2013, while two-bedroom average rents will be \$1,217.

Amenities and infrastructure

In addition to links to provincial highways, GO Transit operates two bus routes in Caledon. The region also offers a variety of educational opportunities, including secular and Catholic schools. Caledon is also known for its numerous walking trails and golf courses. 🏠



CHATHAM-KENT



Top neighbourhood: **DOWNTOWN CORE**

	Population:	103,671
	Average price:	\$142,000
	Average rent:	\$693 (two-bedroom unit)
	Vacancy rate:	4.4%

WHY BUY?

- Very affordable
- Good cash flow opportunities
- Shrinking vacancy rates
- Good proximity to Toronto

Located near the Canada/U.S. border, the rural coastal township of Chatham-Kent is gaining a reputation as an ‘up and comer’ in property circles. “Chatham-Kent is a well-established municipality with Chatham City at its centre, and a number of smaller surrounding communities,” says Tony Hill, a broker with RE/MAX Chatham-Kent Realty Inc.

“The area has a wealth of natural attractions, excellent cultural outlets, good schools and a wide variety of existing housing stock.”

Those who are considering taking advantage of the region’s affordable property prices would be best off focusing their search around the more populated centres of Blenheim, Chatham, Dresden, Ridgetown, Tilbury and Wallaceburg.

Here, vacancy rates have decreased from 5.8% in 2011 to 4.4% at present, and Hill says that figure is even lower for high-quality, well-kept homes.

“The vacancy rate for quality units is low, and the return is 8% to 11%,” Hill says.

Chatham-Kent’s broader economy has a base in the agricultural and automotive sectors, with Chatham’s roots in the automotive sector stretching back to Gray-Dort Motors Ltd, one of Canada’s earliest automobile manufacturers. Blenheim is also home to RM Auctions, the world’s largest vintage automobile auction house and RM Restorations.



However, the primary risk factor for investors considering Chatham-Kent, is southwest Ontario’s higher than average unemployment rate. This is something community leaders are actively addressing, and it seems to be paying off, with the C-K unemployment rate dropping from 12.3% in February to 9.3% in May.

“A lot is being done by the Chamber of Commerce, Chatham-Kent Board of Realtors and the Municipality to attract entrepreneurs to set up smaller manufacturing and service industries,” Hill adds.

Capital growth potential

In the short term, capital growth rates are not expected to surge, however the affordable property prices mean high cash flow opportunities abound. “If everyone’s efforts pay off, the potential is great, simply because entry level into our real estate market is so low,” Hill says. 🏠

AMENITIES

There is a good combination of main street shopping options as well as malls and big box stores. “We have a new Cineplex, Chatham Capitol Theatre and Kiwanis Theatre, a wide range of restaurants, Rondeau Provincial Park and beautiful beaches,” Hill says.

BEST AND WORST AREAS

With a substantial amount of rural housing in the region, it pays to do your research well to ensure you buy in one of the more populated areas. Out-of-towners are best off sticking with homes in and around Downtown Chatham.

BEST BUYS

Hill recommends investors go for properties that have the highest rental appeal. “For investment rental, the lower mid-range properties are best because they are affordable and can be rented at a good return.”



CLARINGTON



Top neighbourhood: **BOWMANVILLE**

	Population:	84,548
	Median price:	\$276,000
	Vacancy rate:	3%



WHY BUY?

- Affordability for GTA
- Population growth
- Lakefront



Although a bit further away from a Toronto commute than other GTA communities, Clarington is nonetheless one of the most affordable locations in the area at a median price of \$276,000. Toronto is an hour away by car, but the median price there is \$410,000.

For existing homeowners or first-time buyers, it's a prime example of how one can get something a little bigger than the budget would allow for in other communities nearby. It's also a rare opportunity for those who might be interested in a farm purchase not too far from Toronto.

Affordable locations such as Clarington will continue to make more economic sense for those willing to live a little further away. Plus it offers a subdued rural atmosphere that is attractive to many. Clarington itself is a fairly large area at about 138 square kilometres, although most of the housing is located in the communities of Bowman and Newcastle closer to the lake. But much of the overall area is still marked as farmland.

Clarington is comprised of a number of smaller towns, which include Bowmanville, Courtice, Newcastle and Orono. Each one has their merits, but, as one agent says, there is one neighbourhood

in particular that provides prospective investors with numerous opportunities.

"There is an area just north and south of Nash Road that is very good," says Lynne Marie Snarr of RE/MAX Ability Realty in Courtice.

Clarington has been a hit with certain types of people. As Snarr explains, "empty nesters, as well as upcoming families enjoy Clarington because it's a great area for them."

Investors are always attracted to lower prices. According to Snarr, properties in Clarington "can be bought for less than \$300,000." She also adds that average rent for basement apartments is \$850, while homes can be rented for up to \$2,000 per month.

For those looking for a nice, quiet place to both live and invest, Clarington is the perfect place to begin. "One of the things I find driving into Clarington is that you can feel the difference [from larger cities]," Snarr says. "It's very relaxing, and it's like a breath of fresh air."

A drawback can be a nearby gravel quarry that has some residents upset about air quality. But there are some tree-covered blocks near the water that are in good demand. New condo development has also sprouted up near the lake recently. 🏠

BEST STREETS

Lakebreeze Drive, Beech Ave.

BEST BUYS

Brick homes in Bowmanville.



CAMBRIDGE

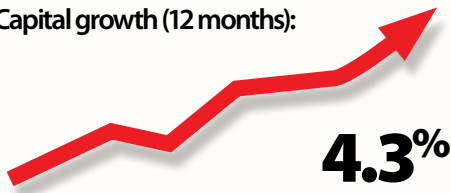


Top neighbourhood: **GALT**

Other neighbourhood to watch: **HESPELER**

	Population:	126,748
	Average price:	\$290,743
	Average rent:	\$904 (2-bed aptmnt)
	Vacancy rate:	1.8%

Capital growth (12 months):



BEST STREETS

Lansdowne Road,
Aberdeen Road,
Pollack Ave.

BEST BUYS

Converted industrial
buildings, brick
houses under
\$300,000.

Part of the Greater Region of Waterloo, Cambridge has regularly been a top real estate investment option in Ontario. The population has jumped from 77,000 to almost 127,000 since 1981, and hasn't declined yet in its history. The economy is underpinned by a Toyota manufacturing plant, and is at the gateway to Canada's Technology Triangle.

"Cambridge has a strong and diverse economy that outperformed most Canadian communities during the economic downturn," says Bo Densmore, Director of Economic Development for the city. "While the Cambridge community offers a wide range of employment opportunities because of our diverse economy, given our strategic location, the area is also a convenient commute to major markets such as Toronto and Hamilton."

Real estate investors looking for value are guaranteed to find something suitable, from fully detached estate homes to riverside condo living.

As an example, the average home (three bedrooms and garage) is priced around \$299,000 as compared to \$386,000 in Ontario and Canada \$361,000.

"Your dollar goes a long way in buying that home of your dreams," says Densmore.

There have been some new residential developments along the waterfronts in the neighbourhoods of Galt and Hespeler that have added to the mix, along with some conversion projects that have reclaimed old industrial buildings for residential dwellings full of character. Up to July 2012, the City of Cambridge issued 980 building permits and that number is up

WHY BUY?

- Steady real estate demand
- Value for real estate
- Diverse, young population

compared to those issued during the same time in 2011. The value of 2012 permits was nearly \$115 million for this time period.

New waterfront residential developments in Galt and Hespeler are meeting new demand, along with some conversion projects that reclaimed old industrial buildings for residential dwellings. The city has also been investing in improvements such as \$1 million for streetscaping in Galt that sparked private development.

Cambridge's largest regional infrastructure project in its history is currently underway – the building of a rapid transit network. Construction of the Dunfield Theatre Cambridge is nearly complete, while development of the 100-acre Boxwood Business Park will soon offer new Greenfield development.

Amenities and infrastructure

Excellent. There's Dunfield Theatre Cambridge, upgrades to community centres, road renewal, and Conestoga College Institute of Technology and Advanced Learning expansion to Cambridge on 131 acres, along with others. Expansion of the Region of Waterloo International Airport further supports industry. 🏠





HAMILTON

Top neighbourhood: **NORTH END HAMILTON**

Other neighbourhood to watch: **WEST HAMILTON**



Population: 519,949



Median price: \$215,675 (condo)
\$314,145 (freehold)



Average rent: \$714 (apartment)
\$843 (townhouse)



Vacancy rate: 2.9%

Capital growth (12 months):



WHY BUY?

- Attractive to homebuyers priced out of the Greater Toronto Area
- Will see commuter rail expansion
- Proximity to green space
- House values increasing
- Growing arts community

Steel Town continues to shine in the eyes of investors. Located on the western edge of the Golden Horseshoe, Hamilton is roughly at the halfway point between Buffalo, New York and Toronto. And it's the city's proximity to the Greater Toronto Area that's helping drive demand.

Cameron Nolan, President and Director, the Realtors Association of Hamilton-Burlington, has seen a number of GTA people buy into the Hamilton area.

"It's more affordable. If you're in east Toronto, you're an hour to your downtown work anyway. If you're in Hamilton, you're also an hour to your downtown work," says Nolan. "It's not a suburb of Toronto by any stretch of the imagination, but we certainly provide a great opportunity to live here and still work in the GTA."

Jeff Bonner, realtor with Jag Realty Inc., says all Hamilton districts have been on a positive average price trend over the last 12 months. But North End



Hamilton is a particularly popular up-and-coming area. This area is attracting young professionals and artistic types "with a very active community interest in strengthening the downtown core and many projects on the go or in conceptual stages," says Bonner.

A number of the old Victorian-era buildings have been adapted for new uses, whether it's live/workspace for artists or new condos. James Street North has earned the reputation of being the city's main artistic hub, with a high concentration of galleries and a monthly design crawl along the strip.



AMENITIES

Good – there’s a burgeoning arts and cultural sector with independent galleries along James Street North plus The Factory: Hamilton Media Arts Centre, Downtown Arts Centre, the Art Gallery of Hamilton. Dubbed the “Waterfall Capital of the World,” the city is close to countless Niagara Escarpment hiking trails.

The region is serviced by GO Transit and a number of highways including the Queen Elizabeth Way and Highway 403.

With a new commuter rail station earmarked for James Street North, GO Transit is planning on expanding services between Hamilton and the GTA in the next few years. The move will likely continue to make the neighbourhood popular with residents who work out of town.

A few condo developments have also sprung up in the area, in keeping with the city’s overall steady growth in construction. According to the CMHC, between January and July 2012, the city saw 1,978 housing starts, up from 1,192 in 2011. There appears to be plenty of demand: Bonner estimates that sales are up roughly 8%, though listings are down 8% in the city.

Other neighbourhoods to watch

The North End of the city may attract artists and young professionals looking for affordable homes, but West Hamilton is largely the province of investors. Thanks to McMaster University, there are plenty of opportunities for investors to purchase student rental properties.

“If you look at West Hamilton, they have a bit more of an upward trend on the pricing because that part of the market stays active. You list a house and it sells for the asking price within two or three days,” says Bonner, noting that properties can often sell for 30% more in this neighbourhood than in other parts of the city.

“That’s seasonal. You tend to get a spike a couple of months before the school year starts. The investors certainly keep that part of the market active and the prices are going up.”

Capital growth potential

The CMHC expects a moderate price increase in Hamilton homes. The vacancy rate has declined from 3.5% to 2.9% in the spring of 2012, suggesting higher rental returns. 🏠

BEST AND WORST AREAS

With access to waterfront trails, the Bayfront Park area in the North End is popular. Hamilton Centre has a higher number of rental properties and a bit more crime stigma.

BEST BUYS

Multi-unit properties and lower-priced single-family homes.

VACANCY RATE
2.9%



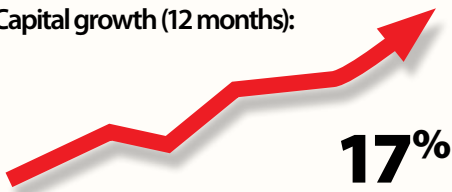
GREATER SUDBURY



Top neighbourhood: **NEW SUDBURY**

	Population:	160,274
	Average price:	\$234,202
	Average rent:	\$828
	Vacancy rate:	3.1%

Capital growth (12 months):



WHY BUY?

- Strong demand for affordability
- Room to grow
- Improving economy

Whereas most Ontario cities and towns bunch together around Toronto or Ottawa, Sudbury is a rare exception.

It's mostly alone, aside from numerous lakes, endless forests, and copper mines. Toronto is nearly five hours away, Ottawa more than six hours. But that distance has helped Greater Sudbury develop apart from the trends of Ontario's major cities and, instead, offer a more stable market backed by the town's own economic strengths.

In the past few years, it's been one of the best buyers' markets in Canada, with a median price close to \$230,000 in July. That's up 17% from the same time in 2011, but still half that of many Toronto area communities. A steady rental market has meant investors can still come here and expect to find tenants fairly regularly. But for investors to feel stable, the economy must continue to show signs of recovery as well. A concern for Sudbury is keeping enough young workers in the area, especially as more retirees open up positions in sectors like health care.

Of the many cities and towns in northern Ontario, Sudbury is a great place for investors. One of the biggest draws for investors is that Greater Sudbury is home to three post-secondary institutions: Laurentian

In the past few years, Sudbury has been one of the best buyers' markets in Canada

University, Cambrian and College Boreal. It all adds up to thousands of potential tenants for units near those schools.

As one agent explains, low vacancy rates are one of the main reasons why buyers choose to purchase rental properties in Sudbury.

"Our vacancy rate in Sudbury is under 2%," says Dan Gray, Broker of Record with RE/MAX Sudbury.

"So it's not really an area where people have a hard time renting."

Neighbourhood to watch

Like many communities within Ontario, Sudbury is divided into a number of smaller subdivisions, and some of these areas are ripe for investment. Of these many neighbourhoods, Gray puts the spotlight on New Sudbury and the city's south end.

"These are the most popular markets because, from an investment point of view, the return is good," Gray explains. Investors will find that New Sudbury and the south end offer many types of properties.

"The south end is mostly single-family (homes), but you also have multi-family apartment buildings in both areas," Gray says. "These are what attract investors, because they're in strong areas."

Both areas are also home to a number of amenities for residents.

"New Sudbury has all the box stores and the largest mall [in town]," says Gray. "The south end is also a popular area, with lots of malls and restaurants."

Capital growth potential

Few communities showed the same growth since last year in price, but Greater Sudbury nonetheless continues to show significant value over other Ontario options, especially when the rental market still remains so strong. 🏠

BEST STREETS

McNaughton Street, Aspenwood Court, Madison Avenue.

BEST BUYS

Newer houses in east side of city below \$250,000.

AMENITIES

Good. Quality schools, local public transport, and plenty of highways to get around.



GUELPH



Top neighbourhood: **ST. PATRICK'S WARD**

	Population:	121,688
	Median price:	\$294,000
	Average rent:	\$868
	Vacancy rate:	1.0%



WHY BUY?

- Boasts the only veterinary school in the province
- Large rental market comprised largely of students
- Economic development strategy in place to boost jobs
- High auction clearance rate

One of southern Ontario's oldest cities, Guelph is undergoing a facelift, turning this sleepy university town into a bustling investment hot spot.

It was announced in May that the federal government is set to invest millions in economic growth in Guelph. "These investments have created jobs at a critical time for Guelph's economy," said Minister of State Gary Goodyear. "Our government's support for the local economy has not only made a difference in the short term, but also set the foundation for future economic growth and prosperity."

The university drives the rental market, with three-bedroom, two-bathroom homes with laundry facilities in high demand. "Students like to seek the South End or Old University area, or close to the university, public transport and shops" says Cathy Dodd, Royal LePage Royal City Realty. She notes that investors should aim to charge \$500-\$600/bedroom in student rental units.

The south end is in high demand with university students

The explosion in industry in the city has prompted the market to heat up. In August, 264 new listings were reported, with the average selling time being just 30 days. With a ballpark range of \$265,000-\$325,000 for property prices, the combination of affordable property and a hot rental market spells good news for investors.

Neighbourhoods to watch

St. Patrick's Ward – affectionately known as "The Ward" by residents – sits just outside of downtown Guelph. There you'll find properties with a cheaper price tag than downtown, and the area is comprised largely of old Victorian homes and factories which are now being converted into condos. The Ward has a strong rental market, with 46.5% of the homes in this area being rented.

The south end of Guelph, close to the university, is also in high demand thanks to the student population. Re/Max realtor Kevin Hern notes that property is affordable in this area, too. "Scottsdale and Wilsonview are excellent areas for student rental investments," he says. "You can find two- and three-bedroom units under \$250,000 that are well-managed by MF Property Management."

The downtown core is also worthy of mention, says Dodd. "Streets such as Liverpool, Glasgow, Oxford, and Park, to name a few, are populated by classic old homes, many of them Victorian, Italianate, and some brick Gothic Revivals with spired gable roofs. Aside from the obvious architectural appeal of many of the grand homes in this area, the location is considered to be premium. Access to the amenities of the downtown is easy and includes shopping, restaurants, entertainment and the market," she explains.

Capital growth potential

"The Province of Ontario has identified Guelph among the fastest growing urban areas in Canada. Growth stimulates the local economy and makes our city a more exciting and vibrant place to live and work," says Dodd. 🏠

AMENITIES

Good. An effective transit system makes connecting to major services and city centres a cinch.

WHERE TO BUY

Investors should aim to buy in the downtown, Old University and South End areas for maximum ROI.

BEST BUYS

Detached single-family homes are the ones most in demand.

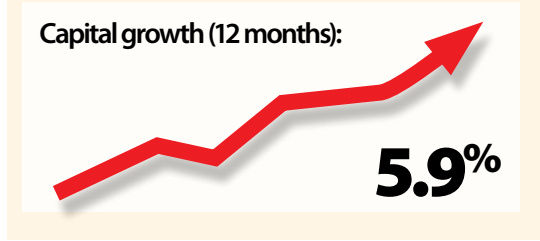


HALTON HILLS



Top neighbourhood: **GEORGETOWN SOUTH**

	Population:	59,008
	Median price:	\$520,000
	Average rent:	\$1,003
	Vacancy rate:	1.6%



- WHY BUY?**
- Good transportation links
 - Proximity to Toronto
 - Poised for business growth

Situated on the western edge of the Greater Toronto Area, Halton Hills is an amalgamation of several hamlets and towns, including Georgetown and Acton. The region offers the advantages of being close to a large metropolitan city, while retaining its small town charm.

While its close proximity to Toronto is a key driver, Ray Chesher, broker/owner of Your Home Today Realty Inc., says the community has a very good school system – both public and Catholic schools and very good GO Train access.

With lower land costs and property taxes than other GTA locations, Halton Hills is an attractive investment area for property investors and businesses. The region has one of the largest supplies of vacant/available industrial and manufacturing lands close to Toronto along Highway 401 – a highly sought-after transportation route.

Vacancy rates dropped slightly to 1.6% in Fall 2011 from 1.9% the previous year. Meanwhile average rents increased to \$1,003 from \$981 in 2010. The number of existing private apartments was 1421 in Fall 2011, with just over half of those being 2-bedroom apartments.

The newer part of town is quite popular with younger families

In Halton Hills, there were 23 housing starts from January to June 2012, compared to 30 in the previous corresponding period.

Neighbourhood to watch

Depending on the type of investment you're after, Chesher signals that there are several areas offering great opportunities in Halton Hills.

"There's no bad investment area in this town," he says. "There's less inventory here, it's a small community – one of the smallest close to Toronto, so it has a small-town feel, but has access to all the amenities of a big city."

According to Chesher, "the older part of town is undergoing a rejuvenation because you have a lot of empty nesters who are looking for smaller houses with larger lots. The newer part of town, in what is called Georgetown South, has a lot of newer-style inventory so that's quite popular with younger families."

Georgetown South was created in 1989 when farm land south of Silver Creek was developed into a new subdivision. The development was undertaken by Fernbrook Home and Canada Homes. Additional developments in the area include Arbour Glen, Stewart's Mills and the Four Corners.

Chesher indicates that luxury homes in excess of \$1m are also being built in Georgetown South.

Capital growth potential

According to Chesher, the market tends to rise in line with the Toronto market or greater. The CMHC Housing Outlook for Toronto CMA forecasts average prices in the resale market will increase by 2% in 2013, while two-bedroom average rents will be \$1,217. 🏠

VACANCY RATE
1.6%

AMENITIES

Halton Hills has excellent transportation links for road, rail, shipping and air. Bus service is provided by GO Transit along Highway 7 on its Georgetown link corridor. Via Rail and a GO Train service is provided at Georgetown.

BEST STREETS

Georgetown South, Wildwood Estates.

BEST BUYS

Anything between \$300,000-\$400,000, or 4-bd houses under \$500,000.



KAWARTHA LAKES



Top neighbourhood: **THE TOWN OF LINDSAY**

	Population:	73,214
	Average price:	\$257,500
	Capital growth (12 months):	1%
	Average rent, units:	\$560 (bachelor); \$788 (one-bed); \$943 (two-bed); \$1,074 (three-bed)
	Houses:	\$572 (one-bed); \$1,045 (two-bed); \$1,102 (three-bed)
	Vacancy rate:	4.1%
	Average days on market:	30



BEST AND WORST AREAS
As the Kawartha Lakes region includes many communities, it is sometimes difficult to determine which areas are best for investment. "The Kawartha Lakes offers many different areas, but every area has its pluses and minuses," Wilson explains.

BEST BUYS
"The new builds and waterfront," Wilson says. "Our new builds are reasonably priced for what they're offering, and our waterfront properties can't be beat."

The city of Kawartha Lakes is known for its warm, friendly atmosphere, and small-town charm. Located about an hour north of Toronto, it is a haven for tourists, who come there to take in its many sights and sounds.

Its rich, natural landscape has created a buzz among real estate investors, who are beginning to realize the potential of buying properties there.

"The Kawartha Lakes area offers a different lifestyle for people, from its vast lakes and rivers, to the warm and friendly communities," explains Cory Wilson of Century 21.

The real estate market in Kawartha Lakes is currently very strong, leaning more towards buyers than sellers. "Right now, the Kawarthas is a buyer's market," says Wilson. "We offer an abundance of wonderful homes and properties for sale and rent."

Wilson is very optimistic about the region's future, as he believes the Kawarthas provide numerous opportunities for investors. With winter on the way, Wilson believes the time to buy is now.

"Home prices are at fair market value, and that alone is a good reason to buy [properties] in the Kawarthas," says Wilson.

Neighbourhood to watch
Kawartha Lakes' main population centre, the Town of Lindsay is currently inhabited by approximately 17,000 residents. Widely known as the Gateway

- WHY BUY?**
- Road network provides access to the GTA and other places of interest
 - Good local transit system
 - Expanse of wilderness and natural landscapes
 - Easy access to over 250 lakes and rivers
 - Gateway to beautiful northern Ontario

to the Kawarthas, the Town of Lindsay attracts a large number of tourists all year round thanks to its rich heritage as well as its natural beauty.

Its location, being only about an hour-and-a-half drive from the GTA, adds to the town's appeal to both homebuyers and investors.

Home prices are among the lowest in the Kawartha Lakes region at around \$289,000.

Capital growth potential
"The Kawarthas is a rapidly growing area, with new people moving up here every day, and people always need a place to live and rent.
"Capital growth and rental return is at an all-time high," says Wilson. 🏠



KINGSTON



Top neighbourhood: **NW OF QUEENS**

	Population:	117,787
	Average price:	\$412,000
	Capital growth (12 months):	-0.1%
	Average rent:	\$998 (2-bed aptmnt)

WHY BUY?

- Large student population
- Diverse properties to choose from
- Better than average vacancy rate
- Local economy has been creating jobs
- Rental construction is up

Kingston is an historic Ontario town about halfway between Toronto and Montreal. Home of the prestigious Queen’s University, the former capital of Canada heavily relies on the public sector and its tourism industry for its economic well being.

New residents have been entering Kingston’s market in greater numbers. The prospects of tighter mortgage markets encouraged more first-time buying activity. Consequently, the second half of 2012 will see less growth in sales activity. As of May 2012, the number of rental structures under construction reached 368 units – significantly up from 190 units in May 2011.

An increase in student enrolments at Queen’s University and St. Lawrence College means more spill-over demand into privately initiated rental apartments located in the Downtown core. According to recent data from the university’s website, the overall growth in student enrolments at Queen’s reached 11.3% between 2006 and 2011.

“From an investment perspective, Downtown Kingston offers a variety of properties including condos, multi-family units, and single-family residences which cater to the rental market, which are Queen’s and St Lawrence students, families in transition, and executives and professionals working downtown,” explains Al Sytsma, sales representative with RE/MAX Realty Concepts in Kingston. “Kingston enjoys a better than average vacancy rate in the 1.0% range. Average



downtown price year-to-date is \$412,000, down slightly from \$416,000 for the same period last year, and days on market held steady at 34, while unit sales dropped to 107 from 121 last year.”

Brian Matthey of The Mortgage Professionals says the market hasn’t really experienced wild swings in prices as seen in some major cities. “Kingston has been the hidden gem of the real estate world for some years,” he says. “The 2011 average selling price of \$260,000 makes it one of Canada’s most affordable markets.”

Investors looking to maximize their returns and capital growth may want to look at the neighbourhoods closest to the university and college.

“Student rental properties traditionally provide the best overall returns,” says Matthey. “Many buyers get introduced to this market when they have a child attending Queen’s or St. Lawrence College and realize it makes good sense to buy for their child and rent excess space to their friends. Demand for this style of investment property has always been brisk but with low mortgage rates, prices have increased to \$80,000–\$100,000 per bedroom from \$50,000 per bedroom 10 years ago. While not as lucrative in the short term as it has been in the past, this type of investment still makes good long-term sense.”

Capital growth potential

Steady demand is expected to see modest price increases of 3.4% in 2012 and 2% in 2013. While this is lower than its performance over recent months, household income growth will help sustain prices according to CMHC.

BEST BUYS

Buyers looking for single-family and bungalow starter homes can look in Westbrook and Lawrence Park where prices are in the \$179,000 range.

AMENITIES

Boat tours, royal military academies and a prestigious university all make Kingston a diverse and exciting place to inhabit. Kingston is a two-hour drive from either Toronto or Montreal and is located near the St. Lawrence and the “Thousand Islands.”



KITCHENER



Top neighbourhood: **VICTORIA PARK**



Population: 219,153



Average cost of a single-family home: \$303,896



Average rent: \$916 (2-bed apartmt)



Vacancy rate: 2%

Capital growth (12 months):



WHY BUY?

- Fewer first-time buyers, therefore demand for rentals
- Immigrants and students seeking accommodations
- Demand is increasing
- Economic factors look promising
- Prices increasingly trending higher

The Kitchener-Waterloo (KW) region is home to two universities and a high-tech sector that has garnered worldwide recognition.

The region has three hospitals and is home to one of Canada's greatest "Oktoberfest" festivals that is held each year.

Kitchener has experienced increasing demand for rental accommodations mainly due to the fact that there have been fewer first-time buyers, there have been more students and young adults, and there has been stronger employment. Completion of new apartments has offset some of the downward pressure on vacancy rates.

However, while some renter households have put off their home purchases in 2011, some will now be ready to buy in 2012. This will increase the number of people leaving rentals, pushing the number of vacant units slightly higher. Still, immigrants and students will add to rental demand.

"We have a diverse economic base of high-tech, manufacturing and educational sectors," explains Bob Smith, broker with Verico K-W Mortgage.

"Our area population now exceeds 500,000 and it's expected to further expand with the support of substantial infrastructure improvements underway. We are also the top destination for new immigrants."

Capital growth potential

Prices are expected to continue to trend higher, fuelled by continuing strong demand. 🏠

AMENITIES

Good – a mix of high-tech industry with small-town charm makes KW an excellent place to make a home. Busy professionals, young families and retirees can all feel comfortable in this Southern Ontario region.

WHERE TO BUY

Victoria Park – beautiful older homes on tree-lined streets in the vicinity of Kitchener's largest downtown park where the city's famous clock tower stands. Also, Cherry Hill which is a mix of commercial, single-family homes and multi-residential dwellings.

BEST BUYS

In Kitchener, buildings built in 1990 or later have generally experienced the lowest vacancy rates, despite having the highest average rents. Renters are willing to pay more for units in newer buildings, which have more amenities.





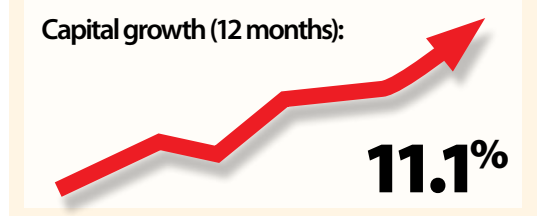
LONDON



Top neighbourhood: **NORTH LONDON**

Other neighbourhood to watch: **SOUTH LONDON**

	Population:	366,151
	Average price:	\$171,917 (condo) \$260,172 (detached)
	Average rent:	\$815 (apartment) \$910 (townhouse)
	Vacancy rate:	3.7%



- WHY BUY?**
- **Balanced market with affordable homes**
 - **New high-rise developments**
 - **Proximity to resort communities off Lake Huron**
 - **Employment rates slowly rebounding**

Dubbed the “Forest City,” it’s no surprise that homebuyers in London are attracted to its tree-lined streets. Located in southwestern Ontario, the city is roughly two hours away from both Toronto and Detroit.

While the city was hit hard with the closures of the Electro-Motive Canada plant and Ford Motor facilities in St. Thomas during the recession, the city has shown small improvements in the job market. As of July 2011, London-St. Thomas’ 9.2% jobless rate was the highest of any major city in the country. One year later, the unemployment rate has dropped to 8.6% in July 2012.

The North End of the city has managed to weather these job losses best. Many residents work in the nearby University of Western Ontario and the London Health Sciences Centre.

“The majority of the development is going into North London,” says Robert DiLoreto, a realtor with

Royal LePage Triland Realty. “The North End has always been the strong end of the city – even 30 years ago. It has the university, the hospitals and you’re basically 10 minutes from the downtown.”

DiLoreto says that though the market tends to be quite balanced, in January and February of this year student housing was booming.

“Those properties have been going \$40,000–\$60,000 over the asking price in a few instances. We couldn’t keep them on the market.”

Properties in the North End can range anywhere from \$300,000 to over a million dollars. DiLoreto points out it has remained popular due to the fact that the homes are priced according to their value.

“There’s good value for your buck. It’s always in demand,” says DiLoreto.

Other neighbourhoods to watch

Though the city’s vacancy rate is above the provincial average of 2.3%, it has dropped from 4.7% in 2011 to 3.7% in 2012. Developers have caught wind of a demand for rental accommodation. There are a number of high-rise rental properties under development, especially in the southwestern part of the city.

“The South End of the city is stable,” explains DiLoreto, “and you’re seeing some new commercial developments going up there, you’re seeing some offices going up, and on top of that there’s residential development.”

An apartment building near the John Labatt Centre was completed two to three years ago. On Pomeroy Lane near Southdale and Colonel Talbot Roads, a luxury 16-storey, 239-unit apartment is under construction and the developer is already planning a second tower.

Other areas that are showing signs of strength include acreages located 15 minutes outside the city, particularly north and west of London. DiLoreto says properties that range in size from two to 20 acres – hobby farms – have steadily increased in value as well.

Capital growth potential

The CMHC believes the market will remain balanced in 2013. DiLoreto estimates that North End homes have increased in value by roughly 3% year-to-date. “I think you’ll see something along those lines [in the future],” he says. 🏠

BEST AND WORST AREAS
Riverside Drive boasts a number of boutique properties that are quite in demand. In the southeast area, there’s a larger supply of homes on the market since many of the factory workers tended to live there in the past.

BEST BUYS
“If you can find a vacant piece of land that’s one to two acres in the North End of the city, that’s like finding a hen’s tooth,” says DiLoreto. The prices of vacant lots have grown steadily and buyers jump at tree-lined lots where they can build their own homes.

AMENITIES
Good. For transportation, there’s access to 401 and 402 highways, and London International Airport is 11km east of the city. The city boasts abundant green space with the Thames Valley Parkway and Victoria Park. The John Labatt Centre regularly hosts concerts and sporting events and Sunfest is one of the largest musical festivals in Canada.



MILTON



Top neighbourhood: **SCOTT**

Other neighbourhood to watch: **HARRISON**

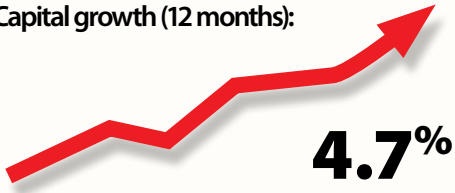


Population: 84,362



Median price: \$447,000

Capital growth (12 months):



WHY BUY?

- Fastest population growth in Canada
- Lowest crime stats in Canada
- Improving infrastructure

In explaining Toronto's condo boom in the past few years, many analysts have pointed to a shift from suburban back to more smaller and cheaper urban living near downtown amenities. But Milton has proved an exception, having the fastest population growth of any community in both the 1996 and 2001 censuses. Milton grew by 71% in 2006, then 56% in 2011, following two decades of non-existent growth. It's proven especially popular with young families seeking a large enough space that's still in their price range.

Set just under an hour west of Toronto, Milton is on the fringe of green space that still allows for heavy growth, and feeds off the overall demand of the area. Toronto gained 4.5% in its population, but there's few places left to grow in the city but up.

Milton officials have lauded the town's latest population growth and the ability of real estate developers to fill the housing demand, noting there's been strong condo buying activity lately. This remains a primarily detached home market still, however. Residents have started to note a concern with the growth: heavier traffic has pressured local roads. The city has also been working quickly to keep up with the need for more schools, as the numbers keep rising.

Along with growth, low crime is a point of pride for Milton. The Halton Region, which it is part of, posted the lowest crime rate in Canada in 2011,

according to Statistics Canada.

"Milton was ranked fastest-growing city in Canada," explains Sanjiv Khanna, an agent with RE/MAX Real Estate Centre. "It [the population] has been growing by 50% every year."

These annual increases in Milton's population will likely cause a housing boom within the town, as the demand for new housing will be higher. This, in turn, has caused prices to increase.

"Prices have increased by close to 10% year-after-year within Halton Region," says Khanna.

Neighbourhood to watch

Within Milton are a wide variety of different neighbourhoods that are worth investing in. Of these areas, Khanna highlights Scott and Harrison as a great area for people looking for rental properties.

"These two neighbourhoods are ideal neighbourhoods right now," Khanna says. "In Scott, the average price is about \$515,000 and, in Harrison, the average price is \$434,000." In addition, Khanna adds properties in these neighbourhoods, which include semi-detached and detached homes, "generally sell for 99% of the asking price."

Prospective investors will find that Milton is a great place to both live and invest in, due to the abundance of amenities available.

"It [Milton] is the only city close to the GTA open [for investment] right now," says Khanna. "It's in close proximity to the 401, 407, and QEW and, in the morning, there is a GO train every 10 minutes from Milton to downtown Toronto."

Capital growth potential

Strong population growth will ensure prices would continue to rise steadily over the near to medium term. 🏠



BEST STREETS

Savoline Blvd.,
Clements Drive,
Pettigrew Trail.

BEST BUYS

New condos, houses
under \$450,000.

AMENITIES

Excellent. The town has plans for a new velodrome, to be located within the Milton Education Village at the intersection of Louis St., Laurent Ave. and Tremaine Rd. A future GO Transit station is planned at the site as well.

The increases in population will likely cause a housing boom



MISSISSAUGA



Top neighbourhood: **CHURCHILL MEADOWS**

Other neighbourhood to watch: **MEADOWVALE**

	Population:	713,443
	Median price:	\$410,000
	Rental yield:	3%
	Vacancy rate:	1.3%



WHY BUY?

- Close access to Pearson International Airport
- High concentration of businesses
- Expanding transit service
- Focus on revitalizing the downtown

In 2010, two curving towers slowly rose from the City Centre region of Mississauga. And the skyline has never been the same. Known as the “Marilyn Monroe” towers, the Absolute Condo Towers are hourglass-shaped constructions that reach 54 and 50 storeys in height.

Above all, they prove that suburban architecture need not be boring. Designed by MAD Architects of Beijing, the towers won the Best Tall Buildings in the Americas award.

The bold shape is indicative of other changes afoot in the fifth largest community in Canada. The Downtown21 Master Plan aims to create a more walkable, sustainable centre for the city. Part of that involves increasing its density.

“We’ve experienced in the last five years or so the condo market growing quite rapidly and it’s only a natural development,” says Fawzi Mattar, president of the Mississauga Real Estate Board.

“We’re running out of land so we’re basically trading from within, with the inventory that we already have.”

Homes stay on the market for roughly 21 days, down from 23 days in 2011. Sales are up 2.4%. Though a small segment of buyers come from Toronto seeking deals, realtors like Gail Reeves believe the market is largely fuelled by immigration. In 2006, just over half of Mississauga’s population was foreign-born.

The city also has a highly educated workforce with roughly two-thirds of the population holding post-secondary degrees.

“We’re starting to see the knowledge workforce as one of the critical factors for companies to locate here,” says Susan Amring, manager of Economic Development for the city.

Mississauga boasts the third largest life sciences cluster in Canada. It employs roughly 25,000 people and has attracted a number of big companies like GlaxoSmithKline Inc. and AstraZeneca. Global companies have shown interest in the city as well due to its proximity to Pearson International Airport. Sixty Fortune 500 companies have offices in the city.

Capital growth potential

Mississauga’s excellent location and strong local economy are set to fuel strong demand for real estate in the near to long term.

BEST AREAS

Heartland is a fairly walkable community that’s quite popular and Churchill Meadows, a new subdivision with mixed housing stock is a favourite among first-time buyers and families. Meadowvale has a number of older homes and doesn’t have a high turnover rate.

BEST BUYS

A two-family home will provide extra rental income.



How much income do you need to buy in Mississauga?

- Average house/condo price: **\$458,393**
- Average house type: Detached and semi-detached, single-family homes
- Average mortgage in this neighbourhood: **\$233,550**
- Minimum salary needed to afford this mortgage: **\$40,571/year**
- Average monthly mortgage payment: **\$996.03/month**

Calculated by Dave Butler, Mortgage Broker, Verico Butler Mortgage. Contact 905.569.8326 or 1.888.684-8326 | F: 905.569.0277 or 1.888.684.8356 E: dave.butler@butlermortgages.com | W: butlermortgages.com

Amenities and infrastructure

GO Transit runs the Lakeshore West, Georgetown, and Milton commuter rail lines. The city has an expanded Bus Rapid Transit (BRT) project and is planning on building an LRT line to neighbouring Brampton. Shopping options include Erin Mills Town Centre and the Square One Shopping Centre, which boasts 1.7 million square feet of retail space. There's ample green space around Port Credit. 🏡

WHAT THE EXPERT SAYS



"Mississauga has been recognized as Canada's safest city for the 10th year in a row. It offers a variety of quality housing, first class schools, two extraordinary healthcare facilities and the enjoyment of more than 480 parks and trails.

Mississauga is home to the University of Toronto, Mississauga Campus and is the new home of Sheridan Institute of Technology and Advanced Learning Hazel McCallion Campus. The city also is within commuting distance to an additional 10 universities and 11 colleges. For investors of real estate, all of these attributes that Mississauga brings to the table make it one of Canada's top 100 areas to invest in."

Dave Butler, Mortgage Broker, Verico Butler Mortgage








MARKHAM

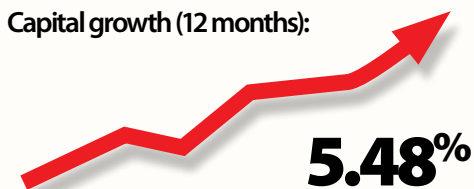
Top neighbourhood: **CORNELL**

 **Population:** 301,709

 **Median price:** \$347,173 (condo)
\$382,845 (townhouse)
\$789,783 (detached house)

 **Average rent:** \$1,027 (apartment)

 **Vacancy rate:** 0.3%



WHY BUY?

- High population growth in the past five years
- Home prices appreciating
- High concentration of tech companies
- Properties tend to sell quickly

WHAT THE EXPERT SAYS



"Markham is a diverse neighbourhood with excellent schools and is a fantastic place to raise a family. It's also a great place to invest in because it is one of Canada's high technology capitals with the presence of businesses such as Apple, IBM, Lucent, Motorola, Toshiba and Sun Microsystems, amongst others."

Allan Kates, Verico Northwood Mortgage Ltd.



As of July 1, 2012, Markham underwent a transformation. No longer a small town, the municipality officially became a big city.

"Thousands and thousands of new homes have been built. In the last 10 years, a whole concession of subdivisions have mushroomed northward," says Leslie Benczik, a realtor who has worked out of Markham for the last 22 years.

The city's population has similarly mushroomed, growing by about 15.3% from 2006 to 2011. Located northeast of Toronto in York Region, Markham has a mixture of brand new homes and heritage properties. Areas such as Unionville have century-old character homes and the city has retained a number of its old-fashioned main streets. Benczik says houses near Main Street Markham and Unionville have seen some of the highest price appreciations in the city.

The properties are extremely popular with buyers who want to capture the feeling of living in a small town while still being close to a big city like Toronto.

However, the region as a whole has seen rapid appreciation. "In the last two years,



VACANCY RATE
0.3%

BEST BUYS

Townhomes and semi-detached houses attract the largest number of buyers because of their affordability.



How much income do you need to buy in Markham?

- Average house price: **\$650,000**
- Average house type: **Four-bedroom detached**
- Average mortgage in this neighbourhood: **\$375,000**
- Minimum salary needed to afford this property: **\$65,000**
- Average monthly payments: **\$1,575**

*Calculated by Allan Kates, Vice President of Sales, Verico Northwood Mortgage Ltd. 416-969-8130
allan@northwoodmortgage.com
www.northwoodmortgage.com*

prices have risen at least 10% a year in the entire area,” Benczik says.

A property in Markham only lasts 19 days on the market, the shortest turnaround of any of the York Region municipalities.

Though many residents commute to work in Toronto via GO Transit, Markham has a solid employment base with several tech companies such as IBM and Cisco operating out of the city.

Experts tip Cornell as the best neighbourhood to invest in, thanks to its strategic location and desirability. The new planned community of Cornell touts many urbanist ideals and is a mixture of semis, townhouses and detached homes. With home prices ranging from \$400,000 to

\$700,000, it’s one of the most popular and affordable neighbourhoods in the city.

Capital growth potential

Both sales and new listings are up, year-to-date for July 2012 and house values continue to rise year over year.

Amenities and infrastructure

Good. Aside from shopping along the main streets of Markham and Unionville, there’s the Metrosquare Mall, the Markville Shopping Centre and Pacific Mall. The prestigious Angus Glen Golf Club regularly hosts tournaments. The city recently announced plans to build a \$325-million, 20,000-seat arena. 🏠

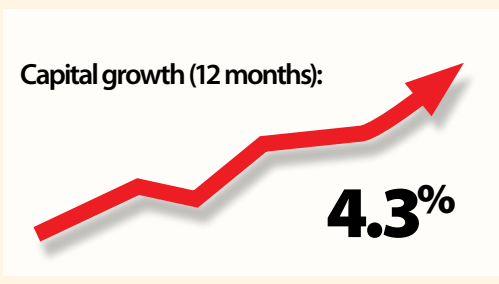


NEWMARKET



Top neighbourhood: **YONGE ST. NORTH OF DAVIS DR.**

	Population:	79,978
	Average price:	\$449,204
	Average rent:	\$945 (apartments); \$1,557(houses)
	Vacancy rate:	1%
	Average days on market:	21 days



WHY BUY?

- Strong industrial growth
- Properties selling faster
- Housing growing in response to employment at expanding hospital
- Close proximity to the GTA
- Easy access to other areas of interest, including Barrie and Georgina

AMENITIES

- Good local transit system
- Close proximity to two major highways (400 and 404)
- Vibrant main street with shops and restaurants
- Easy access to Fairy Lake Park and walking trails
- Home of the Upper Canada Mall, one of Ontario's largest shopping malls

York Region is home to many charming communities, each with their own distinct personality. Located north of the Greater Toronto Area (GTA), York Region is constantly expanding, which has investors interested. One town in particular that has attracted buyers' attention is Newmarket.

Newmarket is one of many towns that have experienced some growth over the years. As one agent explains, a burgeoning local hospital and industrial sector has investment properties selling faster than ever before.

"A lot of nurses [at the hospital] need places to live," says Richard Gibb of Keller Williams Realty. "Right now, investment properties do not last long on the market. They probably last about seven days at the most."

The rate at which these properties have been selling brands Newmarket as a seller's market. "I would say it's a seller's market right now," Gibb says, "but I do feel that there is a bit of a turn coming."

Gibb is confident that the rental market within Newmarket will remain in a strong, but stable position, which will attract more investors to the city. "I think the market will stay strong," says Gibb. "I don't think we're going to see a massive dip, but I do think we will see the market level out a bit."

Capital growth potential

"I would say it's increasing," Gibb says of Newmarket's capital growth potential. "The reasons for that are the growth of the hospital, the growth of our industries, and [the arrival of] big box stores here." 🏠

BEST AREAS

Says Gibb, "one of our better areas is the newer area [of the city], which is on the west side of Yonge St. north of Davis Dr. It's a very high-demand area, and people moving from other townships have a tendency to purchase there."

WORST AREAS

"There is a golf course in town that has recently been sold," Gibb says. "They're going to be eliminating nine of the holes and replacing them with different types of housing. Right now, when I'm showing homes, this is an area that I tend to shy away from."

BEST BUYS

"Condos are pretty good right now," says Gibb. "The reason for that is because we don't have many condo developments [in Newmarket]. In terms of lower-priced homes for people who are first-time buyers, condos have been increasing in value quite a bit over the past year."

In addition to condos, Gibb adds that single-detached homes are also a top seller in Newmarket. "Detached homes in the older area of Newmarket are very popular," Gibb says. "The reason for this is because the newer developments are built closer together, whereas the older detached homes are on more mature lots that provide more privacy."





NORFOLK COUNTY



Top neighbourhood: **WATERFORD**



Population: 63,175



Average price: \$203,000



Average rent: \$950

WHY BUY?

- Quiet part of southern Ontario
- Quaint, small-town atmosphere
- Located near Lake Erie, a popular tourist area
- Very popular with families and retirees
- Close proximity to major cities, including Brantford, Hamilton, and London

AMENITIES

Good road links to major cities, including Brantford, Kitchener, Waterloo, and Hamilton. There's also a new regional transit system, which provides connections to several communities within Norfolk County. The county offers access to numerous types of recreational activities, and it is a major resort area.

BEST AREA

Simcoe, Port Dover and Long Point. There are no bad areas.

BEST BUYS

Resale homes.



Nestled away in a quiet part of southern Ontario, Norfolk County is one of the most beautiful places in the entire province. With its small, quaint towns and its proximity to Lake Erie and a number of recreational outlets, Norfolk County has become a popular tourist area over the years. Although it generally evokes a rural atmosphere, Norfolk County has become a great place to invest in real estate.

One thing many buyers look for when finding new places to invest is stability. While the population is smaller, Norfolk County does offer market stability, which makes it attractive to would-be investors.

"[The market] is stable here," explains Linda Bonadeo-Boll, an agent with Royal LePage. "If you invest in a property, and you don't overpay for it, you will get a decent return over time."

Norfolk County is unfamiliar territory to many investors, but as Bonadeo-Boll states, people are quickly learning it is worth investing in.

"It's becoming more and more discovered by people from Toronto and Hamilton," says Bonadeo-Boll. "They're realizing they don't have to go north of Toronto to get to a nice resort area. They'll discover their money goes farther here, and word [about the region] has been spreading around."

Capital growth potential

Bonadeo-Boll has an optimistic viewpoint on the potential of strong capital generation within Norfolk County. "It [growth] will definitely go up," she says. "The prices are very reasonable here." 🏠



NIAGARA FALLS



Top neighbourhood: **DOWNTOWN NIAGARA FALLS**

	Population:	82,997
	Population growth:	1.0%
	Average cost of a single-family home:	\$213,032
	Price growth YTD:	3.4%

WHY BUY?

- Increased demand for rental accommodations
- Will benefit from low interest rate environment
- Employment forecast to grow
- First-time buyers postponing purchase
- Tourist destination



Niagara Falls is famous for having one of the wonders of the world, being a foremost honeymoon destination, and a tourist spot for world travellers.

A low interest rate environment is expected to provide strength to the resale market through the remainder of 2012. Employment and incomes are forecast to grow at a slower pace over the next 18 months in the region as compared to 2011.

Many potential first-time homebuyers are postponing their decisions to purchase a home until global financial markets stabilize. The decline in demand for homeownership has resulted in an increase in demand for rental accommodations.

The Niagara region is up 4% in unit sales and 3.4% in prices year-over-year as of end of August.

There are several advantages and incentives for investors looking in the Niagara region according to Ryan Johnstone, broker and manager of Royal LePage Niagara Real Estate Centre.

“Niagara Falls offers a lower barrier of entry, as our average sale price for residential/multi/commercial is very reasonable,” he says.

“There is a diverse option for investors to choose from within Niagara, including B&B operations, student housing, cottage/vacation rentals, multi-family

The Niagara region is up 4% in unit sales and 3.4% in prices

and retirement properties.”

Johnstone adds that the local real estate market has been spared of wild swings in prices and he expects a continuation of stability in unit sales and pricing.

For the best areas to invest in Johnstone tips the Downtown, as a revitalization is underway, and Brock University and Niagara College attract student rental investors to the area.

The areas of St.Davids, Niagara On The Lake, and Fort Erie are targets for residential/multi-family investments, but are also tourism-related as well.

Capital growth potential

Real estate affordability in Niagara Falls will continue to attract investors looking for value and strong return. This is expected to support values over the near to medium term. 🏠

AMENITIES

The Falls, proximity to the U.S., arts, wine and theatre are all a stone’s throw from this tourism haven.

BEST BUYS





Bachelors, or apartments with two and three or more bedrooms are always in demand – especially with the growth in student enrolments in the area.



NORTH BAY



Top neighbourhood: **DOWNTOWN NORTH BAY**

	Population:	53,651
	Median price:	\$290,000
	Rental yield:	\$750
	Vacancy rate:	2.4%



WHY BUY?

- Vibrant culture
- Excellent affordability
- Diverse economy

This picturesque community, which is perched on the shore of Lake Nipissing, has plenty to offer residents – a diverse economy, vibrant arts community and quaint small town character. The public sector is one of the biggest employers in the region – with many residents working in health, education and government.

According to Pamela Baril, real estate broker with Century 21 Blue Sky Region Realty, low vacancy rates combined with North Bay’s “thriving and growing” university culture, make the area a great place for investors.

North Bay is home to two post-secondary institutions – Nipissing University and Canadore College. It is also the site of Canadian Forces Base North Bay, which maintains a North American Aerospace Defence Command control centre. Demand for rental housing remained tight in 2012, contributing to an average rental increase from \$715 in 2011 to \$750 in 2012.

The service industry, tourism and transportation also play a major role in North Bay’s economy, as does primary industry companies.



CMHC year-to-date figures from January to June 2012 reveal there were 43 housing starts compared with just 16 in the corresponding period the previous year. Eight of those housing starts were for apartment rentals.

Neighbourhood to watch

For investors who don’t mind doing a little restoration work, Baril says there are some great buys in the downtown core of North Bay. She says low vacancy rates have prompted the city to look at converting properties in the downtown area for multi-residential use.

And while some buyers have been hesitant in the past to live in the downtown area, improvements to the city’s waterfront, and other advantages such as the downtown farmers’ market in the summer, its proximity to the lake for swimming and close distance to the bus station, have made it increasingly attractive.

According to Baril, there are many century-old homes that are just crying out for some imaginative restoration.

And compared to other areas in North Bay, the downtown core has excellent potential for solid investment returns.

“Other areas of the city have limited multi-res zoning sections and are therefore slower to increase in value. A residential home in poor condition can be purchased at a somewhat decent price. However, once the renovation costs are added to the purchase price there is a relatively small profit margin for investors, unless it is their principal residence and they are able to complete some of the improvements themselves.”

Capital growth potential

North Bay is poised for population growth, which bodes well for property prices. The CMHC Housing Outlook report indicates a more balanced market that will subdue price appreciation. It forecasts the MLS average price for Ontario to be \$386,900 in 2012 and \$389,200 in 2013.



BEST AREAS

North to south along Lake Nipissing, close to universities and suburbs surrounding Trout Lake.

BEST BUYS

Detached starter homes priced at \$169,000–\$250,000

AMENITIES

The development along North Bay’s waterfront has transformed the look and feel of the city, creating an attractive downtown core for residents and tourists alike.

Adding to North Bay’s charm is its vibrant arts community. Road access to North Bay is from Highway 11 and 17, while North Bay/Jack Garland Airport serves as the city’s main commercial airport and as a military airstrip.

The four-laning of Highway 11 was completed this summer and has greatly improved North Bay’s access to Southern Ontario. Train and intercity bus services operate from North Bay railway station.



OAKVILLE



Top neighbourhood: **CENTRAL OAKVILLE**

Other neighbourhoods to watch: **RIVER OAKS, WEST OAK TRAILS**

	Population:	182,520
	Median price:	\$560,000
	Capital growth (12 months):	-1.8%
	Vacancy rate:	1.2%

higher-end sales this summer pushed the average to \$407,000, according to the Toronto Real Estate Board.

Overall, Oakville's population is growing, up by 10.2% in 2011 compared to 2006, and the ninth straight census where it has grown by at least by a double-digit percentage.

The economy received a boost this summer when Siemens Canada announced a new five-storey Oakville headquarters off North Service Road, with more than 700 employees set to move in.

"Oakville is a steadily growing GTA community that has a lot to offer potential investors," says Rick Kedzior, an agent with RE/MAX Aboutowne Realty. "From its burgeoning employment sector to its steadily increasing real estate values, buyers are quickly discovering that Oakville is a great place to invest in."

Graeme Moss of Verico Fair Mortgage Solutions agrees and adds that its clients who have purchased in the Oakville area have consistently received good return on their investment.

"Oakville has a proven track record of expansion and growth in house values," he says. It is close enough to Toronto to commute each day, yet far enough away to be relaxing. Oakville is a centre of gravity for the affluent and the up and coming, and has consistently ranked in the top five cities for income per capita in



Depending on where you look, there are still areas of relative affordability in Oakville.

Contrasting the large lakefront estates beyond the means of many Canadians, there are still plenty of small brick homes further inland for below \$400,000, despite a July median price of \$560,000.

But it's hard to deny that the luxury segment in Oakville is doing well right now. Sales for luxury homes were up 31% in July, according to a report by Sotheby's. Affordability, for now, comes largely in the form of condos in Oakville. And considering reports are still predicting strong growth in that sector in coming years, that could be one of the hottest segments in the future for the area. The median condo price is just under \$300,000 in Oakville, although some

AMENITIES
 Excellent. Quality schools, public transportation, a lakefront and parks, and large shopping areas, make this one of the better quality of life options in Canada.





TOP 100 ONTARIO

WHY BUY?

- On the shores of Lake Ontario
- Population growth
- Low crime

Canada. Between the GO service, QEW, amenities and shopping, it is the perfect place to invest.

Moss points out that with Toronto being nearby and Sheridan College in town, there is a lot of opportunity for renting space to individuals and students. "Oakville attracts a good demographic of renters. We have recently refinanced a home that allows the owners to have two extra units of rental space, and the rental income from these units offsets the mortgage completely. The renters are, in essence, paying off the mortgage, and the owners can still live there."

Investors looking to cash in on Oakville's strong fundamentals are probably better off focusing on the area around Central Oakville, where everything is within walking distance. Residents in the neighbourhood can easily walk to downtown shopping centres, restaurants, entertainment facilities, galleries and Lake Ontario.

Another neighbourhood tipped to see strong price growth is West Oak Trails. Located on the western border of Oakville, West Oak is a relatively new neighbourhood, with brand new schools and abundant amenities.

Capital growth potential

The movement in average price can be intimidating, but there are still homes for sale well below that mark in Oakville. With a low vacancy rate, investors can still produce some cash flow if the price is low enough. 🏠

BEST STREETS

Priory Court, Maple Ave., Esplanade

BEST BUYS

Condos under \$300,000, luxury houses








OSHAWA



Top neighbourhood: **NORTH OSHAWA**

	Population:	149,607
	Population growth:	5.7% since 2006
	Average price:	\$252,588 for a single-family home

WHY BUY?

- Uptick in auto sector and manufacturing
- Discounted real estate prices in relation to bigger cities
- Growing immigrant population
- Served by major transportation network
- Strong increase in apartment starts

AMENITIES

Transportation is extremely important in Oshawa due to its association with General Motors. Car, rail and "Go Train" services all work together in Oshawa. The town is also home to a variety of sports teams and the University of Ontario Institute of Technology (UOIT), which has an emphasis on technology, manufacturing and engineering.

BEST BUYS

Kedron is a relatively small community. It is home to Durham College and UOIT. Lake Vista is a commercialized area that houses the General Motors Canada plant and North Oshawa is highly commercialized and also considered the "New Oshawa." This is due to the large increase in new properties, as well as a new community centre.



Much like Windsor, Oshawa (and the Oshawa-Durham region) is an area with roots in the auto sector. And much like Windsor, the ups and downs of the economy and real estate market have been tied to the economic health of the auto sector.

Areas like Oshawa tend to outperform other large areas, like Toronto, because prices in these areas are often greatly discounted in relation to neighbouring municipalities. The same logic can be applied to multi-family properties.

As of the past summer, housing starts in Oshawa were up by 33% from 2011, mostly due to a strong increase in apartment starts. As the year progresses, growth compared to 2011 will shrink given that all high-rise projects planned for 2012 have already started.

"The city has remained hidden to the Toronto area investors up until recently and there are still some good deals to be had, particularly in duplexes, in a year where purpose built and larger multiplexes have been hard to come by," notes Roger Bourma, broker with RE/MAX Ability Real Estate in Oshawa.

"This year, the average market time for a legal multi-family home has been 30 days while the average sale to list price ratio was 96.1%," he adds.

Capital growth potential

With the improvement in the auto sector, Oshawa has seen its economic growth improve as well. Also, the town, with its proximity to Toronto, has been a destination for many new immigrants moving to the Greater Toronto Area.

These issues, coupled with its affordability, indicate strong real estate possibilities going forward. 🏠



OTTAWA



Top neighbourhood: **HINTONBURG**

Other neighbourhood to watch: **TUNNEY'S PASTURE**

	Population:	883,391
	Average price:	\$265,903 (condo) \$358,018 (residential class)
	Capital growth (12 months):	-1.2%
	Average rent:	\$976 (apartment) \$1,190 (townhouse)
	Vacancy rate:	1.4%

WHY BUY?

- High student population and low vacancy rate
- Steady employment opportunities in civil service and tech industry
- Highly educated workforce
- Affordable homes in comparison to other large cities

AMENITIES

Excellent – Ottawa has a bus rapid transit (BRT) network, and the O-Train, an LRT line (a second east-west LRT should be completed by 2018). Ottawa boasts one of the highest amounts of restaurants per capita in the country. The Rideau Canal, a UNESCO World Heritage Site, is a popular public space.

BEST AND WORST AREAS

The Glebe, an enduringly popular area just south of the city's downtown, has a number of Victorian homes. Vanier has a high poverty and crime rate.

BEST BUYS

"There's a pretty consistent demand for renovated, urban property," says Stewart. "There's lots of growth in the downtown, walkable neighbourhoods where there's a village atmosphere."

House prices in the nation's capital have taken off, growing at a rapid rate over the past few years. According to the Municipal Property Assessment Corporation (MPAC), the average sale price has risen by 24% between 2008 and 2012. Yet the market of the fourth largest city in the country remains relatively balanced.

"When you compare Ottawa to larger Canadian cities like Vancouver or Toronto, it's still really affordable," says Jennifer Stewart, a local realtor. Housing construction in the city remains robust. From January to July 2012, the CMHC reported 4,085 starts in Ottawa, up from 2,799 the same time the year before. There's a particularly strong demand for student rental properties as the city is home to Carleton University, the University of Ottawa, Algonquin College and La Cité collégiale.

With the presence of so many post-secondary institutions, it's no surprise the city boasts the most highly educated workforce in the country: 61% of workers have a post-secondary degree. The real estate market is steady thanks, in large part, to the strong employment base. The federal government employs roughly 110,000 people and tech, Aerospace and Defence, and eBusiness companies have also set up shop.

"There's a lot of transition in the government and the private sector," explains Stewart. "We have a lot of people who move out or into Ottawa because they get transferred and that's constantly feeding the market."

In the past three to five years, the Hintonburg neighbourhood has changed rapidly. The central neighbourhood was predominantly working-class and a bit rough around the edges: now, it's a popular area that continues to gain momentum.

"It's seen huge growth and there's still room for more," says Stewart. "I think what we're seeing now is a lot of older houses being bought up and torn down and new modern infills are being built. It's causing the market values to go up a lot."

It's not just the residential properties that have transformed. "There's been huge change along the commercial strip," says Stewart. "A lot of restaurants have opened, a lot of shops and cafes have moved in and that's because the rents were affordable."

Neighbourhoods to watch

A solid base of young professionals has fuelled condo growth in the city – even the federal government wants to get in on the market.

The federal government is planning on redeveloping Tunney's Pasture, a 49-hectare site west of downtown, which houses 19 government offices. The redevelopment should add several new office towers to the site, enough to accommodate about 20,000 workers.

However, the goal of the development is to turn the campus into more of a mixed-use community. Aside from new office construction, retail options will be added to Tunney's Pasture and the site could see as many as 12 new residential buildings. According to the Public Works and Government Services Canada's website, "Tunney's Pasture is one of the largest Crown-owned employment complexes in the National Capital Region."

The government is working on a plan that will map out a vision for the area for the next 25 years and public consultations started in September of this year.

Capital growth potential

The CHMC predicted the vacancy rate to go as low as 1.2% by end of year, the lowest it's been since 2001. This strong demand is expected to fuel price gains in the near to medium term. 🏠

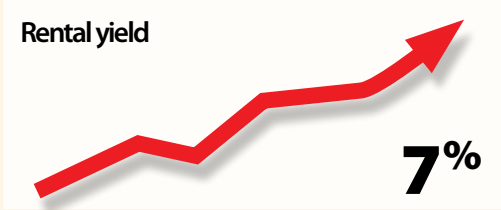


PETERBOROUGH



Top neighbourhood: **DOWNTOWN CORE**

- Population:** 78,698
- Population growth:** 4.4%
- Average cost of a single-family home:** \$257,400
- Vacancy rate:** 3.5%



WHY BUY?

- Two post-secondary institutions
- Relative close proximity to Toronto
- Expected reduction in unemployment rate
- Proximity to "cottage country"
- Landlords have success renting units

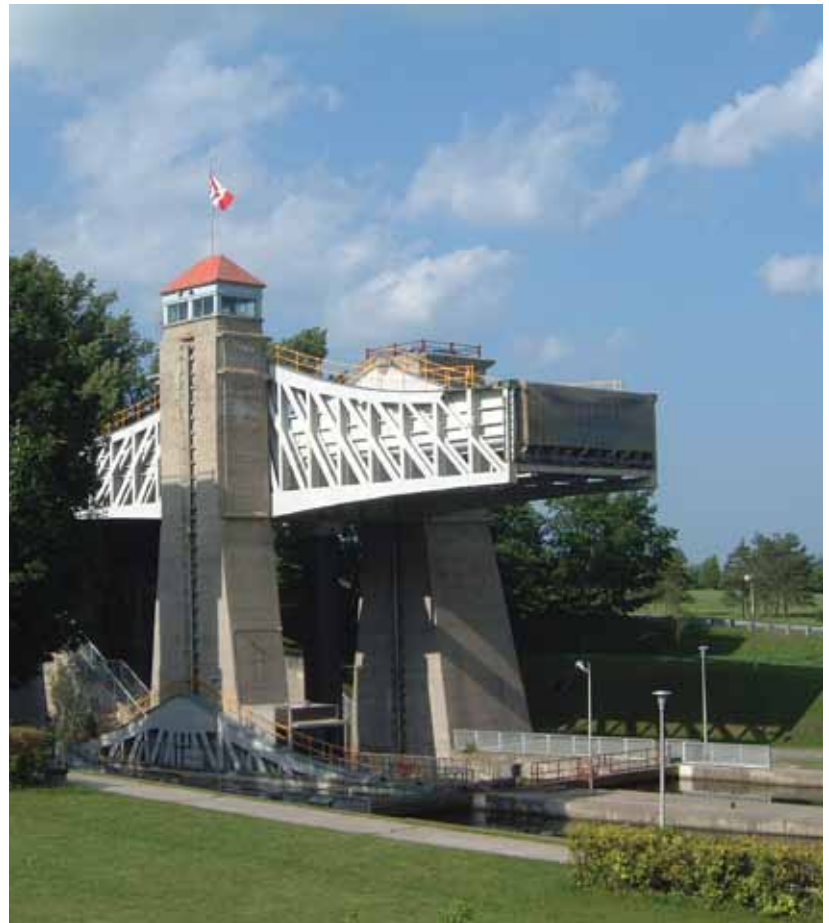
Peterborough is often called the "gateway to the Kawarthas" or cottage country. It is about an hour-and-a-half outside of Toronto and boasts two post-secondary education institutions.

New home starts are expected to rise in 2012 and 2013 due to a recovery in employment and a growth spurt in the population. Single-detached homes will likely make up about two-thirds of the starts.

The CMHC says that although rental turnovers can be high, and renters often stay in units for shorter periods of time in Peterborough, landlords are still relatively successful at renting the units when they have given notice.

Capital growth potential

High rental yield is set to lure investors looking for cash flowing properties.



Economic indicators point to a reduction in unemployment in Peterborough over the next few years

Amenities

Schools, proximity to cottage country and a growing manufacturing base provide quality of life for Peterborough's inhabitants. 🏠

BEST BUYS





Renters are increasingly looking at new buildings and accommodations due to the amenities they offer compared to older dwellings.



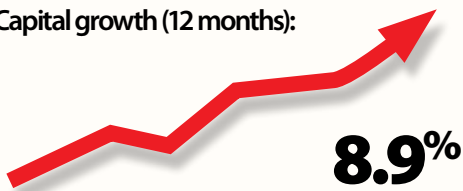
PICKERING

Top neighbourhood: **NAUTICAL VILLAGE**



	Population:	88,721
	Median price:	\$380,000
	Average rent:	\$450 (condos) \$700-\$750 (single-family houses)
	Vacancy rate:	0.6%

Capital growth (12 months):



WHY BUY?

- Low vacancy
- Low crime
- Relative affordability
- Proximity to downtown Toronto

The Greater Toronto Area is home to some beautiful areas, many of which have resonated well with investors because of their location and the variety of properties available. Pickering offers all of this and more.

“There has been a lot of money invested there in the last 10 years,” explains Paul Etherington of RE/MAX First Realty.

“They’ve redone the boardwalk, there are some nice restaurants, and they’ve generally made a lot of improvements to that area.”

Etherington adds that “the prices have gone up substantially, and [the properties] have good value.”

Popular with families, Pickering offers one of the lowest priced options this close to Toronto and on the lakefront.

The low vacancy rate (below 1%) makes it especially attractive to investors. Plus there’s only one land tax



payable here, compared to two in Toronto. And to top it off, it’s only 30 minutes from downtown.

Capital growth potential

Population growth has slowed in recent years, but that’s largely due to restrictions on development to the north, where there’s still plenty of open land. Demand for housing has otherwise remained strong, helping to push up median prices by about 9% since last year.

It also remains one of the most multicultural communities in the Durham Region. At an average of 24 days on market in July, homes for sale in Pickering are some of the fastest movers in Toronto. For now, at least, this area is certainly a seller’s market.

Pickering’s waterfront has had a number of new developments built on it over the past few years. According to Etherington, these include condos, condo townhouses, and both semi-detached and detached homes. Etherington emphasizes the importance of the waterfront’s location, and that it is one of the best places within the town for good rental properties.

“Everyone wants to be near the water, and to me, it’s probably one of the most attractive places to be in Pickering,” says Etherington. 🏠

BEST STREETS

Ilona Park Road,
Douglas Ave, Ariel
Crescent.

BEST BUYS

Homes near public
transportation.



RICHMOND HILL



Top neighbourhood: **ESSEX AVE. AREA**

	Population:	185,541
	Median price:	\$595,000
	Vacancy rate:	0.8%

VACANCY RATE
0.8%



- WHY BUY?**
- Good public transportation to Toronto
 - Low crime
 - Reputation for good schools
 - Strong population growth

AMENITIES
 Good. As the population grows, the demand on existing infrastructure is being stressed. Town officials are working on keeping pace. A central public transportation system going in all directions has already been a boost for local commuters, however.

BEST STREETS
 Essex Ave., Church Street, Bernard Ave.

BEST BUYS
 Houses with basement units for rent, new condos.

Set just three miles north of Toronto and in the regional municipality of York, Richmond Hill is one of the most desirable locations in the area. The population has nearly doubled in the past 15 years, making it the 28th most populous location in Canada.

New immigrants, especially Asians, have found it a welcoming place to live. Its schools consistently sit prominently in national rankings. The crime rate is one of the lowest in the country. And demand has kept investors happy, with no trouble finding new tenants in condos and rental houses.

Along with Vaughan and King, Richmond Hill ranked as the best place to build apartment buildings right now for investors, according to Rock Advisors Inc. The report noted there are only 0.35 apartments per 100 residents in this area, with 1,700 total apartments in the three communities, contrasted with 10 apartments per 100 people in Toronto, or 254,000 apartments.

Houses, including basement units, have offered a separate option for investors. Because of the proximity to Toronto, demand has not slowed even as more condos are now being built.






Capital growth potential
 Low housing supply and rising demand will help ensure solid price growth will continue over the near to medium term. 🏠



SARNIA



Top neighbourhood: **BRIGHT'S GROVE**

	Population:	72,366
	Average price:	\$221,295
	Average rent:	\$515 (bachelor apartments) \$957 (multi-bedroom apartments) \$1,000–\$2,500 (houses) \$1,400 (waterfront condos)
	Vacancy rate:	5%
	Average days on market:	56



VACANCY RATE
5%

WHY BUY?

- Low interest rates
- Smaller rental market, which makes for higher rents
- Close to U.S. border
- Close proximity to several major cities, including Detroit, London, and Windsor
- Great place for families and retirees

There are a number of cities and towns in Ontario that are situated near the U.S. border. Of these many border cities, Sarnia offers some fantastic opportunities for would-be real estate investors.

Situated on the border of Ontario and Michigan, Sarnia has attracted many due to its small-town charm, community atmosphere, lakefront properties, and numerous recreational attractions. Its lower interest rates have also piqued the interest of many a savvy investor.

“We have low interest rates everywhere,” says Linda Miller of RE/MAX.

“We don’t have a plethora of rental properties, so someone buying a property for the purpose of rental does really well because our rents are higher.”

Although its real estate market has been down in the past, Miller believes that it has the capability to rebound again. Her outlook for the city’s future is very optimistic.

“We’ve already been soft, but our next place is up. I think that this is evident from our good retail, low interest rates, and the fact that you can raise a family inexpensively here.”

Other neighbourhoods to watch

In addition to being close to the U.S. border, Sarnia is also within close proximity of waterfront areas. Miller highlights Bright’s Grove as a particularly good neighbourhood to invest in.

“Bright’s Grove is on the largest white-sand beach in Canada, and has walking and biking trails along the water,” says Miller.

“We have a great mix of starter homes (worth up) to \$1 million-plus on the water. There are lots of amenities, many golf courses and parks, and a public library.”

Capital growth potential

“Right now, we’re very stable, in terms of capital growth,” says Miller. “I think our next move will be an increase in market. I think this is a really good time to be moving up or purchasing a first house because over the next two years, we’re going to be experiencing growth again.” 🏠

BEST AREAS

North end and Bright’s Grove

WORST AREAS

South end and downtown

BEST BUYS

“The north-end bungalows with garages,” says Miller.

AMENITIES

- Good public transit system
- Direct road links to London and the U.S.
- Home of Canada’s largest white-sand beach



SAULT STE. MARIE



Top neighbourhood: **DOWNTOWN**

	Population:	79,800
	Average price:	\$149,440
	Capital growth:	Approx. 0.642%
	Average rent:	\$695 (apartments) \$698 (townhouses)
	Vacancy rate:	1%
	Average days on market:	30 days

WHY BUY?

- Easy access to Michigan through U.S. border
- All of the features of a big city, with small-town charm
- Cost of living is very attractive
- Great place to raise a family
- Clean, safe, and friendly community

BEST AND WORST AREAS

"There are no areas where you have a personal safety issue," Caicco says. "Whether people invest in a price range that is lower and more affordable, or a higher-end price range, there is no best or worst place [for investing] in Sault Ste. Marie."

BEST BUYS

"Rental and investment properties like duplexes and triplexes are still going at a rate where you can make a good investment, as well as have your tenants pay down your mortgage. Those multi-family investments are still great, given the low vacancy rate," says Caicco.

AMENITIES

There's a beautiful natural landscape to enjoy, but also a good local transit system. There's easy access to recreational venues and it's a "four seasons" community with events all year long. The area has strong local infrastructure.



Smaller communities are quickly becoming fantastic places for investment in today's real estate market. The majority of them offer the same amenities as a larger city, but with a friendlier atmosphere. A perfect example of a city that offers all that and more for prospective investors is Sault Ste. Marie.

Located right on the border between Ontario and Michigan, "the Soo" is a wonderful place to live and invest in. And, as one agent states, the city has a stable economy, which is sure to attract potential buyers.

"The economy in Sault Ste. Marie is strong right now," explains James Caicco of Century 21 Choice Realty Inc. "But even though the economy is good and very steady, I believe there is a great deal of upside investing in Sault Ste. Marie."

Sault Ste. Marie currently has a vacancy rate of 1%. As low as that is, it offers many options for property owners looking for tenants. "Investors are getting their choice of occupants due to the low [vacancy] rate," Caicco says.

Caicco believes that Sault Ste. Marie's real estate market has a very bright future ahead of it. "I'm very optimistic [about the market]," says Caicco. "Our market will continue to be strong in the years to come, which will make it a great place for both industries and investors."

Capital growth potential

"I think there is excellent potential," says Caicco. "Given our vacancy rate, landlords often have flexibility with rent, and are in a strong position. Our average price still runs below other northern Ontario cities, so we think we still have some room to grow, even though prices have risen."



ST. CATHARINES



Top neighbourhood: **GLENRIDGE / GLENDALE**

	Population:	131,400
	Average price:	\$223,006
	Rental yield:	N/A
	Vacancy rate:	3.2%

Capital growth (12 months):



Real estate values here haven't quite had the same uptick as other parts of the province in recent years, but that's ultimately made St. Catharines relatively more affordable.

The average assessed value in Ontario rose by 17% in the past four years, while St. Catharines-Niagara was closer to 4%, according to the *St. Catharines Standard*. That doesn't mean it will catch-up soon, however.

The Canada Mortgage and Housing Corporation has recently estimated prices in St. Catharines-Niagara will increase just 2.2% from 2011 to the close of 2012, and then just 1.4% the following year.

Part of that immunity to the faster pace of Ontario prices has to do with the close proximity of St. Catharines to the U.S. border, and thus economy. Few U.S. buyers have crossed over to Canada for purchases as they used to, and few are likely in the next few years either.

But the local economy is not tied to the U.S., and includes diverse job offerings in sectors like health, education, tourism, information technology, and high-tech. The unemployment rate hit its lowest point this year since 2008, and population growth continues.

Buyers from more expensive areas of the province might begin to see the advantages in the affordability in St. Catharines. Young buyers have been especially drawn to some of the older houses in the city that offer a chance for renovation with significantly lower price tags.

Located within Ontario's beautiful Niagara Region,



the city of St. Catharines is a terrific place to live in and invest. The city is divided up into a number of smaller subdivisions, each of which provide access to a number of amenities.

Neighbourhood to watch

Shawn de Laat, an agent with RE/MAX Garden City Realty, highlights the Glenridge/Glendale neighbourhood as a prime area for investors looking for rental properties. Located in the south end of the city, the top draws in this neighbourhood are rental properties targeted towards students attending Brock University.

"Right now, that market is hot to trot," de Laat says of the demand for student rentals. "It's been going up and up, and has been attracting people from out of town [for investing]. They come down and buy these houses with five or six bedrooms. They charge the [students] \$450 a room, and end up making some positive cash flow." de Laat adds that these kinds of properties, the majority of which are 1960s-style bungalows, are within close proximity of a number of local amenities. 🏠



BEST STREETS

Dufferin Street,
Dorothy Street,
Cherie Road.

BEST BUYS

Houses priced under \$300,000, and rental condos.

AMENITIES

Good. New sporting facilities, including a new pool, a new hospital, and a thriving arts scene.

WHY BUY?

- Strengthening economy
- Relatively low home prices
- Potential upside



TORONTO



Top neighbourhood: **MIMICO**

	Population:	2,615,060
	Median price:	\$429,000
	Rental yield:	2.44%
	Vacancy rate:	1.4%



- WHY BUY?**
- Diverse population
 - Urban lifestyle
 - Excellent arts and entertainment options
 - Major financial centre of Canada

Canada's largest city is undoubtedly a hot-ticket area for investors. The city, which has a population of more than 2.5 million in Toronto proper, has a 46-kilometre waterfront shoreline on the northwest shore of Lake Ontario. The Toronto Islands and Port Lands allow for a sheltered Toronto Harbour immediately south of the downtown core.

The largest city in Canada, Toronto is the self-described "centre of the universe." A major financial centre with countless corporate headquarters, the city also has a creative side with countless art galleries, the annual Toronto International Film Festival and a booming restaurant and bar scene.

The urban centre has been growing at a steady rate. Today, 133,566 more people call Toronto home than a decade ago.

Kerri-Ann Brownlee, a Toronto realtor, says the big appeal is the convenience of urban life.

"The cost of commuting is bringing a lot of people in. Downsizing too. We're getting a lot of baby



VACANCY RATE
1.4%

boomers that are now empty nesters and are moving into the city. They want the ease of the condominium; they want to be able to lock and load."

According to a Municipal Property Assessment Corporation (MPAC) report, Toronto house prices are up 23% since 2008.

However, rising costs and the city's construction boom are making some market-watchers nervous.

The stats reveal a mixed message. Home prices continue to rise. And the average amount of time a home stays on the market is only 22 days, down from 24 a year ago. As of July 2012, year-to-date, sales

BEST BUYS
Single-family homes are in high demand. With the average price of a detached home rising to \$752,431 in July, a semi is a more affordable option at an average price of \$526,979.



WHAT THE EXPERT SAYS



Mimico's proximity to downtown, the lake, major highways, transportation and schools, make it an ideal location for many people. Higher priced homes and key economic drivers found in surrounding communities are

resulting in a "ripple effect" that is benefiting Mimico. Prices are more affordable and living space more plentiful compared to properties downtown."

Calum Ross, VERICO The Mortgage Management Group

have cooled slightly in the city by about 1.5% and new listings are up by 11.35%.

According to Urbanation, there are 196 condo projects with 52,695 units under construction in Toronto. Between April and June, new condo sales in the Greater Toronto Area were down 2% from the year's first quarter and down 50% when compared to the same time in 2011. However, altogether the sales from January to June were the second highest year-to-date.

Neighbourhood to watch

Calum Ross, prominent mortgage broker, tips Mimico as the neighbourhood offering the best potential for capital growth and investment return.

"Our investment pick, supported by the extensive research of our friends over at the Real Estate Investment Network (REIN), is the community of Mimico, which has a lot of key elements that are drivers of strong appreciation," says Ross. "Likened to cottage country in the city, Mimico has seen a huge upswing in popularity with young families clamouring for the cottage-style bungalows and two-storey homes that sit on generously sized lots."

Located in the south-western part of Toronto, Mimico has evolved into a bedroom community from being a workingman's town. Residents enjoy a broad range of amenities and a highly desirable location.

Capital growth potential

The Royal Bank of Canada suggests prices for single-family homes will remain resilient and the condo market could slow slightly." 🏠



How much income do you need to buy in Toronto?

- Average house price*: \$479,095
- Average house type: \$606,929 detached home (being the most popular at 47%)
- Minimum salary needed to afford a detached home (\$606,929) \$117,572 approximately at a 5% down payment or \$99,131 at a 20% down payment**
- Average monthly payments: \$2,835 approximately at a 5% down payment or \$2,344 at a 20% down payment**



How much income do you need to buy in Mimico?

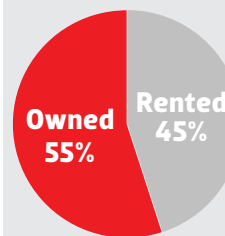
- Average house price*: \$462,599
- Average house type: \$383,835 for condominium/apartment being the most popular but detached homes are popular too
- Minimum household income needed to afford a condominium/apartment (\$383,835): \$78,490 approximately at a 5% down payment or \$66,828 at a 20% down payment**
- Average monthly payments: \$1,793 approximately at a 5% down payment or \$1,482 at a 20% down payment**

*Average house price information provided by the Toronto Real Estate Board (TREB) for August 2012
** Using Calum Ross' Mortgage Calculator, assumes a 5-year fixed mortgage rate of 3.09%, a 25-year amortization period and a 32% Gross Debt Service ratio: Calum Ross, Principal Broker, VERICO The Mortgage Management Group, 1-416-410-9905; email calum@calumross.com or visit calumross.com

AMENITIES

The Royal Ontario Museum and the Art Gallery of Ontario. The subway service stretches to the suburban areas and there's a network of buses and streetcars.

Mimico housing





THUNDER BAY



Top neighbourhood: **SHERWOOD ESTATES**

	Population:	108,359
	Average price:	\$333,000
	Rental yield:	10%
	Vacancy rate:	1.5%

Capital growth (12 months):

9.1%

WHY BUY?

- Close proximity to U.S. border
- Situated on the world's largest freshwater lake
- Largest outbound port on the St. Lawrence River
- Fantastic recreational facilities

Thunder Bay has seen a rapid metamorphosis from being a lakeside community to a bustling city ripe with opportunity.

"Thunder Bay is consistently shifting toward a knowledge-based economy from an industry one," says local realtor Vince Mirabelli. "Thunder Bay Regional Health Sciences Centre, Thunder Bay Regional Research Institute, Lakehead University (Northern Ontario School of Medicine & the new Law School), Confederation College, the mining sector, along with the Ring of Fire Development all contribute to this shift in paradigm."

Single-family homes dominate this market; although the average homebuyer is looking for homes in the \$150,000–\$250,000 range, and Mirabelli notes that a shortage of inventory in that range has driven up prices. The going rental for a two-bedroom apartment is roughly \$793, but investors could charge up to \$800 plus utilities for an unfurnished two-bedroom unit.

A hotbed of job opportunity and new housing,



Thunder Bay offers lots in the way of entertainment and recreation, too.

"If you love the outdoors, then Thunder Bay is your home," says Mirabelli. "A rich cultural diversification exists in our city."

Neighbourhood to watch

According to Mirabelli, Sherwood Estates is a neighbourhood that boasts huge investment potential.

"Sherwood Estates is the latest trendsetter for newer subdivisions in Thunder Bay. It's centrally located and has Woodcrest School, a top-rated elementary school. The area is filling up with many young families because of the proximity of great amenities. Backed by the city's largest developer, the subdivision has attracted all the top builders to continue the record sales pace it has been experiencing to date," says Mirabelli. The average house price in the Sherwood Estates hovers around the \$350,000 mark.

Ronne Ferris of Century 21 Superior Realty notes that the neighbourhood of Mariday Park is a popular area with students. "It's an area close to the university, hospital and medical school," he explains. "Anywhere around the university is in high demand. We split the city into north and south, and properties on the north side of town are highly sought-after." The average house price in Mariday Park sits at \$167,458, and investors would be wise to consider multi-res units to accommodate the student housing demand.

Capital growth potential

Its prime location on the lake and access to air, rail and shipping makes this an attractive destination for residents and businesses alike. 🏠

AMENITIES

Lake Superior provides year-round recreation, tourism and breathtaking views for the properties lining its shores.

BEST AREAS

According to Mirabelli, "people tend to shift toward the new subdivision developments such as Sherwood Estates, Parkdale, and King Georges Park, backing onto our world class Whitewater Golf Club."

BEST BUYS

Both residential and recreational properties (such as cottages on the water) make excellent investment choices.



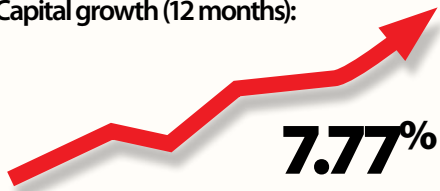
VAUGHAN



Top neighbourhood: **MAPLE**

	Population:	288,301
	Median price:	\$560,000
	Average rent:	\$1,208 for 2-bedroom apartment
	Vacancy rate:	0.9%

Capital growth (12 months):



Directly north of the city of Toronto, Vaughan has become an amalgamation of the villages and towns in southern Ontario that comprise the Greater Toronto Area.

The local property market is booming, with homes averaging just 27 days on the market before being snapped up, and capital growth of almost 8% in the past 12 months. This is partially due to Vaughan’s strategic location within commuting distance of Toronto, as residents are able to enjoy Vaughan’s more financially-friendly lifestyle, while still having convenient access to Toronto via highway or public transportation.

Following a period of significant price appreciation, growth has tempered in recent months, which Toronto Real Estate Board (TREB) president Ann Hannah attributes to a range of factors.

“Very strong annual sales growth in the first half of 2012 and an earlier peak in sales this spring compared to 2011, help explain more moderate sales this summer,” she explains. “New mortgage lending guidelines and the additional upfront cost of the City of Toronto land transfer tax also prompted some households to put their buying decision on hold.”

Indeed, this growth is coming off the back of startling population figures: Vaughan is the fastest-growing municipality in the country, with the population swelling 80.2% between 1996 and 2006, according to Statistics Canada.

The city’s median house price of \$560,000 is



influenced by the wealthy Thornhill neighbourhood, but more affordable price points can be accessed in the condo and unit market. Single-family home sales comprise the lion’s share of the local property market, with the Toronto Real Estate Board’s June report stating, of all sales in the region, over half were detached homes.

“For more than a decade, the City of Vaughan has been among the country’s leaders when it comes to growth and investment and our success continues to attract new residents and businesses,” says Mayor Maurizio Bevilacqua.

“We have what I call the Vaughan advantage – we are centrally located in GTA with well-serviced infrastructure, competitive business tax rates, a diverse

WHY BUY?

- Huge population growth – up 80% in five years
- Close proximity to Toronto
- Affordable unit/condo market
- Extremely tight vacancy rate of 0.9%



VAUGHAN



VACANCY RATE
0.9%

and highly-educated workforce, and we have accessibility to major highways and the country's largest airport. Plus, we have the new subway coming to Vaughan, planning for our hospital is well underway and we have an exciting downtown, the Vaughan Metropolitan Centre, that is beginning to take shape. The area is investment ready and prepared to welcome the world. Our goal is to take Vaughan to the next level and make it a world-class city."

Neighbourhood to watch

Tania Artenosi, owner of Coldwell Banker The Real Estate Centre Inc, suggests would-be landlords focus their search on suburbs such as Maple, just north of downtown Vaughan.

"Investing in properties close to arterial roads such as Major Mackenzie Drive, Keele Street and others will prove to be a good investment in the long term," she says.

"This is because Vaughan has established growth targets they will not be able to achieve through green field development, and intensification and sustainable development will be encouraged, as planning policies are calling for more density to support public transit."

In other words, homes in these areas will be eligible to be developed into multi-dwelling accommodation in the future, giving you options to subdivide or develop. "York Region's Official Plan is calling for 2.5 times density of total square footage of land within a 500 meter radius of Highway 7," Artenosi adds. "Vaughan is also building York Region Rapid Transit along Highway 7, which will connect three major cities in York Region."

Capital growth potential

Vaughan landlords experienced stunning capital growth of 7.77% in 2012, and market conditions are in place for similar growth moving forward. At present, more than 80% of all sales in Vaughan are taking place in the \$650,000-plus price bracket, so these pricier sales are likely to underpin capital growth in the short term. 🏠

BEST AND WORST STREETS

Aim to cash in on the substantial student population (more than 43,000 enrolled and counting) by investing in a student-friendly rental close to York University. Consider carefully any homes located south of Rutherford Road and west of Dufferin Street, as residential housing blends towards an extensive industrial precinct.

BEST BUYS

Condos rather than houses. "Most of my clients for condos are investors," says Sam Elgohary from Century 21, who points to their low-maintenance size and central location as their main features. "I think more Canadians are buying condos because it's more affordable than houses, especially in convenient locations."

AMENITIES

Good. It has a number of elementary and high schools, plenty of shopping, Canada's Wonderland theme park and York University just over the Toronto side of the Toronto-Vaughan border. However, Vaughan is the largest city in Canada that doesn't have a hospital within its city boundaries. The nearest full-service hospital facilities are Humber River Regional Hospital in Toronto, and Mackenzie Richmond Hill Hospital to the east in Richmond Hill. The provincial government of Ontario approved construction of the proposed Mackenzie Vaughan Hospital in July 2011, with a tender for construction bids to be issued in 2014/15.



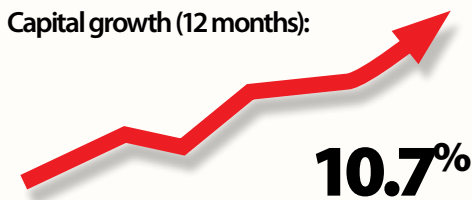
WATERLOO



Top neighbourhood: **DOWNTOWN WATERLOO**

Other neighbourhood to watch: **COLUMBIA ST WEST**

	Population:	98,780
	Average price:	\$512,400
	Average rent:	\$968 for a two-bedroom unit
	Vacancy rate:	1.2%



WHY BUY?

- Affordable
- Diverse economy
- Proximity to Toronto
- Population growth

AMENITIES

Excellent. With acres of parks and green spaces, several golf courses, plentiful shopping options, numerous education facilities and access to a local international airport (in addition to Canada's busiest airport – Toronto Pearson International – an hour's drive away), Waterloo residents are left wanting for little.

BEST AREAS

Homes situated just south of Columbia St west are ideally located to provide accommodation to the student population at the University of Waterloo. This area is also centrally located to downtown Waterloo, so homes here will appeal to young couples and city workers, too.

BEST BUYS

Condos and semis are appreciating at a faster rate than single-family homes at present, confirms Hill, as investors are competing with first homebuyers and downsizers, creating a robust market. Sales activity is up 14.9% for condos and 16.7% for semi-detached homes in the 12 months to 2012. "I'm pleased by the increase of semi and condo sales," Hill says, "It tells me the entry level buyers and downsizers [market] are still moving nicely."

Waterloo is situated around 100km southwest of Toronto. Home to two universities and several major insurance companies, Waterloo is in Canada's 'technology triangle' and is the site of the Perimeter Institute for Theoretical Physics, the Centre for International Governance Innovation and BlackBerry innovator Research in Motion (RIM).

In recent years, Waterloo has evolved from a rural farming community into a thriving industrial, telecommunications and technology powerhouse.

City of Waterloo Mayor Brenda Halloran boasts Waterloo is "an economic leader with a strong diverse economy", with a community of vibrant neighbourhoods and abundant recreation, leisure, arts and culture opportunities.

At 7% the local unemployment rate is lower than the national average, and the greater Kitchener-Waterloo area produces a GDP of \$21.5bn annually. "Waterloo is a better place to live, work and play than ever," Mayor Halloran says.

Investors in this region are spoilt for choice when it comes to housing types, with homes available in varying sizes, characteristics and pricepoints. In general, house prices in Waterloo are more affordable than in Toronto, despite recent capital growth above 10%.

Strong population growth is likely to underpin appreciation in the housing market, moving forward, particularly when you consider salaries and wages in Waterloo are comparative to those in Ottawa and Toronto, while living costs here are substantially lower. The local population grew 25% between 1991 and 2006, and StansCan predicts it will swell to exceed 150,000 by 2031.

"One risk factor potential investors must not ignore for the Waterloo region is that Research in Motion (RIM) is facing financial challenges," says Don. R. Campbell from REIN.

"Waterloo's largest employer, layoffs and major restructuring of that business will have direct and secondary negative effects on the employment levels in the region and, therefore, the real estate market."

Capital growth potential

On the back of strong capital growth rates of 10%-plus, Sara Hill, president of the Kitchener-Waterloo Association of Realtors, believes "steady consumer demand" will see condos, units and semis enjoy strong growth rates in the next 12 months. "Overall, the Kitchener-Waterloo real estate market continues to show long-term strength and stability." 🏠





WHITBY



Top neighbourhood: **NORTH OF WHITBY**

	Population:	122,022
	Average price:	\$269,852
	Rental yield:	7 to 10%
	Vacancy rate:	2%

Capital growth (12 months):

5.87%

WHY BUY?

- Close proximity to Toronto
- Picturesque lakefront location
- Hot rental market
- Excellent regional transit

Home to 23 historic buildings, red brick houses, boutiques and a fully-functional marina, Whitby's charm is undeniable. The city has seen tremendous growth in both population and economy over the past 10 years, something reflected in the vacancy rate, which has steadily improved since 2006. Rental units have and continue to fill quickly, something realtor Michael Plowman of The Dan Plowman Team, Clear Goal Realty, doesn't see changing anytime soon.

"This area is popular with families and single commuters alike – there is excellent GO Transit service into the city," he explains. Town homes or links and multi-bedroom/bathroom houses are the property types currently attracting the most attention.

Investors can expect to charge at least \$1,000 a month for rental properties, and upwards of \$1,400 a month for units close to the beautiful downtown core and shops.

Although property taxes are higher than west of Toronto, the low vacancy rate makes the city a prime spot for long-term positive cash flow.



VACANCY RATE
2%

Neighbourhoods to watch

Local broker Sandy Cockburn of The Mortgage Centre cites neighbourhoods in the north of Whitby host a number of opportunities for the ambitious investor, and RE/MAX Jazz Inc. realtor Tracey Moore agrees.

"The majority of the homes are under 10 years old and a lot of purchasers are looking for that type of property; 'move-in' condition with no maintenance or large upgrades to be done," she says.

This area is home to smaller, executive homes as well as townhouses. It's a rapidly-developing housing hub; in addition to new houses being built, new amenities are popping up all over the area. The close proximity to the 401 and 407 make this a popular area with commuters looking for easy access to downtown Toronto without paying city-centre rent.

Deanna Page, RE/MAX Jazz Inc., is quick to point out that areas north of Whitby are prime locations for investors to seek rental properties, too. "As Whitby is growing, there is also rapid growth into Brooklin, which is just north," she explains. The average house price in Brooklin hovers around \$359,658.

Capital growth potential

Excellent. Low vacancy rates coupled with fast-selling houses means the return on investment in a property in Whitby could be huge. 🏠

AMENITIES

The city offers tennis courts, barbecue areas, public pools, boating docks, beaches, picnic areas, sports fields and much more.

BEST STREETS

Downtown Whitby, Port Whitby Marina, Williamsburg and Brooklin are all attractive areas for prospective tenants.

BEST BUYS

Two-storey town homes will be most attractive to young families.



WHITCHURCH-STOUFFVILLE



Top neighbourhood: **MAIN STREET**

Population: 37,628

Average price: \$538,888

Rental yield: 1.96%

Vacancy rate: 1%
(Stats only available for Newmarket, Aurora and Whitchurch-Stouffville)

Capital growth (12 months):

17.15%



VACANCY RATE
1%

AMENITIES

There are independent retailers along Main Street as well as big box stores in the area. The GO Stouffville train station runs to Union Station in Toronto. The region is home to a number of kettle lakes and the Bruce's Mill Conservation Area.

“Country close to the city” is Whitchurch-Stouffville’s motto and it encapsulates the town’s growing appeal. Located in York Region, roughly an hour’s drive northeast of Toronto, the community has attracted plenty of new buyers.

“People say, ‘If I’ve got to wake up an extra half hour in the morning, and take the GO Train downtown to work so be it. At least the wife and kids are in an environment that has that old hometown feel,’” says Joseph Gallo, a realtor who specializes in the community.

Acre-lots are popular, and the town has a collection of charming century homes. But the story of Stouffville’s meteoric growth is largely connected to its abundance of two-storey homes and townhomes.

The community is the third fastest-growing municipality in Canada. From 2006 to 2011, the town’s population jumped 54.3%. In the Greater Toronto Area, the only municipality to outpace its growth was the top-ranking town of Milton.

The sudden population boom can be traced to 2005.

When the “Big Pipe” was built, providing the town with a new sewage system and water supply from Lake Ontario, new developments popped up.

In July 2012, the year-to-date sales numbered 487, up 3.87% from the previous year. Similarly, listings were also up, growing 10% from 832 in 2011 to 917 in 2012. The only downward trend in the market was the average amount of days on the market. As of July 2012, properties only last 30 days on the market instead of the 2011 average of 32.

Gallo says the only problem is the lack of stock. “On the lower end, if you see it, you’ve got to buy it upfront before you sell your own home because it’s extremely active. That’s the only thing that for a buyer can get kind of nervy.”

Though first-time buyers make up a big segment of the market, snapping up the “star sellers” of the market – the more affordable townhouses and 2-bedroom bungalows – Gallo says demand is far-reaching.

Two-storey homes in the \$450,000 to \$550,000 range are the meat and potatoes of the market. And there’s still demand for more countrified homes on acre and half-acre lots that sell for \$600,000 and upwards.

Capital growth potential

The town expects 470 new housing starts in 2012, up from the 376 in 2011. With high demand and a projected population growth of 53,365 for 2021, the market is expected to see steady growth in values. 🏠

WHY BUY?

- One of the fastest growing communities in Canada
- Popular with families and first-time home buyers
- Small town charm
- Proximity to Toronto

BEST BUYS

Townhomes start from \$350,000 and are in high demand, especially among first-time buyers.



WINDSOR



Top neighbourhood: **BRIDGEVIEW**

	Population:	210,891
	Population growth:	-2.6%
	Average price:	\$155,819 for a single-family home
	Vacancy rate:	7.7%
	Average rent:	\$680

WHY BUY?

- Recent uptick in auto sector and manufacturing
- Comparatively low real estate prices
- Large student population
- Vacancy rates expected to decline
- Expected declines in unemployment rates will foster demand for rentals

Windsor has experienced the ups and downs of a volatile economy as it is heavily tied to the auto sector and is closely linked to its U.S. neighbour, Detroit. However, a recent uptick in both the auto sector and manufacturing in general, as well as comparatively low real estate prices, make it an attractive place for investors.

A higher percentage of housing starts came from single-detached housing. There were fewer starts of row and apartment units in the second quarter of 2012. This, according to the CMHC, indicates repeat buying remains strong in the market.

In 2012, the vacancy rate will continue to decline, although more modestly than it did in 2011. The vacancy rate for 2012 will decrease to around eight per cent. Windsor is the most affordable home ownership market in Southern Ontario. Also, continued expected reductions in the unemployment rate and an increase in overall employment will support rental demand.

Capital growth potential

Sales over the next two years are expected to grow due to a more stable economy in Windsor as well as a growing



AMENITIES

Good: With its proximity to the U.S. border and its roots in manufacturing, pharmaceuticals and tourism, Windsor has a lot to offer for investors and dwellers. A casino has added to Windsor's tourism attractiveness and has made it a destination for many.

population. Between 2006 and 2009, employment in Windsor declined by approximately 10%, but improving conditions have increased potential purchasers' ability to buy, and this has contributed to more sales.

Strengthening migration and employment in 2012 and 2013 will lead to higher sales in both of these years. 🏠

BEST BUYS

Bridgeview (also known as "University") is home to the University of Windsor, and all of its residences. Its boundaries are Rosedale Ave. to the west, the Essex Terminal Railway tracks to the south, Randolph Avenue to the east, and the Detroit River to the north.



BROSSARD

Top neighbourhood: **C SECTOR AROUND QUARTIER DIX30**

Other neighbourhood to watch: **L SECTOR NEAR QUARTIER DIX30**



Population: 79,273



Average prices: \$216,704 (condos)
\$382,799 (single-family homes)



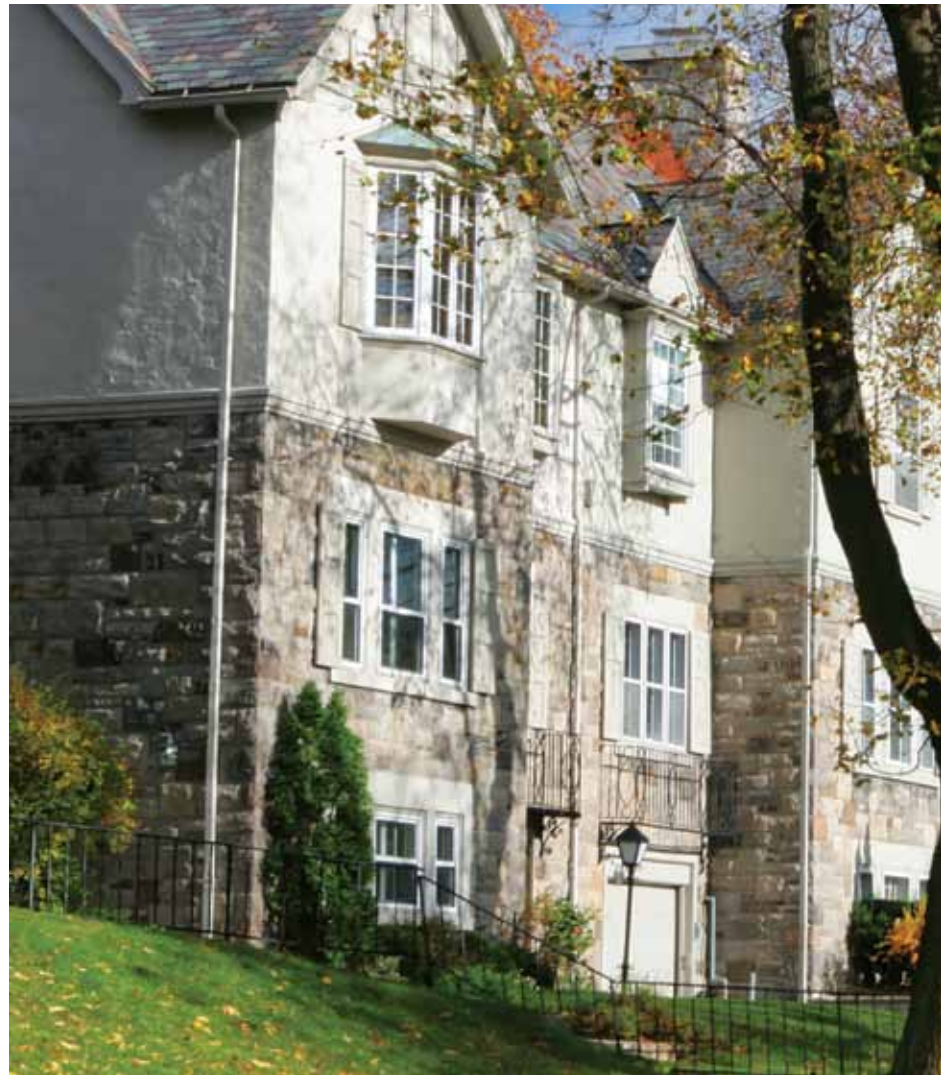
Capital growth (12 months): 5%



Average rent: \$600–\$650 (apartments)
\$1,500–\$1,600 (single-family houses)
\$3,000 (condos)

WHY BUY?

- Market and prices steadily increasing
- Close proximity to Montreal
- Close proximity to U.S. border
- Multicultural area
- Good amalgamation of various types of properties (high-end, middle class, etc.)



As land for housing developments becomes scarce on the island of Montreal, many people are flocking to the South Shore for real estate investment opportunities.

One city in particular, Brossard, has attracted many new buyers. Located within the urban agglomeration of Longueuil, Brossard is a city on the move.

In recent years, the city's population has expanded, thanks, in part, to the creation of a new commercial lifestyle centre known as Quartier DIX30.

"Quartier DIX30 has brought in a lot of condos and new housing in its vicinity," explains Pierre Champagne of RE/MAX Platine.

Real estate investors are always looking for stability, and Brossard offers that, along with a market that is

experiencing annual increases. "It [the market] has been increasing year-after-year, and prices are still increasing regularly," Champagne says of Brossard's market.

"The prices are not increasing as fast as they were from 2001 to 2004 but, this year, we have seen increases by about 3–5%."

Looking ahead, Champagne predicts Brossard's market will maintain its yearly increases, which will be instrumental in attracting new residents and investors.

"The way I see it, Brossard will maintain its 3% per year increase," says Champagne. "Houses will stay longer on the market, and there will still be buyers coming around."



BEST AND WORST AREAS

Best: "The houses in the R, L, and C sections are more expensive, and attract a better clientele," explains Champagne.

Worst: Says Champagne, "if you go to the older sections, which are the E and B sections, the houses are valued lower than the R section. These are average houses for average earners."

BEST BUYS

"[Houses in] the new areas are the best buys because they are the ones that are gaining [value] faster," Champagne says. "The L, C, S and R sections have been gaining a lot [of value] in the past year."

AMENITIES

Good. Brossard is served by a good local transit system, and easy access to a number of major highways (10, 15, 20, 30, 112, 116, 132, 134). Brossard is also a great place to raise a family, has access to a number of bike paths and green spaces, and is also the home of Quartier DIX30, Canada's first commercial lifestyle centre.

Neighbourhoods to watch

As the area around the Quartier DIX30 commercial complex continues to grow, so does Brossard's real estate market. The city is divided up into a number of smaller subdivisions known as sectors. Each of these sectors features streets whose names all begin with the same letter of the alphabet.

Champagne highlights two specific sectors as ripe for investors, with a variety of different properties. In the C sector, the best buys include condos, townhouses, and semi-detached homes.

This sector is within close proximity to Quartier DIX30, and the majority of the properties are newly-built.

Construction of additional housing in sector C is

now underway to meet the demand of potential buyers.

The other hot neighbourhood in Brossard is the L sector. Like the C sector, this area is steps from Quartier DIX30, and many new developments are currently being built in response to demand.

According to Champagne, the best buys in sector L are higher-priced single-family homes, along with some condos.

Capital growth potential

Brossard's close proximity to Montreal makes it an attractive alternative for investors who are priced out of the big city.





The steady demand also ensures real estate prices would continue to grow. 🏠



BLAINVILLE



Top neighbourhood: **CHAMBÉRY DISTRICT**

	Population:	53,510
	Average price: (YTD Jan-June 2012 CMHC)	\$416,213
	Average rent:	\$677
	Vacancy rate:	2.0%



- WHY BUY?**
- Tight vacancy rates
 - High rental rates
 - Close proximity to Montreal

This off-island suburb is just 50 kilometres from downtown Montreal, but miles away from big city life. Blainville is a scenic small town that sits at the foot of the Laurentians. Many working professionals in Montreal commute to the quiet community.

According to the *CMHC Fall 2011* report, demand from migrants is keeping vacancy rates tight in this North Shore region, which comprises of Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Sainte-Anne-des-Plaines and Sainte-Thérèse. This zone is the largest rental market on the North Shore.

“Given the increased popularity of two-bedroom apartments in this zone the vacancy rate there fell from 3.1% to 2.0% in 2011,” stated the report.

“It is worth noting that the average two-bedroom apartment rent in this zone was the highest (\$740) on the North Shore.”

CMHC’s year-to-date figures for January to July, reveal there were 299 housing starts in 2012, compared

to 419 the previous year for the zone. Four of those starts were in the rental space, in the January to July year-to-date figures for 2012, compared to 160 in the corresponding period the previous year.

Neighbourhood to watch

The Chambéry district in Blainville represents excellent investor potential. As one of the last major projects to be developed in the city, it encompasses intelligent design and sensitivity to the environment.

The sustainable residential development combines the natural environment with urban and contemporary living, while promoting places for social and cultural events. The plan was recognized in 2009 with the Prix Ovation Municipale.

Located in the north-eastern district of Fountainebleau, the development is 250 hectares in size. About 20% of the district is protected green space, giving residents access to hiking trails, cross-country ski trails, lakes and lush vegetation.

At the heart of the Chambéry district is Place de la Savoie – a mini commercial sector with coffee shops, restaurants, businesses, a bell tower and meeting areas.

Capital growth potential

According to the CMHC, average house prices in Montreal CMA are forecast to grow 1.5% in 2013, while two-bedroom average rents will increase to \$740. 🏠

BEST BUYS
Two-bedroom apartments.






AMENITIES
Recreational pursuits are big in Blainville, which attracts golfers and cross-country skiers alike. Blainville is also home to the Boreale Microbrewery. The community is served by the Blainville commuter rail station, as well as the local bus service.



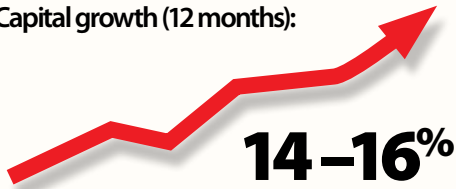
DRUMMONDVILLE



Top neighbourhood: **SAINT-CHARLES-DE-DRUMMOND**

-  **Population:** 71,852
-  **Average prices:** \$100,000 (condos)
\$170,000 (single-family homes)
-  **Average rent:** \$450 (condos)
\$700-\$750 (single-family houses)
-  **Vacancy rate:** 6-7%
-  **Average days on market:** 28 days

Capital growth (12 months):



WHY BUY?

- Quiet area
- Close proximity to numerous major cities, including Montreal, Sherbrooke, and Quebec City
- Access to U.S. border via Autoroute 55
- Many new housing developments in the works

Travel east on Autoroute 20 through southeastern Quebec and you will enter one of the most beautiful parts of the province. The various small towns and villages in this area have a unique charm and sense of hospitality, in addition to affordable rates and prices for investment properties.

The town of Drummondville is a perfect example of a town that combines all of these elements and more, which makes it enticing for potential buyers.

“Drummondville is becoming a very active city [for investors],” explains Serge Balmir of Agence Immobilière Drummond. “Everyone is coming to Drummondville [to invest], and slowly but surely, the market is increasing.”



Drummondville offers minimum risk for investors

Those searching for a place with minimum risk with easy links to other areas will find Drummondville to be a wonderful place to invest. “There are not many risks involved with investing here,” says Balmir. “Drummondville is a good step ahead of major cities because there are two major highways that pass through it.”

Balmir predicts the real estate market in Drummondville will continue to grow, especially as new housing developments are completed throughout the town. “For a couple of months, the market will be very active,” Balmir says. “We have rental properties that are doing well, and we have some of the lowest prices in Canada.”

Capital growth potential

“There is good potential for capital growth here,” says Balmir.

“[Investors] can expect returns of 14% to 16%.” 🏠

BEST AND WORST AREAS

“The Jardins du Golf area is one of the best places for investment in Drummondville,” says Balmir. “One of the worst areas for investment is St-Joseph,” explains Balmir. “It’s an older part of the town, and there is also a higher crime rate there.”

BEST BUYS

“Our best buys are rental properties, which include houses and apartments,” says Balmir.

AMENITIES

Two major highways (20 and 55) provide links to various major cities. There’s a good local transit system and it’s a very clean and safe place to live and invest. The full calendar of cultural events throughout the year is a bonus.



GATINEAU



Top neighbourhood: **DISTRICTS DES PROMENADES**

	Population:	265,349
	Median price:	\$163,539
	Average rent:	\$705
	Vacancy rate:	2.2%



WHY BUY?

- Fourth largest city in Quebec
- Massive revamp of city infrastructure underway
- Close proximity to nation's capital of Ottawa
- Demand rapidly outpacing housing supply

AMENITIES

Good, and only set to improve.

BEST STREETS

Districts Des Promenades connects to Ottawa easily, and is filled with parks and green spaces.

BEST BUYS

With single-family housing starts on the decline, snap up a condo or apartment to meet the needs of newcomers to Canada and Canadians migrating to Gatineau.



Studies show residents are choosing Gatineau over Ottawa, and it's easy to see why. Things such as the affordable lifestyle, subsidized day care and bigger properties are attracting families to this riverside city.

Migration is expected to account for more than 2,500 new residents in the area throughout 2012 and 2013, which will lead to a new need for housing. Starts are expected to increase by 12% in 2012, with condos and apartments atop the list of planned projects. The vacancy rate has remained low for several years, and is expected to remain around the 2.2% mark reported in 2011.

The unemployment rate sits just under the national average at 6.6%, but there are steps being taken in an attempt to bolster job opportunity and migration. Gatineau has pledged more than \$88 million to improvements to buildings, roads, parks and recreational facilities and water supply systems.

"Gatineau continues to invest ... in roads, buildings, plants, parks and green areas, thanks to different subsidies and to the new infrastructure fund created by Council in 2012," says Mayor Marc Bureau.

Gatineau may appear a modest rental market in the short term but, in a city only set to grow, an investment now is sure to provide excellent cash flow down the line. In a city promising new jobs, new facilities and new housing, while already boasting a healthy cultural calendar and tourism, purchasing power sits in investors' hands.

Capital growth potential

For investors looking to maximize capital growth in the next five to 15 years, Gatineau is a worthy prospect. 🏠



GRANBY



Top neighbourhood: **LE JARDIN DE L'ODYSSÉE**

	Population:	63,433
	Average price:	\$286,404
	Average rent:	\$563
	Vacancy rate:	2.8%



WHY BUY?

- Low vacancy rates
- Diverse economy
- Attractive housing prices

Granby is a growing community located east of Montreal in southwestern Quebec. The area is a regional centre for industries such as textile, lumber, and dairy products, but is also a popular tourist destination because of its numerous festivals and attractions such as the Granby Zoo.

Much like the rest of Quebec, Granby's rental market has remained relatively stable over the last two years, with vacancy rates increasing just slightly to 2.8% in 2012, from 2.6% the previous year. There was highest demand for 2-bedroom units, which posted the lowest vacancy rate at just 1.8%. The CMHC Spring rental report for Quebec notes that on the demand side, strong immigration levels were offset by weaker youth employment.

Meanwhile in the housing market, housing starts increased 10.7% in 2012, with year-to-date figures of 361 from 326 the previous year.

Neighbourhood to watch

The location of Le Jardin de l'Odysée has several advantages. Close to the city centre, the neighbourhood has access to all commercial and community services, as well as schools, libraries, churches, parks and restaurants.



VACANCY RATE
2.8%

It is also just 10 minutes from Bromont Ski Resort, which offers skiing and snowboarding in the winter, and a waterslide park in the summer.

For outdoor pursuits a little closer to home, residents can make use of the community's numerous bikepaths for cycling or rollerblading.

The neighbourhood caters to young families and retirees, and offers twin-bungalows, semi-detached, cottages, townhouses and condos at price points to suit all budgets.

Capital growth potential

According to the CMHC Housing Market outlook for Quebec, relatively stable demand for resale homes, combined with rising supply has taken some pressure off prices in recent quarters. As a result, the CMHC predicts moderate price growth over the course of 2012 and 2013.

Amenities and infrastructure

Situated halfway between Montreal and Sherbrooke, Granby is connected by Autoroute 10. Public transit is provided by Transport urbain Granby. In addition to having a large sporting community, Granby is home to several well-known festivals such as the Granby Song Festival and hosts the annual international classic car show. Shopping amenities include the Galeries de Granby which has more than 106 stores. 🏠

BEST BUYS
2-bedroom
apartments.



LAVAL



Top neighbourhood: **RIVIÈRE DES PRAIRIES**

	Population:	401,553
	Median price:	\$426,666
	Capital growth (12 months):	7%
	Average rent:	\$756 for a two-bedroom unit
	Vacancy rate:	2.5%

WHY BUY?

- Close proximity to Montreal
- Dynamic local economy
- Strong capital growth
- Diverse employment nodes

The largest suburb of Montreal, the Island of Laval, is geographically separated from the mainland to the north by the Rivière des Mille Îles, and from the Island of Montreal by the Rivière des Prairies to the south. It is easily accessible to several surrounding towns and serves as the hub between Montreal and regions further north.

According to Sotheby's International Realty Canada, Laval balances "the energy and opportunity of big city living" with a more peaceful, relaxed lifestyle. "It's a region with a diverse economy and population, which is mirrored in its neighbourhoods and real estate market," the agency reports.

Locals love Laval because it is situated close enough to the hustle and bustle of the city, while still creating enough distance to avoid the negatives of expensive rents, higher levels of crime and less green space. With 30% of its territory devoted to agricultural production, opportunities to invest in Laval's property market range from built-up residential neighbourhoods to larger rural properties.

It has long been viewed as a 'bedroom community', however, Laval has diversified its economy in recent years and now generates economic growth through the technology, pharmaceutical, industrial and retail industries. It boasts four separate industrial parks including the Industrial Park Centre, which has the



VACANCY RATE
2.5%

highest concentration of manufacturing companies in Laval – over 1,000 businesses, with 22,000-plus employees, and more than one million metres square of space still available.

Better still, the employment forecasts for Laval are excellent. The population is growing; and fast-growing employment and industry sectors are emerging, such as biotechnology, information sciences and agri-food production and processing. Coupled with strong recent capital growth and a low vacancy rate of just 2.3%, Laval is an area to watch. 🏠

AMENITIES

Excellent. In 2007, at a cost of \$800 million, the Montreal Metro was extended to Laval. Three stations and two commuter train lines also connect Laval to downtown Montreal in as little as 30 minutes. The region is home to more than a dozen technical centres, colleges and universities, and also offers plenty of great restaurants, ample shopping districts and several schools and parks. All of this, and Montreal is just across the river.

BEST AREAS

Neighbourhoods fringing the Rivière des Prairies to the south boast properties with gorgeous river views, and some homes have views to Montreal. While Laval has plenty of features and amenities to keep local residents employed and entertained, properties located within an easy commute distance of Montreal will always be sought after by tenants. If your budget allows, the pricier suburb of Duvernay is a winner, says Sotheby's realtor Anne Ben-Ami: "You're less than 2km away from the new bridge that will connect Highway 25 to east Montreal, and Montreal is 20 minutes away."

BEST BUYS

From simple two-bedroom apartments in multi-unit complexes, to newly built single-family homes, to luxury estates that have been standing for a century, the properties on offer in Laval are as diverse as they come. A high turnover of buying activity happens in the \$290,000–\$450,000 price bracket, so consider staying within this affordable range to ensure your home has strong resale potential in the future.



LÉVIS



Top neighbourhood: **DOWNTOWN AREA**

	Population:	138,769
	Average price:	\$160,907
	Average rent:	\$633
	Vacancy rate:	2.2%

WHY BUY?

- Self-sustaining economy
- Great shops and amenities
- Easy access to heart of Quebec City
- Burgeoning condo market

AMENITIES

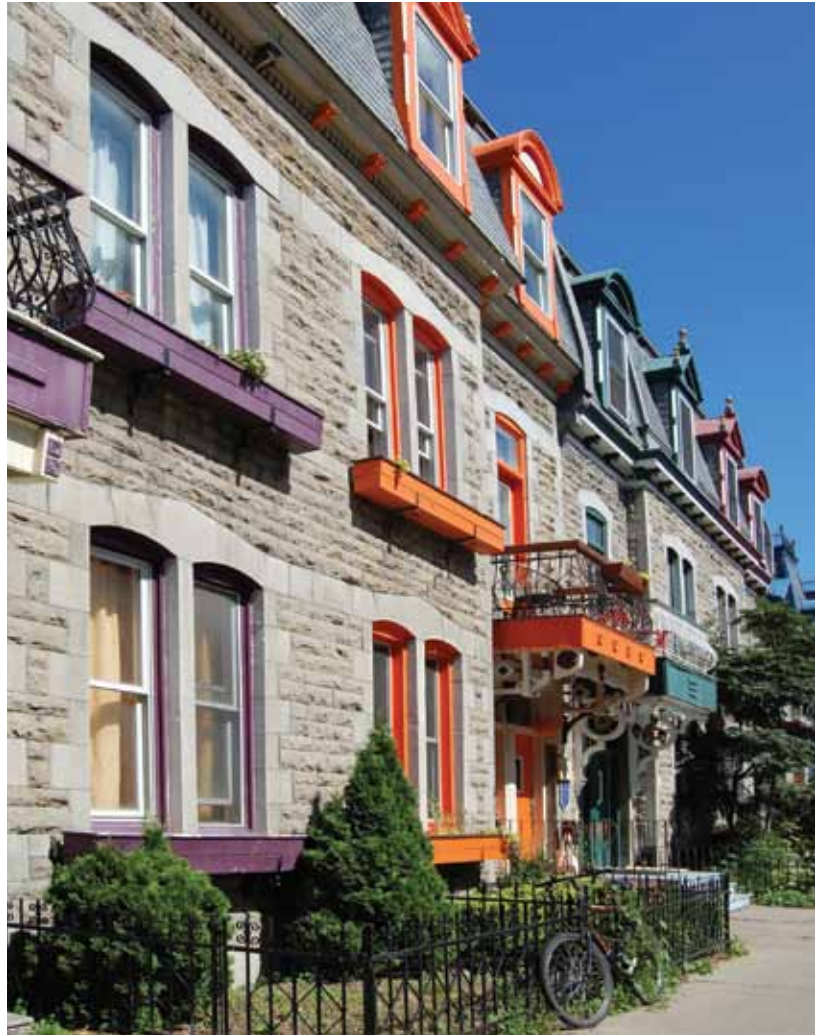
Good – residents can enjoy the shops, great transportation and cultural events in Lévis.

BEST STREETS

Anywhere in the downtown area.

BEST BUYS

Condos and semi-detached are in high demand.



Lévis has consistently ranked among the most desirable places to live in Canada – despite the harsh winters. It's no surprise then, that it boasts an attractive market for investors, too.

This small lakefront city has lots to offer, growing from a suburb to a bustling city, ripe with job opportunities created by refineries, ship building and the financial sector.

As residents move out of Quebec City and into the affordable alternative of Lévis to seek this work, the demand for housing is growing.

Canada's Economic Action plan has sunk substantial money into improvements to infrastructure; a \$11.7 million investment has been made to improve the Desjardins water treatment facility as a starting point. Statistics Canada has reported the population of Lévis

to be continuously on the rise – something that bodes well for supply and demand.

The vacancy rate has remained traditionally low in this region, and there is still a demand that exceeds the availability of rental housing. The market has seen a renewed interest in condos, with 1,986 starts recorded in the Quebec City region last year. This is a departure from previously-favoured single-family homes, on which construction has stalled since 2010. Three key condo developments are poised for 2012, so investors would be wise to capitalize on a new unit.

Capital growth potential





With job creation on the rise, and an unemployment rate that ranks beneath the provincial average, this city is only set to grow. 🏠



LONGUEUIL



Top neighbourhood: **VICTORIA BRIDGE AREA**

	Population:	231,409
	Average price:	\$235,019
	Average rent:	\$661
	Vacancy rate:	3.6%

Capital growth (12 months):



WHY BUY?

- Comprised of three quiet, neighbourhood boroughs
- Commuting distance to Montreal
- Strong aerospace industry
- Excellent transportation hub

Longueuil has earned a spot on the list alongside its sister city, Whitby, for many a good reason. Investors can enjoy a multitude of options when it comes to real estate in Longueuil, with both commercial and residential properties to choose from. The city lays claim to relatively inexpensive property given its close location to Montreal, which can be reached quickly and easily via commuter train.

After undergoing municipal reorganization beginning in 2002, the city is now comprised of three boroughs – Vieux Longueuil, Greenfield Park and Saint-Hubert. Located on the bank of St. Lawrence River, it acts as the perfect crossroad between the U.S. border and Eastern Canada. Longueuil is home to a thriving business community, with lots to offer in the way of fertile land for farming and agriculture as well as urban land for future developments.

Longueuil’s many swimming pools, dog parks and hockey arenas make this an ideal location for families, but also worthy of mention are the number of students



VACANCY RATE
3.6%

that flock to the city’s universities, creating a steady rate of supply and demand for housing.

An abundance of duplexes and triplexes can be found in Longueuil. Investors can expect to charge upward of \$1,500 for a three-bedroom, one-bathroom unit. With the average price for this unit sitting around the \$500,000 mark, investors can expect a steady ROI given the gap between the cost of purchasing and renting in this popular area.

Capital growth potential

The predicted job growth for the region will increase migration, which will boost the opportunity for capital gain on a purchase made now. 🏠

AMENITIES

Excellent – Longueuil became the 2007 Francoville titleholder for its public institutions, as well as “cultural vitality”.

BEST STREETS

The Victoria Bridge area remains popular thanks to its quick access to downtown Montreal.

BEST BUYS





Three-bedroom, two-bathroom houses close to a university campus will ensure high rental income.

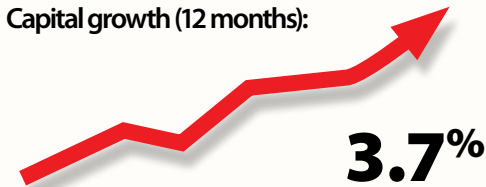


REPENTIGNY



Top neighbourhood: **CHEMIN DU ROY**

	Population:	82,000
	Average price:	\$195,919
	Average rent:	\$652
	Vacancy rate:	2.8%



WHY BUY?

- Safe suburban neighbourhood
- Lots of green spaces and parks
- Extensive transit system
- Commitment to sustainability



Repentigny may be part of the province’s horticulture beautification program, but this Quebec region is no shrinking violet.

Situated north of Montreal, Repentigny offers the tranquility of a suburb with easy access to one of the province’s most vibrant cities. Population has grown 7.6% since 2006 – and shows no signs of slowing. So what is driving residents to Repentigny?

“Repentigny is a big city with all the same facilities and services of a big city like Montreal,” says David Redfern of DSR Asset Management. Low crime rates and unemployment rates are also attractive to residents. Property remains affordable at just under \$200,000 and, although there are affluent pockets, the average household income isn’t quite \$80,000. This moves many would-be buyers into the rental bracket.

Developers are answering the call of the rising population with the start of new developments. One such complex, ‘Condos in the Park’, is one of the finishing touches on a rapid expansion in housing in Repentigny. “This project is one of the last phases of a

major development called ‘Valmont sur Parc’, started more than 10 years ago, where more than 500 units have been sold so far – from apartments to cozy detached houses,” says Redfern.

Not home to industry or education, Repentigny attracts families and individuals looking for a slower pace of life without the Montreal price tag. Investors can enjoy healthy resale value from their property, as well as responsible tenants looking for stability and tranquility from this quaint environment.

Capital growth potential:

Those who like Montreal like this place a lot, meaning long-term tenants and cash flow for investors savvy enough to snap up a property. 🏠

AMENITIES

Good. In spite of the fact 88% of residents drive, the transit system connects to neighbouring Terrebonne, Laval and Montreal easily.



BEST STREETS

Areas close to the bridge are a safe bet.

BEST BUYS

Single-detached homes.



MONTREAL

Top neighbourhood: **CÔTE SAINT-LUC**

Other neighbourhood to watch: **MONT-ROYAL**

Population: 1,958,257

Active population: 939,400

Unemployment rate: 9.7%
(1.9% above Quebec average
but down 1.1% since 2007)

Available income per resident: \$27,646

HOUSING DATA

● Number of new construction units
in 2011: **8,569**

NUMBER OF SALES IN 2011:

- Single: **5,180 units** with average price of **\$356,100**
- Plex (2 to 5 apartment): **3,095 units** with average price of **\$425,000**
- Condos: **7,986 units** with average price of **\$257,000**
- Apartment vacancy rate: **2.5%**
- Average monthly rent: **\$737**

Source: Jean-Pierre Lessard, Directeur, VERICO Imeris. T 514 507-1999 F 514 507-1666 C 514 592-7313. jeanpierre.lessard@imeris.ca

WHY BUY?

- Major metropolitan centre and Canada's second largest city
- Domestic demand and private investment still strong
- GDP expected to grow 1.5%
- Montreal receives vast majority of immigrants to Canada
- Average listings expected to grow by 8%



Montreal is one of the largest cities in Quebec, and it is also one of the province's most culturally diverse areas. Known for its European flair, a wide variety of festivals and events attract residents and tourists alike every year.

Its real estate market has attracted the attention of numerous investors, which, as one agent states, is due to its overall charm. The city is a haven for renters, especially with several new developments being built.

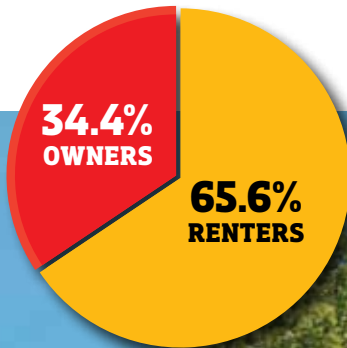
"Montreal is a romantic city filled with history and charm," explains Helen Liberman of RE/MAX Du Cartier.

"High rates of renters in the past created a unique opportunity for a condo construction boom."

Rental vacancy in Montreal is expected to drop further this year, reaching 2.3% in the fall, compared to 2.5% in October 2011. Some renters will move to homeownership, but their departure will be more than offset by the arrival of newcomers in the area.



TOP 100 QUEBEC



Montreal is also attracting more tourism than ever says Tatiana Londono of the Londono Realty Group. “With our never-ending festivals and amazing four-season weather, Montreal has become one of the most sought-after destinations for those who seek action all year long,” she says.

“Real estate developers understand Montreal is the next best thing. We have never seen so many new construction [projects].

“Luckily, buying real estate in Montreal is a lot more affordable than other large Canadian cities, and there are still areas near the centre that haven’t yet [been] developed, which leaves a lot of room for short and long-term investment.”

Top neighbourhoods to watch

The Greater Montreal Area (GMA) is home to a number of suburbs, each of which provide investors with numerous opportunities for property purchases. These days, there have been a number of new developments in the west end of the island. One west end community in particular that has experienced some growth of late is Côte Saint-Luc.

“Côte Saint-Luc is a thriving community with quick and easy access to downtown,” explains Liberman. “It is a community that includes homes, condominiums, specialty stores, restaurants and shopping centres.”

A new housing development is currently being built on the former site of the southern half of the Cavendish Mall. According to Liberman, this area will feature green spaces and easy access to the mall, public library, city hall, and a number of recreational facilities.

Several properties have already been built in this new area, including single-family homes, townhouses, and detached houses. There are a number of new condo buildings that feature spacious units accented by modern design.

Another hot neighbourhood to watch is Mont-Royal according to Jean-Pierre Lessard of VERICO Imeris. “Mont-Royal is an action-filled neighbourhood in Montreal, close to everything (downtown, good restaurants, nightlife) and composed of around 70% of renters who pay a little more rent to stay in the area. Population is young – around 40% are aged under 35 years. Apartment vacancy rates are very low and property values continue to go up. It’s still on the hottest sellers list in Montreal.”

Capital growth potential

In 2013, demand for rentals is expected to grow as interest rates climb.

Montreal’s desirability also ensures prices will grow steadily over the medium to long term. 🏠

WHERE TO BUY

Depending on your needs, Montreal has a great deal for families, students and those just starting out. Park Extension is probably the least expensive part of the city, located in the centre. It is a multi-ethnic area where lots of immigrants settle.

BEST BUYS

Two-bedroom apartments. At \$1,414, the highest average rent was recorded in the Downtown and Île-des-Soeurs zone. In the other submarkets, the averages ranged from \$583 to \$952.

AMENITIES

Excellent. Montreal is a world-class metropolitan city with universities, shops and restaurants with a vibrant jazz and arts scene.

WHAT THE EXPERT SAYS



“Montreal is great to invest in because people would rather rent in the city than own in the suburbs. With 65% of Montreal’s residents renting and not a whole lot of places left to build on the island, the value of real estate will only increase with time. The prices right now are still fairly affordable versus other big cities in Canada.”

Jean-Pierre Lessard, VERICO Imeris



QUEBEC CITY

Top neighbourhood: **SILLERY**



Population: 516,622



Average price: \$284,315



Average rent: \$725 for a two-bedroom unit



Vacancy rate: 0.7%

Capital growth (12 months):



WHY BUY?

- Low unemployment rate of 5.1%
- Affordability
- Very low vacancy rate of 0.7%

With several large-scale infrastructure investments on the horizon, landlords in it for the long haul are set to enjoy profits for years to come



AMENITIES

Two bridges and a ferry service connect Quebec's city downtown with its outer suburbs, and while residents can access the crowded train and bus network, plans are being mooted for the revitalisation of the city's former tram system at a cost of \$900m. There are a number of historic sites, art galleries and museums and the \$400m New Quebec City Amphitheatre, which will have capacity to hold 18,000 spectators, is due to open 2015.

Situated around 230km from Montreal, Quebec City is the capital of Quebec and the second-largest city in the province. It is perched on the Saint Lawrence River valley and around 95% of all residents speak French as their mother tongue.

Tourists and locals alike enjoy the attractions Quebec City has to offer, including the Montmorency Falls, the Basilica of Sainte-Anne-de-Beaupré, the Mont-Sainte-Anne ski resort, and the Ice Hotel. But it's the city's strong economy and population growth – between 2006 and 2011, the region's population grew 6.5% – that will underpin the property market going forward.

Jobs in Quebec City are concentrated in public administration, defence, services, commerce, transport and tourism industries, and the current unemployment rate is far lower than the national average, at just 5.1%.

“While numerous capital projects have enabled the market to stand out in recent years, other upcoming projects will also support employment, even as the economic recovery will be rather moderate in the province overall,” reports CMHC.



BEST AREAS
Focus your search on the populated streets of the core downtown, being careful not to get too close to the industrial pockets west of the city. Homes south of (but not directly on) the busy main thoroughfare of Chemin Sainte-Foy are a good idea as there are bus stops on almost every corner, and residents have easy access to the Plains of Abraham and other local parks, the riverfront and local shopping and entertainment precincts.

BEST BUYS
With an average price of around \$284,000, the housing market in Quebec City is affordable for landlords – and a vacancy rate of 0.7% means renters are chomping at the bit for more accommodation. One- and two-bedroom condos and apartments are popular with tenants downtown and represent a good value, low-cost entry point into the investment market.

While recent capital growth in the housing market was sluggish at 1.1%, rental yields are strong at an average of \$725 per month for a two-bedroom unit. Positive cash flow opportunities abound and with several large-scale infrastructure investments on the horizon, landlords who are in it for the long haul are set to enjoy profits for years to come.

“During the next few years, the area will benefit from major new investment in institutional, commercial, airport, marine and road infrastructure,” says CMHC. “This year and next, Quebec’s housing market will be supported by continued favourable economic conditions.”

Top neighbourhoods to watch

Located just west of Old Quebec city, Sillery is a historic, affluent residential and business neighbourhood by the Saint Lawrence River, dotted with 19th century workers’ homes along Chemin du Foulon.

According to Québec City Tourism, the region is sought-after as its deep historical culture blends with modern restaurants and trendy fashion

boutiques, particularly along the main shopping district of Maguire Street.

“Rue Maguire has specialty boutiques, great food shops, and friendly sidewalk restaurants,” the tourism agency confirms.

It won’t be cheap to invest in one of Sillery’s luxurious villas – a number of which were built for 19th century lumber barons, dating back to the turn of the 20th century – especially those perched atop the cape, boasting spectacular views.

However, the condo and apartment market in the broader Sainte-Foy-Sillery region offer an affordable entry point, with two-bedroom homes starting at around \$200,000 to \$250,000.

Capital growth potential

A possible increase in interest rates in 2013 may temper property price appreciation in the region, with the CMHC confirming: “Some factors will limit demand, especially for new homes ... and softer conditions will limit growth in prices.”

Still, it expects capital growth of around 1.6% in the year ahead. 🏠



SAGUENAY



Top neighbourhood: **JONQUIÈRE**

VACANCY RATE
1.9%

	Population:	144,746
	Median price:	\$188,000
	Average rent:	\$533
	Vacancy rate:	1.9%

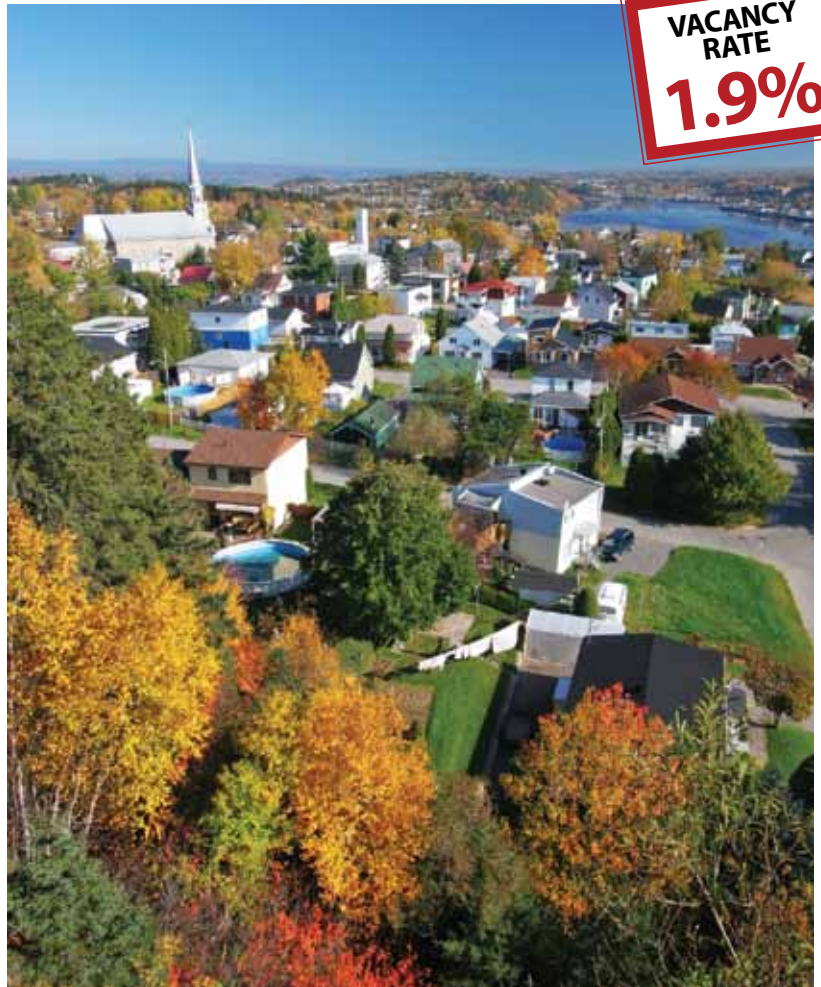


- WHY BUY?**
- Strong labour market
 - Promising housing starts predicted
 - Steady demand for rental units
 - Historic town with hot tourist market

AMENITIES
Lakes, rivers and mountains provide plenty of outdoor recreation, and a steady flow of tourists looking for vacation homes.

BEST AREAS
The areas of Jonquière, La Baie and Chicoutimi are all growing in popularity.

BEST BUYS
Multi-family housing.



Famed for its historic Fjord, Saguenay is no longer just attracting adventurers. The rental market has peaked in this area, with a steady demand expected to continue through 2013, when the vacancy rate is expected to hit 1.6%.

A competitive labour market pooled with migration to the area is thought to contribute to the increasingly competitive rental market.

“Immigrants, as well as young workers, usually tend to rent first and then move to homeownership,” explains Mathieu Laberge, deputy chief economist at CMHC’s Market Analysis Centre.

“An overall improving job market over the last year, in conjunction with new migrants coming to Canada’s major centres are factors that are supporting the rental demand in Canada.” This is true for Saguenay, where research shows that households with people aged 25–44 are indeed renting for longer.

Saguenay sits just two hours north of Quebec City and is known for its stunning natural beauty, but the city has more to offer prospective tenants and investors than just the landscape. According to Immigration Quebec, immigrants from France, China, Haiti and Germany already call Sauguenay home. This high population of newcomers contributes to the excellent vacancy rate of 1.9%. 🏠



SAINT-HYACINTHE



Top neighbourhood: **BOURG JOLI**

	Population:	53,236
	Median price:	\$ 240,000 (YTD Jan-June 2012 CMHC)
	Capital growth (12 months):	-11% (from \$270,000 YTD Jan-June 2011 CMHC)
	Average rent:	\$551
	Vacancy rate:	2.1%

VACANCY RATE
2.1%



WHY BUY?

- Diverse economy
- Low vacancy rate
- Steady in-migration

This 260-year-old community is nestled along the banks of the rivière Yamaska, in southwestern Quebec. Agriculture plays a significant role in Saint-Hyacinthe's economy, however manufacturing and service companies are also gaining prominence. Industrial growth intensified in 1998 and there are nearly 14,000 manufacturing jobs in some 400 companies in a number of sectors: agri-goods, furniture and wood, textiles, plastics and other types of product manufacturing.

Saint-Hyacinthe has a growing tourism trade that capitalises on agri-tourism and those looking to explore the region's religious history and culture.

Spring CMHC figures for 2012 reveal a steady rental market, with vacancy rates increasing only slightly to 2.1% in 2012 from 1.9% the previous year. Average rents also remained on par.

While median house prices show a drop of -11% when comparing CMHC's January to June statistics, the average house prices for the same period were \$286,615 in year-to-date figures for 2012, compared to \$297,424 in 2011 – a difference of -3.6%.

Meanwhile, CMHC stats reveal there were 205 housing starts from January to June in 2012, compared to 128 in the previous corresponding period. Sixty-four of those housing starts were intended for rental, compared to 27 the previous year.

Neighbourhood to watch

The exclusive suburb of Bourg Joli is a fantastic area offering established housing and great amenities that is centrally located within Saint-Hyacinthe. Close to the hospital, and walking distance to the campus of Veterinary Medicine at U of M, as well as the Institute of Agriculture Technology, the neighbourhood appeals to students and professionals alike.

Families are also attracted to the area for its primary and secondary schools as well as shopping amenities.

For investors, the neighbourhood still offers some bargains, with apartment condos available from \$140,000 ranging upward, to two-bedroom executive condos for \$265,000. Rents in the area net upward of \$715.

Capital growth potential

According to the CMHC, a return to more balanced conditions means price growth in the resale market will moderate over the course of 2012 and 2013.

For 2012, the average MLS price is forecast to be \$271,600, while 2013 will see an increase to \$277,800. 🏠

BEST BUYS

One-bedroom apartments.

AMENITIES

Saint-Hyacinthe operates a local bus and train service that connects to Montreal. There is also an inter-urban bus service, Via Rail, and the private Saint-Hyacinthe Aerodrome just west of the city. The city is home to a number of education facilities and offers a regional hospital and a CLSC – a local community service centre.



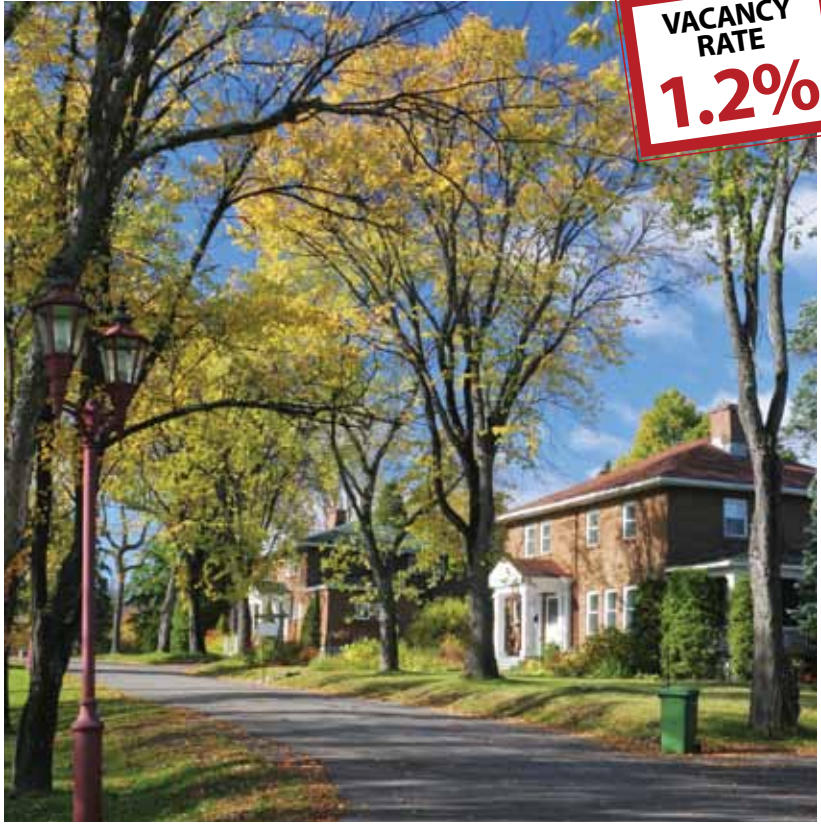
SAINT-JEAN-SUR-RICHELIEU



Top neighbourhood: **RUE MCINNIS AREA**

	Population:	92,394
	Average price:	\$273,285
	Vacancy rate:	1.2%

VACANCY RATE
1.2%



- WHY BUY?**
- Growing population
 - Located within 50km of Montreal
 - Stable economic base

AMENITIES
Good. Has a university, airport, shopping centre, and is a railway hub. Also home to an international hot air balloon festival.

BEST STREETS
Rue McInnis, Rue Latour, Rue Jacques-Cartier.

BEST BUYS
Condos near city centre, single-family homes in the north.

Saint-Jean-Sur-Richelieu is located just 50km from Montreal, but is also less than an hour away from both New York and Vermont in the U.S. The strategic location along the Richelieu River has made this city, commonly abbreviated to SJR, a vital economic hub and a location boasting continuous population growth in recent decades.

The city is home to a manufacturing centre, as well as an Area Support Unit for the Canadian Forces, which trains more than 7,000 recruits per year.

Families are especially drawn to the city's quality amenities and schools. Between 2000 and 2010, real estate prices here rose the second fastest in the province, up 147% from \$86,900 to \$215,000. They've lately slowed down in the single-family sector, with the median price of \$260,000 up just 1% since last year.

But condos have started to take off, and investors have especially been drawn by the 1.2% vacancy rate this year, one of the lowest in the region. Rents are also higher here than in some of the other nearby towns, and have been on the rise as the population also rises.

Within the city are the two unique communities of Saint-Luc and Iberville. The west bank of the river features a more urban environment, with more condo options as well.

Capital growth potential

Vacancy rates are still low, even as some new condos have come on the market. The challenge for an investor is that because house prices are now so high, it may mean aiming for lower-than average homes in order to get into the market. 🏠



SAINT-JÉRÔME



Top neighbourhood: **LAFONTAINE**

Population: 68,456

Median price: \$257,739

Average rent: \$601 for a two-bedroom unit

Vacancy rate: 2.8%

Capital growth (12 months):

9.3%

WHY BUY?

- Proximity to Montreal
- Affordable
- Strong capital growth

Saint-Jérôme is located around 40km northwest of Montreal, along the Trans-Canada Highway/Autoroute des Laurentides (Highway 15). The town is a gateway to the Laurentian Mountains and all of its attractions and ski resorts.

According to Sotheby's International Realty, "its backdrop of lakes and mountains, award-winning ski hills, cross-country ski trails and championship golf courses haven't simply captured the attention of vacationers and real estate investors from nearby Montreal and Ontario, but the region has also attracted international jetsetters and real estate investors from around the world."

Local residents are within close proximity to Montreal, meaning residents can take advantage of living in the region's outer suburbs or wide open spaces in the countryside, while still having easy access to everything the city and nearby ski resorts have to offer.

Boasting annual capital growth of 9.3% and price appreciation of 21% over the past five years, Saint-Jérôme's property market has performed well for investors and homeowners alike.

Buyers in the \$200,000-\$250,000 price range will



VACANCY RATE
2.8%

be able to secure a good quality bungalow or semi that rents for upward of \$600 per month, which – provided you can put down a decent deposit – will translate to a positive cash flow investment that pays dividends now and in the future.

Neighbourhood to watch

Directly north of Saint-Jérôme is the residential neighbourhood of LaFontaine, where almost 5,000 properties provide accommodation to more than 11,000 residents.

The region's population is growing faster than the growth rate of Quebec, up 17% between 2001 and 2006, compared with 4.5% for the province overall.

According to StatsCan, around 50% of all households are families with children. The remainder is comprised of single residents, couples and flatmates. This provides an opportunity for landlords to cater to either rental market, depending on their budget.

For first-time investors, LaFontaine's low starting price points are attractive: one- and two-bedroom apartments can be picked up for \$140,000, including low-maintenance homes built in the past few years.

Capital growth potential

The region has performed well with a long-term growth rate of 21% over the past five years. Sales activity is currently up 15% on 2011 levels, which places Saint-Jérôme in a good position to enjoy strong capital growth rates in the years ahead. 🏠

BEST AREAS

Properties situated within close proximity to the Saint-Jérôme train station, in the city's south, will appeal to renters who seek easy access to Montreal. Call a few local realtors to assess the needs of local renters before fine-tuning your search.

BEST BUYS

You can find everything from basic homes to luxury residences in Saint-Jérôme, and the best types of properties for investment purposes are those that fall somewhere in between. Look for homes in neighbourhoods that are quiet, private, and yet just minutes from downtown Saint-Jérôme and Highway 15, suggests realtor Rachele Demers from Sotheby's International Realty.

AMENITIES

Good. Residents are served by the Saint-Jérôme intermodal commuter rail station and three private bus companies. The Trans Canada Highway links the city directly to Montreal. Locals also have access to the Saint Jerome Hospital, a large local shopping centre and colleges or university campuses.



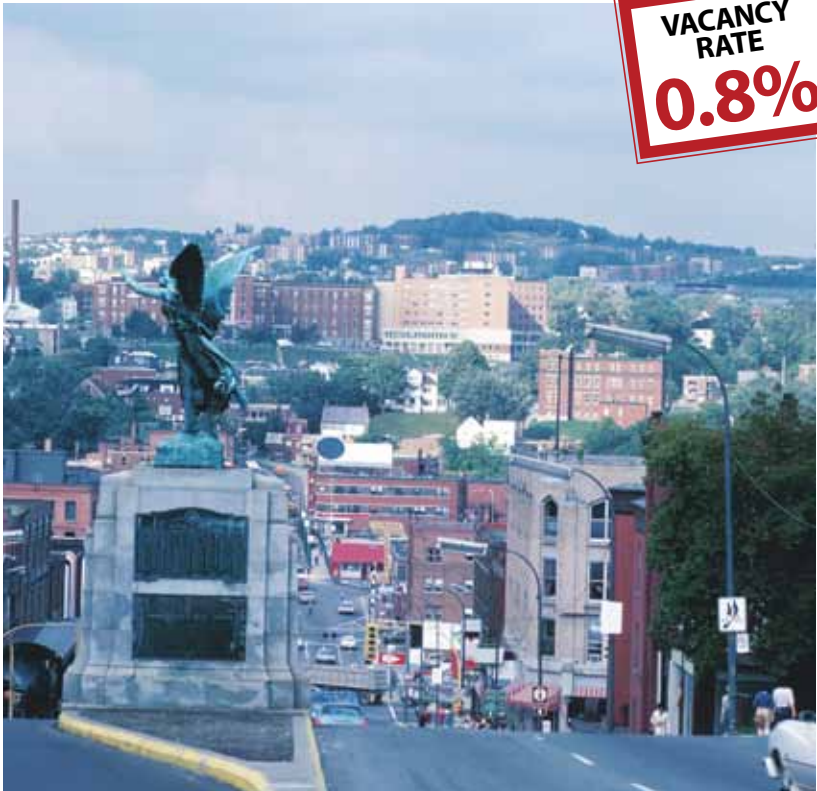
SHERBROOKE



Top neighbourhood: **RUE DE VERDUN**

	Population:	154,601
	Average price:	\$187,500
	Vacancy rate:	0.8%

VACANCY RATE
0.8%



- WHY BUY?**
- Low vacancy rate
 - Affordability
 - Université de Sherbrooke
 - Room to grow

AMENITIES
Good. Quality schools, public transportation, museums, university and parks.

BEST STREETS
Rue de Verdun, Rue de Vermont, Rue de Cypres.

BEST BUYS
Houses and units near the university.

Well-placed between Quebec City, Montreal and the U.S., Sherbrooke seems to be positioned for growth. Université de Sherbrooke educates 40,000 students and employs about 11,000 people.

A regional airport and hospital help support a strong economic base, and the population has not declined in this or the previous century. Stable growth continues to find its way to Sherbrooke.

But investors should be wary about rent control, which has kept the average two-bedroom rent at \$515 per month, making it the third most affordable rental city in Canada, according to the Canada Mortgage and Housing Corporation. Overall housing stats are not readily available, making outside research more challenging than for other cities.

Local knowledge is thus important, especially with varying markets within the CMA including Magog and Waterville. Many of the homes are older, but are therefore open to renovations and offer greater affordability.

The economy has shown signs of life recently with a net gain of 19 companies and 518 jobs in five key sectors the city, including life sciences, cleantech and sustainable development, micro-nanotechnologies, information and communication technologies, and advanced manufacturing.

Unemployment in Sherbrooke remains lower than in other Quebec cities.

Capital growth potential

Prices here have remained pretty stable, and that's helped maintain the city's reputation as being affordable. However, investors might be detracted by the small rents which make yields fairly limited, despite strong demand. 🏠



TERREBONNE



Top neighbourhood: RIVIÈRE DES MILLE-ÎLES

	Population:	106,322
	Median price:	\$232,060
	Rental yield:	5%
	Vacancy rate:	2%



WHY BUY?

- Connects easily to Montreal
- Picturesque off-island location
- Family-focused community
- Rich heritage district

Terrebonne is fast becoming an attractive region of the Greater Montreal Area, something investors should consider going into 2013. The stunning architecture and historic background has made this area a popular tourist and vacation destination, but as the city undergoes renovations to expand transit and update public facilities, it is fast becoming a desirable place to live. The increasing number of housing starts, particularly in the condo market, testifies to the increasing interest in Terrebonne.

The city hosts world-class golf courses, more than 90 parks and green areas, movie theatres, ski hills and the TransTerrebonne, a 41km multi-use pathway. The government has invested \$50 million into sports and recreational facilities, further demonstrating the city's commitment to providing a sustainable and safe community for residents.

Effective transit connects Terrebonne to Montreal in half an hour, making it a popular choice for commuters – and real estate investors – as Montreal's expensive cost of living continues to drive residents north.

Like many regions in the province, Terrebonne's condo



VACANCY RATE
2%

AMENITIES

Excellent. Environmental policies, award-winning road safety and transit expansion are among the highlights.

Effective transit connects Terrebonne to Montreal in half an hour

market is on the up. The vacancy rate for two-bedroom apartments fell to 1.6% from 2.7% in 2010, signaling a rise in the demand for rental units.

The average rent for these apartments is also on the rise, with investors able to charge \$740 a month for properties on the North Shore.

Capital growth potential

Lucrative, especially in the condo market. 🏠

BEST AREAS

Given the low vacancy rates and high monthly rent on the North Shore, places like Rivière des Mille-Îles offer a high return on investment.

BEST BUYS

One- and two-bedroom apartments are in high demand, particularly from migrants to Canada and students.



TROIS-RIVIÈRES



Top neighbourhood: **RUE DE L'ANSE**

	Population:	131,338
	Median price:	\$181,039
	Vacancy rate:	3.8%



WHY BUY?

- One of the most affordable cities in Quebec
- Well located between Montreal and Quebec City
- Université du Québec à Trois-Rivières provides consistent rental opportunities

Set in between Montreal and Quebec City along the Saint Lawrence River, Trois-Rivières is one of the most affordable metropolitan real estate options in the Quebec province. The challenge for investors is that it is also the most affordable rental market in the country, with an average two-bedroom rent of \$543 this year, according to the Canada Mortgage and Housing Corporation.

Of the six largest metropolitan areas in Quebec, Trois-Rivières ranks sixth in population with slightly less than 150,000 people. Population growth has been relatively low at 4% in the latest census, but fairly stable overall.

The cost of a single-family home is much more affordable here, with a median price of \$149,500, compared to Montreal, at \$233,000.

The local economy has progressed from its earliest fur-trading beginnings and industrial growth as a pulp and paper centre, to more of a recent focus on technology parks and wind turbine production led



VACANCY RATE
3.8%

by Marmen, Inc. But it still relies enough on the global economy that it has felt some of the downward influence in recent years. The unemployment rate this year of 6.9% was significantly lower than Montreal at 7.9% and Sherbrooke at 8.0%.

Median price, while lower than most of the province, has consistently increased in the past decade, more than doubling from just over \$70,000 in 2001 to reach the current median of close to \$150,000. 🏠

BEST STREETS

Rue de L'anse, Rue de Lilas

BEST BUYS

Single-family homes in Pointe-du-Lac, Saint-Louis-de-France, and Sainte-Marthe-du-Cap.



FREDERICTON

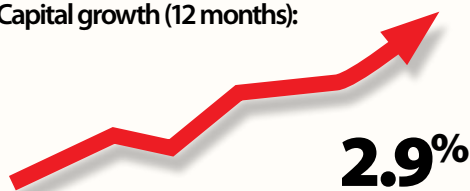


Top neighbourhood: **GOLF CLUB/WOODSTOCK ROAD**

Other neighbourhoods to watch: **THE HILL AREA, WEST HILLS**

	Population:	56,224
	Median price:	\$170,563
	Average rent:	\$746
	Vacancy rate:	3.8%

Capital growth (12 months):



WHY BUY?

- Strong student population
- Public sector employment
- IT infrastructure investment

Vacancy rates in New Brunswick's provincial capital may have increased slightly in 2012 to 3.8% from 3.0% the previous year, but availability was still the lowest in the province. The small rise in vacancy is the result of higher than average levels of construction activity, which has impacted the balance of supply and demand.

Fredericton is home to the University of New Brunswick, St. Thomas University and several colleges and, as a result, it has a strong student population that has boosted rental rates.

Angela Dysart, Re/Max Group Four Realty, says Fredericton is a great place for investment. "The current government has been working with the local real estate community on a committee focused on the elimination of double tax for non-owner occupied properties. The government has indicated this is an issue that will be dealt with as outlined in their last budget."

Fredericton and Moncton were the only two urban centres in the province where the average rent exceeded the overall provincial average of \$668/month for a 2-bedroom unit.

In addition to education, public sector employment plays an important role in Fredericton's economic growth



and prosperity. The city is also expanding its investment in IT infrastructure.

Meanwhile, in the housing market, despite historically low mortgage rates and generally favourable conditions in 2012, MLS sales were down during the second quarter. The average MLS sale price in the second quarter of 2012 stood at \$195,404, up 5.7% from last year's total for the same period.

Neighbourhood to watch

Fredericton has the distinct advantage of having several investor hot spots, but Dysart singled out the Golf Club/Woodstock Road area as being one to watch.

"This area is on the south side of the Saint John River, still within the municipality and with full municipal services. It is less than five minutes from downtown, shopping malls, schools, universities, hospitals, grocery, post offices and two minutes away from highway access. Turnover is not as high in this area and property values stay elevated due primarily to its location, and we all know real estate is location, location, location."

What makes this area particularly unique, Dysart says, is the co-existence of mature traditional homes and new constructions. "The area is largely comprised of higher-end homes, nicely landscaped properties with mature trees, paved walking trails, easy access to all amenities within a five minute drive or 15 minute walk and all located on the banks of the Saint John River. In essence, the area has convenience without being right in the middle of downtown."

Capital growth potential

According to Dave Dorcas, Re/Max Group Four Realty, capital growth in Fredericton has historically risen 5% per year. CMHC forecasts an increase of 2.3% in 2013 in the resale market, and average rents for 2-bedroom apartments to increase to \$775. 🏠

VACANCY RATE
3.8%

BEST AREAS

Golf Club/Woodstock Road, The "Hill Area", southeast of downtown, and West Hills.

BEST BUYS

Single detached home under \$350K.






AMENITIES

Fredericton offers a high quality of life with a balance of cultural amenities, recreational activities, health and educational facilities. It's centrally located – within an hour's drive to the US interstate 95, or a day's drive to Halifax, Toronto and New York. It's also serviced by an airport. The city has a vibrant restaurant and café and nightclub scene, and shopping opportunities at its four malls, and numerous specialty boutiques.



MONCTON

Top neighbourhood: **RIVERVIEW**

	Population:	69,074
	Average price:	\$150,640
	Average rent:	\$721 for a two-bedroom unit
	Capital growth (12 months):	-5%
	Vacancy rate:	5.4%

WHY BUY?

- Affordability
- Buyers market (big discounting opportunities)
- One of the top five growth centres in the country

AMENITIES

Excellent. It has plentiful urban and neighbourhood parks, including Centennial Park. Moncton's Capitol Theatre is the main hub for cultural entertainment, along with two museums, the 6,500-seat Moncton Coliseum arena, an \$18m aquatic centre and Magic Mountain Water Park. Meanwhile, the Magnetic Hill Concert Site. The Casino New Brunswick, encompassing a hotel and 2,000-seat entertainment venue, opened at Magnetic Hill in 2010.



Nicknamed 'Hub City' due to its central location (and because Moncton has historically been the railway and land transportation hub for the Maritimes), Moncton boasts the fifth fastest growth rate of all the metropolitan areas in Canada at 9.7% between 2006-2011.

The city's economy is stable and diversified, with active industries ranging from traditional transportation, distribution and retailing to educational, health care, financial, information technology and insurance sectors.

In recent months, some have been concerned over a series of job losses in the area but Jacques Dubé, the city manager in Moncton, says the broader strength of the economy has received national recognition and the local unemployment rate (currently 5.4%) is consistently less than the national average (7.3%).

"We're one of the top five growth centres in the country," he says.



sale at the end of July 2012 – an increase of 10% from the same time last year. Supply outweighs demand and while this creates challenges for sellers, it works in buyers' favour as it means you're in a strong position to negotiate a great deal.

Neighbourhood to watch

Situated on the south side of the Petitcodiac River, across from the larger city of Moncton, Riverview is home to around 20,000 people. The family-oriented community boasts several schools, two hockey rinks, an aquatic centre and plenty of sporting fields, lending to their town slogan, "A great place to grow".

"The Town of Riverview is a great place to live, work and raise a family," says local Mayor Ann Seamans. "During the past few years, hundreds of families have moved to Riverview from other parts of New Brunswick, Canada, and the world – in fact, the town has a higher percentage of migrants than the provincial average."

Seamans says Riverview's "low crime rates, friendly neighbours and family focused atmosphere" are only the beginning of the town's appeal, with major investments in parks, walking, biking and ski trails, recreational facilities and more ensuring the region serves the local community.

The area boasts an affordable price point to boot, with local realtor Paul Burns from Century 21 marketing a three-bedroom home for just \$127,000. "It's close to all levels of schools, daycare, playgrounds and tennis courts, in a well-established neighbourhood with many mature trees," he says. A rental return of just \$400 per month makes this a positive cash flow investment, even at full asking price, making this region well worth a second look.

Capital growth potential

Sales activity is currently down around 15% on this time last year, so vendors outnumber buyers. While many bargains are to be had right now, don't expect surging capital growth in the next few years: you'll need to adopt an investment window of at least five years. 🏠

BEST AREAS

Norbert Robichaud from Exit Realty Associates points to Moncton's "popular West End" as a good spot to park your money. "There's a neighborhood park, school and Centennial Park all within walking distance," he says.

BEST BUYS

See how far you can stretch your dollar by upgrading your search from two-bedders to well-priced three and four bedroom homes. Just be sure to chat with local property managers to work out which homes have the greatest appeal with tenants.

"Moncton has been booming and continues to be that way."

While the economy may be strong, the property market is not: it's currently a buyers market in Moncton, meaning opportunities abound for savvy investors.

"Resale housing demand has been edging lower following a fairly strong start to the year and, at the same time, the number of properties available for sale has been on the rise," confirms Peter Dickson, president of the Greater Moncton REALTORS® du Grand Moncton.

Active MLS listings are "elevated", he adds, with research showing just over 2,200 homes were listed for



SAINT JOHN



Top neighbourhood: **MILLEDGEVILLE**

Other neighbourhoods to watch: **KENNEBECASIS VALLEY, UPTOWN, MOUNT PLEASANT**

	Population:	70,063
	Average price:	\$180,000
	Average rent:	\$661 (apartments) \$1,500 (houses)
	Capital growth (12 months):	-2%
	Vacancy rate:	8%
	Average days on market:	100



- ### WHY BUY?
- Affordable property prices
 - Higher housing inventory makes for buyers' market
 - Wide variety of housing options available
 - High quality of life
 - Great tourist area

AMENITIES

Saint John has a good local transit system, with close proximity to the major highway, which provides links to other communities. Residents enjoy a thriving arts and cultural city, with easy access to a number of recreational facilities and green spaces. It has a vibrant downtown core.

It is often said waterfront towns are among Canada's most beautiful locations. The city of Saint John, New Brunswick is a perfect example. Located at the mouth of the Saint John River and along the Bay of Fundy, its lower prices and interest rates have many investors looking to head east and purchase properties there.

With approximately 2,300 sales made in 2011, Saint John is a ripe area for buyers. "We have a strong buyers' market with low interest rates," explains Stephanie Armstrong of Royal LePage Atlantic. "As a result, it makes it an affordable time to buy [properties]."

One element that entices investors is consistency, and Saint John offers a great deal of that in its real estate market. Says Armstrong, "Saint John is an industrial town, and is driven by the global environment and economics. It has also had consistent growth."

Armstrong also notes the city is currently in a decent economic situation. "The economy in Saint John is good, but not overly strong," she says.

Going forward, Armstrong feels confident Saint John's real estate market will continue to thrive. "I am very optimistic that since there has been growth, it will continue in the future," Armstrong says.

Capital growth potential
"There are good economics for housing, and good growth potential for commercial and residential [districts]," says Armstrong. 🏠

BEST AREA
Milledgeville, Kennebecasis Valley, Uptown, Mount Pleasant

WORST AREA
"There isn't one specific area people stay away from. It's kind of intermingled among all the good areas," explains Jason Stephen, president of the Saint John Real Estate Board. "However, it's more of a challenge to find (rental properties) in the Kennebecasis Valley area because it's not set up for that right now."


BEST BUYS
Says Armstrong, "The best buys in Saint John would be some of the beautiful historical buildings, several of which are being converted into single-family homes."





CAPE BRETON

Top neighbourhood: **BADDECK**

 **Population:** 97,398

 **Median price:** \$212,500

 **Average rent** \$694 for a two-bedroom unit

 **Vacancy rate:** 4.5%

 **Average days on market:** 100

Capital growth (12 months):



WHY BUY?

- **Holiday home opportunity**
- **Revitalization thanks to the Sydney Tar Ponds Remediation Project**
- **Affordability**
- **Strong capital growth prospects**

Home to roughly 15% of Nova Scotia's population, Cape Breton is popular with holiday makers and retirees, and it's starting to gain attention as a preferred investment location.

There's plenty to like about this thriving tourism destination: boasting the Cabot Trail, a spectacular scenic road circuit around and over the Cape Breton Highlands that attracts over 400,000 visitors each year alone, the relaxed island vibe has earned this spot a ranking as the number one destination island in North America, and the number three in the world, by *Travel Leisure Magazine*.

John Arancibia from Cape Breton Lifestyles (CapeBretonLifestyles.com) is not surprised. He believes would-be landlords are tuning into the island as it offers an investment opportunity coupled with a holiday home.

"Because of the slow-pace lifestyle, Cape Breton is not your typical 'hustle and bustle' city. The real estate market here is very affordable and the economy is poised

for growth," he explains. "We have low crime and great weather all year round – yes, including winter."

In terms of housing supply and demand, "There is most certainly not enough supply for quality affordable rental units and housing," Arancibia confirms – and for savvy investors looking for ground floor, affordable opportunities, now is the time to make a move.

"Some of the more affordable areas, such as Whitney Pier and North End Sydney, were once not thought of as great areas to invest. However, they are on the cusp of turning around due to the near completion of the Sydney Tar Ponds Remediation Project," he explains.

"This was an extensive, decade-long cleanup of a toxic waste area that has been turned around to a beautiful Industrial Park and green space. Real estate surrounding this area, is really affordable, and now would be good time to purchase, before values grow significantly."

Neighbourhood to watch

Baddeck is a small village situated in the centre of Cape Breton. It is home to a small, tight community of around 750 people – compared to the nearby larger township of Sydney, which accommodates close to 32,000 residents and offers an excellent investment location if you wish to mix business with pleasure.

A popular tourism destination, Cape Breton Island attracts hundreds of thousands of holiday-makers every year, and Baddeck is strategically placed to take advantage of the tourist influx. "Baddeck is central to many tourists as they have access to most of the popular places in the island," Arancibia explains. "You're within 90 minutes of places like the Louisbough Fortress, the entrance and exit to the popular Cabot Trail, the Cheticamp fishing community, the Bell Bay, Cabot Links and Highland Link golf courses, and Sydney Airport."

Over 60,000 cruise line tourists come through Baddeck every year and Arancibia describes it as a mini Niagara on the lake. "It has tons to offer with ski hills, snow mobiles trails and cross-country skiing," he adds, "It's a great place for families to invest in vacation homes."

Capital growth potential

According to Arancibia, the groundwork has been laid to place Cape Breton Island in a position to grow significantly in the coming years. "In particular, the most recent major project was the dredging of the Sydney Harbour to aid in major port development," he says. "This will allow the island to become a major player in the shipping industry." 🏠

BEST BUYS

Single family units would be the best buys, although if you were looking to build, two-bedroom units would be popular with rents. "We're starting to see a demand [for these types of properties], due to the aging population."

AMENITIES

Cape Breton Island has solid existing infrastructure and amenities, and as the population grows it is expanding. "There is retail and nightly entertainment, but there is also opportunity to kick back and relax," Arancibia says. "Whale watching, dolphins, puffin tours, beaches, lakes, great seafood, tons of history and the best fiddlers in the world – the culture is amazing here. On Cape Breton Island, there really is something for everyone."



HALIFAX



Top neighbourhood: **FAIRVIEW**

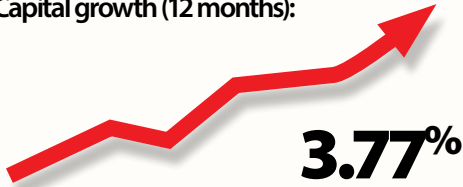
Population: 390,096

Median price: \$409,900

Average rent: \$926
for a two-bedroom unit

Vacancy rate: 3.2%

Capital growth (12 months):



Minimum salary needed to buy in Halifax

- Average house price: \$275,000 (CREA-Halifax Regional Municipality)
- Average house type: 2 storey detached
- Average mortgage in this neighbourhood: \$220,000
- Minimum salary needed to afford this property: \$54,000
- Average monthly payments: \$1050

Calculated by Don MacVicar, president, VERICO Premiere Mortgage Centre, 1-888-561-2525, don.macvicar@premieremortgage.ca, www.premieremortgage.ca

WHY BUY?

- \$25 bn, 25-year shipping contract
- Diverse employment nodes
- Low vacancy rates



Halifax landed on the shortlist of every investor in the country around this time last year, when Irving shipbuilding won a \$25 bn contract to supply ships to the Canadian Navy over the next 25 years. But this massive boost to the economy is not the only thing Halifax has going for it, according to realtor Richard Killeen-Payne from Century21 Team One Realty.

“We have growing retail parks for shopping and big box stores, a thriving business sector, and our industrial park in Dartmouth, Burnside, is the largest in Atlantic Canada,” he says.

“Our jobs are spread over a diverse range, which adds stability to the economy covering government, military, healthcare, universities, financial and services. There are also six degree awarding universities, a wide variety of recreational activities with parks, boating, golf courses and beaches.”

New housing developments, such as St Andrews West and condominium projects including Kings Wharf, Trillium, Grainery Lofts and The Vic are starting up to cater for the demand of people moving to Nova Scotia.

“Demand is high right now for good properties, although we also have a good supply of units, so, right now, we are in a balanced market with an average days on market of 87,” Killeen-Payne says.

It pays to note there were 150 total residential construction starts in July 2012, a significant decline from the 378 starts recorded this time last year. The drop in total starts is largely attributed to a decrease in multiple unit starts, and while total housing starts declined, existing home sales increased.

VACANCY RATE
3.8%

AMENITIES

Both amenities and infrastructure are excellent in and around Halifax. “We have two major highways that connect the downtown core of both Halifax and Dartmouth to the airport/Trans-Canada highway or towards the south shore beaches,” Killeen-Payne says – and these roads are all due for upgrades and additions. Residents also benefit from new sports centres in both Hammonds Plains and Bedford, an outdoor icerink in Halifax downtown core, and two major shopping precincts, Bedford Commons and Dartmouth Crossing.



HALIFAX



WHAT THE EXPERT SAYS

"Halifax Region is always ranked as one of the best places to live as it has a tremendous quality of life, friendly people, low cost of housing, solid

employment growth, entrepreneurial spirit and a great east coast maritime culture."

Don MacVicar, VERICO Premiere Mortgage Centre

Neighbourhood to watch

Fairview. A popular residential community bordered by a golf course to the south and Halifax Mainland Common park to the west, Fairview is centrally situated only a few kilometers from downtown Halifax.

The suburb is an investor's dream, boasting both high demand from renters and low vacancy rates, due to its close proximity to transport routes, nearby shopping malls and supermarkets.

"There are three great schools in the area covering elementary to high school, and natural gas infrastructure is being put in place to allow for change over from currently expensive oil," explains Killeen-Payne.

Rents are on the increase, averaging around \$1,300 for a single-family home, and \$500 for a one-bedroom apartment, and Killeen-Payne says these returns are growing by around 2-3% per year.

"Property prices are also increasing, due to the demand for single family homes in the area. This gives a good mix of both rental properties and homes, which varies the tenant profile and creates a growing, diverse community."

Capital growth potential

Property prices have increased solidly over the past 12 months. "If you choose the right area, you will continue to see capital growth as the economy keeps picking up speed, and the influx of workers and jobs start to come on stream," Killeen-Payne confirms.

"The outlook for capital growth locally is very good over the next five years." 🏠

BEST AREAS

Fairview, North End Halifax, Dartmouth and Spryfield are standouts: "They are showing the best quality properties available to purchase for rental units and demand is high," Killeen-Payne says. There are no real areas to avoid, just streets and suburbs that require more hands-on effort, he adds. "North End Dartmouth can come into this area, as the tenant profile is tougher."

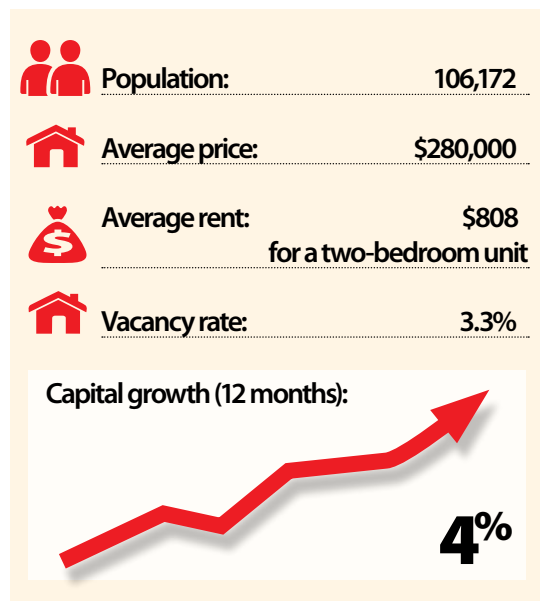
BEST BUYS

Duplex and triplex properties. "The inventory is better in the areas mentioned and they cashflow very well, and appeal to all different types of renters ... Upgraded units that are freshly renovated in these areas also demand a higher rent and have lower vacancies, with better tenants."



ST. JOHN'S

Top neighbourhood: **MOUNT PEARL**



WHY BUY?

- Affordable
- Strong capital growth
- Large investment in infrastructure

The capital and largest city in Newfoundland and Labrador, St. John's is the oldest English-founded city in North America, and is situated on the eastern tip of the Avalon Peninsula.

After a decade of high unemployment rates and de-population due to the collapse of the Northern cod fishery in the 1990s, St. John's economy has grown swiftly and substantially in recent years.

The city's proximity to the Hibernia, Terra Nova and White Rose oil fields has led to an economic boom, spurring both population growth and commercial development. As a result, the St. John's area is now responsibly for around half of the province's economic output.

Continued growth in population, income and employment has supported price gains in the housing market during 2012, with both new and existing homes recording increased activity. There were 644 new housing starts in the second quarter of 2012, versus 572 in 2011's second quarter, and established single-home starts totalled 409, up from 387.

There's a lot of activity happening in St. John's (see boxout) and RE/MAX realtor Stephen Winters believes there's never been a better time to invest. "Things are

certainly booming here in St. John's," he confirms. "Good times, prosperous times, are ahead for Newfoundlanders."

Neighbourhood to watch

The third-largest community in Newfoundland and Labrador, Mount Pearl is around 13km south west of St. John's.

Affordability is the key selling point here for investors, with two and three bedroom townhomes and condos priced as low as \$150,000, and houses starting in the mid to high \$200,000s. Rents average around \$1,000 to \$1,200 per month for a three-bedroom home, providing opportunities to generate a positive cash flow investment.

The population has grown by an average of 1.6% each year over the past three decades in Mount Pearl, and, in recent times, this has been supported by "significant growth in housing developments and business establishments," explains Mount Pearl Mayor Randy Simms.

"We have also seen the enhancement of infrastructure to meet our growth demands," he says. As the site of "some of the most significant players" in the oil and gas and technology industries, Simms adds, Mount Pearl's unemployment rate is stable at 8%.

Capital growth potential

After several years of "very strong growth" – including an increase of 4% in 2012 – property prices are expected to lift by around 2% in 2013 according to CMHC. Move-up buyers' preference for two-storey homes will continue to support prices in this segment, while bungalows, row and semi-detached units will remain appealing for first-time buyers, it says. 🏠

SNAPSHOT

Projects planned/in development

- Redevelopment of RNC headquarters, \$58 million
- St. John's International Airport expansion, \$167 million
- Expansion of the St. John's Convention Centre, \$45 million
- New long-term care facility, \$150 million
- Office tower and parking garage, \$40 million
- New military buildings at CFS St. John's, \$118 million
- Metrobus terminal building, \$36 million
- Project to build a two-lane northbound roadway parallel to Fain Road, to create a four-lane divided highway, \$18 million

BEST STREETS

The downtown area is ideal. Water Street and Duckworth Street are known for brightly-coloured low rise heritage buildings, which house boutiques, pubs, cafes and restaurants. Nearby George Street is also home to most of the city's nightlife, so properties are likely to attract a stream of younger renters.

BEST BUYS

Homes located within or close to the action downtown, near employment hubs in the CBD and entertainment and nightlife amenities, is where investors need to be.

AMENITIES

Excellent. The Mile One Centre, the city's main sporting and concert venue, is located downtown, along with museums and plentiful retail shopping within the CBD and further out into the suburbs. To the east of the city, residents enjoy Pippy Park, with two golf courses, campgrounds and skiing and walking trails. Transport-wise, residents make use of a well-planned Metrobus transit system.



PARADISE



Top neighbourhood: **DOWNTOWN**

	Population:	17,695
	Average price:	\$327,774
	Rental yield:	2.34%
	Vacancy rate:	1.2%

Capital growth (12 months):



WHY BUY?

- Popular with first-time buyers
- Quickly growing community
- Youngest average population in province

When Glynn Williams became a realtor 10 years ago, the real estate market in Newfoundland and Labrador was dramatically different. “When I started, the average sale price in Paradise was probably \$100,000. And now it’s closer to \$340,000. It’s just astronomical.”

Though Williams has worked with investors from across the continent and Europe, he’s also helped a number of returning ex-pats find homes. “I have a lot of people who left here 10 or 15 years ago to go for work. They’re coming back and working right out of Newfoundland with all the new oil projects that are online and the new smelter.

“There’s just a lot of exciting new things in Newfoundland drawing people back. We’ve certainly got an in-migration now.”

The town has undergone a dramatic transformation, increasing in population by 40.6% in the past five years alone. It ranks as the fastest growing municipality in all of Atlantic Canada and has the youngest average aged

population in the province.

With a number of oil companies headquartered in nearby St. John’s, the price of real estate has risen steeply in the capital city, making Paradise a more affordable option for families looking for a three-bedroom home and yard. Two-stories homes are the most common property types.

“St. John’s is full,” says Williams. “We have no land left in St. John’s so the outlying areas are certainly developing very quickly.”

In the second quarter of 2012, the CMHC reported the average price of a new home is up 4.5%, climbing to \$382,778.

“Paradise has been, for some time, one of the fastest growing towns in Canada and is certainly the fastest growing town in Atlantic Canada,” says Claude Sullivan, VERICO East Coast Mortgage Brokers.

“It has the youngest average aged population in Canada and is experiencing a housing boom like no other in the province with the average home prices increasing 9.1% in 2011 as compared to the area average of 7.9% and new starts increasing steadily year over year.”

Capital growth potential

According to the Re/Max Spring Market trends report, prices in St. John’s are expected to appreciate by about five to six per cent for 2012. 🏠

BEST BUYS

Two-apartment homes sell fast for rental potential.

AMENITIES

The province recently announced plans to build a 900-seat arena. The Trans-Canada Highways is nearby and there’s access to the Outer Ring Road.



TOP 100 ANNUAL INVESTMENT GUIDE 2013

TOP YIELDING NEIGHBOURHOODS				
Province	City/Town	Neighbourhood	Rental yield	Vacancy Rate
Ontario	Ajax	North of Salem and Rossland Rds	10.00%	2.00%
Ontario	Thunder Bay	Sherwood Estates	10.00%	1.50%
Ontario	Whitby	North of Whitby	10.00%	2.00%
Alberta	Lethbridge	West Lethbridge	7.00%	0.30%
British Columbia	Kamloops	Sahali	7.00%	4.20%
Ontario	London	North London	7.00%	3.70%
Ontario	Peterborough	Downtown centre	7.00%	3.50%
British Columbia	Maple Ridge	East Central	5.00%	2.00%
Quebec	Terrebonne	Riviere Des Mille-Iles	5.00%	2.00%

MOST AFFORDABLE NEIGHBOURHOODS			
Province	City/Town	Neighbourhood	Median/average price
Ontario	Chatham-Kent	Downtown centre	\$142,000
Ontario	Sault Ste. Marie	Downtown	\$149,440
New Brunswick	Moncton	Riverview	\$150,640
Ontario	Windsor	Bridgeview	\$155,819
Quebec	Levis	Downtown area	\$160,907
Quebec	Gatineau	Districts Des Promenades	\$163,539
Quebec	Drummondville	Saint-Charles-de-Drummond	\$170,000
New Brunswick	Fredericton	Golf Club/Woodstock Road	\$170,563
New Brunswick	Saint John	Milledgeville	\$180,000
Quebec	Trois-Rivieres	Rue de L'anse	\$181,039
Quebec	Sherbrooke	Rue de Verdun	\$187,500
Quebec	Saguenay	Jonquière	\$188,000
Quebec	Repentigny	Chemin Du Roy	\$195,919
Ontario	Norfolk County	Waterford	\$203,000
Manitoba	Brandon	Valley View	\$203,438
Nova Scotia	Cape Breton	Baddeck	\$212,500
Ontario	Niagara Falls	Downtown Niagara Falls	\$213,032
Ontario	Hamilton	North End Hamilton	\$215,675
Quebec	Brossard	C sector around Quartier DIX30	\$216,704

TOP 20 TIGHTEST RENTAL MARKETS			
Province	City/Town	Neighbourhood	Vacancy rate
Alberta	Lethbridge	West Lethbridge	0.30%
Ontario	Markham	Cornell	0.30%
Alberta	St. Albert	North Ridge	0.50%
British Columbia	Burnaby	North Burnaby	0.50%
British Columbia	North Vancouver	Lower Lonsdale	0.50%
Ontario	Pickering	Nautical Village	0.60%
Saskatchewan	Regina	Fairways West	0.60%
Manitoba	Brandon	Valley View	0.70%
Quebec	Quebec City	Sillery	0.70%
Ontario	Richmond Hill	Essex Ave area	0.80%
Quebec	Sherbrooke	Rue de Verdun	0.80%
Ontario	Vaughan	Maple	0.90%
British Columbia	Saanich	Gordon Head	1.00%
Manitoba	Winnipeg	North Kildonan	1.00%
Ontario	Aurora	Bayview Wellington	1.00%
Ontario	Guelph	St. Patrick Ward	1.00%
Ontario	Newmarket	Yonge St. north of Davis Dr	1.00%
Ontario	Sault Ste. Marie	Downtown	1.00%

TOP 50 FOR CAPITAL GROWTH			
Province	City/Town	Neighbourhood	Capital growth
British Columbia	New Westminister	Sapperton	38.30%
British Columbia	Dawson Creek	Central Dawson Creek	25.00%
Ontario	Whitchurch-Stouffville	Main Street	17.15%
Ontario	Aurora	Bayview Wellington	17.00%
Ontario	Great Sudbury	New Sudbury	17.00%
Alberta	Wood Buffalo	Fort McMurray	16.30%
Quebec	Drummondville	Saint-Charles-de-Drummond	16.00%
Quebec	Trois-Rivieres	Rue de L'anse	14.30%
Quebec	Granby	Le Jardin de l'Odyssee	14.00%
British Columbia	Chilliwack	Chilliwack Proper	11.95%
Ontario	London	North London	11.10%
Ontario	Waterloo	Downtown Waterloo	10.70%
Alberta	St. Albert	North Ridge	10.00%
Alberta	Medicine Hat	Desert Blume Estates	9.90%
Quebec	Longueuil	Victoria Bridge	9.80%
Quebec	Saint-Jérôme	Lafontaine	9.30%
British Columbia	Langley	South Langley	9.20%
Ontario	Thunder Bay	Sherwood Estates	9.10%
Alberta	Calgary	Bowness	9.00%
Ontario	Mississauga	Churchill Meadows	9.00%
Ontario	Pickering	Nautical Village	8.90%
British Columbia	Kamloops	Sahali	8.50%
Ontario	Hamilton	North End Hamilton	8.50%
Ontario	Richmond Hill	Essex Ave area	8.20%
British Columbia	Delta	North Delta	8.00%
Ontario	Vaughan	Maple	7.77%
Quebec	Terrebonne	Riviere Des Mille-Iles	7.50%
Ontario	Caledon	Bolton	7.30%
Ontario	Toronto	Mimico	7.30%
Ontario	Kitchener	Victoria Park	7.10%
Quebec	Gatineau	Districts Des Promenades	7.00%
Quebec	Laval	Rivière des Prairies	7.00%
Ontario	Brampton	Fletcher's Creek Village	6.89%
Alberta	Red Deer	Sunnybrook	6.30%
Ontario	Halton Hills	Goergetown South	5.90%
Ontario	Ajax	North of Salem and Rossland Rds	5.87%
Ontario	Whitby	North of Whitby	5.87%
British Columbia	Surrey	South Surrey	5.70%
Manitoba	Brandon	Valley View	5.56%
Ontario	Markham	Cornell	5.48%
Ontario	Barrie	Downtown core	5.40%
Ontario	Brantford	Downtown Brantford	5.10%
Ontario	Guelph	St. Patrick Ward	5.00%
Ontario	Milton	Scott	4.70%
Newfoundland	Paradise	Downtown centre	4.50%
Ontario	Cambridge	Galt	4.30%
Ontario	Newmarket	Yonge St. north of Davis Dr	4.30%
Ontario	Clarington	Bowmanville	4.20%
British Columbia	Burnaby	North Burnaby	4.00%
Newfoundland	St. John's	Mount Pearl	4.00%