



Executive Summary



# Top Ontario Investment Towns 2010 –2014

Based on Key Economic Fundamentals



**REIN**<sup>TM</sup>

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# Top Ontario Investment Towns

## Executive Summary

This is a time of economic uncertainty and turbulence for Ontario's population of almost 13 million. Lower consumer confidence, real and potential job layoffs, and an economy in turmoil have prevented many people from buying personal residences, vacation homes, or investment properties in the past 18 months and that is reflected across the province in a lower number of sales transactions in many regions, despite the expected increase during the summer months of 2009. Ontario has experienced economic swings and restructuring in the past, and always comes out stronger in the end as the province's economy is forced to diversify and become more productive per capita.

In this report, we are identifying cities, towns and regions that are poised to outperform other regions of the province over the next 3 – 5 years. Past, or even current, performance is not an indicator of how a region will perform in the future, that is why investors must focus solely on the economic fundamentals that will drive the real estate market in the future. For instance, as part of the development of this Top Investment Town List, we have considered these key fundamentals:

- Is the area's average income increasing faster than the provincial average?
- Is the area's population growing faster than the provincial average?
- Is the area creating jobs faster than the provincial average?
- Does the area have more than one major employer?
- Is the area in the RBC Affordability Index Hot Zone (25% to 39%)?
- Will the area benefit from an economic or real estate ripple effect?
- Has the political leadership created an economic growth atmosphere?
- Is the Economic Development Office progressive and helpful?
- Is the area's infrastructure being built to handle the expected growth?
- Are there any major transportation improvements in the works?
- Is the area attractive to Baby Boomers' lifestyle?
- Is there a short term problem occurring that is slated to disappear in the future?
- Is there a noted increase in labour and materials cost in the area?

The answers to these questions provide a base from which to work while analyzing any region in North America. Especially during today's market turmoil and mixed economic signals this pure economic focus is critical. The long-term opportunities are there it will just take a practiced eye and a non-emotional outlook to uncover them.

