

# THE REPRESENTATIVE

Your Hamilton Area Real Estate Newsletter

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## Strong Sales Continue In October

The Hamilton-Burlington area resale market reported a total of 1,192 units sold in October, indicating an increase of 32 per cent over the same month last year, but are seven per cent lower than October 2007. The total unit sales for the first ten months of 2009 are being reported at less than one per cent higher for the same period last year, while new units listed are 2.4 per cent lower for the year-to-date, according to Multiple Listing Service® (MLS®) statistics released by the REALTORS® Association of Hamilton-Burlington (RAHB).

“The resale market in the Hamilton-Burlington area continued to outperform most other markets in Ontario, due in part to the continued affordability of property in the area. As CMHC reported last month, the average income required to carry a mortgage for the average price home is well below the actual average income in the area,” said Bruce King, RAHB President. “This bodes well for the Hamilton-Burlington market for this year and the next.”

In the residential market, 11,969 properties changed hands in the 12 months ending October 31, 2009. The average price of these properties was \$288,274. The number of properties listed during this period was 16,386. Compared to the preceding twelve months this is a decrease of 4.2 per cent for sales, an increase of

two per cent in average price and a decline in listings of 8.3 per cent.

Residential properties sold during October totaled 1,130 which included 899 freehold properties and 231 condominiums. Commercial sales for October, including industrial, farm, vacant land and business, totaled 62 units.

The average price of freehold residential properties sold in the month of October was \$315,502, an increase of 15 per cent over October last year, but a three per cent decline from last month. The average sale price reflects the dollar volume of residential sales divided by the number of total residential units sold.

In the condominium market the average price of condominiums in October was \$221,344, an increase of 6.4 per cent over October 2008 and a decline of 3.6 per cent from September.

The total number of units listed for sale during October was 1,564, which is 2.4 per cent fewer than were listed in the same period in 2008, and 9.4 per cent fewer than were listed in September.

“As market conditions stabilize, consumers looking to buy and sell real estate should seek the counsel of a trained professional REALTOR®,” added King. “Licensed agents must complete extensive continuing education courses and adhere to a strict Code of Ethics.”

Source: REALTORS Association of Hamilton-Burlington

## October 2009 MLS® Sales Information for Selected Districts

District Name	New Listings	Listings Expired	Listings Sold	Average Sale Price (\$)	Average Days Listed	Sale-to-List Price Ratio	Change in # Listings
Hamilton West	72	14	58	249,73	37	97%	-1 (-1%)
Hamilton East	80	33	63	162,616	45	96%	-15 (-8%)
Hamilton Centre	176	33	122	141,381	48	96%	+20 (+6%)
Hamilton Mtn	184	36	171	238,491	53	97%	-24 (-6%)
Ancaster	57	19	45	403,973	43	98%	-7 (-4%)
Burlington	327	49	283	373,944	38	98%	-7 (-1%)
Dundas	43	7	29	315,428	50	98%	+7 (+11%)
Flamborough	36	13	25	435,720	100	96%	-2 (-1%)
Stoney Creek	114	39	76	275,529	57	97%	+1 (+1%)
Waterdown	28	7	32	355,812	45	98%	-10 (-21%)

**October Comments:** Demand outpaced supply in most areas in a very active October real estate market. Most districts have been getting closer to the asking price, and selling much more quickly. The exception is still Flamborough, sitting at 100 days average on market. Nearby Waterdown on the other hand seems to have been doing well, so buyers currently in the market don't seem interested in rural or semi-rural living.

## Help fight the HST

The Government of Ontario formally launched its latest assault on homeowners, purchasers and sellers with the introduction of Bill 218, the Ontario Tax Plan for More Jobs and Growth Act, 2009

The legislation aims to harmonize the provincial sales tax and goods and services tax.

Homebuyers and sellers will pay eight per cent more on legal fees, appraisals, real estate commissions, home inspection fees, and moving costs, adding about \$1,500 in new taxes to the average residential real estate transaction in Ontario.

For homeowners the HST will also add hundreds of dollars in additional tax on utility bills (gas, electricity and home heating fuel), on home renovation labour, the cost of lawn upkeep or landscaping and the cost of snow removal.

Please help Ontario REALTORS® fight this tax. In less than 30 seconds you can send an email to your MPP asking them to vote against sales tax harmonization legislation, by clicking here:

<http://bit.ly/stopthehst>

## Home buyers willing to pay to be eco-friendly

The 2009 EnerQuality Energy Efficiency/Green Building Survey, released in October, reports nine out of 10 Ontario home buyers still value energy efficiency when making new home purchase decisions.

The survey was based on 1,638 responses from new home buyers in the Greater Toronto Area (GTA) and in the Regional Municipality of Ottawa-Carleton, all of whom closed new, low-rise home purchases in 2008 and who indicated they valued energy efficiency when making a new home purchase decision.

Cost savings was the number one reason cited for choosing energy efficiency options, with 79 per cent of buyers surveyed purchasing at least one energy-efficient feature for their new homes, up from the 60 per cent recorded in the 2008 survey.

The survey said home buyers were willing to pay an average of \$13,183 for an energy efficient home. Forty per cent of buyers were willing to pay an additional \$10,000 for a green home in 2009, compared to only 22 per cent in last year's survey.

## Ontario housing markets will stabilize in 2010, says CMHC

Stable economic conditions across the province will help stabilize housing demand in 2010 according to the 2009 Fourth Quarter CMHC Housing Market Outlook - Canada Edition released November 2. Highlights of the Ontario forecast include:

- Ontario's domestic economy will gradually recover in 2010 but a high Canadian dollar & cautious US consumer spending will temper the province's export sector recovery.
- Ontario resale volumes will stabilize reaching 175,250 units in 2010 but owing to economic uncertainty will range between 165,000 and 181,000 unit sales next year.
- After declining in 2009, new home starts will edge up and reach 56,500 units but owing to economic uncertainty will range between 45,400 and 65,500 units in 2010.

"A gradually improving provincial economy and stable credit and financial market conditions will help stabilize housing activity next year" Ted Tsiakopoulos, CMHC's Ontario regional economist, said in a press release. "However, less pent-up demand and cautious consumer spending resulting from modest employment

and personal income gains are factors that will temper Ontario's housing recovery in 2010," added Tsiakopoulos.



### Question and Answer

#### **Q: What is Land Transfer Tax?**

In general, if you buy land or an interest in land in Ontario, you must pay Ontario's land transfer tax, whether or not the transfer is registered at one of Ontario's land registry office.

"Land" includes any buildings, buildings to be constructed, and fixtures (such as light fixtures, built-in appliances and cabinetry).

Land transfer tax is normally based on the amount paid for the land, in addition to the amount remaining on any mortgage or debt assumed as part of the arrangement to buy the land.

The Land Transfer Tax is based on a scale, with a higher rate for higher purchase prices, and more information is available at:

[http://www.rev.gov.on.ca/en/tax/lt/faq\\_calculating.html](http://www.rev.gov.on.ca/en/tax/lt/faq_calculating.html)

**Got a question? Email it to:  
TheRep@jeffsellshomes.ca**

## Tips For Creating More Closet Space In Your Home

For most people the ideal closet is the size of a room with ample space to hang clothing, lots of shelves to tuck and stash away things -- a place where you can walk around and assess all your personal belongings.

In reality, most people's closets fall well short of this ideal. And few of us stop to consider the full potential of the closets we do have -- tiny as they may be. To understand their true potential, take a good objective look inside the closets you already have -- and the empty spaces that could be turned into closets or cupboards.

Closets are not the sort of thing most of us like to face. By their very nature, they invite us to avoid them. As long as the living space looks good, what's inside the closets doesn't really matter. It is said that both home and self improvement often start with your closets. The more effective and organized your closets are, the more effective and organized you feel.

The main things to consider when organizing your closets are budget, space and lifestyle. Even the tiniest closet can be maximized, and not necessarily at a high price.

Also, the contents of a closet don't necessarily have to fit the contents of a room. A hall broom closet can be turned into a pantry; a kitchen nook can be turned into a place to hang a wardrobe.

And you don't have to just hang things in closets. You can add shelf units, baskets, bins, or whatever fits, to store things in. Consider an air plane, a boat or a mobile home, where space is at a premium. Storage spaces are found above, below and to all sides of furnishings.

Here are a few more ideas to consider:

- Make your closets serve a variety of purposes. Try adding a shelving unit to a clothes closet where you can store pantry goods and other items.
- Always try to incorporate a variety of shelving units in a closet. These give you space to store small items such as shoes, scarves, handbags and even books.
- The ceiling space in closets is seldom used. Consider adding a shelf or a compartment to store bulkier items such as luggage or blankets.
- Before re-organizing a closet, take everything out. Set aside anything you haven't worn or used in a year. Consider donating these items to charity. Those you no longer use but want to keep should

be stored separately in the attic or some place out of the way. Clearing out a closet is the first step in creating more space.

- Invest in a shoe rack that can be incorporated into your closet. Whether it sits on the floor or hangs from the door or is part of a shelving unit, a rack will not only keep your shoes together it will give the whole closet a more organized appearance.
- Plan to store your out-of-season clothes out of the way in boxes or elsewhere. Use the closet only to keep those items you wear regularly during a season.
- If you dislike the smell of mothballs but want to ensure your closets smell nice and don't attract moths, try hanging a sachet of dried rosemary flowers or a mixture of cinnamon and cloves. There are many fresh-smelling deodorizers and perfumed papers to choose from on the market as well.
- If closet space is still tight and there are few open spaces in your home that can be turned into closets, try adding an armoire or wardrobe. This was the furniture piece used for storing clothes back when there weren't built-in closets. It's still a popular and practical item in many homes today.
- Try turning an entire wall in a room into a storage area. There are many systems available that can be easily installed. You can close them up by adding doors, or keep them open and airy.
- Kitchens are where you can be most creative in finding extra storage space. To get the best use of kitchen closet space, store as much as possible outside the closets. That means hanging anything that can hang from the ceilings and the walls. Custom-design closets and cupboards for the specific goods each will hold. This may include drawers for knives, shelves for different size cans, jars, etc.
- Adding a shelving rack to the inside of a closet door can make even the shallowest closet seem deeper.
- In a child's room, don't limit yourself to the space inside the closet. Use lots of bins, stacking baskets and shelving units throughout the room to store and toss things in.

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## Key Report: 2009 Canadian Housing Observer Released by CMHC

Innovative approaches developed by the private sector, not-for-profit sector and all levels of government are increasingly driving the production of affordable housing, particularly for low-income households, reports the 2009 Canadian Housing Observer, released today by Canada Mortgage and Housing Corporation (CMHC).

"The 2009 Canadian Housing Observer is unique in providing a comprehensive annual examination of the key factors influencing the development of housing, a vital sector for Canada," said Karen Kinsley, President of CMHC.

The 2009 Observer, CMHC's flagship publication, details the private sector's innovations in producing affordable housing, including providing direct support to tenants or homeowners through interest-free loans and measures to reduce housing costs through creative approaches to design, construction and renovation.

For their part, not-for-profit organizations are finding ways to provide affordable housing without on-going government support. For example, the Habitat for Humanity model is based on the concept of "partnership housing" where the potential homeowners contribute sweat equity and work alongside community volunteers and businesses to build homes.

Some municipal governments are also adopting new housing policies, including housing trust funds, donating land for affordable housing and reducing or waiving municipal fees.

Underpinning these efforts is support from federal and provincial/territorial governments, through flexible agreements that allow for innovative ideas, as well as financial and in-kind contributions.

Other key findings in this year's Observer include:

- Nationally, the incidence of core housing need decreased from 13.7 per cent in 2001 to 12.7 per cent in 2006, with most regions in the country following the national trend;
- The effects of the aging of Canada's population over the next three decades and the important implications this will have on homebuilders, mortgage lenders and policy makers;
- The effect of immigration on population and household growth will become increasingly important;
- Housing starts were above the 200,000 unit level for the seventh consecutive year and housing-related spending contributed just over \$300 billion to the Canadian economy in 2008;
- A water-sensitive approach to urban design is an important part of efforts to encourage the development of healthy, energy-efficient sustainable homes and communities.

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# *The Lighter Side of Real Estate...*

## A Quick Laugh

You Might Be A Salesperson if:

- you refer to dating as test marketing.
- when you bought a new house you called your fellow alumni and offered to name a room after them, if they'll help with the down payment.
- when you give your son his birthday present, you must say that it has an "unprecedented performance".
- when you describe a product as "maintenance-free" you mean that it is impossible to fix it.
- you insist that you do some more market research before you and your spouse produce another child.

