

MONTREAL HOUSING MARKET SHOWS MODEST RECOVERY

Montreal real estate market regains strength in the third quarter of 2014

MONTREAL, October 15, 2014 – The Royal LePage House Price Survey, released today, revealed that the Montreal real estate market showed signs of gradual recovery in the third quarter, with unit sales increasing for most housing types on the Island. At the same time, an accompanying trend towards stability in property prices is expected to bring more fluidity into the market.

Dominic St-Pierre, director, Royal LePage, for the Quebec region, explains: "It is encouraging to note that the correction of the real estate market is happening slowly." St-Pierre noted that the fact that sellers are slowly adapting to the buyers' market by adjusting downward their prices is stabilizing the market and helping to avoid a more abrupt correction of prices in the future. Moreover, although the overall confidence index of Quebecers declined in September, it should be noted that September has routinely experienced this kind of drop year after year. As such, this is a normal decline for the season, which should not affect the market long-term.

Property prices in the Montreal area

In Greater Montreal, the average price of a detached bungalow increased 2.6 per cent year-over-year, to settle at \$296,857. The price of a standard two-storey house remained steady with a 0.2 per cent increase to \$403,714. The average price of a standard condominium also remained stable, as has been the case for the last four quarters, with a slight increase of 0.5 per cent to \$241,000.

Inventory in the Montreal area

In the last quarter, inventory levels continued to increase, but at a more moderate rate than in previous quarters. However, a drop in new listings occurred during the same period, slightly reducing the gap between supply and demand. Longueuil was the exception, where inventory of detached bungalows and standard two-storey homes decreased by 3.0 per cent.

Market activity in the Montreal area

In terms of sales volumes, the Island had a fairly good quarter, with unit sales increasing 3.4 per cent across all housing types surveyed. Standard two-storey homes in the region achieved the greatest success, with an increase in unit sales of 12.3 per cent, while standard condominiums experienced a rise of 3.4 per cent. Sales of detached bungalows declined 8.3 per cent compared to the same period last year. More specifically, some variances could be seen between the North and South shores, with sales decreasing 1.0 per cent and 3.4 per cent, respectively, in these regions.

Interestingly, properties at opposite ends of the price spectrum experienced the highest demand. St-Pierre noted: "These facts are very interesting. Properties priced at over a million dollars and those under \$300,000 experienced a more significant increase in sales than those in the middle of the market."

Montreal region property price survey for the third quarter of 2014

Average home price

Detached bungalow				
	Average in Q3 of 2014	Average in the last quarter	Average in Q3 of 2013	Difference (%)
Beaconsfield	\$330,000	\$326,000	\$326,300	1.1%
Dorval	\$313,500	\$309,000	\$300,300	4.4%
Pierrefonds	\$300,500	\$298,250	\$286,600	4.8%
Westmount	N/A	N/A	N/A	N/A
Notre-Dame-de-Grâce/Côte-des-Neiges	N/A	N/A	N/A	N/A
Ville-Marie	N/A	N/A	N/A	N/A
Plateau Mont-Royal	N/A	N/A	N/A	N/A
Rosemont/La Petite-Patrie	N/A	N/A	N/A	N/A
Laval	\$285,000	\$290,000	\$283,000	0.7%
Brossard	\$283,500	\$284,500	\$277,850	2%
Longueuil	\$260,000	\$260,000	\$248,875	4.5%
Boucherville	\$305,500	\$306,000	\$302,215	1.1%
Montreal	\$296,857	\$296,250	\$289,306	2.6%

Standard two-storey home

	Average in Q3 of 2014	Average in the last quarter	Average in Q3 of 2013	Difference (%)
Beaconsfield	N/A	N/A	N/A	N/A
Dorval	\$324,000	\$331,000	\$335,700	-3.5%
Pierrefonds	\$387,500	\$382,250	\$386,950	0.1%
Westmount	N/A	N/A	N/A	N/A
Notre-Dame-de-Grâce/Côte-des-Neiges	\$546,000	\$552,000	\$539,650	1.2%
Ville-Marie	N/A	N/A	N/A	N/A
Plateau Mont-Royal	N/A	N/A	N/A	N/A
Rosemont/La Petite-Patrie	N/A	N/A	N/A	N/A
Laval	\$361,250	\$360,000	\$365,000	-1.0%
Brossard	\$405,250	\$404,500	\$405,050	0.1%
Longueuil	\$364,500	\$366,250	\$360,000	1.3%
Boucherville	\$437,500	\$434,500	\$428,700	2.0%
Montreal	\$403,714	\$404,214	\$403,014	0.2%

Standard condominium				
	Average in Q3 of 2014	Average in the last quarter	Average in Q3 of 2013	Difference (%)
Beaconsfield	N/A	N/A	N/A	N/A
Dorval	N/A	N/A	N/A	N/A
Pierrefonds	\$222,500	\$219,000	\$208,000	7.0%
Westmount	N/A	N/A	N/A	N/A
Notre-Dame-de-Grâce/Côte-des-Neiges	\$255,000	\$255,000	\$260,000	-1.9%
Ville-Marie	\$312,000	\$310,000	\$315,000	-0.8%
Plateau Mont-Royal	\$318,000	\$319,000	\$323,750	-1.8%
Rosemont/La Petite-Patrie	\$280,000	\$272,000	\$270,000	3.7%

Laval	\$198,000	\$200,000	\$199,250	-0.6%
Brossard	\$194,000	\$192,000	\$195,000	-0.5%
Longueuil	\$180,000	\$180,000	\$174,000	3.4%
Boucherville	\$209,000	\$209,500	\$213,375	-2.1%
Montreal	\$241,000	\$239,611	\$239,833	0.5%

About the Royal LePage House Price Survey

The Royal LePage House Price Survey is the largest, most comprehensive study of its kind in Canada, with information on seven types of housing in over 250 neighbourhoods from coast to coast. This release references an abbreviated version of the survey which highlights house price trends for the three most common types of housing in Canada in 90 communities across the country. A complete database of past and present surveys is available on the Royal LePage website at www.royallepage.ca. Current figures will be updated following the complete tabulation of the data for the third quarter of 2014. A printable version of the third quarter 2014 survey will be available online on November 12, 2014. Housing values in the Royal LePage House Price Survey are Royal LePage opinions of fair market value in each location, based on local data and market knowledge provided by Royal LePage residential real estate experts.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country's leading provider of services to real estate brokerages, with a network of over 15,000 real estate professionals in over 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women's and children's shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

For more information visit: www.royallepage.ca.

- 30 -

For more information, please contact:

Roseline Joyal-Guillot
Kaiser Lachance Communications
514 758-9810
roseline@kaiserlachance.com

Tammy Gilmer
Director, Public Relations and National Communications

416 510-5783

tgilmer@royalpage.ca