

MONTREAL REAL ESTATE MARKET: RESIDENTIAL UNIT SALES FORECAST REVISED UPWARDS, COULD SEE AN 8.0 PER CENT INCREASE FOR 2015

Consumer confidence has reached a record high this quarter for the first time in several years

MONTREAL, July 14, 2015 – The Royal LePage House Price Survey and Market Survey Forecast released today shows that property sales volumes increased significantly in the Montreal area in the second quarter of 2015. The recovery of the residential market in Montreal has been supported by a slight decrease in prices for the majority of housing types and a continuation of historically low interest rates. These factors, combined with stronger economic performance in Quebec than many other markets in the country, have led to a record number of Quebecers making property purchases, when compared to activity levels in the last five years. Based on this, Royal LePage forecasts an overall increase in sales volumes of 8.0 per cent in 2015 for the Montreal area, when compared to 2014.

“Sellers have adapted to the reality of the market and have lowered their expectations for prices,” reported Dominic St-Pierre, Director, Royal LePage, for the Quebec Region. “The market has become more favourable for buyers and has seen a boost in sales volumes, supported by more competitive prices,” he added. Detached bungalows saw a slight decrease in average price of 0.2 per cent year-over-year to \$295,786, while standard two-storey houses saw a decrease of 1.5 per cent to \$398,214 in the second quarter. Meanwhile, standard condominiums saw their most significant price increase of the last ten years, up 2.1 per cent to \$244,556.

One of the key trends this quarter is particularly robust growth in the luxury property market. The market for luxury homes continues to perform strongly in Greater Montreal, with an 11.0 per cent increase in unit sales for detached single-family luxury homes and a 12.0 per cent increase for luxury condominiums compared to this time last year. “We have recorded an increase in sales volumes for all housing types in the luxury category, but we have seen particularly strong performance for detached bungalows and standard two-storey homes,” noted St-Pierre. Meanwhile, sales of standard single-family homes surged 14.0 per cent in the second quarter of 2015, while standard condominiums saw an increase of 3.3 per cent.

“There is a direct correlation between higher prices for condominiums relative to single-family homes and lower increases in unit sales in the condominium segment, when compared to the detached home category,” added St-Pierre. This trend was most significant on the Island of Montreal, which saw unit sales increases of 24.0 per cent and 7.0 per cent year-over-year for detached single-family homes and condominiums, respectively. Sales in Brossard, on the South Shore, saw an overall decrease of 9.6 per cent across all housing categories surveyed in the second quarter following a significant 57.0 per cent rise in the first quarter of 2015.

“The property market in Montreal continues to be favourable for buyers, and we remain optimistic that the market will stabilize further in the coming months,” noted St-Pierre. “This stability will be

supported by the gentler increases in inventory seen in the second quarter, with the number of single-family homes coming on the market increasing a moderate 2.3 per cent and condominiums by 2.8 per cent, when compared to the second quarter of 2014.

Montreal Area House Price Survey for the Second Quarter of 2015

Average house prices

Detached bungalow				
	Average Q2 2015	Last Quarter Average	Average Q2 2014	Difference (%)
Beaconsfield	\$335,500	\$336,875	\$326,000	2.9%
Dorval	\$312,500	\$314,900	\$309,000	1.1%
Pierrefonds	\$294,250	\$297,750	\$298,250	-1.3%
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
Le 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	\$285,000	\$290,000	-1.7%
Brossard	\$280,250	\$282,150	\$284,500	-1.5%
Longueuil	\$259,750	\$259,500	\$260,000	-0.1%
Boucherville	\$303,250	\$299,650	\$306,000	-0.9%
MONTREAL	\$295,786	\$296,546	\$296,250	-0.2%

Standard two-storey home				
	Average Q2 2015	Last Quarter Average	Average Q2 2014	Difference (%)
Beaconsfield	N/A	N/A	N/A	N/A
Dorval	\$334,500	\$315,000	\$331,000	1.1%
Pierrefonds	\$377,750	\$384,250	\$382,250	-1.2%
Westmount	N/A	N/A	N/A	N/A
Notre-Dame-de-Grâce/Côte-des-Neiges	\$528,500	\$543,500	\$552,000	-4.3%
Ville-Marie	N/A	N/A	N/A	N/A
Le Plateau Mont-Royal	N/A	N/A	N/A	N/A
Rosemont/La Petite Patrie	N/A	N/A	N/A	N/A
Laval	\$375,000	\$375,000	\$360,000	4.2%
Brossard	\$400,250	\$399,000	\$404,500	-1.1%
Longueuil	\$353,250	\$366,500	\$366,250	-3.5%
Boucherville	\$418,250	\$416,500	\$434,500	-3.7%
MONTREAL	\$398,214	\$399,964	\$404,357	-1.5%

Standard condominium				
	Average Q2 2015	Last Quarter Average	Average Q2 2014	Difference (%)

Beaconsfield	N/A	N/A	N/A	N/A
Dorval	N/A	N/A	N/A	N/A
Pierrefonds	\$220,000	\$223,500	\$219,000	0.5%
Westmount	N/A	N/A	N/A	N/A
Notre-Dame-de-Grâce/Côte-des-Neiges	\$266,500	\$260,000	\$255,000	4.5%
Ville-Marie	\$336,000	\$323,000	\$310,000	8.4%
Le Plateau Mont-Royal	\$320,000	\$320,000	\$319,000	0.3%
Rosemont/La Petite Patrie	\$285,000	\$283,000	\$272,000	4.8%
Laval	\$197,000	\$199,000	\$200,000	-1.5%
Brossard	\$199,000	\$197,000	\$192,000	3.6%
Longueuil	\$176,000	\$175,000	\$180,000	-2.2%
Boucherville	\$201,500	\$204,500	\$209,500	-3.8%
MONTREAL	\$244,556	\$242,778	\$239,611	2.1%

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 second quarter of 2015. A printable version of the second quarter 2015 survey will be available online on August 14, 2015. 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 16,000 real estate professionals in more than 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.

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