

THE MONTREAL HOUSING MARKET IS EXPERIENCING MODERATE BUT CONTINUED INCREASES

A market that is more lively on the Island than in its periphery

MONTREAL, October 14, 2015 – The Royal LePage House Price Survey¹ released today showed that the Greater Montreal residential real estate market has undergone a 2.2 per cent year-over-year price increase across all property types surveyed to an aggregate² price of \$337,060. Home sales are also booming: The Island has seen a 6.2 per cent rise in sales while the Greater Montreal area has seen an increase of 4.4 per cent. Historically low interest rates, coupled with a weak Canadian dollar and improved economic performance in the province, has contributed to this increase in the Montreal housing market.

In the Greater Montreal area, the median price for a bungalow saw a moderate 1.8 per cent increase to \$278,590 year-over-year, while two-storey homes saw a 2.3 per cent increase to \$429,705. During the same period, condominiums saw a 2.6 per cent increase to a median price of \$283,611.

“The Quebec economy has benefited from lower oil prices and a weak Canadian dollar,” said Dominic St-Pierre, Director of Royal LePage for the Quebec area. “These developments have improved Quebec’s position in the export market, particularly with our U.S. neighbours, along with employment prospects in the region. This is by extension improving the means and confidence of consumers, which is highly supportive the region’s housing market.”

“A seller’s market is slowly taking hold on the island of Montreal for single family homes,” explains Mr. St-Pierre. “In fact, the selling time for a two-storey property or bungalow has gone down slightly to 85 days, or 2.3 per cent. The aggressive increase of inventory that we’ve seen over the past few years is beginning to slow down, which also explains this phenomenon, as single-family homes have seen an increase of only 2.5 per cent, while condominiums have risen by 3.1 per cent. That said, the Greater Montreal condominium market is still considered a buyer’s market.”

Rebound in Sales Across Several Housing Sectors and Categories

“Unit sales for bungalows have undergone a significant increase of 36 per cent year-over-year,” adds Mr. St-Pierre. “This could be explained by the fact that bungalow sales have remained stable over the past few years and that the market is currently adjusting.” The third quarter also saw a 5.8 per cent increase in unit sales two-storey homes overall, while the overall condominium market has gone up by 5.3 per cent, particularly for Montreal Centre, and by 8.9 per cent for Montreal’s North Shore.

Rapid Growth in the Luxury Market

¹ Powered by Brookfield RPS

² Aggregate prices are calculated via a weighted average of the median values of homes in the regions surveyed

“The luxury real estate market continues to move forward,” says Mr. St-Pierre. “It has outperformed the rest of the market in the Greater Montreal area, showing a notable 26 per cent increase on unit sales for luxury single-family homes priced at \$1M or more, and a 30 per cent increase for luxury condominiums priced at \$500,000 or more.”

Promoting Access to Home Ownership

On the eve of the federal election, the leading parties have proposed solutions that would promote access to home ownership. In fact, only 61 per cent of Quebecers own homes, as compared to 70 per cent for the rest of Canada. “Real estate continues to be an important savings vehicle for Canadian families, in addition to its role as a foundational component of the Canadian economy,” says Mr. St-Pierre. “It is therefore essential that we invest in this sector.”

Royal LePage House Price Survey Data: Third Quarter, 2015

Two-Storey			
	2015 Q3 Median Home Price	Q2 2015 Average (%)	Year-over-Year % Change
Laval	\$392,931	-0.8%	-1.3%
Montreal Centre	\$550,339	3.3%	5.7%
Montreal East	\$483,026	1.0%	5.4%
Montreal West	\$470,332	4.5%	8.2%
Montreal (North Shore)	\$335,793	-1.4%	-4.8%
Montreal (South Shore)	\$360,557	-0.7%	-1.0%
Greater Montreal	\$429,705	1.2%	2.3%

Bungalow			
	2015 Q3 Median	Q2 2015 Average (%)	Year-over-Year %

	Home Price		Change
Laval	\$273,808	-1.4%	-3.1%
Montreal Centre	\$450,912	8.3%	16.9%
Montreal East	\$303,864	0.1%	-2.6%
Montreal West	\$338,585	2.0%	3.5%
Montreal (North Shore)	\$245,804	-0.3%	-0.4%
Montreal (South Shore)	\$267,031	-0.6%	2.8%
Greater Montreal	\$278,590	0.5%	1.8%

Condominium			
	2015 Q3 Median Home Price	Q2 2015 Average (%)	Year-over-Year % Change
Laval	\$236,362	-0.2%	0.1%
Montreal Centre	\$324,442	-0.5%	0.4%
Montreal East	\$285,958	2.1%	9.6%
Montreal West	\$241,770	0.6%	-2.1%
Montreal (North Shore)	\$231,943	5.1%	10.1%
Montreal (South Shore)	\$212,834	0.0%	2.2%
Greater Montreal	\$283,611	0.5%	2.6%

Aggregate			
	2015 Q3 Median	Q2 2015 Average (%)	Year-over-Year %

	Home Price		Change
Laval	\$308,694	-0.9%	-1.8%
Montreal Centre	\$411,513	2.0%	4.2%
Montreal East	\$370,180	1.2%	5.4%
Montreal West	\$397,563	3.5%	6.0%
Montreal (North Shore)	\$271,647	-0.2%	-1.1%
Montreal (South Shore)	\$296,275	-0.6%	0.8%
Greater Montreal	\$337,060	0.8%	2.2%

About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation’s largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

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 more than 16,000 sales representatives in 600 offices across Canada. 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, as well as educational programs aimed at ending domestic violence. Royal LePage is an affiliate of Brookfield Real Estate Services Inc., a company listed on the Toronto Stock Exchange under the symbol “TSX: BRE”.

For more information, please visit <http://www.royallepage.ca>.

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