

Montreal Real Estate Market Sees Signs of Revival in the First Quarter of 2016

City posts highest first quarter increases in sales activity since 2010

MONTREAL, April 7, 2016 – The Royal LePage House Price Survey¹ released today showed that the aggregate² price of a home in the Greater Montreal Area saw a moderate 1.8 per cent increase to \$342,909 during the first quarter of 2016. As the spring season gets underway, sales levels significantly increased in several housing categories, hinting at renewed growth in the Montreal real estate market.

The survey showed that in the Greater Montreal Area, the median price for a bungalow saw a moderate 1.5 per cent increase to \$282,266 year-over-year, while two-storey homes saw a 3.3 per cent increase to \$444,179. The median price of a condominium remained stable at \$279,893 with a 0.9 per cent decrease from the same period last year.

"Despite a gradual decline in the first quarter, inventory levels remain high, benefitting prospective homebuyers in their negotiations across many regions of the Greater Montreal Area," explained Dominic St-Pierre, Senior Director, Royal LePage, Quebec region. "This excess in supply has led sellers to slightly lower their asking-prices, most notably in the condominium segment."

Sharp increase in condominium sales in the centre and west side of the Island

Activity in the condominium market increased significantly across the Greater Montreal Area during the first quarter of 2016. Montreal West saw condominium sales activity spike, rising 22 per cent, with the aggregate price jumping by 13.2 per cent year-over-year to \$278,274. When looking to two-storey houses, the South Shore of Montreal recorded the largest gain in terms of unit sales, rising 16.4 per cent this year over last. Compared to the same quarter in 2015, luxury market activity for single-family homes and condominiums in Montreal centre increased by 13.9 per and 23.2 per cent, respectively.

Favourable economic factors

Montreal and the main urban centres of Quebec fell behind economically compared to other big Canadian cities in recent years.

"In the coming year, the weak Canadian dollar, combined with the drop in energy prices, should boost export industries such as manufacturing, but also tourism and the real estate sector, which in turn will create jobs throughout Quebec. Royal LePage forecasts that Quebec could see its

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² Aggregate prices are calculated via a weighted average of the median values of three types of property in the regions surveyed.

GDP growth increase by 1.5 percent this year, our most promising forecast in recent years," explained Mr. St-Pierre. "Large-scale infrastructure projects, such as the construction of the new Champlain Bridge and the Turcot Interchange, should also have a positive impact on Montreal's economy, and by extension support consumer demand in the local housing market."

Royal LePage House Price Survey Data for Greater Montreal Area: First Quarter, 2016

Two-Storey			
	Q1 2016 Median Home Price	Quarter-over-Quarter % Change	Year-over-Year % Change
Laval	\$405,198	0.3%	-1.0%
Montreal Centre	\$550,555	2.7%	3.5%
Montreal East	\$489,283	3.1%	4.1%
Montreal West	\$454,110	0.7%	4.0%
Montreal (North Shore)	\$363,860	2.0%	1.9%
Montreal (South Shore)	\$396,899	2.0%	4.8%
Greater Montreal	\$444,179	2.0%	3.3%

Bungalow			
	Q1 2016 Median Home Price	Quarter-over-Quarter % Change	Year-over-Year % Change
Laval	\$293,296	2.6%	3.1%
Montreal Centre	\$393,563	-0.5%	2.3%
Montreal East	\$321,814	3.0%	0.2%
Montreal West	\$340,348	1.1%	2.7%
Montreal (North Shore)	\$253,214	0.1%	0.6%
Montreal (South)	\$269,001	-0.4%	1.4%

Shore)			
Greater Montreal	\$282,266	0.5%	1.5%

Condominium			
	Q1 2016 Median Home Price	Quarter-over-Quarter % Change	Year-over-Year % Change
Laval	\$229,758	-1.8%	-3.1%
Montreal Centre	\$323,375	-2.0%	-2.4%
Montreal East	\$271,545	-0.7%	-0.3%
Montreal West	\$278,274	6.7%	13.2%
Montreal (North Shore)	\$211,326	1.4%	-1.1%
Montreal (South Shore)	\$213,732	2.1%	1.7%
Greater Montreal	\$279,893	-0.8%	-0.9%

Aggregate			
	Q1 2016 Median Home Price	Quarter-over-Quarter % Change	Year-over-Year % Change
Laval	\$320,295	0.9%	0.2%
Montreal Centre	\$406,459	0.2%	0.6%
Montreal East	\$370,530	1.9%	2.2%
Montreal West	\$395,191	1.5%	4.8%
Montreal (North Shore)	\$281,886	1.0%	1.0%
Montreal (South	\$312,319	1.1%	3.2%

Shore)			
Greater Montreal	\$342,909	0.9%	1.8%

*Data presented in the tables above may not match same period data reported previously due to subsequent market updates.

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 Royal LePage 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 is 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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