

Home buyers looking in Montreal's city centre can expect to pay \$35,000 more than last year

- *With close to 6% year-over-year home price appreciation in the third quarter, the Greater Montreal Area residential market had the highest appreciation rate since the second quarter of 2018.*
- *Montreal East had the highest aggregate price appreciation rate in the country, increasing 8.5% year-over-year.*
- *Nationally, Royal LePage expects the Greater Montreal Area to experience the highest price increase, closing the year with an increase of 6.0% in the fourth quarter compared to the same quarter in 2018.*

MONTREAL, October 10, 2019 – The Royal LePage House Price Survey released today showed that the real estate market activity in the Greater Montreal Area continued to expand, with growth in both sales and price. In the third quarter of 2019, the aggregate¹ price posted a year-over-year appreciation rate of 5.9%, while Montreal Centre experienced a 7.0% increase, once again surpassing Toronto and Vancouver city cores. Home prices in Greater Montreal are now \$418,731 and \$532,026 for Montreal Centre. According to Royal LePage, this is the 13th consecutive quarter in which price appreciation in the Greater Montreal Area has exceeded 4%.

In terms of sales, 9,441 properties were sold in the Greater Montreal Area during the third quarter of 2019, a 10.6% increase compared to the same period in 2018.

Nationally, Royal LePage's price summary for 63 markets across the country revealed that the aggregate price of a home in Canada increased 1.4% in the third quarter of 2019 rising to \$630,335, which is 50% higher than the aggregate price of a home in the Greater Montreal Area.

"We anticipated that home price appreciation in Montreal would slow down in the second half of the year, but market conditions are continuing to tighten," says Dominic St-Pierre, Director and Vice President of Royal LePage, Quebec Region. "With a fast-growing market, buyers who have postponed entering the market are now faced with a \$35,000 year-over-year increase in Montreal Centre and a \$23,000 increase in Greater Montreal."

In the third quarter, the median price of a two-storey home saw the highest price appreciation among housing types surveyed, compared to the same period last year, rising 6.5% in the Greater Montreal Area to \$529,683. The median price of a bungalow increased 5.6% year-over-year,

¹ Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.



reaching \$329,798 in the third quarter. The median price of a condominium reached \$335,780 this quarter, up 4.7% year-over-year.

Looking at new builds from the beginning of 2019 compared to the same period in 2018, there is a 20.5% increase in new construction in the metropolitan area².

"Increased new construction is beneficial for rebalancing supply and demand," says St-Pierre. "In a market like Montreal where demand has been accelerating for over three years, policymakers and real estate developers have a vested interest in addressing the lack of inventory geographically, as well as in terms of property type and providing living spaces most suitable for families."

"Certain federal election proposals to increase homeownership, such as extending the 30-year amortization period, are not necessarily the right response. We must remain vigilant since increasing purchasing power may cause additional upward pressure on prices," added St-Pierre.

Buyers are looking for options in the east end of the city

Montreal East, which began to see higher price increases in the fourth quarter of 2018, saw the highest appreciation rate of the aggregate this quarter among Canada's largest urban centres this quarter, increasing 8.5% year-over-year to reach \$439,499. In particular, two-storey home prices jumped 11.3% in one year in the region.

Driven by affordability relative to Montreal's city centre, the appreciation rate of the condominium segment is, for the first time, higher in Laval than anywhere else in the region. The median price of a condominium increased 6.8% year-over-year in the third quarter, reaching \$265,550.

Greater Montreal's residential real estate market forecast to increase 6.0% year-over-year in the fourth quarter

In the fourth quarter of 2019, Royal LePage expects home price appreciation to maintain its pace in the Greater Montreal Area, closing the year with a 6.0% year-over-year increase, rising to \$425,431.

"Strong demand will continue to actively stimulate the Montreal market; the lack of inventory will continue to be the core element of price appreciation," said St-Pierre.

Royal LePage House Price Survey Data Greater Montreal Area - Third Quarter 2019

² Housing Market Information Portal, Canada Mortgage and Housing Corporation (CMHC): <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#Profile/1/1/Canada>

Two-Storey Homes			
	Q3 2019 Median Price	Q2 2019 – Q3 2019 Change (%)	Q3 2018 – Q3 2019 Change (%)
Laval	\$447,097	0.4%	2.2%
Montreal Centre	\$742,200	2.2%	8.8%
Montreal East	\$575,860	2.7%	11.3%
Montreal West	\$568,996	1.6%	1.7%
Montreal (North Shore)	\$405,598	2.7%	5.9%
Montreal (South Shore)	\$476,737	3.4%	6.8%
Greater Montreal	\$529,683	2.3%	6.5%

Bungalow			
	Q3 2019 Median Price	Q2 2019 – Q3 2019 Change (%)	Q3 2018 – Q3 2019 Change (%)
Laval	\$335,200	1.6%	4.7%
Montreal Centre	\$509,931	2.1%	7.5%
Montreal East	\$370,077	1.3%	3.9%
Montreal West	\$447,663	1.7%	12.2%

Montreal (North Shore)	\$283,717	0.8%	4.9%
Montreal (South Shore)	\$324,098	1.2%	5.1%
Greater Montreal	\$329,798	1.3%	5.6%

Condominium/Apartment			
	Median price Q3 2019	Q2 2019 – Q3 2019 Change (%)	Q3 2018 – Q3 2019 Change (%)
Laval	\$265,550	2.8%	6.8%
Montreal Centre	\$409,181	1.0%	5.0%
Montreal East	\$315,221	1.4%	5.0%
Montreal West	\$279,168	0.7%	1.5%
North Shore Montreal	\$226,644	0.0%	1.9%
South Shore Montreal	\$249,682	0.5%	4.7%
Greater Montreal	\$335,780	1.0%	4.7%

Aggregate			
	Q3 2019 Median Price	Q2 2019 – Q3 2019 Change (%)	Q3 2018 – Q3 2019 Change (%)
Laval	\$374,782	1.1%	3.5%



Montreal Centre	\$532,026	1.6%	7.0%
Montreal East	\$439,499	2.1%	8.5%
Montreal West	\$495,787	1.5%	3.7%
Montreal (North Shore)	\$325,055	1.7%	5.1%
Montreal (South Shore)	\$381,952	2.4%	6.0%
Greater Montreal	\$418,731	1.8%	5.9%

*Data in the table may not correspond to numbers previously reported for the same period due to later updates.

Royal LePage Market Survey Forecast*

Market	Province	Q3 2019 Aggregate Home Price	Q4 2019 Aggregate Home Price (Forecast)	Q3 2019/Q4 2019 Quarter-Over-Quarter Forecast	Q4 2018 Aggregate Home Price	Q4 2018/Q4 2019 Year-Over-Year Forecast (%)
Canada		\$630,335	\$632,226	0.3%	\$622,771	1.5%
Halifax	NS	\$328,690	\$330,333	0.5%	\$318,598	3.7%
Greater Montreal Area	QC	\$418,731	\$425,431	1.6%	\$401,494	6.0%
Ottawa	ON	\$481,948	\$487,249	1.1%	\$470,022	3.7%
Greater Toronto Area	ON	\$858,443	\$859,301	0.1%	\$833,155	3.1%
Winnipeg	MB	\$315,907	\$317,171	0.4%	\$301,063	5.4%
Regina	SK	\$311,356	\$305,440	-1.9%	\$326,114	-6.3%



Calgary	AB	\$464,542	\$465,007	0.1%	\$476,574	-2.4%
Edmonton	AB	\$369,879	\$369,509	-0.1%	\$378,575	-2.4%
Greater Vancouver	BC	\$1,194,900	\$1,190,120	-0.4%	\$1,259,396	-5.5%

*The Royal LePage Market Survey Forecast provides aggregate home price projections in Canada's nine largest markets at year-end (fourth quarter).

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 63 of the nation's largest real estate markets. Housing values in the Royal LePage House Price Survey are based on the Royal LePage Canadian Real Estate Market Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, RPS Real Property Solutions, 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 over 18,000 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 Bridgemarq Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE. For more information, please visit www.royallepage.ca

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