

MONTREAL

QUEBEC

3%

2016 AVERAGE RESIDENTIAL SALE PRICE
\$347,321

MONTREAL'S HOUSING MARKET WAS STABLE IN 2016, WITH THE AVERAGE RESIDENTIAL SALE PRICE INCREASING MODERATELY BY THREE PER CENT YEAR-OVER-YEAR FROM \$337,263 IN 2015 TO \$347,321 IN 2016.

Sales volume in the region decreased slightly, with the number of sales shifting from 37,890 in 2015 to 34,465 in 2016.

Demand remains high for single-family detached homes around \$350,000, with multiple offers on listings commonplace. Montreal currently features a slight buyer's market, with a good selection of inventory across the market allowing first-time buyers, move-up buyers and foreign-buyers to remain active in the city.

New direct daily flights introduced by Air Canada starting in February 2017 between Shanghai and Montreal will make the city more accessible to foreign-buyers. The new flight route, combined with the relative affordability of Montreal compared to Vancouver and Toronto, is expected to help lead to more foreign investment from Asia in the coming years.

FIRST-TIME BUYERS

The new mortgage lending rules introduced by the federal government in the fall are expected to result in a slight softening of demand from first-time buyers in the first half of 2017. The changes however are not expected to have a significant long-term impact on the market. First-time buyers in the city are typically millennials looking for condos for approximately \$200,000.

CONDO MARKET

Montreal's condo market favours buyers, with a wide array of selection and 15 months of inventory on the market. Inventory levels are expected to increase slightly in 2017 as several new condo development projects are scheduled to come on to the market. Both first-time buyers and foreign-buyers purchasing condos for their children attending university in the city are active in the city's condo market.

LUXURY HOMES

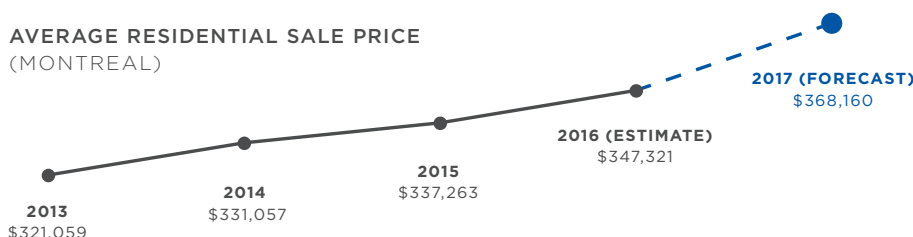
Activity was brisk in the upper-end of the market, with sales for luxury properties valued at over \$1 million up 16 per cent year-over-year in Montreal. Increased investment from foreign-buyers is expected to have the largest impact on the luxury segment of the market as these buyers typically look for upper-end properties.



FUTURE TRENDS

- Low unemployment in Quebec combined with the growth of individual household assets is expected to lead to increased optimism in Montreal's housing market in 2017
- The City of Montreal has invested over \$200 million in infrastructure projects as it prepares for its 375th anniversary celebrations in 2017; these projects are anticipated to provide a boost to the local economy and real estate market in the new year
- A new direct flight from Shanghai to Montreal starting in February is expected to lead to increased foreign investment from Asia
- The RE/MAX 2017 average residential sale price expectation for Montreal is an increase of six per cent

AVERAGE RESIDENTIAL SALE PRICE (MONTREAL)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.