

**MONTRÉAL RESALE MARKET:
A YEAR THAT WILL LONG BE REMEMBERED**

Montréal, February 18, 2003 – It was truly a memorable year for Montréal resale market in 2002. Following several consecutive annual gains, resales registered through the Multiple Listing Service (S.I.A.®/MLS®) during 2002 reached a record level. In all, there were 36,295 transactions, for an increase of 7 per cent over 2001.

In 2002, the condominium market stood out the most with the greatest increase in transactions, at 12 per cent. The plex market also did very well, with resales rising by 10 per cent over 2001. The single-family home market, for its part, was somewhat less dynamic than the other markets, with total sales 5 per cent higher than in 2001. However, single-family homes continue to be the most sought-after housing type in Greater Montréal, as two thirds of all transactions involve single-family properties.

“Demand for existing homes was very vigorous because of a dynamic job market, scarce rental housing and really favourable financing costs,” explained Michel Beauséjour, FCA, Chief Executive Officer of the GMREB.

During the fourth quarter of 2002, existing single-family home sales decreased relative the same quarter in 2001. Resales decreased by 2 per cent, with the most affected sectors being Laval (-9 per cent) and the South Shore (-7 per cent) and, to a lesser extent, the Island of Montréal (-1 per cent). On the Laval and Island of Montréal markets, single-family property sales began declining in the second quarter and continued to fall until the end of the year. As a result, for all of 2002, resales decreased by 2 per cent in Laval and by 1 per cent on the Island of Montréal. On the North Shore and the South Shore, 2002 ended with an increase in resales, which was twice as great on the north side (+12 per cent) as on south side (+6 per cent).

In 2002, existing home prices rose considerably, especially for condominiums. Compared to 2001, the average resale price increased up by 20 per cent. As for single-family homes and plexes, they posted smaller price increases of 14 per cent and 13 per cent, respectively. In 2002, the average selling price was \$139,300 for a condominium, \$157,400 for a single-family home and \$183,950 for a plex.

“The gradual tightening of the market made for a steady price increase. The supply decreased by more than 30 per cent for all housing types. As well, since demand was very strong, the seller-to-buyer ratios continued to fall. At the end of 2002, there were just 4 sellers for every buyer for single-family properties and plexes and only 3 in the case of condominiums,” commented Sandra Girard, Senior Market Analyst.

This information, and much more, can be found in ***Analysis of the Resale Market: Montréal Metropolitan Area***, a quarterly review jointly published by Canada Mortgage and Housing Corporation (CMHC) and the Greater Montréal Real Estate Board (GMREB). This report presents an analysis of the resale market in the metropolitan area, along with data on single-family houses, condominiums and plexes.

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