



Montréal market beats its 2002 performance

Montréal, February 22, 2006 – There were 36,571 property sales in the Montréal metropolitan area during 2005, or 1.5 per cent more than the year before. This result also eclipsed, by 276 sales, the previous transactions record set in 2002.

The fourth quarter of 2005 was practically identical to the same quarter one year earlier, in terms of the number of sales registered on the S.I.A.[®]/MLS[®] network. In fact, 7,886 properties changed hands in the last three months of 2005, compared to 7,871 during the same period in 2004, for an increase of 0.2 per cent.

While the last quarter of 2005 may not have particularly stood out in terms of the number of transactions, it was a totally different story for the year 2005, which was exceptional overall.

“The year 2005 exceeded our expectations. The resale market remained firmly in favour of sellers, despite the rise in listings, the increase in the average listing period and the slower growth in prices for all property types. The strength of the condominium demand is surprising,” noted Paul Cardinal, Senior Market Analyst at Canada Mortgage and Housing Corporation (CMHC).

Single-family houses stayed popular among buyers. This is the best-selling housing type in the Montréal metropolitan area and, particularly, in the large suburban sectors (Laval, the North Shore, the South Shore and Vaudreuil). In 2005, the average selling price of single-family homes reached \$226,427 in the metropolitan area, up by 7 per cent over the year before. The more moderate growth in the average selling price (the price hike was 14 per cent in 2004) was no doubt caused by the rise in listings (+21 per cent).

In 2005, the most expensive large sector was the Island of Montréal, where the average selling price of single-family homes attained \$314,714, and the least costly large sector was the North Shore, with an average selling price of \$185,070.

Nearly one quarter of the sales registered on the S.I.A.[®]/MLS[®] network in 2005 involved condominiums. “It is interesting to note that there were more condominium sales than single-family home sales on the Island of Montréal. ‘Condos’ can no longer be ignored and now form part of the Montréal real estate landscape,” commented Michel Beauséjour, FCA, Chief Executive Officer of the Greater Montréal Real Estate Board (GMREB). The average selling price of condominiums in metropolitan area reached \$191,887 in 2005, up by 5 per cent over the previous year. Despite the great popularity

of this housing type, buyers are starting to gain some negotiating power, as evidenced by the rise in listings and the longer average listing period.

Plex sales remain marginal in the suburbs, with more than 76 per cent of such transactions having been recorded on the Island of Montréal. In 2005, there were 5,129 plex transactions, or 6 per cent fewer than in 2004. Sales went down in all large sectors, except Vaudreuil. However, it should not be concluded that plexes are losing their appeal. The small rise in active S.I.A.[®]/MLS[®] listings over the past year (+11 per cent), the classification of this segment as a seller's market and the increase of 10 per cent in the average selling price are proof that demand for this housing type is still strong and that, on the contrary, it is the fact that supply is scarce and insufficiently diverse that seems to be the cause of the low level of transactions.

-30-

For more information, please contact:

Paul Cardinal

Senior Market Analyst
Canada Mortgage and Housing
Corporation

www.cmhc.ca

Tel.: (514) 283-8391

E-mail: pcardina@cmhc.ca

Chantal de Repentigny

Assistant Director
Communications, Industry Relations and
Legal Affairs

Greater Montréal Real Estate Board

www.notwithoutmyagent.com

Tel.: (514) 762-2181, ext. 130

E-mail: chantal.derepentigny@gmreb.qc.ca