



2002

Analysis

OF THE RESALE MARKET

Montréal Metropolitan Area

4th Quarter

- **A year that will long be remembered**
- **Single-family home transactions down in Laval and on the Island of Montréal**
- **Prices up significantly**
- **Suburbs becoming more and more popular**
- **What are the risks that prices will tumble?**
- **Growth spurt**

Chambre immobilière du Grand Montréal
Greater Montréal Real Estate Board



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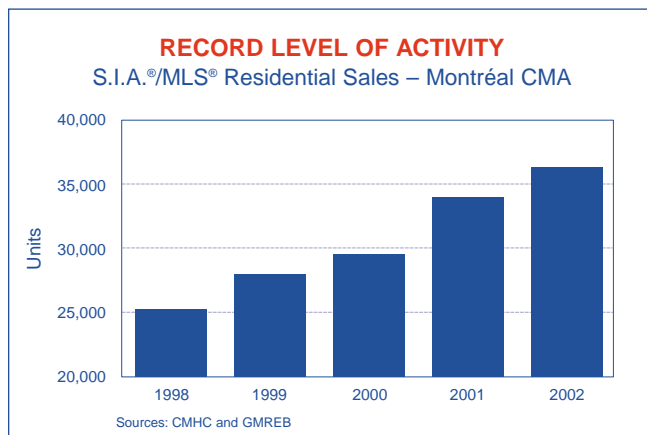
The GMREB has supplied its computer data, and Canada Mortgage and Housing Corporation its expertise in housing market analysis in order to make this publication possible.



A YEAR THAT WILL LONG BE REMEMBERED

There is no doubt about it, it was truly a memorable year for the Greater Montréal area real estate market in 2002. The dynamic conditions on the resale market drove up the number of transactions to a record level, and housing starts jumped up by 55 per cent over 2001.

Following several consecutive annual gains, resales recorded through the Multiple Listing Service S.I.A.®/MLS® during 2002 reached a level of 36,295 units, for an increase of 7 per cent over 2001. Sales were up for all housing types. In 2002, the condominium market stood out, with the greatest increase in transactions, at 12 per cent. The plex market also did very well, with resales increasing by 10 per cent over 2001. The single-family home market, for its part, was somewhat less dynamic than the other markets, but total sales were still 5 per cent higher than in 2001. However, we should not lose sight of the fact that 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.



The year 2002 was also marked by a short supply. Property listings became increasingly scarce in all housing categories. And where there was strong demand, and the choice of properties for sale was more limited, homes disappeared like hot cakes. Market conditions therefore continued to tighten. Among other indicators, the seller-to-buyer ratio stayed on its downward course, such that the market became even more favourable to sellers. Existing home prices consequently rose significantly. Faced with the difficulty of finding an existing property and the gradual increase in prices, many buyers turned to the new home market.

SINGLE-FAMILY HOME TRANSACTIONS DOWN IN LAVAL AND ON THE ISLAND OF MONTRÉAL

During the fourth quarter of 2002, existing single-family home sales decreased in relation to the corresponding period 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. In 2002, resales decreased by 2 per cent in Laval and by 1 per cent in 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 Laval, only the western sector, namely, Chomedey, Fabreville, Laval-Ouest, Laval-sur-le-Lac, Sainte-Dorothée and Sainte-Rose (zone 11), showed an increase in resales (+2 per cent). It should be pointed out that nearly 60 per cent of transactions involving single-family homes occurred in this market zone during 2002. In the central and eastern parts of Laval (zones 10 and 12), resales went down by 6 per cent and by 9 per cent, respectively.

On the Island of Montréal, the single-family home market presents some major distinctions depending on the zones. The sectors located in the eastern part of the Island of Montréal, namely, Anjou, Montréal-Nord, Saint-Léonard (zone 8) and Montréal-Est, Pointe-aux-Trembles, Rivière-des-Prairies (zone 9), were the big winners in 2002. In other words, these two zones posted the greatest increases in resales. In relation to 2001, transactions increased by 15 per cent in zone 8 and by 4 per cent in zone 9. It should be noted that these are the sectors on the Island of Montréal with the most affordable properties and average prices in the same range as in the suburbs.

In the most expensive sectors on the Island of Montréal, that is, Centre-Ouest, Côte-des-Neiges, Côte-Saint-Luc, Hampstead, Îles-des-Sœurs, Montréal-Ouest, Mont-Royal, Notre-Dame-de-Grâce, Outremont, Westmount (zone 4), resales continued to rise (+2 per cent), but at a slower pace than in 2001 (+6 per cent).

In the western part of the Island of Montréal, however, the market slowed down. The greatest adjustment was observed in zone 5 (LaSalle, Sud-Ouest, Verdun), where the level of activity dropped by 20 per cent in 2002. It should be mentioned that this sector had started 2002 on a downward trend and then remained on this course for the rest of the year. In Ahunatic and Saint-Laurent (zone 3), the market was also less active than in 2001, as resales decreased by 13 per cent in this sector. The only exception was zone 1 (Baie-d'Urfé, Beaconsfield, Dorval, Kirkland, Lachine, Pointe-Claire, Sainte-Anne-de-Bellevue, Senneville).



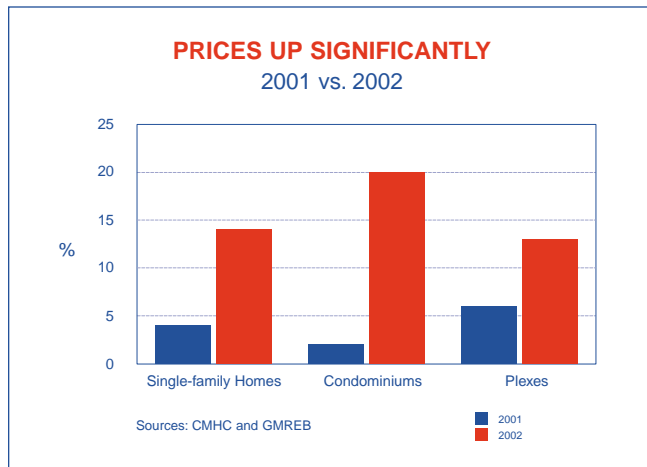
This zone, which has the second highest prices on the Island of Montréal, posted, like zone 4, a modest increase in resales (+1 per cent).

In the central eastern part, activity was not quite as strong in the Plateau Mont-Royal and Rosemont sectors and their adjacent districts (zones 6 and 7), where single-family home resales fell by 5 per cent and by 4 per cent, respectively, from 2001.

We should not lose sight of the fact that, on the Island of Montréal, 40 per cent of all transactions involving single-family homes occurred in the two most expensive sectors, that is, zones 1 and 4, a slightly higher proportion than that recorded in 2001 (38 per cent).

PRICES UP SIGNIFICANTLY

In 2002, existing home prices rose considerably, especially for condominiums. Compared to 2001, the average resale price posted an increase of 20 per cent, which was 10 times greater than in 2001 (2 per cent). The average selling price for a condominium reached \$139,300, or almost \$23,000 more than in 2001. There were major hikes in average prices in all sectors of the Montréal metropolitan area. On the Island of Montréal (+20 per cent) and in Laval (+23 per cent), average prices went up faster than on the North Shore (+12 per cent) or the South Shore (+15 per cent).



As for single-family homes and plexes, they posted similar gains of 14 per cent and 13 per cent, respectively. The average price for a single-family home reached \$157,400 in 2002, or around \$20,000 more than the average resale price recorded in 2001, which had already risen by 4 per cent over 2000. On the Island of Montréal and in Laval, prices climbed by nearly 20 per cent, posting respective increases of 17 per cent and 18 per cent. On the North Shore (+14 per cent) and the South Shore (+12 per cent), the price hikes were not as great.

For a plex with 2 to 5 units, buyers had to pay an average of \$183,950 in 2002, compared to \$163,000 in 2001. The Island of Montréal, Laval and South Shore markets

registered price increases that were comparable to the hike observed for the overall metropolitan area while, on the North Shore market, prices posted a clearly more modest gain (+6 per cent), even below that recorded in 2001 (+9 per cent).

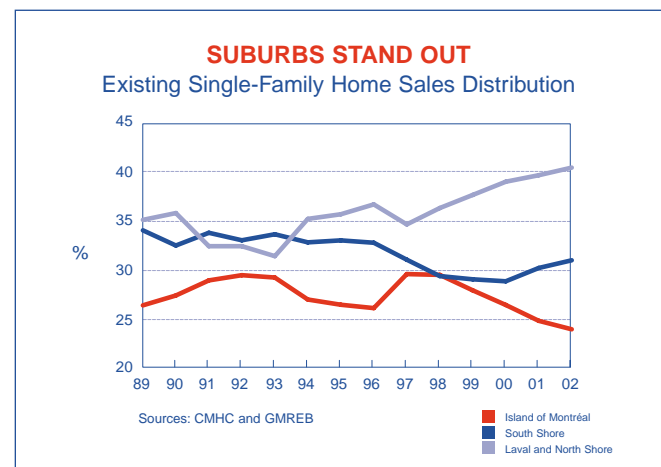
The gradual tightening of the market made for a steady price increase. The supply decreased by more than 30 per cent in all housing categories. As well, since demand was very strong, the seller-to-buyer ratios continued to fall. At the end of 2002, for single-family properties and plexes, there were just 4 sellers for every buyer, and only 3 in the case of condominiums, while, at the end of 2001, the already low seller-to-buyer ratios varied between 6 and 8 to 1.

However, the price increase was, to a certain extent, supported by the low mortgage rates, which reached their lowest levels in 40 years. The mortgage rates made all the difference on the pocketbooks of households, allowing them to buy more expensive properties. For example, in 1990, the average price of an existing single-family property was \$115,100, compared to \$157,400 in 2002, and the monthly mortgage payment was \$1,170* in 1990, in comparison with \$1,000* in 2002. As such, despite a higher selling price in 2002, the monthly mortgage payment was 14.5 per cent lower than in 1990. For a five-year term, the mortgage rate was 7.1 per cent in 2002, compared to 13.4 per cent in 1991, or almost half its 1991 level.

* Mortgage financed at 90%, amortized over 25 years, 5-year term.

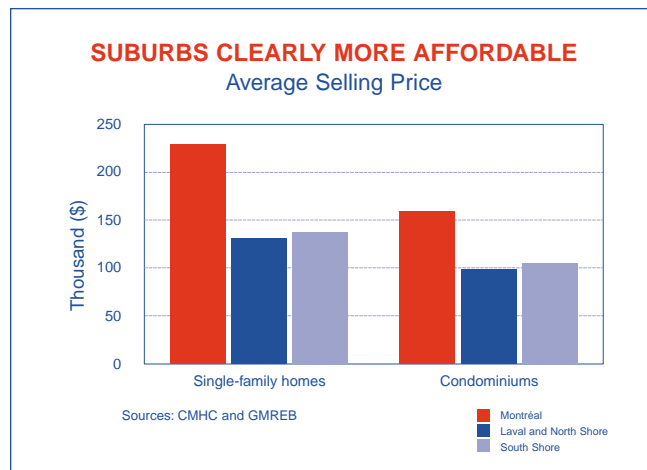
SUBURBS BECOMING MORE AND MORE POPULAR

The suburbs are becoming more popular, and their affordable properties are one of the factors that account for this trend. For the last few years, single-family home buyers have been increasingly attracted by the suburbs, especially Laval and the North Shore. The proportion of transactions involving single-family homes increased in the suburbs, to the detriment of the Island of Montréal.





In a market where properties are more and more expensive, it is perfectly logical for buyers to prefer sectors where the homes are more affordable, all the more so since the tighter conditions on the rental market prompted many renters to access homeownership by taking advantage of the low mortgage rates. There are significant price differences between the Island of Montréal and the suburbs, and these gaps have tended to grow wider in the past few years. For example, the average selling price for a single-family home is \$228,600 on the Island of Montréal, compared to \$138,000 in Laval, \$126,900 on the North Shore and \$137,000 on the South Shore.



WHAT ARE THE RISKS THAT PRICES WILL TUMBLE?

The euphoria on the resale market and the increase in prices bring to mind the late 1980s, and many are wondering if there is any risk that the market will collapse as it did in the early 1990s. It took the market several years to recover from its tumble during the first half of the 1990's, and it just recently finished regaining the lost ground. In fact, ten years later, the Montréal area resale market will finally post real growth again in the selling price of its properties.

The increase in prices observed in 2002 was attributable to different fundamental factors, which makes it unlikely that the market will weaken. For one thing, there are fewer and fewer properties for sale on the market, while demand just keeps growing. This is just the opposite of what was happening in the early 1990s, when there was an abundance of properties for sale, with relatively few buyers. As well, the seller-to-buyer ratio is telling a totally different story. In the early 1990s, there were over 20 sellers for every buyer whereas, at the end of 2002, this ratio was about 5 to 1. Even if the market were to fall, we are clearly very far

from the situation that prevailed 12 years ago. At worst, should there be a slowdown, this would give us some respite from the currently very tight market conditions. We should also take into account the economic context. In the early 1990s, a recession was getting under way while, in 2002, the Montréal economy posted an exceptional performance, not to mention that the mortgage rates granted in 2002 were well below the 1990 rates.

GROWTH SPURT

With the economic performance that it posted in 2002, Greater Montréal will have been the envy of many other areas across America. All the basic housing-related factors fell into place, which paved the way for consumers wishing to attach ever-growing importance to their home.

Montréal had the second highest gross domestic product growth rate (4.3 per cent) in the country, after Québec. And, while various sectors contributed to this success, it was the arrival of new homes on the market that accounted for the largest part of this gain—yet another sign of the vigour of the construction industry.

In this context, jobs were created by the tens of thousands, and close to 90,000 more people were employed in December 2002 than in December 2001. Although around 60 per cent of these new positions were part-time, full-time jobs still posted a notable gain, and they continued on their already well-established upward trend. In relation to the anemic conditions of the mid-1990s, the Montréal area labour market has grown by close to 200,000 full-time jobs, which directly contributed to the exceptional fresh upsurge in existing home sales.

Historically low mortgage rates will also have been a major asset for the resale market in 2002. Consumers benefited from low and stable interest rates at the end of the year, in particular, a rate of just 6.7 per cent for a five-year term. After negotiating with their financial institution, some households were even able to get a rate below 6 per cent.

It is therefore no surprise that confidence is looking up and that quite a few people deem it advisable to make a major purchase, such as a home. Last spring, this view was shared by almost 80 per cent of Quebec households, according to the survey conducted by the Conference Board of Canada. This was an unprecedented level in the last 40 years.

With so much encouraging news, the Montréal area is more than an object of envy, it is becoming a real centre of attraction. The latest migration figures show clear growth and a net level of 25,000 newcomers in 2001. Now, there is a phenomenon that will be crucial to the support and development of the Montréal economy.



Zone 1	Baie d'Urfé • Beaconsfield • Dorval • Kirkland • Lachine • Pointe-Claire • Sainte-Anne-de-Bellevue • Senneville
Zone 2	Dollard-des-Ormeaux • Pierrefonds • Roxboro • Sainte-Geneviève • Saint-Raphaël-de-l'Île-Bizard
Zone 3	Ahuntsic • Saint-Laurent
Zone 4	Centre-Ouest • Côte-des-Neiges • Côte-Saint-Luc • Hampstead • Île-des-Soeurs • Montréal-Ouest • Mont-Royal • Notre-Dame-de-Grâce • Outremont • Westmount
Zone 5	LaSalle • Sud-Ouest • Verdun (excluding Nuns-Island) • Ville Saint-Pierre
Zone 6	Centre • Plateau Mont-Royal • Villeray
Zone 7	Hochelaga-Maisonneuve • Mercier • Rosemont • Saint-Michel
Zone 8	Anjou • Montréal-Nord • Saint-Léonard
Zone 9	Montréal-Est • Pointe-aux-Trembles • Rivière-des-Prairies
Zone 10	Duvernay • Laval-des-Rapides • Pont-Viau • Vimont
Zone 11	Chomedey • Fabreville • Laval-Ouest • Laval-sur-le-Lac • Sainte-Dorothée • Sainte-Rose
Zone 12	Auteuil • Saint-François • Saint-Vincent-de-Paul
Zone 13	Deux-Montagnes • Mirabel • Oka • Pointe-Calumet • Saint-Eustache • Saint-Joseph-du-Lac • Sainte-Marthe-sur-le-Lac • Saint-Placide
Zone 14	Blainville • Boisbriand • Lorraine • Rosemère • Sainte-Thérèse
Zone 15	Bois-des-Filion • Lachenaie • La Plaine • Mascouche • Sainte-Anne-des-Plaines • Terrebonne
Zone 16	Charlemagne • Le Gardeur • Repentigny • Saint-Sulpice
Zone 17	Brossard • Greenfield-Park • Saint-Lambert
Zone 18	Lemoyne • Longueuil • Saint-Hubert
Zone 19	Boucherville • Saint-Amable • Saint-Bruno-de-Montarville • Sainte-Julie • Varennes
Zone 20	Beloeil • Carignan • Chambly • McMasterville • Mont-Saint-Hilaire • Notre-Dame-de-Bon-Secours • Otterburn Park • Richelieu • Saint-Basile-Le-Grand • Saint-Mathias-sur-Richelieu • Saint-Mathieu-de-Beloeil
Zone 21	Candiac • Delson • La Prairie • Sainte-Catherine-d'Alexandrie • Saint-Constant • Saint-Mathieu • Saint-Philippe
Zone 22	Beauharnois • Châteauguay • Lery • Maple Grove • Melocheville • Mercier • Saint-Isidore
Zone 23	Hudson • Île-Cadieux • Île-Perrot • Notre-Dame-de-l'Île-Perrot • Pincourt • Pointe-des-Cascades • Pointe-du-Moulin • Saint-Lazare • Terrasse-Vaudreuil • Vaudreuil-Dorion • Vaudreuil-sur-le-Lac
Zone 24	Iberville • Saint-Athanase • Saint-Jean • Saint-Luc
Zone 25	Bellefeuille • Lafontaine • Saint-Antoine • Saint-Jérôme



Market Zones	S.I.A./MLS® SALES					ACTIVE S.I.A./MLS® LISTINGS					Diff. Listing & Selling Prices 4 th Qtr 2002
	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	
MONTRÉAL ISLAND											
zone 1	257	259	-1%	1,283	1%	272	376	-28%	314	-28%	6%
zone 2	251	221	14%	1,224	-2%	269	389	-31%	313	-25%	5%
zone 3	104	101	3%	415	-13%	182	198	-8%	182	-23%	9%
zone 4	185	216	-14%	873	2%	300	424	-29%	330	-31%	8%
zone 5	38	50	-24%	199	-20%	56	80	-30%	61	-35%	10%
zone 6	27	30	-10%	129	-5%	44	52	-15%	42	-37%	7%
zone 7	61	71	-14%	301	-4%	67	100	-32%	73	-42%	8%
zone 8	69	72	-4%	322	15%	88	162	-46%	104	-37%	8%
zone 9	178	167	7%	799	4%	269	434	-38%	293	-45%	6%
sub-total	1,170	1,187	-1%	5,545	-1%	1,546	2,215	-30%	1,712	-33%	7%
LAVAL											
zone 10	164	181	-9%	757	-6%	217	279	-22%	227	-33%	6%
zone 11	446	457	-2%	1,969	2%	533	692	-23%	539	-33%	6%
zone 12	127	169	-25%	637	-9%	177	280	-37%	182	-48%	6%
sub-total	737	807	-9%	3,363	-2%	927	1,251	-26%	948	-36%	6%
NORTH SHORE											
zone 13	321	292	10%	1,567	12%	404	581	-30%	453	-34%	6%
zone 14	304	296	3%	1,529	13%	499	697	-28%	541	-27%	6%
zone 15	470	394	19%	1,968	11%	585	793	-26%	591	-37%	6%
zone 16	227	246	-8%	1,084	14%	296	506	-42%	326	-44%	5%
sub-total	1,322	1,228	8%	6,148	12%	1,784	2,577	-31%	1,911	-35%	6%
SOUTH SHORE											
zone 17	218	196	11%	1,025	6%	264	402	-34%	291	-38%	7%
zone 18	339	340	0%	1,514	3%	325	567	-43%	356	-47%	7%
zone 19	286	342	-16%	1,434	4%	337	542	-38%	374	-39%	5%
zone 20	225	301	-25%	1,307	4%	350	650	-46%	437	-42%	6%
zone 21	279	271	3%	1,241	13%	305	443	-31%	336	-41%	5%
zone 22	129	141	-9%	674	5%	146	303	-52%	196	-44%	6%
sub-total	1,476	1,591	-7%	7,195	6%	1,727	2,907	-41%	1,989	-42%	6%
VAUDREUIL-SOULANGES											
	251	239	5%	1,266	6%	340	525	-35%	435	-26%	5%
MONTRÉAL METROPOLITAN											
	4,956	5,052	-2%	23,517	5%	6,325	9,475	-33%	6,995	-36%	6%
AGGLO. OF SAINT-JEAN											
	128	127	1%	759	33%	221	410	-46%	290	-35%	7%
AGGLO. OF SAINT-JÉRÔME											
	110	110	0%	531	14%	206	276	-25%	218	-31%	6%

4th Quarter 2002

Single-Family House Market

Montréal Metropolitan Area

Diff. Listing & Selling Prices	AVERAGE S.I.A. ®/MLS® PRICE					AVERAGE LISTINGS PERIOD				# OF SELLERS PER BUYER	
	4 th Qtr 2001	4 th Qtr 2002	4 th Qtr 2001	Change 12 months	Jan-Dec 2002	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	Jan-Dec 2002	Jan-Dec 2001	4 th Qtr 2002
	\$	\$		\$		days	days	days	days		
7%	233,295	194,454	20%	225,863	14%	45	54	43	51	3	4
6%	193,221	159,760	21%	188,333	16%	46	48	40	45	3	4
10%	226,439	174,996	29%	216,905	19%	56	69	61	77	5	6
10%	485,886	382,326	27%	463,577	20%	61	80	71	74	5	7
9%	148,863	143,132	4%	151,301	11%	55	50	54	76	4	5
10%	269,852	181,383	49%	207,108	20%	50	57	52	80	4	6
8%	144,666	128,076	13%	140,961	13%	44	62	49	71	3	5
9%	169,123	142,239	19%	153,583	12%	54	72	73	85	4	7
8%	137,433	114,826	20%	129,643	14%	56	102	78	115	4	8
8%	239,140	199,694	20%	228,550	17%	51	67	56	69	4	5
8%	175,624	146,540	20%	157,724	17%	54	68	54	82	4	5
8%	145,472	117,172	24%	136,322	19%	49	74	55	79	3	5
7%	131,396	110,995	18%	119,850	13%	42	68	65	87	3	6
7%	149,756	122,465	22%	138,019	18%	49	71	56	81	3	5
8%	118,856	96,323	23%	109,907	14%	52	64	60	84	3	6
6%	180,472	145,631	24%	168,500	15%	64	78	71	82	4	7
7%	118,603	100,137	18%	110,349	14%	51	83	66	99	4	6
7%	129,140	108,381	19%	122,727	13%	62	89	72	107	4	7
7%	134,701	111,848	20%	126,881	14%	56	78	67	92	4	6
9%	188,253	148,889	26%	165,250	13%	54	81	63	88	3	6
8%	128,879	108,953	18%	121,988	11%	41	67	55	83	3	5
7%	160,566	149,145	8%	156,284	11%	46	66	56	85	3	5
8%	137,968	120,803	14%	135,022	14%	56	83	75	100	4	7
7%	140,919	122,609	15%	129,654	11%	51	89	59	101	3	6
8%	106,664	92,453	15%	103,946	15%	43	72	64	91	3	7
8%	145,508	125,618	16%	136,986	12%	48	76	61	91	3	6
7%	175,705	146,144	20%	162,209	15%	51	69	57	69	4	6
8%	166,891	140,143	19%	157,440	14%	51	73	61	83	4	6
7%	109,657	100,270	9%	110,111	13%	73	101	87	105	5	9
8%	111,858	99,928	12%	107,036	14%	75	91	87	104	5	8



Market Zones	S.I.A.®/MLS® SALES					ACTIVE S.I.A.®/MLS® LISTINGS					Diff. Listing & Selling Prices 4 th Qtr 2002
	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	
MONTRÉAL ISLAND											
zone 1	36	33	9%	159	22%	36	55	-34%	33	-38%	4%
zone 2	69	54	28%	310	14%	60	67	-11%	55	-34%	5%
zone 3	90	79	14%	366	4%	114	140	-19%	106	-30%	6%
zone 4	223	198	13%	1,043	19%	326	413	-21%	342	-24%	7%
zone 5	123	97	27%	569	12%	169	218	-23%	152	-37%	4%
zone 6	205	207	-1%	959	15%	354	408	-13%	315	-24%	6%
zone 7	126	100	26%	464	14%	136	160	-15%	120	-36%	5%
zone 8	54	43	26%	202	-8%	74	74	0%	60	-41%	5%
zone 9	102	96	6%	494	29%	97	200	-51%	106	-54%	5%
sub-total	1,028	907	13%	4,566	14%	1,366	1,735	-21%	1,288	-33%	6%
LAVAL											
zone 11	96	90	7%	338	-8%	115	108	7%	102	-21%	6%
Other zones	50	57	-12%	181	-11%	68	54	27%	61	-8%	5%
sub-total	146	147	-1%	519	-9%	183	162	13%	164	-17%	5%
NORTH SHORE	95	65	46%	465	31%	126	187	-33%	127	-41%	5%
SOUTH SHORE											
zone 17	90	83	8%	383	14%	113	127	-11%	100	-34%	5%
zone 18	105	110	-5%	446	6%	111	147	-25%	92	-55%	5%
Other zones	95	100	-5%	449	6%	95	167	-43%	101	-48%	4%
sub-total	290	293	-1%	1,278	8%	319	442	-28%	293	-47%	5%
VAUDREUIL-SOULANGES	32	31	3%	117	24%	37	30	24%	30	-14%	4%
MONTRÉAL METROPOLITAN	1,591	1,443	10%	6,945	12%	2,030	2,556	-21%	1,902	-35%	5%

Economic Overview Montréal Métropolitain Area

	4 th Qtr 2002	3 rd Qtr 2002	2 nd Qtr 2002	1 st Qtr 2002	4 th Qtr 2001
Job Creation (or Loss) (1)	20,100	4,100	26,300	20,100	5,900
Unemployment Rate (1)	8.2%	8.2%	8.3%	8.9%	8.9%
Change in Help-Wanted Index (1)	-7%	0%	0%	-2%	-6%
Annual Inflation Rate	3.3%	2.3%	1.1%	1.5%	1.4%
Annual Change in Rents	1.6%	1.4%	1.4%	1.3%	1.2%
Annual Change in New Home Prices	6.1%	5.0%	5.5%	4.1%	4.5%
Change in level of confidence (2)	2%	-4%	-4%	21%	1%
Right time to make a major purchase, like buying a home (% of affirmative replies)	67%	69%	76%	70%	60%

Sources: Statistics Canada, the Conference Board of Canada, the Office of the Superintendent of Bankruptcy, CMHC and GMREB.

Notes: (1) Seasonally Adjusted Rates (2) Province of Québec (3) Seasonally Adjusted Annual Rates
Unless otherwise indicated, changes are from one quarter to the next.



Diff. Listing & Selling Prices	AVERAGE S.I.A.®/MLS® PRICE					AVERAGE LISTINGS PERIOD				# OF SELLERS PER BUYER	
	4 th Qtr 2001	4 th Qtr 2002	4 th Qtr 2001	Change 12 months	Jan-Dec 2002	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	Jan-Dec 2002	Jan-Dec 2001	4 th Qtr 2002
	\$	\$		\$		days	days	days	days		
7%	132,131	136,688	-3%	144,029	11%	45	58	52	61	3	5
7%	114,244	93,865	22%	107,595	26%	32	69	35	54	2	4
7%	151,238	128,901	17%	142,494	18%	54	72	63	80	3	5
9%	268,491	206,533	30%	249,667	22%	60	82	65	79	4	6
7%	133,939	113,577	18%	125,133	15%	52	83	65	99	3	6
8%	181,187	146,287	24%	170,720	22%	48	80	57	78	4	6
5%	134,364	113,030	19%	121,069	20%	47	77	56	102	3	6
7%	125,984	107,605	17%	121,574	18%	55	58	69	96	4	6
7%	90,847	79,123	15%	84,132	14%	50	93	68	127	3	7
7%	168,037	138,347	21%	159,007	20%	51	78	60	87	3	6
7%	128,722	94,838	36%	113,569	22%	47	68	49	74	4	4
6%	114,018	90,823	26%	106,288	24%	51	51	49	80	4	4
7%	123,686	93,281	33%	111,029	23%	48	61	49	76	4	4
7%	88,091	77,067	14%	83,744	12%	44	66	76	104	3	7
8%	127,898	108,687	18%	124,170	18%	43	75	60	84	3	5
8%	101,623	81,865	24%	96,548	14%	36	74	52	110	2	6
6%	104,109	86,993	20%	96,243	11%	35	78	60	95	3	6
7%	110,592	91,213	21%	104,719	15%	38	76	57	97	3	6
6%	97,544	81,360	20%	93,959	17%	41	45	44	66	3	5
7%	147,305	120,201	23%	139,297	20%	48	75	59	89	3	6

Economic Overview Montréal Metropolitan Area

	4 th Qtr 2002	3 rd Qtr 2002	2 nd Qtr 2002	1 st Qtr 2002	4 th Qtr 2001
Number of bankruptcies					
Personal	NA	2,708	2,778	2,778	2,967
Commercial	NA	226	272	251	234
Housing Starts (3)	23,000	22,500	19,100	19,500	14,900
S.I.A.®/MLS® Residential Resales (3)	38,300	36,200	31,500	41,000	38,300
Annual Change in Retail Sales	9.2%	5.6%	7.5%	5.4%	0.6%
Mortgage Rates One-year term	5.0%	5.3%	5.5%	4.8%	4.7%
Mortgage Rates Five-year term	6.8%	6.9%	7.4%	7.1%	6.9%

Sources: Statistics Canada, the Conference Board of Canada, the Office of the Superintendent of Bankruptcy, CMHC and GMREB.
Notes: (1) Seasonally Adjusted Rates (2) Province of Québec (3) Seasonally Adjusted Annual Rates
Unless otherwise indicated, changes are from one quarter to the next.



Market Zones	S.I.A.®/MLS® SALES					ACTIVE S.I.A.®/MLS® LISTINGS					Diff. Listing & Selling Prices 4 th Qtr 2002
	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	4 th Qtr 2002 units	4 th Qtr 2001 units	Change 12 months	Jan-Dec 2002 units	Change 12 months	
MONTRÉAL ISLAND											
zone 3	92	115	-20%	388	-15%	117	192	-39%	127	-41%	6%
zone 4	82	109	-25%	412	-11%	113	176	-36%	131	-44%	7%
zone 5	206	181	14%	802	18%	227	359	-37%	260	-42%	7%
zone 6	219	216	1%	836	12%	268	364	-26%	291	-31%	7%
zone 7	336	335	0%	1,243	5%	422	616	-31%	458	-36%	7%
zone 8	111	104	7%	432	14%	138	203	-32%	144	-43%	5%
Other Zones	87	65	34%	346	37%	126	201	-37%	145	-40%	7%
sub-total	1,133	1,125	1%	4,459	7%	1,410	2,111	-33%	1,555	-38%	7%
LAVAL	89	92	-3%	350	8%	140	212	-34%	143	-44%	5%
NORTH SHORE	73	89	-18%	298	27%	130	201	-35%	139	-38%	6%
SOUTH SHORE											
zone 18	92	103	-11%	414	27%	164	267	-39%	200	-39%	6%
Other Zones	73	61	20%	263	25%	101	182	-45%	120	-42%	7%
sub-total	165	164	1%	677	26%	265	449	-41%	320	-40%	7%
VAUDREUIL-SOULANGES	16	12	33%	49	11%	19	39	-50%	25	-45%	5%
MONTRÉAL METROPOLITAN	1,476	1,482	0%	5,833	10%	1,965	3,012	-35%	2,182	-39%	7%

Notes on Tables and Graphs

Target Markets

The single-family house market encompasses detached, semi-detached and row houses of all types (bungalow, two-storey, split-level) owned under freehold (as opposed to condominium) tenure. The condominium market covers houses, apartments and plexes (structures with 2 to 5 units) held under divided co-ownership tenure. The plex market comprises small structures with 2 to 5 units, sold under divided co-ownership or freehold tenures. As a result, sales of cottages, mobile homes, farms and lands are not accounted for.

Market Zones

These zones are not the S.I.A.®/MLS® districts or zones used by the GMREB, but rather groups of MLS® districts. The limits or the Montréal Metropolitan Area are those used by Statistics Canada for the 1991 census, and this area covers only a portion of the territories served by the GMREB and CMHC in their business operations.

Active S.I.A.®/MLS® Listings

When properties are listed on the GMREB's Multiple Listing Service, their features and selling price are made available to all brokers and agents who are members of the GMREB and the S.I.A.®/MLS®. Active listings are those listings which are active on the S.I.A.®/MLS® on the last working day of every month. The number of active listings for a given quarter corresponds to the average number of listings during the three months of that quarter.

S.I.A.®/MLS® Sales

These are the sales closed through the GMREB's Multiple Listing Service. Properties that sold for under \$30,000 and those for which the selling price is unknown are excluded from the statistics.

Average S.I.A.®/MLS® Price

This figure corresponds to the average value of the transactions and does not necessarily indicate the market value of the properties. Given that the features of properties sold can vary from one quarter to another, the average price constitutes an indicator, not an accurate measure, of the changes in property values.

4th Quarter 2002

Plex Market (with 2 to 5 units)

Montréal Metropolitan Area

Diff. Listing & Selling Prices	AVERAGE S.I.A. [®] /MLS [®] PRICE					AVERAGE LISTINGS PERIOD				# OF SELLERS PER BUYER		
	4 th Qtr 2001	4 th Qtr 2002	4 th Qtr 2001	Change 12 months	Jan-Dec 2002	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	Jan-Dec 2002	Jan-Dec 2001	4 th Qtr 2002	4 th Qtr 2001
	\$	\$		\$			days	days	days	days		
8%	243,793	207,119	18%	232,757	16%	61	66	65	83	4	6	
9%	304,713	223,470	36%	264,064	19%	59	94	63	75	4	6	
9%	167,182	134,535	24%	155,734	14%	57	85	73	97	4	8	
9%	223,436	180,326	24%	203,683	16%	51	82	58	78	4	7	
9%	175,982	153,573	15%	167,668	13%	58	93	68	93	4	7	
8%	215,095	196,199	10%	215,047	16%	54	100	71	104	4	8	
8%	169,884	157,990	8%	168,002	12%	64	95	78	109	5	12	
9%	201,741	172,088	17%	191,461	14%	57	88	67	90	4	7	
8%	185,856	151,610	23%	170,706	14%	63	112	74	120	5	10	
7%	172,299	155,690	11%	157,548	6%	77	121	106	141	6	11	
8%	165,088	147,694	12%	157,205	14%	88	129	94	133	6	12	
12%	159,214	143,220	11%	154,590	11%	91	162	100	137	5	12	
10%	162,489	146,030	11%	156,189	13%	89	141	96	134	6	12	
7%	141,250	133,917	5%	138,261	18%	63	59	90	127	6	12	
8%	194,284	166,639	17%	183,942	13%	62	97	73	99	4	8	

Notes on Tables and Graphs

Difference Between Listing and Selling Prices

This is the difference between the selling price and the original listing price of the last sales mandate registered by a real estate agent. This figure does not reflect any price that may have been requested by a seller under a previous sales mandate signed with another agent. In a buyer's market, where asking prices are revised downwards, this statistic underestimates the real difference between the selling prices and the prices originally requested by sellers.

Average Listing Period

The listing period is calculated from the first listing date of the last registered sales mandate. Here again, this figure does not reflect any time that the property may have been listed under a previous sales mandate with another agent. Consequently, the average listing period underestimates the actual time that properties are on the market before they are sold, but it remains a useful and reliable indicator of changes in the state of the market.

Number of Sellers per Buyer

This is a measure of the number of properties for sale for every unit sold during a given month, providing an indication of the state of the market based on supply and demand conditions. Due to the differing seasonal characteristics of sales and listings, this statistic is calculated in the following manner: the monthly average of active listings in the last 12 months is divided by the monthly volume of sales during the same 12-month period.

Seasonally Adjusted Annual rates

These figures indicate the annual level of activity that would be achieved if the pace recorded during a quarter were maintained over four consecutive quarters. Since the rates are seasonally adjusted, i.e. seasonal influence has been removed, the figures for any one month or quarter can therefore be compared with those of any other.

Abbreviations

QTR: Quarter

% CHG: Percentage change from one year to the next for corresponding periods



Single-Family House Market by Price Range

Market Zones	S.I.A.®/MLS® SALES		ACTIVE S.I.A.®/MLS® LISTINGS		# OF SELLERS PER BUYER		AVERAGE LISTING PERIOD		DIFF. BETWEEN LISTING AND SELLING PRICES	
	4 th Qtr 2002 units	Change 12 months	4 th Qtr 2002 units	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	4 th Qtr 2002 days	Change 12 months	4 th Qtr 2002	4 th Qtr 2001
UNITS LESS THEN \$50,000										
Montréal Island	1	-89%	2	-62%	1	2	11	-89%	11%	26%
Laval	1	-90%	2	-77%	1	2	5	-90%	15%	14%
North Shore	13	-55%	8	-68%	2	2	47	-27%	17%	14%
South Shore	6	-78%	4	-54%	2	2	72	-20%	21%	23%
MONTRÉAL METROPOLITAN*	23	-70%	16	-67%	2	2	48	-37%	17%	18%
UNITS FROM \$50,001 TO \$80,000										
Montréal Island	29	-29%	19	-71%	3	4	68	-3%	15%	12%
Laval	25	-70%	11	-83%	1	3	48	-49%	10%	10%
North Shore	77	-57%	58	-68%	2	3	50	-36%	8%	9%
South Shore	73	-52%	27	-84%	2	3	52	-19%	10%	11%
MONTRÉAL METROPOLITAN*	210	-55%	116	-77%	2	3	53	-29%	10%	10%
UNITS FROM \$80,001 TO \$100,000										
Montréal Island	56	-34%	39	-72%	3	5	65	-14%	9%	10%
Laval	57	-66%	42	-78%	2	4	34	-46%	7%	7%
North Shore	218	-45%	117	76%	2	5	44	-40%	6%	6%
South Shore	178	-55%	100	-78%	2	4	41	-48%	7%	8%
MONTRÉAL METROPOLITAN*	519	-52%	305	-77%	2	4	44	-40%	7%	7%
UNITS FROM \$100,001 TO \$125,000										
Montréal Island	89	-55%	69	-67%	2	4	51	-30%	8%	9%
Laval	184	-27%	94	-66%	2	4	35	-46%	6%	7%
North Shore	426	31%	276	-51%	2	6	46	-34%	5%	6%
South Shore	433	-9%	237	-62%	2	5	38	-44%	6%	6%
MONTRÉAL METROPOLITAN*	1,181	-10%	699	-60%	2	4	42	-39%	6%	7%

* The sum of the four sectors does not correspond to the total for the metropolitan area on account of zone 23, which does not appear separately.

4th Quarter 2002

Single-Family House Market by Price Range

Montréal Metropolitan Area

S.I.A./MLS® SALES		ACTIVE S.I.A./MLS® LISTINGS		# OF SELLERS PER BUYER		AVERAGE LISTING PERIOD		DIFF. BETWEEN LISTING AND SELLING PRICES		Market Zones
4 th Qtr 2002 units	Change 12 months	4 th Qtr 2002 units	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	4 th Qtr 2002 days	Change 12 months	4 th Qtr 2002	4 th Qtr 2001	
UNITS FROM \$125,001 TO \$150,000										
181	-24%	112	-62%	2	4	37	-36%	5%	7%	Montréal Island
213	48%	173	-29%	3	6	38	-40%	5%	6%	Laval
287	104%	424	2%	4	9	48	-41%	5%	5%	North Shore
348	45%	356	-31%	3	7	40	-50%	5%	6%	South Shore
1091	36%	1,108	-28%	3	6	41	-42%	5%	6%	MONTRÉAL METROPOLITAN*
UNITS FROM \$150,001 TO \$200,000										
332	38%	279	-34%	3	5	41	-22%	6%	7%	Montréal Island
176	71%	254	2%	4	8	56	-21%	6%	7%	Laval
190	94%	375	-9%	6	12	79	-12%	5%	7%	North Shore
255	40%	410	-24%	5	9	57	-28%	5%	7%	South Shore
1019	51%	1,398	-19%	4	7	56	-20%	5%	7%	MONTRÉAL METROPOLITAN*
UNITS FROM \$200,001 TO \$250,000										
147	11%	203	-14%	4	5	55	-17%	7%	7%	Montréal Island
48	71%	125	46%	7	12	81	-23%	7%	10%	Laval
55	77%	208	19%	10	15	85	-31%	8%	6%	North Shore
87	34%	199	-15%	7	12	71	-7%	6%	7%	South Shore
362	32%	781	-2%	6	9	68	-16%	7%	8%	MONTRÉAL METROPOLITAN*
UNITS OVER \$250,000										
335	39%	825	-3%	7	10	64	-23%	7%	9%	Montréal Island
33	94%	226	62%	21	34	139	-9%	10%	13%	Laval
56	124%	319	3%	17	31	125	-30%	7%	13%	North Shore
96	78%	394	8%	13	19	90	-16%	8%	11%	South Shore
551	56%	1,903	5%	10	15	81	-19%	8%	10%	MONTRÉAL METROPOLITAN*

* The sum of the four sectors does not correspond to the total for the metropolitan area on account of zone 23, which does not appear separately.