



LAND TITLE SOLUTIONS

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Real Estate Portrait of Ville-Marie

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IN THE CONTEXT OF MONTREAL 375TH ANNIVERSARY, JLR HAS DECIDED TO ESTABLISH A REAL ESTATE PORTRAIT OF THE VARIOUS CITIES AND BOROUGHS OF THIS AGGLOMERATION. IN THIS REPORT, DISCOVER THE PORTRAIT OF THE VILLE-MARIE BOROUGH.

OVERVIEW:

The borough of Ville-Marie is the most important commercial and cultural center of the agglomeration of Montreal. It comprises many prestigious and culturally influential neighborhoods, such as the Old Montreal, the Quartier international, the downtown area, the Chinatown, the Gay Village, and the Quartier Latin. Recently, the city has undertaken important urban developments in the Quartier des Spectacles to better accommodate a large number of spectators during popular festivals such as the International Jazz Festival and Just for Laughs. In the northwest portion of Ville-Marie, the Quartier du Musée is well-known for its Victorian-style architecture. Adjacent to this area is the Shaughnessy Village, a low-income neighborhood largely populated by students and new immigrants.

Ville-Marie counts 48,300 households that are primarily renters (74.3%). Most of its residents live alone (54.3%), followed by those who live as couples with children (19.5%). The Old Montreal neighborhood has a higher proportion of couples without children (30.6%), whereas downtown residents are mainly single (58.3%)¹.

According to data compiled by JLR based on Quebec Land Register, condos account for over 4/5 of the residential housing stock in the borough, and were for the majority built after the year 2000. In addition, about 55% of the real estate inventory were dwellings with four or more storeys in 2011, and this proportion is trending upward². Plex (2-5 units) represent about 10% of the stock, while single-family homes account for the smallest share of residential housing inventory.

The median price for the condo market segment has grown faster in 2016, compared to a 1-3% pace over the 5 preceding years. This can be explained in part by the fact that a large portion of the surpluses accumulated over the past few years has now been absorbed by the market. The volume of sales has also increased steadily since 2011, except for a drop in 2015.

From July 2016 to June 2017, the median price of condos was up significantly compared to the same period last year. The median price for condos (\$360,000) increased by roughly 10% over the period, while the median price plex reached \$525,000, an increase of 3% compared to the same period last year³. These prices were all well above comparable statistics for the agglomeration of Montreal. Over the same period, the volume of sales has increased for both condos and plex.

From January to May 2017, Ville-Marie continues to have the highest number of new housing starts on the Island with 1,322 new units, compared to 926 new dwelling over the same period last year. This is an increase of 43%, compared to the same period over the prior year⁴. From January 2015 to May 2016, the borough had more than double the number of new housing starts in its territory, with an additional 471 units compared to the same period the prior year.

OUTLOOK:

Albeit the small number of foreign home buyers in Montreal, there is an increase in their number⁵. From January to April 2017, there were 235 buyers originating from outside of Canada, compared to 168 over the same period last year. These buyers often originated from Europe and United States, but also from China. While the number of foreign buyers has indeed progressed, it remains modest and its impact on prices is limited. While the recent 15% tax imposed on foreign buyers by both governments of Ontario and British Columbia hasn't had a material impact on the demand for housing in Montreal yet, it should be monitored.

Given that about a third of Ville-Marie's population are immigrants⁶, the expected improvement in net migration flows in Montreal over the coming years will have a positive impact on housing demand in the neighborhood, especially conventional rental apartments and condos⁷.

In conclusion, the real estate market in Ville-Marie has been strong since the beginning of 2017, and it continues to have the highest number of new housing starts on the Island. The expected improvement in net migration flows in Montreal over the coming years should have a positive impact on housing demand in the neighborhood, especially conventional rental apartments and condos.

METHODOLOGY

JLR has eliminated for statistical calculations: sales with a transaction value of less than \$ 5,000, tied sales, mortgage take-back sales, undivided sales and multiple sales.

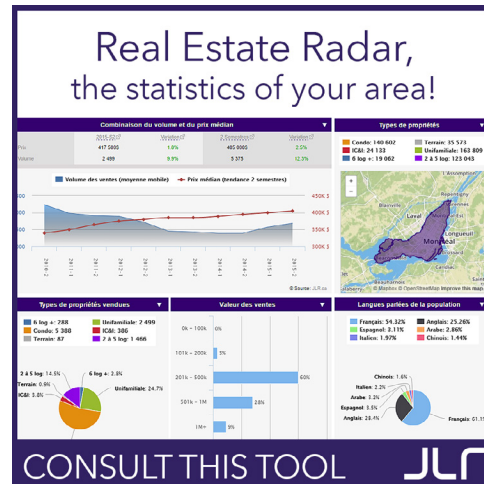
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- [1] According to Census Data 2011
- [2] According to Census Data 2011
- [3] Information retrieved from JLR database on 08/07/2017. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>
- [4] https://www.cmhc-schl.gc.ca/odpub/esub/64159/64159_2017_M06.pdf?fr=1499879957808
- [5] CHMC: Foreign buyers in Montréal: limited in number, but increasing <https://www.cmhc-schl.gc.ca/en/corp/nero/nere/2017/2017-06-22-0816.cfm>
- [6] Census Data 2011. http://ville.montreal.qc.ca/pls/portal/docs/PAGE/MTL_STATS_FR/MEDIA/DOCUMENTS/PROFIL%20DES%20M%C9NAGES%20ET%20DES%20LOGEMENTS%20-%20VILLE-MARIE.PDF
- [7] According to the Institut de la statistique du Québec, net migration flow should be rising from 20,000 people in 2015 to a predicted 30,000 people per year for the next 2 years.

FOR MORE DETAILS

Check the [Real Estate Radar](#) for more information on sales, bad debts and the socio-demographic profile of your sector.

Consult JLR publications at this address: <https://solutions.jlr.ca/publications/prime-studies>





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