



LAND TITLE SOLUTIONS

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Real Estate Portrait of Villeray-Saint-Michel-Parc-Extension

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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 VILLERAY-SAINT-MICHEL-PARC-EXTENSION BOROUGH.

OVERVIEW:

Villeray-Saint-Michel-Parc-Extension is the 2nd most populous borough in the city of Montreal with a population of 142,243. The borough distinguishes itself by its multiculturalism, with 44% of its population being immigrants, compared to 33% for the island of Montreal. Parc-Extension has the largest proportion of immigrants (61%), followed by Saint Michel (49%), and Villeray (30%). As newcomers often prefer renting over buying, the borough has one of the largest proportion of renters (roughly 3/4 households) on the agglomeration. In addition, the borough is home to proportionally more families with children below 14 years old, and fewer seniors (65 and over) than the rest of the Island of Montreal¹.

While Villeray-Saint-Michel-Parc-Extension is a low-income borough, the western portion of Villeray has attracted wealthier residents thanks to important residential and institutional real estate development. These include, notably, the newly established Outremont Campus of University of Montreal, and the Clerics of Saint Viator's building that has recently been converted into condos.

According to data compiled by JLR based on Quebec Land Register, Plex (2 to 5 units) represent roughly 2/3 of the residential housing stock. This proportion goes up to 78% when considering dwellings with 6+ units. Condos make up about a sixth of the real estate inventory, and were for the most part built after the year 2000. Single-family homes, often constructed in the 1950-60s, account for the smallest share of residential housing inventory in the borough.

Over the past four years, the median price of plex has grown at a slower pace (2-3%), while it has been more sustained for condos (4-5%). These levels were more moderate than what we observed over the 5 preceding years, for both market segments. Over the same period, the volume of sales for plex has remained relatively stable, while it has decreased slightly for condos, compared to a peak in 2014. Looking at new condos only, their median price—before taxes—has for its part grown at a steadily over the past 5 years (3-5%), and is currently in the \$255,000-\$270,000 range.

When looking at the gap between selling price and municipal evaluation, the condo market segment in Villeray-Saint-Michel-Parc-Extension is on a par with the agglomeration. From January to May 2017, the price over municipal evaluation ratio was 103 for condos and 106 for the single-family home market².

From June 2016 to May 2017, the median price of plex and single-family homes were up, while the median price of condos was stable, compared to the same period last year. The median price for plex (\$450,000) increased by roughly 5% over the period, while the median price for single-family homes reached \$340,000, an increase of 3% compared to the same period last year. The median price for condos, however, remained relatively stable at \$270,000³. These prices were all below comparable statistics for the agglomeration of Montreal. Over the same period, the volume of sales has increased for both plex and single-family homes, while it has decreased for condos

OUTLOOK:

Given that Villeray-Saint-Michel-Parc-Extension is one of the most culturally diverse borough in the agglomeration, the expected improvement in net migration flows in Montreal over the coming years will have a positive impact on housing demand in the borough, especially for conventional rental apartments⁴.

For the Montreal CMA, demographic estimates predict that the population will grow by about 1% from now until 2018⁵, mostly because of the growth rate estimate for the people aged of 50 years or more. Since the neighborhood has a low proportion of seniors (65 and over) compared to the island of Montreal, their impact on the demand for conventional rental apartments and condos should be modest.

In conclusion, Villeray-Saint-Michel-Parc-Extension is a very multicultural borough that should benefit from the expected increase in net migration flow in the next few years to support the demand for its conventional rental apartments.

BIBLIOGRAPHY

- [1] Census Data Statistic Canada 2011.
- [2] Information retrieved from JLR database on 30/06/2017 : <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>.
- [3] Information retrieved from JLR database on 30/06/2017 : <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>.
- [4] 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.
- [5] Institut de la statistique du Québec.

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.

FOR MORE DETAILS

Check the [Real Estate Radar](https://solutions.jlr.ca/publications/prime-studies) 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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