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Real Estate Portrait of Saint-Laurent

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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 BOROUGH SAINT-LAURENT.

OVERVIEW:

The borough of Saint-Laurent counts about 100,000 inhabitants, thanks to a population increase of more than 30% over the past 10 years. This rate of growth is twice as high as that observed on the island of Montreal during the same period. The borough is also an important economic hub, comprising Quebec's second-largest industrial park, regrouping more than 4,000 companies (including many large employers in the Canadian aerospace industry) and generating about 105,000 jobs.

One of the particularities of the borough is its **multiculturalism**. It is home to the largest concentration of immigrants in Montreal, with more than half of its population coming from another country, often from Lebanon, Morocco and China¹. This proportion jumps to 80% of residents, when we consider second-generation immigrants (those who were born here but have at least one parent born outside Canada). The borough is often seen as a place of transition for newcomers, perhaps because of its proximity to a major resource centre, the CARI (Immigrant Social and Economic Reference Center) created some 30 years ago. French is the most frequently used language, even if Arabic, Chinese, and Spanish are also rather common.

MOST NEW STARTS IN SAINT-LAURENT ARE CONDOS

We counted 207 housing starts in Saint-Laurent from January to October 2017, a 33% hike compared last year. The large majority of these (147) were condos². These new housing starts, however, represent only a small percentage (1%) of the housing stock³.

According to data compiled by JLR based on Quebec Land Register, about 45% of the housing inventory in Saint-Laurent are condos, and a large percentage of these (60%) were erected after the year 2000. The second most common type of dwelling is the single-family home (about 40% of the real estate inventory). Construction of single-family properties peaked between 1950-70s, and close to 70% of the current stock originates from this period.

Multiplexes are less frequent, accounting for around 15% of the real estate market shares. Having said that, over the past 10 years, multiplexes have remained relatively popular for buyers, as their sales declined by lower proportions (-8.5%) compared to the northern sector of the island (-23%)⁴.

PRICES HAVE RISEN, BUT NOT AS FAST AS FOR BOROUGHS THAT ARE CENTRALLY LOCATED

When looking at the gap between selling price and municipal evaluation since the beginning of the year, both the condo and single-family home market segments were dynamic. Indeed, the ratios between the selling price and the municipal evaluation were 104 for both of these segments⁵ for the period between January to October 2017, which suggests that prices in these markets have increased since July 1, 2015, the reference date used for the assessment roll of 2017 to 2019. This uptrend, however, is not as strong as what has been observed for more centrally located boroughs over the same period.

According to data compiled by JLR based on the Quebec Land Register, median prices for buying a single-family home (\$540,000) and a condo (\$315,000) in the borough both went up by 7% between November 2016 and October 2017, compared to the same period last year⁶.

Looking at new condos only, the median price - before taxes - has risen steadily for the past five years compared to that of the years 2010-2011 (when the price growth was negative), and is currently in the \$ 325,000-\$ 335,000 range.

Between 2006 and 2016, the median price for condos progressed at a faster pace in Saint-Laurent (+55%) compared to the northern sector of the island (+46%)⁷.

OUTLOOK:

With 40% of its population under the age of 30, Saint-Laurent is one of the most popular neighborhoods for young families with children⁸. In recent years, it has seen the largest increase in the number of families among the 19 boroughs of Montreal. The growth in housing demand originating from this population could help tighten the market conditions in both the condo and the single-family home segments. 218 newly completed units - mostly condos - will help to address the new demand coming from young families.

At the same time, net migration flows in Montreal will improve over the coming years⁹, and it is expected to drive demand for rental units in the borough. The relatively large inventory of rental apartments available in Saint-Laurent is well suited to welcoming immigrants upon their arrival because they usually prefer renting over buying.

In sum, the upward trend in prices in Saint-Laurent can be explained in part by the significant increase in housing demand resulting from strong population growth.

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

You wish to get specific data for your area? [Contact us](#) to get a personalized study !

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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- [8] Census Data Statistic Canada 2016. http://ville.montreal.qc.ca/pls/portal/docs/PAGE_MTL_STATS_FR/MEDIA/DOCUMENTS/PROFIL_SOCIODEMO_SAINTE%20LAURENT%202016.PDF
- [9] 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.





ABOUT JLR

JLR's mission is to provide financial institutions, government agencies, private companies and real estate professionals with information about a property or a sector. JLR thus allows to analyze the market, to evaluate a property, to manage a real estate portfolio, to prevent the risk and to reach a target clientele.

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