



LAND TITLE SOLUTIONS

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Real Estate Portrait of Longueuil

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IN THE CONTEXT OF MONTREAL 375TH ANNIVERSARY, JLR HAS ESTABLISHED A REAL ESTATE PORTRAIT OF THE VARIOUS BOROUGHES OF THIS AGGLOMERATION. NOW THAT THE CELEBRATION IS OVER, JLR WILL CONTINUE TO PUBLISH REAL ESTATE PORTRAITS OF THE LARGEST CITIES OF QUEBEC. HERE IS THE ANALYSIS FOR LONGUEUIL.

OVERVIEW:

Founded 360 years ago, Longueuil counts 239,700 inhabitants, making it the 5th most populous city in the province of Quebec.

Located on the South Shore of Montreal, the municipality spreads over a territory covering 116 km²¹ and consists of three boroughs: Le Vieux-Longueuil, Saint-Hubert and Greenfield Park. It is bordered by the cities of Boucherville and Saint-Bruno-de-Montarville to the east, Brossard and Saint-Lambert to the west, and the Saint Lawrence River to the north.

Recently, the city has rapidly developed its downtown area, and plans to have the full-scale project ready by 2035. The geographic location of Longueuil (7 kilometres to the south of Montreal) makes it an exceptional site for future developments. The city has three university campuses on its territory, one Cégep, and over 10,000 students attending these institutions. Its metro station (Longueuil) is used by more than 75,000 travellers every day.

Longueuil is mostly Francophone, with about 80% of the population who have identified French as their mother tongue².

The stock of properties for sale in Longueuil decreased over the period between 2017 and 2018³. This diminution of supply has favoured sellers, particularly for those seeking to sell their single-family home. Having said that, sales of single-family homes rose at a slightly slower pace than those of Montreal over the period⁴.

MOST STARTS IN LONGUEUIL ARE RENTAL APARTMENTS

Between March 2017 and February 2018, the housing inventory in Longueuil has expanded by 2,315 units⁵, a number above the one recorded for the same period the preceding year⁶. The majority of these housing starts were rental apartments (+1,638) but also condos (+461).

The housing inventory in the city is characterized by a majority of single-family homes (about 63%) often built in the '70s and '80s⁷. Condos (20%) and plex (17%) account for lesser proportions of the housing stock. However, their market shares are likely to increase over the next few years as the land availability decreases.

PRICES WERE UP, ESPECIALLY FOR SINGLE-FAMILY HOMES

Based on the gap between selling price in 2017 and municipal evaluation, the real estate market was dynamic, especially for the single-family home market segment. The ratio between the selling price and the municipal evaluation was 106 for this type of property in 2017, which suggests that prices in this market have been progressing since July 1, 2014, the reference date used for the assessment roll of 2016 to 2018.

According to data compiled by JLR based on the Quebec Land Register between March 2017 to February 2018, the median purchasing price of a single-family home was \$295,316, a 6% growth compared to the same period last year. The median price for condos (\$206,772) slowly increased (+4%) during the period, a pace similar to that of Montreal⁸. The price of plex (\$381,000) was up slightly (2%) over the period.

In general, median prices in the city are relatively low compared to that of the South Shore as a whole, but progressing faster than surrounding cities. The development of the downtown area, favourable economic conditions, as well as the rising of net migration flow in the Montreal CMA could help explain the current price trend.

OUTLOOK:

Unlike Montreal, Longueuil has some lands still available for residential construction, which will continue to sustain a relatively higher proportion of single-family home starts compared to the agglomeration. This availability will therefore temper the price growth for single-family homes relative to Montreal, at least until Longueuil reaches a similar population density⁹. The 232 newly completed single-family homes in the city between March 2017 and February 2018 will help meet the demand coming from families¹⁰.

The relatively lower prices in the city compared to Montreal will probably continue to attract a number of households toward Longueuil, especially those seeking to live in an urban area with easy access get downtown Montreal by public transport. The development of the downtown area and the local economy will continue to support housing demand¹¹.

The market shares associated with condos and plex are likely to increase over the next few years, as there is a new tendency to construct more condos and rental apartments. As population ages in Longueuil¹², one might expect a gradual increase in demand for these types of housing coming from older citizens. Residents close or at retirement age (55+ years) represents a third of the population of the municipality, compared to 29% in Montreal¹³. The 950 newly completed rental apartments and condos in the city between March 2017 and February 2018 will help to address the demand coming from the senior citizens wishing to live in a smaller and easier to maintain space¹⁴.

In sum, median prices in the city are relatively low compared to that of the South Shore as a whole, but progressing faster. This upward trend (especially for single-family homes) may be explained in part by the development of a new downtown area, favourable economic conditions, and rising of net migration flow in the Montreal CMA.

BIBLIOGRAPHY

- [1] Census Data Statistic Canada 2016
- [2] Census Data Statistic Canada 2016
- [3] JQFEB by the Centris® systems. Longueuil includes Vieux-Longueuil, Saint-Hubert and Greenfield Park
- [4] Information retrieved from JLR database on 14/04/2018. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>.
- [5] JVieux-Longueuil, Saint-Hubert and Greenfield Park
- [6] <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=93&itm=5&lang=en&sid=k7jXK-6k9gSLOxWV1vLuE993a9RlrAC191vm0A0cB8l-9MuVnYGdhR1JKqnyJwq139&fr=1520188344904>
- [7] Information retrieved from JLR database on 14/04/2018. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>
- [8] Information retrieved from JLR database on 14/04/2018. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>
- [9] Currently, Montreal is more than twice as densely populated than Longueuil
- [10] <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=93&itm=5&lang=en&sid=k7jXK-6k9gSLOxWV1vLuE993a9RlrAC191vm0A0cB8l-9MuVnYGdhR1JKqnyJwq139&fr=1520188344904>
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- [14] <https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=93&itm=5&lang=en&sid=k7jXK-6k9gSLOxWV1vLuE993a9RlrAC191vm0A0cB8l-9MuVnYGdhR1JKqnyJwq139&fr=1520188344904>

METHODOLOGY

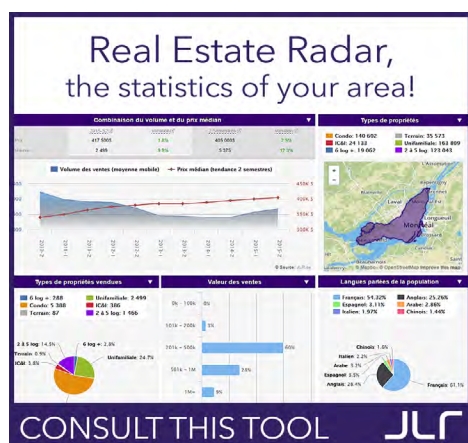
JLR has eliminated for statistical calculations: sales with a transaction value of less than \$5,000, tied sales, foreclosures sales, undivided sales and multiple sales.

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