



LAND TITLE SOLUTIONS



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Real Estate Portrait of Rimouski

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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 RIMOUSKI.

OVERVIEW:

Located along the St. Lawrence River, in the administrative region (AR) of Bas-Saint-Laurent, the City of Rimouski had a population of 48,664 in the last 2016 Census¹. The municipality is recognized as a maritime technopole, thanks to the numerous educational and research institutions specialized in that field that it hosts².

Based on the data from the Ministry of Municipal Affairs and Housing compiled by JLR, Rimouski's residential housing stock mainly consists of single-family homes (82%), the remainder being plexes (11%) and condominiums (7%). There are more private households that are tenants in Rimouski (38%) than elsewhere in the AR of Bas-Saint-Laurent (27%)³.

SINGLE-FAMILY HOMES

According to the data compiled by JLR from the Quebec Land Register, 443 single-family homes (individuals, semi-detached or row houses) changed hands in Rimouski from January to October 2018, a 6% increase compared to the same period in 2017. Overall, for the past ten years, the number of single-family homes sold between January and October seems to fluctuate around a relatively stable mean. Finally, there were 82 housing starts for single-family homes in the city from January to October 2018, a similar number to that observed at an identical period in 2017.

In the first ten months of 2018, the median price of single-family homes was \$193,645, up 2% compared to the previous year. From January to October 2018, the mean ratio between the sale price and the municipal assessment was approximately of 99. This means that the price for that type of residence was analogous to the base value established on July 1, 2015, for the 2017-2019 assessment roll.

CONDOMINIUMS

The condominium market has been slightly declining in the past years in Rimouski, as shown by the downward trend observed since 2015 in the number of transactions for that type of property. Moreover, during the first ten months of 2018, not only did the number of sales dropped compared to previous period, the median price has also been decreasing, something that had not happened since 2015.

From January to October 2018, 67 condos changed hands in the municipality; this is 13 less than in the comparable period the year before. The median price of condominiums was \$159,000 for the first ten months of the year, down 5% relative to the same months in 2017. Finally, for two years now, no housing start for condos was underway in Rimouski. Put together, this information suggests that the decline in the number of transactions and the median price is the result of a decrease in the demand for condominiums.

In conclusion, for the same period, condominium sale price was, on average, 3% smaller than the value established in the 2017-2019 assessment roll according to market conditions on July 1, 2015.

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OUTLOOK

Since 2017, works for the extension and renovation of the city's courthouse have begun. The project, which has required an investment of more than \$68M, should be finished in summer 2019. Another important project, the Complexe sportif Desjardins de Rimouski, is scheduled to open at the beginning of 2019. The opening of the complex will call for the creation of seven new municipal positions as well as few part-time jobs⁴. Large investments like these and job creations not only contribute to a good economic conjuncture, they can also help stimulate the housing market.

Finally, due to the modest expected population growth, the interest rate increases in the last year and a half (and the ones expected to come in 2019) and the relatively dynamic economy, thanks to the large recent and future investments, the real estate market should continue to be stable over the next few years in Rimouski, at least for the single-family home segment. That said, the condominium market could probably go through a few more difficult years if the decline in the demand for this type of housing goes on.



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