



LAND TITLE SOLUTIONS

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Real Estate Portrait of Saint-Georges

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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 SAINT-GEORGES.

OVERVIEW:

Located on the Beauce-Sartigan, Saint-Georges counts 32,513 inhabitants, and spreads over a territory covering 163 km²¹. Between 2011 and 2016, its population grew by 4.3%, a pace above the one recorded for the province over the same period. In 2002, it was amalgamated with Saint-Georges-Est, Aubert-Gallion, and Saint-Jean-de-la-Lande.

The city is French-speaking, with about 99% of the population identifying French as their mother tongue².

The stock of properties for sale in Saint-Georges decreased in 2017, compared to the previous year³. This diminution of supply may have favoured sellers, particularly for those seeking to sell a single-family home. Sales of condos and plex, for their parts, have dropped significantly over the period. Having said that, the volume of transactions was small. We must therefore remain cautious in interpreting these results.

STARTS HAVE PROGRESSED FASTER MULTI-UNIT DWELLINGS

Between April 2017 and March 2018, the housing inventory in Saint-Georges expanded by 276 units⁴, a number above that of the preceding year for the same period. While the number of constructions of single-family homes is similar to that of last year, housing starts for other dwelling types (including condos and rental apartments) increased over the period.

The housing inventory is characterized by roughly 85% of single-family homes often built in the 70s' and thereafter⁵. Plex (10%) and condos (5%) account for lesser proportions of the housing stock. Even though more condos and plex are being built in proportion to the existing number of units, Saint-Georges truly remains a market dominated by single-family homes.

PRICES WERE UP FOR SINGLE-FAMILY HOMES

Based on the gap between selling price and municipal evaluation between January and May 2018, the real estate market was up for the single-family home market segments. The ratio between the selling price and the municipal evaluation was 103 for single-family homes over the period, which suggests that prices in this market have been slowly growing 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 June 2017 to May 2018, the median purchasing price of a single-family home was \$160,000, a roughly 3% growth compared to the same period the previous year⁶. Let's recall that single-family home market segment is by far the most important type of housing in the city.

The prices of condos (\$121,000) and plex (\$159,500) have also increased over the period, however, the volume of transactions was small. We therefore must remain cautious in these conclusions

In general, median prices in the Saint-Georges are relatively low compared to larger metropolitan areas. Its relatively moderate population growth, especially compared to the number of dwellings, may help explain the current price trend.

OUTLOOK

Saint-Georges will continue to sustain a relatively high proportion of single-family home starts, as it has vast amounts of lands available for residential construction; only about 2/3 of its territory is currently developed.

When looking at the projected population growth, it is expected to increase by 2.7% between 2016 and 2021, for a total of 880 inhabitants over a period of 5 years⁷. This rise in demand is moderate, especially when considering the historical number of dwellings over the same period.

Moreover, the number of households from 25 to 39 is likely to decrease over the same period⁸. Hence, with an aging population, it may be more difficult to find takers for older homes in need of renovations.

As the local population ages, single-family homes will become less desirable, as older buyers might opt for smaller and easier to maintain housing options, such as condos and apartments. The 146 newly completed multi-unit dwellings (including rental apartments and condos) in the city between April 2017 and March 2018 will be destined partially to this clientele.

In sum, the median prices in Saint-Georges are relatively low because of the relatively important distance from bigger cities such as Quebec or Montreal. Only slight price increases are expected in the coming years, due to low population growth and a decline in the number of citizens between 25 and 39.

BIBLIOGRAPHY

- [1] Census Data Statistic Canada 2016.
- [2] Census Data Statistic Canada 2016.
- [3] QFREB by the Centris system.
- [4] <https://www03.cmhc-schl.gc.ca/hmportal#Table-MapChart/7615/3/Saint-Georges>
- [5] Information retrieved from JLR database on 24/06/2018. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>
- [6] Information retrieved from JLR database on 24/06/2018. <https://www.jlr.ca/radarimmobilier#ventes-immobilieres>
- [7] <http://www.stat.gouv.qc.ca/statistiques/population-demographie/perspectives/population/index.html>
- [8] *L'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

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