

ECONOMIC NEWS

Quebec: The real estate market picks up steam

HIGHLIGHTS

- ▶ The number of existing properties sold in Quebec in Q1 2017 climbed 6.3% compared with the same period last year. This is the best start to the year in terms of sales in five years.
- ▶ The number of new listings with real estate brokers and total current listings continued their downward trend.
- ▶ The annual average price increase was 4.1% in the first quarter, reaching \$284,777 in Quebec.

COMMENTS

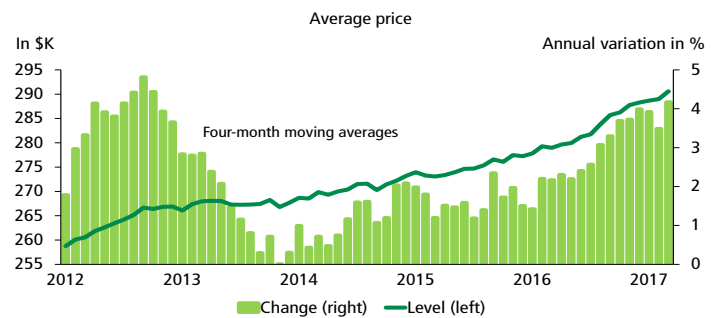
The resale market kicked off 2017 with a bang. Condo sales jumped more than 10% in the first quarter, a reflection of renewed demand compared with last year. Sale turnaround times even shortened by a few days, but generally it still took an average of four months to sell a condo in Quebec.

Surpluses continue to be absorbed by the condo market. This is increasing pressure on condo prices, which are bouncing back after a period of hesitation, posting an increase of over 5% in Quebec for Q1 2017. Greater Montreal's increase set the tone, as prices rose only slightly elsewhere in Quebec's.

IMPLICATIONS

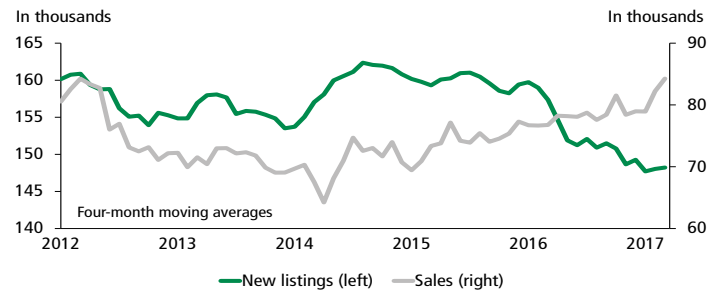
The hike in sales, which primarily stemmed from condo sales, confirms that this market is turning a corner. On the whole, prices rose approximately 4%, mainly thanks to condo sales. Single-family homes performed well, but the pace was unchanged. Quebec's real estate market merely picked up slightly after a quiet period. There are no signs of the market overheating and price increases are far from being excessive, as is the case in several areas in Ontario. Quebec's housing market has entered a period of growth that will no doubt be tempered. As a result, we should be pleased rather than worried. Measures aimed at slowing down the housing market, such as those applied

GRAPH 1
Rise in home prices has accelerated



Sources: Canadian Real Estate Association and Desjardins, Economic Studies

GRAPH 2
Fewer new properties available on the resale market, but sales remain strong



Sources: Canadian Real Estate Association and Desjardins, Economic Studies

in Vancouver last summer and those announced this morning in Ontario¹, are far from being necessary in Quebec.

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¹ [Toronto's Real Estate Market: Restrictive Measures Finally Being Imposed](#), Desjardins, Economic Studies, *Economic News*, April 20, 2017, 1 p.

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