



Press Release

To all media

Sharpened Appetite for Home Buying and Improvement in Montreal Area as a Result of COVID

- **Marked increase in home-buying intentions for the next five years**
- **Greater interest in peripheral areas and second homes**
- **Demand for condominiums continues, though the pandemic has changed the features buyers want most**

Montreal, December 8, 2020 - The [Association des professionnels de la construction et de l'habitation du Québec \(APCHQ\)](#), the [Fonds immobilier de solidarité FTQ](#), the [Société d'habitation du Québec \(SHQ\)](#) and the [Quebec Professional Association of Real Estate Brokers \(QPAREB\)](#) today released the results of an extensive survey on the residential real estate sector in Quebec. The web survey was conducted by the polling firm Léger last fall on a sample of more than 5,000 respondents. It primarily focused on home buying and selling intentions for the next five years. A similar study was conducted two years ago in the fall of 2018. The 2020 survey also measured the impact of the current pandemic on the residential choices of consumers.

Montreal area: marked increase in buying intentions

The study reveals strong intentions to buy a property by 2025 in the Montreal Census Metropolitan Area (CMA). **Thirty per cent of CMA households are looking to buy a property within the next five years, an increase of four percentage points when compared to the 2018 survey.** This upturn in buying intentions is in particular the result of a greater interest in home ownership by Montreal tenants as well as by the desire of existing homeowners to acquire a second home. First-time buyers represent 48 per cent of potential future buyers, while 15 per cent of households intend to buy a secondary residence within five years.

The health crisis is changing the residential choices of some Montrealers

Survey results also indicate that the **current health crisis has changed the plans of about 30 per cent of households in the Montreal area.** Of these, one in ten households stated their intention to remain as a tenant. While some households have decided to buy a property earlier than expected due to the pandemic, an equivalent proportion has chosen to delay their

purchase for the same reason, which ultimately has a neutral effect on the number of future buyers. On the other hand, in terms of intentions to sell, slightly more households have decided to delay the sale of their current property due to the pandemic than those who have chosen to sell. Finally, 16 per cent of respondents plan to sell their property within five years, the same proportion as measured in 2018.

“We expect the resale market to remain favourable to sellers in the coming years, as the survey clearly shows that demand will potentially remain strong, whereas the number of properties for sale could continue to prove insufficient in many areas of the Montreal CMA,” explains Charles Brant, director of the QPAREB’s Market Analysis Department.

More households are considering leaving the Montreal area

The survey also makes it possible to estimate certain future movements between regions. For example, **13 per cent of current residents of the Montreal CMA who intend to buy are considering acquiring their next primary residence outside the CMA**, whereas in 2018, it was 10 per cent. This increase is another possible consequence of the health crisis. One third of respondents who consider it likely that they will continue teleworking on a regular basis mentioned that this would influence their choice of a future home. The most frequently mentioned ways in which teleworking will affect residential choices are: to live further away from their place of work, to live closer to the countryside, to settle where the cost of living is cheaper, to live in a larger home with space for an office, and the desire to have a yard or garden.

“Even though teleworking will certainly allow some households to move away from large centres, it is still far from an exodus,” states Paul Cardinal, Manager of the APCHQ Economic Department.

The demand for condominiums continues despite the pandemic

Among respondents in the Montreal area intending to buy over the next five years, one in five households is considering purchasing a condominium unit, which is similar to the 2018 survey. Households aged 55 and over are the most likely to choose a condominium.

In addition to reasonable condominium fees, the features most in demand when choosing a condominium are: a well-managed contingency fund, an efficient ventilation system, reserved storage space, reserved outdoor parking and a security system that controls access to the building.

As for the units themselves, the features most likely to attract buyers are large private balconies, independently controlled air conditioning and quality finishing materials.

“Eight out of ten future buyers consider the presence of a private balcony to be very important, which can certainly be explained by the home confinement restrictions that Montrealers have recently experienced. The importance of air quality also caught the attention of respondents, which will certainly influence our future developments,” explains Normand Bélanger, President and CEO of Fonds immobilier de solidarité FTQ.

Single-family homes remain the first choice of Quebecers

At the provincial level, **25 per cent of Quebec households are considering purchasing a residential property by 2025**, a slightly higher proportion than in 2018. Two-thirds of future buyers favour the purchase of a detached single-family home, identical to the results of the 2018 survey. **Sixty-eight per cent of future buyers prefer buying an existing property versus 17 per cent who prefer buying a new property. However, 15 per cent remain open to either scenario.** The three main reasons for buying a new property are: the desire to be the first occupant, the turnkey aspect, and the low cost of maintenance. Those who are more inclined towards the purchase of an existing property cite the usually lower purchase price and location.

Finally, it should be mentioned that all respondents were also surveyed on intergenerational living. Just over 60 per cent of respondents would like to live near their parents or children, with 15 per cent willing to do so in an intergenerational home. Intergenerational housing is more popular (18 per cent) outside the greater Montreal and Quebec City areas.

Renovations heat up

Survey results point to a very active renovation market as each property changing hands entails its share of renovation expenses. **Half of the homeowners intending to sell in the near future plan on renovating their property with an average budget of over \$13,000.** Six in ten future buyers anticipate spending an average of nearly \$16,000 on renovations to their new home.

Not all tenants want to be homeowners

For the first time, the survey included a component for tenants. The results show that fewer responsibilities and greater flexibility induce many households to prefer renting. These reasons were more often cited to explain their choice to remain a tenant than the inability to buy or the unaffordability of properties. Nevertheless, it is clear that for some households, renting is a temporary situation before the future purchase of a property. This is the case for 24 per cent of Quebec tenants, but this share increases to 47 per cent among those aged 18 to 34.

Moreover, across the province, 91 per cent of tenants live in a private building, compared to 9 per cent who live in community housing such as a cooperative, or non-profit or low-rent housing. The survey results also show that a significant proportion of tenants do not live in a rental building, but rather rent a house (19 per cent) or a condominium (9 per cent). House rentals are more prevalent in areas outside Montreal and Quebec City.

When asked about their intentions, **61 per cent of tenants say it is very or somewhat likely that they will move in the next five years.** “Tenants have much the same criteria as co-owners with respect to the location of their next rental unit. While neighbourhood safety, and proximity to services, parks and green spaces are valuable elements, more importance is placed on proximity to the public transport network,” notes Jean-Pascal Bernier, SHQ Interim President and CEO.

Finally, the survey tells us that two out of three tenants appreciate the “all-inclusive” formula. Electricity, heating, and hot water are the most popular while the inclusion of appliances, cable, or the internet is not considered essential.

About the APCHQ

Founded in 1961, APCHQ is a private, non-profit organization that seeks to develop and enhance the professionalism of its 18,000 corporate members, which belong to 14 regional associations. Through technical, legal, administrative and training services as well as government and public interventions, APCHQ helps its members improve their skills and succeed in a highly competitive environment. Furthermore, ACPHQ is mandated to negotiate the renewal of collective agreements on behalf of 15,000 employers in the residential construction sector.

About the Fonds immobilier de solidarité FTQ

Created in 1991, the Fonds immobilier de solidarité FTQ promotes economic growth and employment in Québec by strategically investing in profitable and socially responsible real estate projects in partnership with other industry leaders. The Fonds immobilier backs residential, office, commercial, institutional and industrial projects of all sizes across Québec. The Fonds immobilier backs residential, office, commercial, institutional and industrial projects of all sizes across Québec. As at May 31, 2020, the Fonds immobilier had 58 projects worth \$3.7 billion in progress, 80 properties under management, 1.3 million square feet of land for development and \$115 million allocated to affordable, social and community housing. The Fonds immobilier is a member of the Canada Green Building Council — Québec division.

About the Quebec Professional Association of Real Estate Brokers

The Quebec Professional Association of Real Estate Brokers (QPAREB) is a non-profit association that brings together more than 13,000 real estate brokers and agencies. It is responsible for promoting and defending their interests while taking into account the issues facing the profession and the various professional and regional realities of its members. The QPAREB is also an important player in many real estate dossiers, including the implementation of measures that promote homeownership. The Association reports on Quebec's residential real estate market statistics, provides training, tools and services relating to real estate, and facilitates the collection, dissemination and exchange of information. The QPAREB is headquartered in Quebec City and has its administrative offices in Montreal. It has two subsidiaries: Centris Inc. and the Collège de l'immobilier du Québec. Follow its activities at qpareb.ca or via its social media pages: [Facebook](#), [LinkedIn](#), [Twitter](#) and [Instagram](#).

About the Société d'habitation du Québec

The mission of the SHQ is to meet the housing needs of the citizens of Quebec. To do this, it offers affordable or low-rental housing and offers a range of assistance programs promoting residential construction and renovation, home adaptation and home ownership. The Société d'habitation du Québec stimulates the establishment of partnerships with communities, concertation between local players and innovation. To learn more about its activities, see www.habitation.gouv.qc.ca.

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