



**Quebec
Professional
Association
of Real Estate
Brokers**

Press release

2021-2022 Federal Budget: Flagship Measures for a Future Rebalancing of the Housing Market

L'Île-des-Soeurs, April 20, 2021 — The Quebec Professional Association of Real Estate Brokers (QPAREB) welcomes the real estate measures presented in the federal budget and stresses the importance of reducing the pressure that currently exists on the real estate market.

"In the current context, particularly by contributing to the renovation of properties and the better use of vacant spaces, these measures are essential to support the growth of real estate supply, which is necessary to reduce the pressure on the Quebec market," comments Marc Lacasse, president of the Board.

"The significant imbalance in the residential real estate market, combined with the economic impacts of the pandemic, expose this market to increased risk factors. If the situation persists, it could contribute to the overvaluation of properties in several Canadian markets, including Quebec. The measures announced by the federal government are a step in the right direction to help slow down this trend. Given the context today, additional initiatives should be put in place in the short term to stop the market from overheating and limit the effects on Quebec families. All levels of government must collaborate with the industry to find innovative solutions that are tailored to the current situation," says Charles Brant, director of the QPAREB's Market Analysis Department.

A 1% national tax on foreign investors

Ottawa plans to impose a 1% tax on the value of residential real estate owned by non-residents and non-Canadians that is considered vacant or underutilized as of January 1st, 2022. Foreign owners will also have to file a declaration with the Canada Revenue Agency outlining how they are using the property. The QPAREB is in favour of measures to fight all forms of speculation in order to improve homeownership for all Canadians, including Quebecers, and to avoid residences' overvaluation that would put the financial situation of households and the economy at risk.

Assistance for the conversion of vacant space in downtown areas

Due to the pandemic, \$300 million is being allocated to convert downtown office and retail spaces into 800 units. Because the public health crisis led to a decline in demand for commercial space, some landlords found themselves with several vacant spaces. With this in mind, we are in favour of measures that would allow these spaces to find a new vocation.

Home renovation loans

A sum of \$4.4 billion was announced to support the realization of eco-responsible renovations. The Canada Mortgage and Housing Corporation (CMHC) will be responsible for guaranteeing the interest-free loan program, which will be limited to \$40,000. The budget provides a short list of eligible renovations examples, such as improved insulation, installation of a high efficiency water heater, replacement of airtight doors and windows, replacement of an oil furnace with a high efficiency heat pump or boiler, and installation of solar panels.

The QPAREB believes that all efforts and incentives to preserve and renovate properties are a step in the right direction to replenish the currently deficient real estate supply. This is particularly true for initiatives directed at heritage properties and properties that are generally well located.

Help for homeowners with pyrrhotitis-related problems

Finance Minister Freeland promised to increase the assistance already offered by the Government of Quebec on this issue. The amount will be specified later in the fall during the economic statement. The QPAREB is enthusiastic about the idea of possible improvements to government programs in order to combat this problem that threatens Quebec's housing stock.

A GST refund for new homes

The GST rebate on new properties priced up to \$350,000 is now available when the property is the principal residence of a purchaser or a member of the purchaser's family. This is an initiative that promotes access to quality properties while encouraging the promotion of new residential real estate developments.

Remember that this budget and all the measures tabled yesterday must be debated and will be submitted to a vote of confidence.

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](#).

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