

Condominiums: No Longer Restricted to Large Urban Centres

In recent years, the popularity of condominiums in Québec has spread past the borders of large, densely populated cities and has expanded to smaller urban centres. Last year, for example, in agglomerations such as Saint-Hyacinthe, Saint-Jean-sur-Richelieu and Granby, condominium sales accounted respectively for 20, 14 and 12 per cent of all residential sales.

The condominium market has grown tremendously in Québec over the past decade. Between 2000 and 2010, MLS® condominium sales increased by 124 per cent, compared to 41 per cent for single-family homes and 34 per cent for plexes. As a result, the condominium's share of residential sales in Québec grew from 14 per cent in 2000 to 21 per cent in 2010. Large urban centres were primarily responsible for the strong demand for condominiums, as shown in Table 1, which presents the evolution of condominium sales in various sectors of the province's six Census Metropolitan Areas¹ (CMAs). For example, between 2000 and 2010, the Island of Montréal (29 per cent to 47 per cent), the North Shore of Québec (17 per cent to 28 per cent) and Laval (11 per cent to 22 per cent) stood out as areas in which condominium sales grew most in relation to total sales. However, there has also been a growing condominium market in some of the province's smaller urban centres in recent years.

In recent years, a growing condominium market has emerged in some of the province's smaller urban centres.

Table 1: Condominium Sales in Various Sectors of Québec's Metropolitan Areas

Increase in Condominium Sales Between 2000 and 2010

Sector	2000	2010	Variation	Share of MLS® residential sales		
				2000	2010	Variation
Island of Montréal	3,672	7,782	112%	29%	47%	+ 18 points
North Shore of Québec	911	1,663	83%	17%	28%	+ 11 points
Laval	406	1,064	162%	11%	22%	+ 11 points
South Shore of Montréal	1,054	2,288	117%	15%	24%	+ 9 points
Vaudreuil-Soulanges	97	285	194%	6%	14%	+ 8 points
South Shore of Québec	48	137	185%	4%	12%	+ 8 points
Province of Québec	7,365	16,495	124%	14%	21%	+ 7 points
North Shore of Montréal	410	1,235	201%	7%	13%	+ 6 points
City of Sherbrooke	68	156	129%	6%	12%	+ 6 points
City of Gatineau	293	584	99%	11%	16%	+ 5 points
City of Magog	46	74	61%	21%	24%	+ 3 points
City of Saguenay	38	71	87%	4%	5%	+ 1 point
City of Trois-Rivières	38	45	18%	5%	5%	+ 0 point

Source: QFREB by Cenris®

¹ Table 1 shows the sectors of the province's six metropolitan areas where condominium sales accounted for at least 5 per cent of total residential sales in 2010.

Mont-Tremblant Leads the Way

Condominiums grew in popularity in many of the province's urban agglomerations² in recent years (see Table 2), particularly in certain resort areas. Outside of the CMAs, the agglomeration of Mont-Tremblant recorded the most condominium sales in 2010, with 160 transactions. Mont-Tremblant also had the highest proportion of condominium sales compared to total sales, as condominium transactions represented 47 per cent of all MLS® sales. Finally, it was also in Mont-Tremblant that this proportion increased the most in the decade from 2000 to 2010, at 30 percentage points. Because Mont-Tremblant is popular with foreign buyers, the condominium market here is characterized by the presence of many second homes and high-end properties. The median price of condominiums in Mont-Tremblant in 2010 was \$210,000. Note that the condominium market in Mont-Tremblant began to develop at the start of the last decade. According to the Canada Mortgage and Housing Corporation (CMHC), 579 condominiums were built between 2001 and 2006, but not a single one has been built since then.

Elsewhere in the Laurentians, the agglomeration of Saint-Sauveur also had a significant share of condominium transactions. In 2010, there were 110 condominium sales, which represented 14 per cent of all residential sales. However, this proportion has only increased by two percentage points since 2000.

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Table 2: Condominium Sales in the Urban Agglomerations of Québec

Increase in Condominium Sales							Housing Starts
Agglomeration	2000	2010	Variation	Share of MLS® residential sales			Total 2000-2010
				2000	2010	Variation	
Mont-Tremblant*	19	160	742%	17%	47%	+ 30 points	579
Saint-Jean-sur-Richelieu	36	157	336%	6%	14%	+ 8 points	862
Salaberry-de-Valleyfield	5	28	460%	2%	6%	+ 4 points	123
Saint-Sauveur	72	110	53%	12%	14%	+ 2 points	nd
Sainte-Adèle	39	42	8%	11%	9%	- 2 points	nd
	**	2010	Variation	Share of MLS® residential sales			Total 2000-2010
				**	2010	Variation	
Saint-Hyacinthe (2008)	38	103	171%	9%	20%	+ 11 points	400
Granby (2003)	21	89	324%	4%	12%	+ 8 points	969
Rivière-du-Loup (2009)	15	24	60%	6%	10%	+ 4 points	48
Rimouski (2007)	34	35	3%	8%	7%	- 1 point	90

Source: QFREB by Centris® for data on condominium sales and CMHC for data on condominium housing starts.

*Data on housing starts for this agglomeration is available from 2001

** See year in parentheses next to the name of the agglomeration

² For a definition of the agglomerations used by the QFREB, [click here](#).

Saint-Hyacinthe, Saint-Jean-sur-Richelieu and Granby Also Held Their Ground

Condominiums have also become increasingly popular in three other agglomerations in recent years: Saint-Hyacinthe, Saint-Jean-sur-Richelieu and Granby. In the agglomeration of Saint-Hyacinthe, the 103 condominium sales concluded in 2010 represented an increase of 171 per cent in only three years³. During this period, the share of condominium sales increased from 9 per cent to 20 per cent of all transactions. Data on housing starts⁴ indicates that 400 condominium units were built in the agglomeration of Saint-Hyacinthe between 2000 and 2010.

As for the agglomeration of Saint-Jean-sur-Richelieu, condominium sales more than quadrupled between 2000 and 2010. The 157 transactions that took place in 2010 represented 14 per cent of all MLS® sales, eight percentage points more than a decade earlier. According to data on housing starts⁵, 862 condominium units were built during this period.

Buyers' interest in condominiums was also apparent in the agglomeration of Granby (which includes Bromont). Condominium sales increased by 324 per cent between 2003⁶ and 2010, compared to an increase of 29 per cent for single-family homes and 12 per cent for plexes. While condominium sales represented 4 per cent of the agglomeration's total sales transactions in 2003, this proportion increased to 12 per cent in 2010. As for new dwellings, foundations were laid for 969 new condominium units⁷ between 2000 and 2010.

Finally, the other agglomerations in which condominium sales accounted for more than 5 per cent of total residential sales last year were Rivière-du-Loup (10 per cent), Sainte-Adèle (9 per cent), Rimouski (7 per cent) and Salaberry-de-Valleyfield (6 per cent).

This is Only the Beginning

Because of their affordability, as well as demographic trends that are favourable to condominium sales, (see [Resale Housing Market and Population Trends in Québec](#), QFREB, February 2010), this property type is expected to become increasingly present in Québec's real estate landscape. While condominiums were once seen primarily in large urban centres, they should continue to thrive in some of the smaller agglomerations, as they have done in the past ten years.

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³ MLS® data for the agglomeration of Saint-Hyacinthe begin only in 2008.

⁴ Source: CMHC

⁵ Source: CMHC

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⁷ Source: CMHC

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