

HOUSING MARKET ASSESSMENT

Québec CMA

CANADA MORTGAGE AND HOUSING CORPORATION

First Quarter 2018

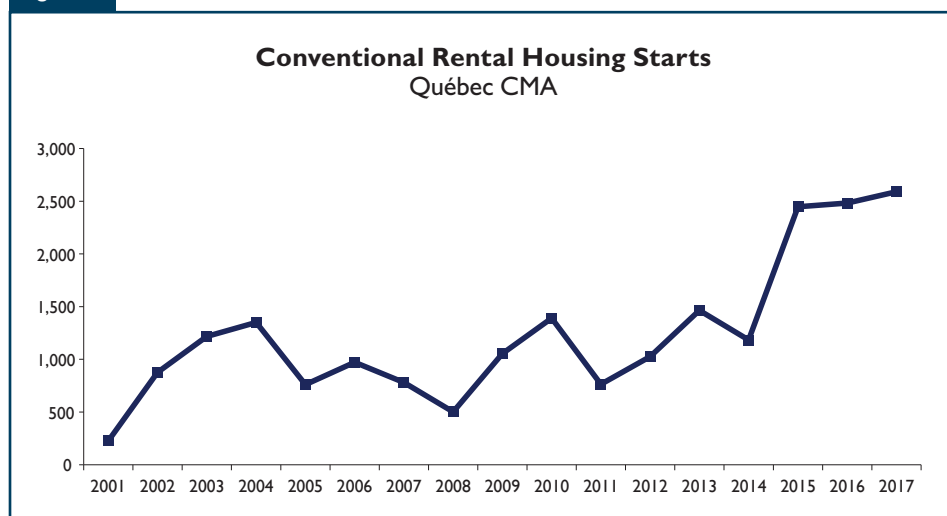
The overall degree of market vulnerability remained low¹

- Evidence of overvaluation in prices remained low. This is in part due to population growth in the area over the last few quarters, and to the relative stability of prices.
- Similarly, evidence of overheating and of price growth acceleration remained low, as a result of the relatively high supply of properties for sale in the area.
- As for evidence of overbuilding, this remained low during the third quarter of 2017. Nevertheless, the pace of conventional rental apartment construction remained strong from a historical standpoint.

The pace of conventional rental starts warrants close attention

- Despite a slight decrease in 2017, the rental vacancy rate remained at a relatively high level in the area (4.5%). Additionally, the number of units started remained historically high over the course of the last year (figure 1). With the large number of units recently completed or under construction, growth in the supply of rental apartments could overtake growth in demand, and this would put upward pressure on the vacancy rate.

Figure 1



Source: CMHC (Starts and Completions Survey)

Results Overview
Québec CMA

	Oct. 2017	Jan. 2018
Overheating	Low	Low
Price Acceleration	Low	Low
Overvaluation	Low	Low
Overbuilding	Moderate	Low
Overall Assessment	Low	Low

Degree of vulnerability
■ High ■ Moderate ■ Low



Élisabeth Koulouris
Principal,
Market Analysis

"The overall degree of vulnerability for the Québec-area housing market remained low. However, evidence of overbuilding warrants close attention due to the large number of recent conventional rental housing starts."

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¹ Results are based on data as of the end of September 2017 and local market intelligence up to the end of December 2017. CMHC continuously monitors market developments and will issue HMA updates on a quarterly basis. The methodology is presented in greater detail in the [national HMA report](#).

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July 04, 2015: What is a condo?
a) An apartment
b) A single family home
c) A townhome
d) All of the above.