

HOUSING MARKET INSIGHT

Montreal CMA



CANADA MORTGAGE AND HOUSING CORPORATION

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"Even when the cost of commuting to work is included, young households who leave Montréal to buy a single-family home in the suburbs still save. These households would have to place a relatively high value on the additional time they spend getting to work in order to offset this savings. As well, the homes bought in the suburbs are often larger and newer."



Francis Cortellino, Economist
Market Insights, CMHC

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Drive until you qualify: is the commute worth it?

Every year, thousands of Montréal households move to the suburbs in order to buy a single-family home. Certain suburban zones, such as Laval and the Longueuil Agglomeration, also lose households to more outlying sectors. Some of these households continue to work in the geographic sector where they used to live, thereby increasing their commuting cost and time.

Households who leave Montréal for the suburbs to buy a single-family home¹ generally benefit from smaller mortgage payments, even when the cost of commuting to work is included. For moves within the suburbs, the results are more mixed.

The single-family homes bought by households who move to the suburbs or more outlying sectors of the metropolitan area are often larger and newer.

Households who leave Montréal for the suburbs do spend more time commuting to work, but they would have to place a relatively high value on that additional time to offset the savings associated with buying a less expensive single-family home.

Each year, many Montréal area households move from one geographic sector to another in the metropolitan area when purchasing a home. In fact, a previous issue of *Housing Market Insight* for the Montréal census metropolitan area (CMA)² explored all of these migration movements over the year 2016.

The results revealed, among other things, that a number of young households (aged 25 to 44) left the City of Montréal to buy single-family homes in the suburbs, where dwellings are generally less expensive.

Certain suburban zones, such as Laval and the Longueuil Agglomeration, also lost households to more outlying sectors in the CMA, once again, where properties are generally less expensive. In fact, the latest data from the Institut de la statistique du Québec (ISQ) on the migration of individuals (not households) seem to indicate that these migration movements have continued since 2016.

Some households who choose to buy homes in more outlying sectors can nonetheless keep working in the sector where they lived previously, thus increasing their commuting time and cost. In these circumstances, it becomes interesting to see whether this increase in commuting time and cost could offset the savings made when buying a less expensive home.

This report therefore aims to examine the trade-off between the purchase of a less expensive home in a suburban (or more outlying) sector of the CMA and the possible resulting increase in the time and cost of commuting to work.

To ensure better comparability of the results across the various sectors, only the data for households aged 25 to 44 who opted to buy a single-family home³ were used. This age group and this housing type account for a large part of the migration movements observed among Montréal area households every year.

This *Housing Market Insight* issue therefore first explores the most frequent migration movements between geographic sectors within the Montréal area. More specifically, the sector where the home was bought, the sector where the household lived before buying the home and the sector where the household works are examined. This first step allows the study to focus on the moves that Montréal area households actually make every year and to eliminate those that are rarely—or never—observed.⁴

The report then examines the difference between the costs of buying a single-family home for households who purchased one

in the suburbs (or in more outlying sectors of the CMA) and for those who did not make that choice.

The year of construction and the number of rooms in these homes are also analyzed for comparison.

Lastly, the costs of commuting to work are estimated to see if they are sufficiently high to offset the savings associated with the lower costs of buying a single-family home.

Many buyers in the suburbs come from the City of Montréal

In this section, we examine, for each geographic sector of the metropolitan area, the place of work and the origin (*place of residence one year earlier*) of households aged 25 to 44 who bought a single-family home. The data in fact concern only the primary household maintainers,⁵ not all members of the households.

As shown in table 1, the vast majority (87%) of buyers of single-family homes⁶ in the City of Montréal already lived in this sector one year earlier. The same finding also applies to the other municipalities located on the Island of Montréal. In Laval, about 60% of buyers already lived in this municipality, but another 30% came from the City of Montréal.

Table 1: Proportions (%) of Single-Family Homes Bought in 2016 by Households Aged 25 to 34 by Geographic Sector of the Montréal CMA by Geographic Sector Where They Lived a Year Earlier

Current place of residence / Place of residence one year earlier	City of Montréal	Island of Montréal (excl. City of Montréal)	Laval	North Shore	South Shore	Saint-Jean-sur-Richelieu	Vaudreuil-Soulanges	Outside CMA
City of Montréal	87	2	2	2	1	0	1	6
Island of Montréal (excl. City of Montréal)	72	16	2	2	1	0	1	6
Laval	30	0	59	5	1	0	0	4
North Shore	17	1	12	62	2	0	0	5
South Shore	20	0	1	0	68	1	0	8
Saint-Jean-sur-Richelieu	2	0	1	1	14	67	0	14
Vaudreuil-Soulanges	27	9	1	1	1	0	51	10

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

On the North Shore as well, the majority of buyers already lived in that sector, but 17% came from the City of Montréal and 12%, from Laval. On the South Shore, nearly 70% of buyers already lived in the sector, but another 20% crossed the river from the City of Montréal. And, the aggregate data presented in table 1 do not show that, within the South Shore, some households leave the Longueuil Agglomeration to go and settle elsewhere in that suburb.

In Saint-Jean-sur-Richelieu,⁷ a vast majority of buyers already lived in this city, but a non-negligible proportion came from other sectors on the South Shore. Lastly, other than the buyers who already lived in Vaudreuil-Soulanges, this sector also attracted many buyers from the Island of Montréal—not only from the City of Montréal but also from the nearby municipalities in the West Island.

A similar analysis comparing the current place of residence of single-family homeowner households aged 25 to 44 and their place of work produced results akin to those found previously (table 2).

In fact, many households generally work in the sector where they already live. However, the City of Montréal is also the place of work for a large number of the households living in the suburbs. For example, about 50% of Laval households worked in the City of Montréal in 2016.

Significant commutes to work between suburban sectors can also be observed: 10% of North Shore households worked in Laval and 20% of Saint-Jean-sur-Richelieu⁸ households commuted to work in the South Shore sector, while 50% of households living in Vaudreuil-Soulanges worked on the Island of Montréal (in the City of Montréal or the West Island). As well, even if the aggregate data presented in table 2 do not show this, within the South Shore, many households also had their place of work in the Longueuil Agglomeration.

In light of the data from the last two tables, it can be seen that the City of Montréal loses buyers of single-family homes to the suburbs, even though it remains a major employment hub. Laval is in a similar situation with the North Shore, as is the Longueuil

Agglomeration with the rest of the South Shore. Significant links between housing market and place of work also seem to exist between Saint-Jean-sur-Richelieu and the South Shore and between Vaudreuil-Soulanges and the Island of Montréal.

With these findings, we can then make a list of all the scenarios that that will be analyzed in this report. More specifically, we will compare the situation of households aged 25 to 44 who decided to go to the suburbs or more outlying sectors to buy a single-family home, thus moving farther away from their place of work, with the situation of households who also bought a home but whose sector of residence and place of work did not change.

For example, in the first of the scenarios analyzed (table 3), we will examine the situation of households aged 25 to 44 who left Montréal to buy a single-family home in Laval but who still work in Montréal. Their situation will be compared with that of households in the same age group who bought a home in Montréal, who already lived in Montréal and whose place of work is also located in Montréal.

Table 2: Proportions (%) of Single-Family Homes Owned by Households Aged 25 to 34 by Geographic Sector of the Montréal CMA by Geographic Sector Where They Work

Current place of residence / Place of work*	City of Montréal	Island of Montréal (excl. City of Montréal)	Laval	North Shore	South Shore	Saint-Jean-sur-Richelieu	Vaudreuil-Soulanges	Outside CMA and other**
City of Montréal	68	8	3	2	3	0	0	16
Island of Montréal (excl. City of Montréal)	65	11	3	1	3	0	0	16
Laval	48	7	23	5	1	0	0	16
North Shore	28	3	11	32	1	0	0	23
South Shore	36	3	1	0	38	1	0	20
Saint-Jean-sur-Richelieu	17	2	0	0	21	36	0	24
Vaudreuil-Soulanges	28	24	2	1	2	0	19	26

Single-family homes include income properties.

* Place of work of the primary household maintainer with a job between May 1 and 7, 2016.

** Other: Households having no fixed place of work or working from home.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 3: Scenarios by Current Place of Residence, Place of Residence One Year Earlier and Place of Work of Households Aged 25 to 44 Having Bought a Single-Family Home in the Montréal CMA in 2016

Scenario 1	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	Laval	City of Montréal
Place of residence one year earlier	City of Montréal	City of Montréal
Place of work	City of Montréal	City of Montréal
Scenario 2	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	North Shore	City of Montréal
Place of residence one year earlier	City of Montréal	City of Montréal
Place of work	City of Montréal	City of Montréal
Scenario 3	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	South Shore	City of Montréal
Place of residence one year earlier	City of Montréal	City of Montréal
Place of work	City of Montréal	City of Montréal
Scenario 4	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	North Shore	Laval
Place of residence one year earlier	Laval	Laval
Place of work	Laval	Laval
Scenario 5	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	Vaudreuil-Soulanges	Island of Montréal
Place of residence one year earlier	Island of Montréal	Island of Montréal
Place of work	Island of Montréal	Island of Montréal
Scenario 6	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	South Shore (excl. Longueuil Agglomeration)	Longueuil Agglomeration
Place of residence one year earlier	Longueuil Agglomeration	Longueuil Agglomeration
Place of work	Longueuil Agglomeration	Longueuil Agglomeration
Scenario 7	Purchase in a New Sector	Purchase in the Same Sector
Current place of residence	Saint-Jean-sur-Richelieu	South Shore
Place of residence one year earlier	South Shore	South Shore
Place of work	South Shore	South Shore

Source: CMHC

In all, seven different scenarios will be studied.⁹ In the next section, these scenarios will be used to examine the costs of buying a single-family home for these various groups of households.

Savings on the costs of buying a single-family home vary depending on the sectors

In this section, we examine the costs of buying a single-family home for households aged 25 to 44, based on

the above-mentioned scenarios. To help us better measure the magnitude of these costs, the monthly mortgage payments are included in these tables¹⁰ (tables 4 to 10). As well, the Laval, North Shore and South Shore sectors are broken down into different geographic subsectors, in order to get the most detailed results possible.

The descriptions of the geographic sectors and the methodology used to determine single-family home costs are provided on pages 17 and 19, respectively. However, to put the results in context, it should be

noted that the home costs used in this section come from (monetary) assessments made by the households themselves of their property.

Results based on other single-family home cost measures are also appended, providing a better idea of the sensitivity of the results depending on the different measures used. Except in the case of a few geographic sectors,¹¹ the use of these other indicators to determine single-family home values does not significantly change the findings presented in this section.

As such, the results indicate that households having left Montréal to buy a home in Laval (table 4) or on the South Shore (table 6) saved about \$500 per month on their mortgage payments. The amounts varied, however, within these same sectors.

For example, the savings were lesser (\$210) for households having moved to the Longueuil Agglomeration (zone 3 of the South Shore) but greater (\$830) for those who went to live at the western end (zone 1 of the South Shore: Beauharnois, Châteauguay, Mercier, etc.).

Also in the western part of the metropolitan area, the migration of households from the Island of Montréal to Vaudreuil-Soulanges allowed them to save about \$560 on their monthly mortgage payments when they bought a single-family home (table 8).

City of Montréal households aged 25 to 44 who moved instead to the North Shore (table 5) saved about \$650 per month on their home mortgage payments.

The savings was, however, much greater (\$955) for households who moved to the northwestern part of the North Shore (zone 2 of the North Shore: Mirabel, Saint-Jérôme, etc.) than for those who bought a home in the central part (\$200),¹² that is, in Blainville, Rosemère, Sainte-Thérèse, etc. (zone 3 of the North Shore). Still, it should be noted here that, when another data source is used for single-family home values (appendix 2), the savings are lesser for zone 2 but greater for zone 3.

Table 4: Scenario 1: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (City of Montréal minus Laval)
Laval	292,543	1,424	493
Zone 1 Laval	288,686	1,406	512
Zone 2 Laval	298,792	1,455	463
Zone 3 Laval	313,148	1,525	393
City of Montréal	393,876	1,918	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 5: Scenario 2: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (City of Montréal minus North Shore)
North Shore	261,237	1,272	646
Zone 1 North Shore	244,562	1,191	727
Zone 2 North Shore	197,736	963	955
Zone 3 North Shore	352,782	1,718	200
Zone 4 North Shore	255,734	1,245	673
Zone 5 North Shore	247,621	1,206	712
City of Montréal	393,876	1,918	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Moves between suburbs could also result in savings on monthly mortgage payments. In fact, households who left Laval for the North Shore sector saved about \$170 per month (table 7). The savings were more significant for households who opted to go live in the western part of the North Shore (zones 1 and 2 of the North Shore) and much less so for those who moved to the eastern part, that is, from Boisbriand to Mascouche and Repentigny (zones 3 and 4 of the North Shore).¹³

It was a completely different story for households who left the Longueuil Agglomeration to settle elsewhere on the South Shore (table 9). In their case, the monthly mortgage payments¹⁴ were \$540 lower. However, it is important to note here that, when another data source is used for single-family home values, part of this savings disappears. The results for this scenario must therefore be used and interpreted with caution.

Lastly, when households from the South Shore bought a home in Saint-Jean-sur-Richelieu (table 10), their monthly mortgage payments were reduced by about \$185. Given the smaller number of observations for this scenario, we can unfortunately not disaggregate the results by zone on the South Shore.

Table 6: Scenario 3: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (City of Montréal minus South Shore)
South Shore	294,869	1,436	482
Zone 1 South Shore	223,568	1,088	830
Zone 2 South Shore	293,323	1,428	490
Zone 3 South Shore	350,698	1,707	210
Zone 4 South Shore	274,194	1,335	583
Zone 5 South Shore**	358,771	1,747	171
Zone 6 South Shore	297,588	1,449	469
City of Montréal	393,876	1,918	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** For zone 5, average value of single-family homes and average mortgage payment (the average values for Montréal were also used in this specific case).

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 7: Scenario 4: Place of Residence One Year Earlier and Current Place of Work – Laval

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (Laval minus North Shore)
North Shore	255,267	1,243	169
Zone 1 North Shore	245,009	1,193	219
Zone 2 North Shore	226,985	1,105	307
Zone 3 North Shore	274,001	1,334	78
Zone 4 North Shore	363,557	1,770	-358
Zone 5 North Shore	--	--	--
Laval	289,959	1,412	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 8: Scenario 5: Place of Residence One Year Earlier and Current Place of Work – Island of Montréal

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (Island of Montréal minus Vaudreuil-Soulanges)
Vaudreuil-Soulanges	300,297	1,462	557
Island of Montréal	414,796	2,020	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 9: Scenario 6: Place of Residence One Year Earlier and Current Place of Work – Longueuil Agglomeration

Current place of residence	Average Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Average Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (Longueuil Agglomeration minus South Shore)
South Shore (excl. Longueuil Agglomeration)	314,726	1,532	543
Zone 1 South Shore	--	--	--
Zone 2 South Shore	324,406	1,579	496
Zone 3 South Shore	n/a	n/a	n/a
Zone 4 South Shore	262,951	1,280	795
Zone 5 South Shore**	340,645	1,659	417
Zone 6 South Shore	331,871	1,616	460
Longueuil Agglomeration	426,251	2,075	n/a

n/a: Not applicable.

--: Not available.

Since the Longueuil Agglomeration is part of the South Shore, some adjustments had to be made to the data, which explains the use of the average, and not the median like for the other tables.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 10: Scenario 7: Place of Residence One Year Earlier and Current Place of Work – South Shore

Current place of residence	Median Value* (\$) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Median Monthly Mortgage Payment* (\$) for Single-Family Homes Bought by Households Aged 25 to 44 in 2016	Difference in Mortgage Payments (South Shore minus Saint-Jean-sur-Richelieu)
Saint-Jean-sur-Richelieu	256,445	1,249	184
South Shore	294,200	1,432	n/a

n/a: Not applicable.

Given the smaller number of observations, the data are presented only for the South Shore zones overall.

* See the methodological note on single-family home values for more details.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Overall, the previous results show that, generally, households who move farther away to buy a single-family home will save money on their mortgage payments. But do the homes bought by households who change sectors, and achieve savings in so doing, share similar characteristics with the homes of the households who stay in the same geographic zone?

As shown in table 11, households who left the City of Montréal for the suburbs enjoyed homes that

were newer and also had more rooms (and possibly larger floor areas). The North Shore stood out significantly from Montréal, with nearly 50% of the homes there built less than 20 years ago and about 75% of the homes comprising more than seven rooms. Unfortunately, with the available data, it was impossible for us to determine if the lots were also larger in the suburban sectors, although this is probably the case.

The same finding also applies to households having left Laval for the North Shore (table 12). These households enjoyed homes that were newer and also had more rooms.

The most significant difference as to the year of construction of the homes was noted between the Island of Montréal and Vaudreuil-Soulanges (table 13). More than half of the homes bought in this last sector were less than 20 years old, while this was the case for only 10% of those purchased on the Island of Montréal.

Table 11: Scenarios 1, 2 and 3: Place of Residence One Year Earlier – City of Montréal*
Proportions (%) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016
by Year of Construction and Number of Rooms

Current place of residence	Proportion (%) of Homes Bought That Were Built Between 1996 and 2016	Proportion (%) of Homes Bought That Have More Than 7 Rooms
Laval	22	62
North Shore	47	72
South Shore	37	69
City of Montréal	11	44

*The data on place of work are not available for this table.

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 12: Scenario 4: Place of Residence One Year Earlier – Laval*
Proportions (%) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016
by Year of Construction and Number of Rooms

Current place of residence	Proportion (%) of Homes Bought That Were Built Between 1996 and 2016	Proportion (%) of Homes Bought That Have More Than 7 Rooms
North Shore	50	76
Laval	35	65

*The data on place of work are not available for this table.

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 13: Scenario 5: Place of Residence One Year Earlier – Island of Montréal*
Proportions (%) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016
by Year of Construction and Number of Rooms

Current place of residence	Proportion (%) of Homes Bought That Were Built Between 1996 and 2016	Proportion (%) of Homes Bought That Have More Than 7 Rooms
Vaudreuil-Soulanges	56	64
Island of Montréal	10	50

*The data on place of work are not available for this table.

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Single-family homes were also smaller on the Island of Montréal than in Vaudreuil-Soulanges. However, this result does not necessarily apply to the municipalities located in the West Island of Montréal, as about three quarters of the single-family homes in that area have more than seven rooms, which is far higher than the proportions in the other geographic sectors of the CMA.

Households who left the Longueuil Agglomeration for the other South Shore zones bought newer single-family homes than if they would have stayed in their former place of residence (table 14). However, the numbers of rooms were relatively similar. Lastly, there seemed to be

few differences between the homes bought in Saint-Jean-sur-Richelieu and those purchased on the South Shore (table 15).

This section of the analysis showed that households aged 25 to 44 who moved to the suburbs (or more outlying sectors of the CMA) to buy a single-family home generally benefited from smaller mortgage payments and likely found a newer and larger home.

Still, such moves to a new sector of the CMA can also result in an increase in the time and cost of commuting to work. The next section therefore takes a closer look at commuting costs, to assess

whether they can partially or completely offset the savings on mortgage payments.

Despite the commuting costs, households who leave Montréal to buy a home in the suburbs save money

In the previous section, we examined the differences in the mortgage payments associated with single-family home purchases by households aged 25 to 44, according to the various scenarios proposed. In this section, we are adding the costs of commuting to work to these mortgage payments.

Table 14: Scenario 6: Place of Residence One Year Earlier – Longueuil Agglomeration*
Proportions (%) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016
by Year of Construction and Number of Rooms

Current place of residence	Proportion (%) of Homes Bought That Were Built Between 1996 and 2016	Proportion (%) of Homes Bought That Have More Than 7 Rooms
South Shore (excl. Longueuil Agglomeration)	48	69
Longueuil Agglomeration	25	69

* The data on place of work are not available for this table.

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 15: Scenario 7: Place of Residence One Year Earlier – South Shore*
Proportions (%) of Single-Family Homes Bought by Households Aged 25 to 44 in 2016
by Year of Construction and Number of Rooms

Current place of residence	Proportion (%) of Homes Bought That Were Built Between 1996 and 2016	Proportion (%) of Homes Bought That Have More Than 7 Rooms
Saint-Jean-sur-Richelieu	36	73
South Shore	34	71

* The data on place of work are not available for this table.

Single-family homes include income properties.

Sources: Statistics Canada, Census 2016; CMHC, calculations

A methodological note in this regard can be found on page 20. To put the results in context, it should be mentioned that commuting costs are calculated only for the primary household maintainer. Including any commuting costs for another household member could therefore alter the findings presented in this section, especially if these additional costs differ significantly between these two individuals in each of the scenarios studied. In cases where these costs would be relatively similar, the results in this section would however be minimally affected.

Tables 16 to 18 present these new results for households who left the City of Montréal to settle in the suburbs (in Laval, on the North Shore and on the South Shore, respectively). The data on the differences in mortgage payments presented in the previous section, which exclude the commuting costs, are also included for comparison (second column of the tables).

When the commuting costs are included, the analysis shows that the differences in mortgage payments between the City of Montréal and the suburbs decrease but remain positive.

For the three large suburban sectors studied, the differences in mortgage payments, after deducting the costs of commuting to work, fall to about \$400 per month.

It was on the North Shore that the inclusion of commuting costs had the greatest impact, as the difference in mortgage payments fell from around \$650 to just \$380 (table 17). This is essentially due to the fact that North Shore households who work in Montréal must travel a longer distance but also because they use cars more than households from the other suburban sectors.¹⁵

Table 16: Scenario 1: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
Laval	493	382
Zone 1 Laval	512	359
Zone 2 Laval	463	365
Zone 3 Laval	393	258
City of Montréal	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 17: Scenario 2: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
North Shore	646	383
Zone 1 North Shore	727	631
Zone 2 North Shore	955	377
Zone 3 North Shore	200	-64
Zone 4 North Shore	673	410
Zone 5 North Shore	712	241
City of Montréal	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 18: Scenario 3: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
South Shore	482	397
Zone 1 South Shore	830	656
Zone 2 South Shore	490	400
Zone 3 South Shore	210	155
Zone 4 South Shore	583	306
Zone 5 South Shore	171	40
Zone 6 South Shore	469	237
City of Montréal	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

In certain more outlying zones on the North Shore, such as the one including the municipalities of Mirabel and Saint-Jérôme (zone 2 of the North Shore), the inclusion of commuting costs greatly decreased the difference in mortgage payments (from \$950 to \$380).¹⁶ As well, when using another single-family home value measure (appendix 2), this savings on mortgage payments is almost completely offset.

The same finding also applies to other more outlying zones on the North Shore, such as zone 5, which includes Saint-Lin–Laurentides, L'Assomption, etc.

Households aged 25 to 44 who left the City of Montréal and the West Island for Vaudreuil-Soulanges still enjoyed lower mortgage payments, even when including the costs of commuting to work. However, the savings fell by about half with these costs included (table 20).

As for moves between suburbs (tables 19, 21 and 22), the results varied from sector to sector. For households having left Laval for the North Shore, the inclusion of the commuting costs almost completely offset the savings on mortgage payments. In fact, living in certain zones of the North Shore—for example, in Mirabel or Saint-Jérôme (zone 2 of the North Shore)—became more expensive than if the household had instead bought a home in Laval.¹⁷

Table 19: Scenario 4: Place of Residence One Year Earlier and Current Place of Work – Laval

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
North Shore	169	28
Zone 1 North Shore	219	118
Zone 2 North Shore	307	-174
Zone 3 North Shore	78	-43
Zone 4 North Shore	-358	-499
Zone 5 North Shore	--	--
Laval	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 20: Scenario 5: Place of Residence One Year Earlier and Current Place of Work – Island of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
Vaudreuil-Soulanges	557	284
Island of Montréal	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

For households who decided to settle farther out on the South Shore after leaving the Longueuil Agglomeration (table 21), adding the commuting costs reduced the savings on mortgage payments by about \$130. However, it should be noted that, when using another single-family home value measure (appendix 2), a large part of this savings is offset. The results for this scenario must therefore be used and interpreted with caution.

Lastly, households aged 25 to 44 who left the South Shore to buy a single-family home in Saint-Jean-sur-Richelieu no longer enjoyed any savings when the costs of commuting to work were included (table 22).

This section showed that, generally, households having left Montréal to buy a home in the suburbs benefited from smaller mortgage payments,

even when the costs of commuting to work were included. For moves between suburbs, the results were much more mixed. It should be recalled, though, that the single-family homes bought in the more outlying suburban sectors were often newer and larger.

Table 21: Scenario 6: Place of Residence One Year Earlier and Current Place of Work – Longueuil Agglomeration

Current place of residence	Difference in Average Monthly Mortgage Payments* (\$)	Difference in Average Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
South Shore (excl. Longueuil Agglomeration)	543	410
Zone 1 South Shore	--	--
Zone 2 South Shore	496	383
Zone 3 South Shore	n/a	n/a
Zone 4 South Shore	795	662
Zone 5 South Shore	417	284
Zone 6 South Shore	460	307
Longueuil Agglomeration	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 22: Scenario 7: Place of Residence One Year Earlier and Current Place of Work – South Shore

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**
Saint-Jean-sur-Richelieu	184	-48
South Shore	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

In addition to the costs of commuting, households who move to the suburbs or more outlying sectors must also spend more time commuting to their place of work. The next section therefore examines this aspect in greater detail.

Unless they place a high value on their time, households who leave Montréal to buy a home in the suburbs still save money

It has so far been established that households aged 25 to 44 who leave Montréal to buy a home in the suburbs save on their mortgage payments, even when the additional costs of commuting to their place of work are included. Another factor is that, often, commute times also increase for these households.

For example, households¹⁸ who leave the City of Montréal to settle in Laval must spend 10 hours more every month commuting to their place of work¹⁹ than households who live in Montréal (table 23).

However, these same households save \$382 on their home mortgage payments (including commuting costs). As such, to completely offset this savings and the difference

between buying a home in Laval and purchasing one in Montréal for these households,²⁰ they would have to place a minimum hourly value of \$38 on the additional time they spend commuting (\$382 divided by 10 hours). By comparison, the average full-time hourly wages in 2016 in the administrative regions forming part of the Montréal CMA hovered between \$23 and \$28.²¹

In other words, using the previous example, if households place little value on the additional time they spend commuting to their place of work, the savings they realize on their mortgage payments (including commuting costs) will hardly be affected by that time.

However, if they place a very high value on their time, the longer commutes to work could partially or completely offset the savings on their mortgage payments for a home bought in Laval rather than in Montréal.

The results for the North Shore and the South Shore (tables 24 and 25) indicate that the minimum hourly values of the additional commute times would have to be \$35 and \$55, respectively. But these results varied depending on the zones within these two sectors.

For example, the households for whom there was a large difference in mortgage payments or a small difference in commute times had relatively high minimum hourly values. In other words, these households who left the City of Montréal for the suburbs would have to place a very high value on their time for the option of buying a home in the suburbs to no longer represent a source of savings.

Households who went to settle in Vaudreuil-Soulanges (table 27) did not necessarily spend more time commuting to their place of work than those who lived on the Island of Montréal. Consequently, the commute time did not really have any significant impact on the results.

The results for the other scenarios, concerning moves between suburbs, are indicated for reference purposes (tables 26, 28 and 29). Given that the differences in mortgage payments are often minimal (even negative) and that the commutes times are greater for households living in these more outlying sectors, the minimum hourly values of the additional commute times are either small or even negative. In other words, including commuting costs already did not make a big difference in monthly mortgage payments, and adding extra time commuting to the place of work just accentuated this situation.

**Table 23: Scenario 1: Place of Residence One Year Earlier
and Current Place of Work – City of Montréal**

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Laval	382	10.0	38.2
Zone 1 Laval	359	10.0	35.9
Zone 2 Laval	365	10.0	36.5
Zone 3 Laval	258	0.7	387.0
City of Montréal	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

**Table 24: Scenario 2: Place of Residence One Year Earlier
and Current Place of Work – City of Montréal**

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	383	10.5	36.4
Zone 1 North Shore	631	20.1	31.4
Zone 2 North Shore	377	20.4	18.5
Zone 3 North Shore	-64	10.5	-6.1
Zone 4 North Shore	410	10.3	39.7
Zone 5 North Shore	241	10.0	24.1
City of Montréal	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

**Table 25: Scenario 3: Place of Residence One Year Earlier
and Current Place of Work – City of Montréal**

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore	397	7.2	55.1
Zone 1 South Shore	656	6.7	97.4
Zone 2 South Shore	400	10.5	38.2
Zone 3 South Shore	155	7.0	22.1
Zone 4 South Shore	306	3.8	80.5
Zone 5 South Shore	40	20.3	2.0
Zone 6 South Shore	237	20.5	11.5
City of Montréal	n/a	n/a	n/a

n/a: Not applicable. * See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 26: Scenario 4: Place of Residence One Year Earlier and Current Place of Work – Laval

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	28	9.8	2.9
Zone 1 North Shore	118	6.5	18.1
Zone 2 North Shore	-174	13.3	-13.1
Zone 3 North Shore	-43	10.1	-4.3
Zone 4 North Shore	-499	6.5	-76.4
Zone 5 North Shore	--	--	--
Laval	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 27: Scenario 5: Place of Residence One Year Earlier and Current Place of Work – Island of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Vaudreuil-Soulanges	284	0.5	532.5
Island of Montréal	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 28: Scenario 6: Place of Residence One Year Earlier and Current Place of Work – Longueuil Agglomeration

Current place of residence	Difference in Average Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Average Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Average Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore (excl. Longueuil Agglomeration)	410	3.3	123.0
Zone 1 South Shore	--	--	--
Zone 2 South Shore	383	2.1	179.5
Zone 3 South Shore	n/a	n/a	n/a
Zone 4 South Shore	662	2.9	225.7
Zone 5 South Shore	284	2.3	121.7
Zone 6 South Shore	307	5.5	55.5
Longueuil Agglomeration	n/a	n/a	n/a

n/a: Not applicable. --: Not available.

* See the methodological note on single-family home values for more details. ** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 29: Scenario 7: Place of Residence One Year Earlier and Current Place of Work – South Shore

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Saint-Jean-sur-Richelieu	-48	6.9	-7.0
South Shore	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Conclusion

Every year, thousands of young Montréal households move to the suburbs in order to buy a single-family home, where the dwellings are less expensive. Certain suburban zones, such as Laval and the Longueuil Agglomeration, also lose households to more outlying sectors in the CMA. Some of these households continue to work in the geographic sector where they used to live, thereby increasing their commuting cost and time.

It emerged that households who left Montréal for the suburbs generally enjoyed smaller mortgage payments, even when commuting costs were included. For moves within the suburbs, the results in this regard

were more mixed. However, the single-family homes bought by households who moved to the suburbs or more outlying sectors of the CMA were often larger and newer.

Lastly, even though households who leave Montréal for the suburbs spend more time commuting to work, they would have to place a relatively high value on that time to offset the savings associated with buying a less expensive single-family home. What's more, when a financial institution determines a household's eligibility for a mortgage, the value placed by that household on its personal time is not a significant factor, as may be the price of the home and the household's income.

Over the coming years, if single-family home prices continue to rise faster on the Island of Montréal than in the suburbs,²² there is every indication that this migration movement is bound to continue. As well, the development of technologies that promote working from home, along with new modes of public transit that would reduce the cost and/or time of commuting to work, will no doubt enable households who move to suburbs to realize even greater savings when they buy a home (including commuting costs).

Descriptions of geographic sectors

City of Montréal

Island of Montréal (excluding the City of Montréal)

Montréal, Baie-d'Urfé, Beaconsfield, Côte-Saint-Luc, Dollard-des-Ormeaux, Dorval, Hampstead, Kirkland, L'Île-Dorval, Mont-Royal, Montréal-Est, Montréal West, Pointe-Claire, Sainte-Anne-de-Bellevue, Senneville, Westmount

Laval

Zone 1 Laval (western part of Laval)

Selection of census tracts

Zone 2 Laval (central part of Laval)

Selection of census tracts

Zone 3 Laval (eastern part of Laval)

Selection of census tracts

North Shore

Zone 1 North Shore (western part of the North Shore)

Deux-Montagnes, Oka, Pointe-Calumet, Sainte-Marthe-sur-le-Lac, Saint-Eustache, Saint-Joseph-du-Lac, Saint-Placide

Zone 2 North Shore (northwestern part of the North Shore)

Gore, Saint-Colomban, Saint-Jérôme, Mirabel

Zone 3 North Shore (central part of the North Shore)

Blainville, Boisbriand, Lorraine, Rosemère, Sainte-Thérèse, Bois-des-Filion, Sainte-Anne-des-Plaines

Zone 4 North Shore (central eastern part of the North Shore)

Terrebonne, Mascouche, Charlemagne, Repentigny

Zone 5 North Shore (eastern part of the North Shore)

Saint-Lin—Laurentides, L'Assomption, Lavaltrie, L'Épiphanie (town and parish), Saint-Sulpice

South Shore

Zone 1 South Shore (western part of the South Shore)

Beauharnois, Châteauguay, Léry, Mercier, Saint-Isidore

Zone 2 South Shore (central western part of the South Shore)

Delson, Saint-Constant, Sainte-Catherine, Saint-Mathieu, Saint-Philippe, Candiac, La Prairie

Zone 3 South Shore (Longueuil Agglomeration)

Brossard, Saint-Lambert, Longueuil, Boucherville, Saint-Bruno-de-Montarville

Zone 4 South Shore (eastern part of the South Shore)

Varennnes, Verchères, Saint-Amable, Sainte-Julie

Zone 5 South Shore (central eastern and southeastern parts of the South Shore)

Carignan, Chambly, Richelieu, Saint-Mathias-sur-Richelieu

Zone 6 South Shore (southeastern part of the South Shore)

Beloeil, McMasterville, Mont-Saint-Hilaire, Otterburn Park, Saint-Basile-le-Grand, Saint-Mathieu-de-Beloeil

Saint-Jean-sur-Richelieu

Vaudreuil-Soulanges

Coteau-du-Lac, Hudson, Les Cèdres, Les Coteaux, L'Île-Cadieux, L'Île-Perrot, Notre-Dame-de-l'Île-Perrot, Pincourt, Pointe-des-Cascades, Saint-Lazare, Saint-Zotique, Terrasse-Vaudreuil, Vaudreuil-Dorion, Vaudreuil-sur-le-Lac

Methodological note

Values of single-family homes bought by households

In this report, we use three different value measures for the prices of the single-family homes bought in 2016 (one in the central part of the report and the other two in the appendixes). Two of these values come from estimates made by households of the values of their dwellings in the Census. More specifically, households must answer the following question in the census questionnaire (long-form)²³:

“If you were to sell this dwelling now, for how much would you expect to sell it?”

Since this report examines only the situation of households who bought their properties in recent months,²⁴ it is highly likely that these reported values are close to the prices paid some time earlier. It is always possible, though, that these estimates made by households of the values of their homes may be slightly off, but the fact that their homes were bought just a few months earlier should limit this source of error.

The median values of the single-family homes bought by households aged 25 to 44 therefore come from these estimates drawn from the census data. These are the values used in the central part of the report.

To get these values, the data had to be adjusted, though. In fact, the available data initially indicated not only the values of the single-family homes bought but also those of the income properties.

It was therefore necessary to adjust the data to exclude the values of the income properties, in order to focus on those of the single-family homes.²⁵ In the end, as could be expected, the data show that the single-family home values reported by households are higher on the Island of Montréal and lower in the more outlying suburbs. For most of the sectors studied, the values estimated by households are generally quite close to those observed in the large geographic sectors of Montréal in the year 2016.²⁶

As for the mortgage payments associated with these single-family homes, they were determined based on the following assumptions: 5% down payment, 25-year amortization period and 3.7% fixed interest rate.²⁷ For simplification purposes, property and school taxes were not included in these calculations.

Lastly, while the results presented in the central part of this report use the median values for single-family homes only, the tables included in appendix I present the same results, but also including income properties (in addition to single-family homes).²⁸

In appendix 2, the last values used for single-family homes are the median prices of all single-family home transactions²⁹ registered in 2016, obtained from the land register,³⁰ for each of the sectors studied.

The use of these three different single-family home value measures (one in the central part of the report and the other two in the appendixes) provides us with a better idea of the sensitivity of the results in each of the scenarios analyzed.

Methodological note

Estimates of costs of commuting to work

Using data from Statistics Canada's Census 2016, we took the median distances (km) and modes of transport used by households³¹ for each of the geographic sectors studied to construct a weighted cost of commuting to work. The weighting was done based on the relative weight of each means of transportation used.³²

These estimates assume one commuter using a single mode of transport. In other words, it was impossible for us to determine if household members each use their own means of transportation to commute to work, for example in the case of couple using two cars. Only the main mode of transport used³³ by the primary household maintainer was therefore estimated.

The possible modes of transport are as follows: car³⁴ (as a driver or passenger), commuter train, bus or metro, and active transport (walking, cycling, etc.).

In 2016, the cost of operating a vehicle in Quebec was \$0.50 per kilometre using calculations by the National Joint Council Travel Directive³⁵ that take into account all vehicle operating expenses. We assumed that commuters travelled twice daily, to and from work, for 20 working days a month, resulting in 40 one-way trips per month.

The costs for using commuter trains were estimated using the fare zones and TRAM fares for 2016 on the exo network.³⁶ For geographic sectors where the municipalities were in different fare zones, the monthly costs were weighted based on the significance of public transit use in each of these municipalities.³⁷

The costs for using the metro or bus were estimated using the monthly transport fares on the network, with downtown Montréal as the destination (according to the scenarios studied). For some of the scenarios studied, it was relatively simple to associate the transport fare from the place of residence to the place of work.

For other scenarios studied, however, certain assumptions had to be used for the transport fares. It should be recalled that there are more than 700 different transport fares in the Montréal area,³⁸ so various assumptions had to be used. Still, the metro/bus mode of transport was much less prevalent than the car and commuter train modes in these cases, which consequently limited the possible impact of using erroneous assumptions on total commuting costs.

Lastly, we assumed no explicit cost for those using an active mode of transport (cycling, walking, etc.).³⁹ The cost of commuting to work associated with each mode of transport was then multiplied by its relative weight for each geographic sector studied in order to get the total commuting cost.

Appendix I

In the tables in this appendix, the median values (with some exceptions) of the single-family homes bought in the Montréal CMA in 2016 by households aged 25 to 44 also include income properties.

Table 1: Scenario 1: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Laval	708	597	10.0	59.7
Zone 1 Laval	727	574	10.0	57.4
Zone 2 Laval	676	578	10.0	57.8
Zone 3 Laval	604	469	0.7	703.5
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 2: Scenario 2: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	893	630	10.5	59.8
Zone 1 North Shore	967	871	20.1	43.4
Zone 2 North Shore	1,208	630	20.4	30.9
Zone 3 North Shore	437	173	10.5	16.5
Zone 4 North Shore	922	659	10.3	63.8
Zone 5 North Shore	963	492	10.0	49.2
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Appendix I (continued)

Table 3: Scenario 3: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore	719	634	7.2	88.1
Zone 1 South Shore	1,091	919	6.7	136.5
Zone 2 South Shore	719	630	10.5	60.2
Zone 3 South Shore	438	383	7.0	54.7
Zone 4 South Shore	844	567	3.8	149.2
Zone 5 South Shore	570	300	20.3	14.8
Zone 6 South Shore	725	494	20.5	24.1
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details. Average (not median) payment for zone 5 of the South Shore.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 4: Scenario 4: Place of Residence One Year Earlier and Current Place of Work – Laval

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	201	60	9.8	6.1
Zone 1 North Shore	243	143	6.5	21.9
Zone 2 North Shore	342	-139	13.3	-10.4
Zone 3 North Shore	107	-14	10.1	-1.4
Zone 4 North Shore	-332	-472	6.5	-72.2
Zone 5 North Shore	--	--	--	--
Laval	n/a	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Appendix I (continued)

Table 5: Scenario 5: Place of Residence One Year Earlier and Current Place of Work – Island of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Vaudreuil-Soulanges	723	450	0.5	843.7
Island of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 6: Scenario 6: Place of Residence One Year Earlier and Current Place of Work – Longueuil Agglomeration

Current place of residence	Difference in Average Monthly Mortgage Payments* (\$)	Difference in Average Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Average Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Average Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore (excl. Longueuil Agglomeration)	548	416	3.3	124.8
Zone 1 South Shore	--	--	--	--
Zone 2 South Shore	490	378	2.1	177.2
Zone 3 South Shore	n/a	n/a	n/a	n/a
Zone 4 South Shore	800	667	2.9	227.4
Zone 5 South Shore	427	294	2.3	126.0
Zone 6 South Shore	471	319	5.5	57.7
Longueuil Agglomeration	n/a	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 7: Scenario 7: Place of Residence One Year Earlier and Current Place of Work – South Shore

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Saint-Jean-sur-Richelieu	196	-36	6.9	-5.2
South Shore	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Appendix 2

In the tables in this appendix, the median values (with some exceptions) of the single-family homes come from the transactions registered in the land register in 2016.⁴⁰

Table 1: Scenario 1: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Laval	365	261	10.0	26.1
Zone 1 Laval	--	--	--	--
Zone 2 Laval	--	--	--	--
Zone 3 Laval	--	--	--	--
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 2: Scenario 2: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	594	331	10.5	31.4
Zone 1 North Shore	623	528	20.1	26.3
Zone 2 North Shore	625	47	20.4	2.3
Zone 3 North Shore	438	174	10.5	16.7
Zone 4 North Shore	546	283	10.3	27.4
Zone 5 North Shore	828	357	10.0	35.7
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Appendix 2 (continued)

Table 3: Scenario 3: Place of Residence One Year Earlier and Current Place of Work – City of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore	438	353	7.2	49.0
Zone 1 South Shore	726	553	6.7	82.1
Zone 2 South Shore	463	373	10.5	35.7
Zone 3 South Shore	326	271	7.0	38.7
Zone 4 South Shore	490	211	3.8	55.7
Zone 5 South Shore	382	251	20.3	12.3
Zone 6 South Shore	438	207	20.5	10.1
City of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details. Average (not median) payment for zone 5 of the South Shore.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 4: Scenario 4: Place of Residence One Year Earlier and Current Place of Work – Laval

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
North Shore	229	-31	9.8	-3.1
Zone 1 North Shore	258	38	6.5	5.9
Zone 2 North Shore	260	-340	13.3	-25.5
Zone 3 North Shore	73	-167	10.1	-16.5
Zone 4 North Shore	181	-79	6.5	-12.2
Zone 5 North Shore	--	--	--	--
Laval	n/a	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Appendix 2 (continued)

Table 5: Scenario 5: Place of Residence One Year Earlier and Current Place of Work – Island of Montréal

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Vaudreuil-Soulanges	584	312	0.5	585.0
Island of Montréal	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 6: Scenario 6: Place of Residence One Year Earlier and Current Place of Work – Longueuil Agglomeration

Current place of residence	Difference in Average Monthly Mortgage Payments* (\$)	Difference in Average Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Average Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Average Monthly Mortgage Payments Including Commuting Costs to Equal Zero
South Shore (excl. Longueuil Agglomeration)	270	137	3.3	41.1
Zone 1 South Shore	--	--	--	--
Zone 2 South Shore	195	82	2.1	38.4
Zone 3 South Shore	n/a	n/a	n/a	n/a
Zone 4 South Shore	270	137	2.9	46.7
Zone 5 South Shore	155	22	2.3	9.4
Zone 6 South Shore	200	47	5.5	8.5
Longueuil Agglomeration	n/a	n/a	n/a	n/a

n/a: Not applicable.

--: Not available.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

Table 7: Scenario 7: Place of Residence One Year Earlier and Current Place of Work – South Shore

Current place of residence	Difference in Median Monthly Mortgage Payments* (\$)	Difference in Median Monthly Mortgage Payments* (\$) Including Costs of Commuting to Work**	Difference in Median Monthly Times (h) Spent Commuting to Work	Minimum Hourly Value (\$/h) of Time Required for the Difference in Median Monthly Mortgage Payments Including Commuting Costs to Equal Zero
Saint-Jean-sur-Richelieu	207	-25	6.9	-3.6
South Shore	n/a	n/a	n/a	n/a

n/a: Not applicable.

* See the methodological note on single-family home values for more details.

** See the methodological note on commuting cost calculations.

Sources: Statistics Canada, Census 2016; CMHC, calculations

ENDNOTES

- ¹ Single-detached, semi-detached and row homes. See the methodological note on the values of homes bought for more details.
- ² *Housing Market Insight—Montréal CMA*, June 2018.
- ³ Single-detached, semi-detached and row homes. See the methodological note on the values of homes bought for more details.
- ⁴ For example, since very few migration movements are observed between the North Shore and the South Shore, for either homebuying or place of work, the situation of households who make these moves from one sector to another is not analyzed.
- ⁵ Throughout this report, the data concern primary household maintainers. According to Statistics Canada, the primary household maintainer is the “First person in the household identified as someone who pays the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling.” <https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage020-eng.cfm> (retrieved April 30, 2019).
- ⁶ Income properties are also included.
- ⁷ Since Saint-Jean-sur-Richelieu was added to the Montréal CMA in 2016, it was decided not to include this municipality in the South Shore zone, so as to be able to examine the data concerning this sector in greater detail.
- ⁸ See footnote 7.
- ⁹ For scenario 5, we combined the City of Montréal and the Island of Montréal (excluding the City of Montréal), since these two sectors are linked to Vaudreuil-Soulanges in terms of homebuying and place of work.
- ¹⁰ See the methodological note on single-family home values.
- ¹¹ More specifically, the use of other single-family home value measures more significantly change the results for zones 2, 3 and 5 of the North Shore and zones 3 and 5 of the South Shore.
- ¹² However, when the median prices obtained from the land register are used (as opposed to the values drawn from the Census—see the methodological note on single-family home values and appendix 2), the savings on mortgage payments are lower for zone 2 of the North Shore (\$625) and higher for zone 3 (\$438).
- ¹³ However, when the median prices obtained from the land register are used (as opposed to the values drawn from the Census—see appendix 2), the savings on mortgage payments for zone 4 of the North Shore is higher—even positive (+\$180).
- ¹⁴ Average, not median.
- ¹⁵ Cars were generally the means of transport that generated the highest commuting costs in this study.
- ¹⁶ However, when the median prices obtained from the land register are used (as opposed to the values drawn from the Census—see appendix 2), the savings on mortgage payments for zone 2 of the North Shore is only about \$50 when the commuting costs are included.
- ¹⁷ However, when the median prices obtained from the land register are used (as opposed to the values drawn from the Census—see appendix 2), the savings on mortgage payments for zone 4 of the North Shore is higher and slightly positive (+\$40).
- ¹⁸ Once again, the data concern only the primary household maintainers.
- ¹⁹ The median commute time is for all modes of transport used. The calculation excludes households having no fixed place of work or working from home. We assumed that commuters travelled twice daily, to and from work, for 20 working days a month, resulting in 40 one-way trips per month.
- ²⁰ It is assumed that the households do not prefer the city or the suburbs and that their preferences for their place of residence do not depend on the characteristics (year of construction, number of rooms, etc.) of the home bought.
- ²¹ Average full-time hourly wages paid by administrative region (Island of Montréal, Laval, Lanaudière, Laurentides). Source: Statistics Canada.

- ²² See the *QFREB Barometer—Residential Market*, fourth quarter 2018, for the Montréal metropolitan area, at <https://www.fciq.ca/pdf/bar/201804-bar-mtl-en.pdf>.
- ²³ Census 2016 form, question F10d), http://www23.statcan.gc.ca/imdb/p3Instr.pl?Function=getInstrumentList&Item_Id=295122&UL=1V (retrieved April 30, 2019).
- ²⁴ Between May 2015 and May 2016.
- ²⁵ The proportion of single-family homes and the proportion of income properties bought by households aged 25 to 44, for each of the sectors studied, can be obtained from the census data. As well, the data on the median prices of single-family homes and income properties are also available in the land register (source: JLR), for each of these sectors. With these two items of information, that is, the weight of income property transactions relative to the weight of single-family home transactions and the difference in median price between these two housing types, it was possible to estimate a value only for single-family homes in each of the sectors studied. This adjustment had more impact in the City of Montréal, where single-family homes and income properties each account for about 50% of the transactions. In the suburbs, more than 90% of the transactions involve single-family homes.
- ²⁶ According to the data from the land register (source: JLR). The data for the smaller geographic zones (for example, the subsectors of the North Shore and the South Shore) generally showed larger differences between the median values drawn from the Census and the median prices obtained from the land register.
- ²⁷ Average 5-year mortgage rate during this period. Source: Bank of Canada, https://www.bankofcanada.ca/wp-content/uploads/2010/09/selected_historical_v122497.pdf (retrieved April 30, 2019).
- ²⁸ In other words, without adjusting the data to isolate the values of single-family homes, as was done previously.
- ²⁹ So, not just the transactions made by households aged 25 to 44.
- ³⁰ From June 2015 to May 2016. Sources: JLR; CMHC, calculations.
- ³¹ Households having no fixed place of work or working from home were excluded from the analysis.
- ³² In other words, if the car the most used means of transportation, then this is the means that will have the greatest impact (the most significant weight) on the total commuting cost.
- ³³ For example, if a household uses a car for a few minutes to get to a station to take a commuter train to Montréal, the main mode of transport would be the commuter train.
- ³⁴ Including trucks, vans, etc.
- ³⁵ National Joint Council, 2016. Kilometric Rates, <https://www.njc-cnm.gc.ca/directive/d10/v10/s97/sv33/en> (retrieved April 30, 2019).
- ³⁶ To calculate the monthly costs, we divided the annual costs of transport fares by 12 months. This represents a small savings in relation to the monthly costs.
- ³⁷ Data available for each municipality on the 2016 Census profile website, <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E> (retrieved April 30, 2019).
- ³⁸ <https://exo.quebec/en/fares/fares> (retrieved April 30, 2019).
- ³⁹ Also including motorcycles, scooters, etc.
- ⁴⁰ From June 2015 to May 2016. Sources: JLR; CMHC, calculations.

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