

# HOUSING MARKET INSIGHT

## Province of Quebec



CANADA MORTGAGE AND HOUSING CORPORATION

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*"As a result of rising house prices and a higher homeownership rate, principal residences played a major role in the growth in the net worth of Quebec households between 1999 and 2016."*



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## Impact of principal residences on changes in the net worth of Quebec households from 1999 to 2016<sup>1</sup>

*The net worth of Quebec households saw real growth of 81.8% between 1999 and 2016. Principal residences contributed significantly to this increase because the share of total assets they accounted for grew, while the share of total debts they accounted for decreased.*

*During this period, the share of the total assets of Quebec households accounted for by principal residences was bolstered by a strong increase in house prices combined with a small rise in the homeownership rate.*

*That said, between 1999 and 2016, Quebec households saw lower growth in their average net worth than all Canadian households, in part because the homeownership rate and the growth in house prices were relatively lower in the province.*

*Households aged 65 and over were the age group that saw the greatest decrease in its rate of principal residence ownership. The move back to the rental market among retired households therefore rose between 1999 and 2016.*

## Introduction

For many households in Quebec, the principal residence is both the largest asset and the largest debt. In 2016, more than half of households in the province were homeowners (55.8%), and their principal residence accounted for 28.1% of their total assets. In terms of liabilities, almost a third of households (32.3%) had a mortgage on their principal residence, which accounted for 57.3% of the total debts. The average net worth of Quebec households was \$500,200 in 2016, for a real growth of 81.8% over 1999. In spite of growing debt,<sup>2</sup> the rapid rise in house prices<sup>3</sup> in the province since the early 2000s has allowed homeowner households to increase their net worth.

Based on Statistics Canada's Survey of Financial Security, 2016, this study examines changes in the assets and liabilities of Quebec households, with respect to their principal residence, from 1999 to 2016 and also analyzes the role played by the principal residence of Quebec households in the changes in their net worth over the same period. As well, the study looks at these issues for various age groups and geographic areas (Quebec–Canada and Montréal CMA<sup>4</sup>–Québec CMA).

As far as we know, this study is the only one to analyze, in this way, all aspects of the role of the principal residence in the net wealth of Quebec households. We will look at the principal residence as an asset (rate of homeownership and share of total assets accounted for by the residence) and as a liability

(rate of households with a mortgage on their principal residence and share of total debts accounted for by this mortgage). This approach allows us to go beyond the classic debt analysis using the debt-to-disposable income ratio<sup>5</sup> and to put the rise in households' mortgage debt in perspective with the increase in the value of their residence.

## Changes in assets and liabilities with respect to principal residences greatly influenced the growth in the net worth of Quebec households between 1999 and 2016

**In terms of assets**, 55.8% of Quebec households owned a principal residence in 2016. This was a slight increase compared with 1999 (see table 1). The average value of these residences (\$293,300 in 2016) rose at a slightly faster rate than the overall assets of Quebec households from 1999 to 2016. In fact, the share of the total value of Quebec household assets accounted for by principal residences grew from 26.3% in 1999 to 28.1% in 2016. Over that period, the share of total household assets accounted for by principal residences was therefore bolstered by a strong increase in house prices combined with a small rise in the homeownership rate.

**In terms of liabilities**, the percentage of households with a mortgage on their principal residence (32.3% in 2016) increased by 3.1 percentage points between

1999 and 2016. However, the share of the total household debt accounted for by mortgages on principal residences (57.3% in 2016) dropped by 3.0 percentage points. In effect, the average mortgage (\$143,900 in 2016) rose less rapidly than overall debts during the period under study. The relatively low mortgage rates over the period studied probably enabled a certain number of households to pay off a good part of their mortgage principal.<sup>6</sup>

Resulting from the deduction of liabilities from assets, the **average net worth** (or average net wealth) of Quebec households in 2016 was \$500,200. This was an increase of 81.8% over 1999. Principal residences contributed significantly to this increase, because the share of total assets they accounted for grew, while the share of total debts they accounted for decreased. Also, when we look more closely at the changes in net worth over the surveys, we see that the trend in average household net worth very closely mirrors the trend in the average value of principal residences (see figure 1). Average net worth and the average value of principal residences saw fairly strong annual increases of 4.7% and 5.2%, respectively, between the 1999 and 2012 surveys. Conversely, between the 2012 and 2016 surveys, average net worth and the average value of principal residences saw very low annual growth rates of -0.1% and 0.4%, respectively. To summarize, this study confirmed that the principal residence is a determinant of net worth and changes in net worth in Quebec.

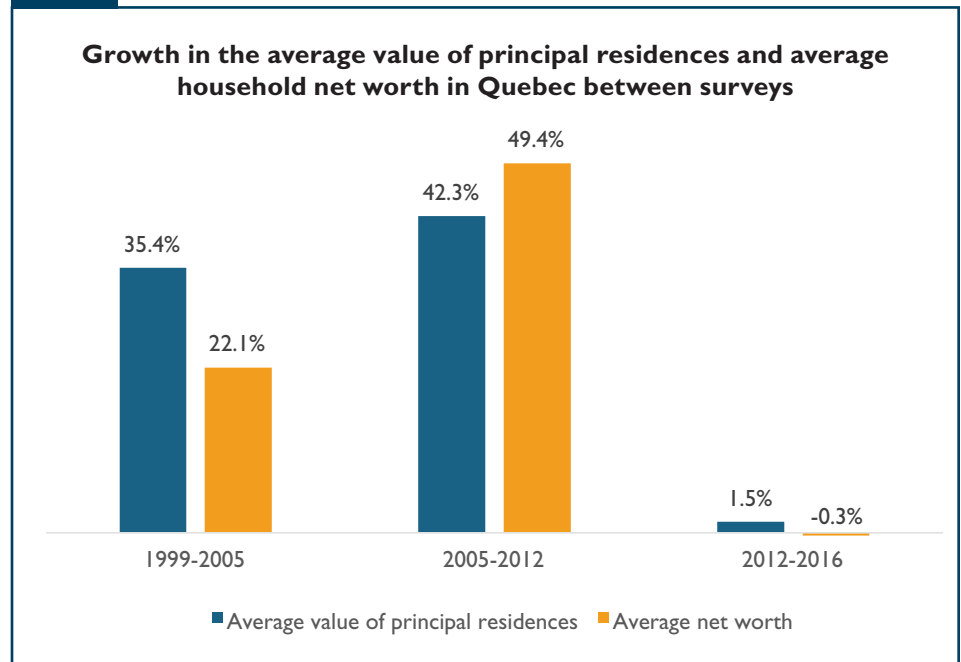
**Table 1: Changes in average net worth and in the average value of principal residences in Quebec**

Assets and debts	Statistics	Survey Years				Change 2016/1999
		1999	2005	2012	2016	
Total assets	Average value of assets (\$)	312,200	380,900	574,800	581,500	86.3%
Principal residence	Percentage of total assets (%)	26.3	28.7	28.6	28.1	1.8 pp
	Percentage of households with the asset (%)	54.6	53.8	56.9	55.8	1.2 pp
	Average value of the asset (\$)	150,100	203,200	289,100	293,300	95.4%
Total debts	Percentage of households with debts (%)	64.3	68.9	71.3	70.0	5.7 pp
	Average value of debts (\$)	57,600	65,200	102,300	116,100	101.6%
Mortgage on the principal residence	Percentage of total debts (%)	60.3	60.5	55.9	57.3	-3.0 pp
	Percentage of households with the debt (%)	29.2	29.7	31.8	32.3	3.1 pp
	Average value of the debt (\$)	76,500	91,500	128,400	143,900	88.1%
Net worth	Average value (\$)	275,200	336,000	501,900	500,200	81.8%

Sources: Statistics Canada; CMHC, calculations.  
Amounts in 2016 constant dollars; pp: Percentage point.

## The housing market slowdown was one of the reasons for the slight decrease in the average net worth of Quebec households between 2012 and 2016

According to data from the Canadian Real Estate Association (CREA) and the Québec Federation of Real Estate Boards (QFREB) through the Centris® system, the average annual increase in house prices in Quebec between 1999 and 2012 was 7.1%, whereas, between 2012 and 2016, it was only 1.8%. There are several reasons for this slowdown in the rise of house prices. First, several macro-prudential measures were implemented to regulate mortgage financing between 2011 and 2012. The maximum length of a mortgage loan was cut from 35 years to 30 years, then from 30 years to 25 years. These measures

**Figure 1**

Sources: Statistics Canada; CMHC, calculations.

probably contributed to limiting the level of transactions.<sup>7</sup> Also, annual employment growth, one of the main determinants of housing demand, was

less vigorous between 2012 and 2016 (0.8% annually) than between 1999 and 2012 (1.4% annually).<sup>8</sup>

The relatively weak growth of house values between 2012 and 2016 in Quebec, combined with the rise in the average value of mortgages, resulted in principal residences accounting for a smaller share of total assets and in mortgages on principal residences accounting for a greater share of overall debts. This depreciation in the financial results for principal residences was one of the reasons for the slight decrease in the average net worth of households between 2012 and 2016, as shown in figure 1.

## Changes in assets and liabilities with respect to principal residences in Quebec between 1999 and 2016 varied for different age groups<sup>9</sup>

### Households aged under 35

For households aged under 35, the rate of principal residence ownership (33.9% in 2016) increased slightly from 1999 to 2016 (see table 2). Although this age group has, on average, the lowest rate of homeownership, it saw the greatest increase in the share of its total assets accounted for by principal residences, with a jump of 10.9 percentage points from 1999 to 2016. Young homeowner households

Assets and debts	Statistics	1999	2016	Change 2016/1999
Principal residence	Percentage of total assets (%)	34.4	45.3	10.9 pp
	Percentage of households with the asset (%)	32.5	33.9	1.4 pp
	Average value of the asset (\$)	131,400	268,700	104.5%
Mortgage on the principal residence	Percentage of total debts (%)	64.6	67.4	2.8 pp
	Percentage of households with the debt (%)	27.2	32.1	4.9 pp
	Average value of the debt (\$)	87,900	183,600	108.9%
Net worth	Average value (\$)	87,400 <sup>E</sup>	113,700	30.1% <sup>E</sup>

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point; <sup>E</sup>: Use with caution.

saw the value of their property rise much more rapidly than overall assets for this age group. Given that, for these young households, it is usually a first home, we can assume that the move to homeownership contributed to a greater accumulation of assets among homeowners than among renters.<sup>10</sup>

However, from 1999 to 2016, this age group also saw a rise in the rate of households with a mortgage on their principal residence and an increase in the share of the group's overall debts accounted for by these mortgages. In 2016, the average net worth of Quebec households aged under 35 was \$113,700. This was the group that saw the smallest increase in its net worth from 1999 to 2016.

### Households aged 35 to 44

Households aged 35 to 44 were the only group that saw a drop in the share of its total assets accounted for by principal residences (see table 3). This group saw both a decrease in its rate of homeownership and an increase in its rate of households with a mortgage on their principal residence over this period. Paradoxically, households aged 35 to 44 were the age group that saw the greatest increase in its net worth. In fact, this group saw a relatively greater rise than the overall population in its other real estate<sup>11</sup> and financial assets in private pension plans.<sup>12</sup>

## Households aged 45 to 54

The homeownership rate of households aged 45 to 54 dropped slightly from 1999 to 2016 (see table 4); however, this group saw the share of its total assets accounted for by principal residences rise by 5.8 percentage points over the same period. In this group, the rate of households with a mortgage on their principal residence grew from 38.2% in 1999 to 46.0% in 2016. Between 1999 and 2016, the growth in the average net worth of households aged 45 to 54 was well below the average for all households.

## Households aged 55 to 64

Households aged 55 to 64 make up the group that has the highest rate of principal residence ownership and that saw the greatest increase in this rate from 1999 to 2016 (see table 5). However, in this group, the share of households with a mortgage on their principal residence jumped from 21.4% in 1999 to 31.1% in 2016. Between 1999 and 2016, the growth in the average net worth of households aged 55 to 64 was below the average for all households.

## Households aged 65 and over

Households aged 65 and over saw the greatest drop in their rate of principal residence ownership, which fell from 57.2% in 1999 to 54.8% in 2016. The move back to the rental market among retired households therefore rose between 1999 and 2016.<sup>13</sup> However, the results varied depending on the regions in the province. In fact, the homeownership rate of this age group in the Montréal CMA rose during the period studied. In 2016, 10.5% of households in this group still had a mortgage, averaging at \$81,700, on their principal residence. Between 1999 and 2016, the growth in the average net worth of households aged 65 and over was below the average for all households.

**Table 3: Changes in average net worth in Quebec (households aged 35 to 44)**

Assets and debts	Statistics	1999	2016	Change 2016/1999
Principal residence	Percentage of total assets (%)	34.4	32.6	-1.8 pp
	Percentage of households with the asset (%)	59.3	57.0	-2.3 pp
	Average value of the asset (\$)	147,400	297,500	101.8%
Mortgage on the principal residence	Percentage of total debts (%)	67.7	62.3	-5.4 pp
	Percentage of households with the debt (%)	44.7	52.2	7.5 pp
	Average value of the debt (\$)	79,800	167,100	109.4%
Net worth	Average value (\$)	201,600	379,700	88.3%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Table 4: Changes in average net worth in Quebec (households aged 45 to 54)**

Assets and debts	Statistics	1999	2016	Change 2016/1999
Principal residence	Percentage of total assets (%)	23.2	29.0	5.8 pp
	Percentage of households with the asset (%)	66.9	65.6	-1.3 pp
	Average value of the asset (\$)	161,200	306,600	90.2%
Mortgage on the principal residence	Percentage of total debts (%)	54.0	56.5	2.5 pp
	Percentage of households with the debt (%)	38.2	46.0	7.8 pp
	Average value of the debt (\$)	70,500	134,200	90.4%
Net worth	Average value (\$)	414,900	585,600	41.1%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Table 5: Changes in average net worth in Quebec (households aged 55 to 64)**

Assets and debts	Statistics	1999	2016	Change 2016/1999
Principal residence	Percentage of total assets (%)	19.8	22.8	3.0 pp
	Percentage of households with the asset (%)	64.9	69.3	4.4 pp
	Average value of the asset (\$)	160,500	300,200	87.0%
Mortgage on the principal residence	Percentage of total debts (%)	46.0	44.6	-1.4 pp
	Percentage of households with the debt (%)	21.4	31.1	9.7 pp
	Average value of the debt (\$)	60,700	107,700	77.4%
Net worth	Average value (\$)	496,700	837,700	68.7%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.



It should be pointed out that retirees' debt on their principal residence constitutes a risk to their financial security, because they have fewer years ahead of them. Indeed, in 2016, the provincial residential resale market favoured buyers.<sup>14</sup> Thus, retired homeowner households may have been unable to sell their home for what it was worth (as estimated by them) within a reasonable time.

## The principal residence is one factor explaining the lower growth in household net worth in Quebec than in the country overall

In 2016, the homeownership rate in Quebec (55.8%) was lower than that for Canada overall (61.7%, see figure 2). From 1999 to 2016, the homeownership rate rose slightly less significantly in Quebec than in Canada overall, and, in particular, over that period, the average value of principal residences grew less rapidly in Quebec than in Canada overall (see table 7). Note that the growth in the values of principal residences in the Vancouver CMA (+167.4%) and the Toronto CMA (+124.8%) from 1999 to 2016 stimulated the increase in the value of Canadian principal residences.<sup>15</sup> Thus, over the period studied, the share of total assets accounted for by principal residences rose by only 1.8 percentage points in Quebec, compared to 4.4 percentage points in Canada overall.

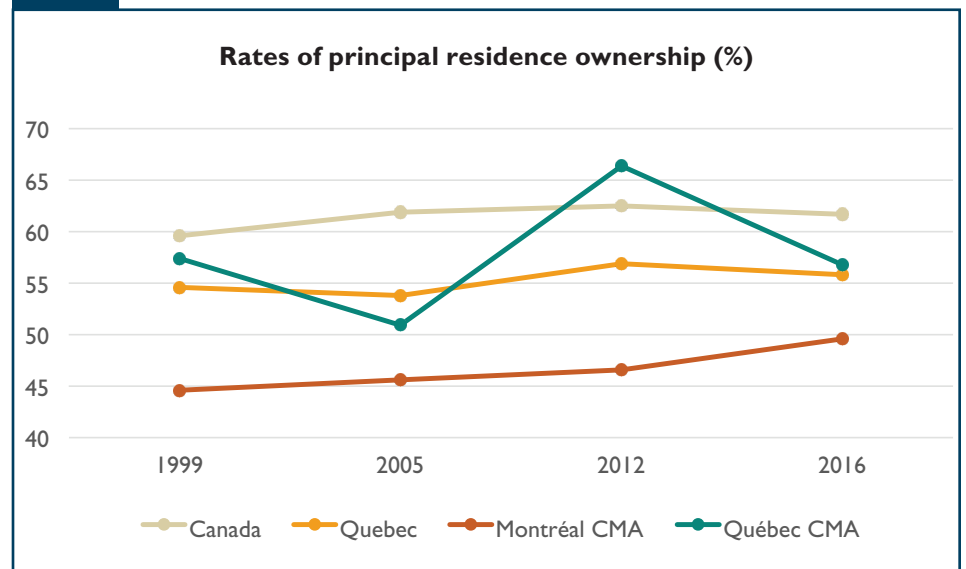
Between 1999 and 2016, the rise in the rate of Quebec households with a mortgage on their principal residence was similar to that of all Canadian households. Over the same period,

Assets and debts	Statistics	1999	2016	Change 2016/1999
Principal residence	Percentage of total assets (%)	25.3	26.5	1.2 pp
	Percentage of households with the asset (%)	57.2	54.8	-2.4 pp
	Average value of the asset (\$)	146,100	284,600	94.8%
Mortgage on the principal residence	Percentage of total debts (%)	F	39.6	F
	Percentage of households with the debt (%)	F	10.5	F
	Average value of the debt (\$)	F	81,700	F
Net worth	Average value (\$)	321,800	566,500	76.0%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars. pp: Percentage point; F: Too unreliable to be published.

Figure 2



Source: Statistics Canada.

the shares of total debts accounted for by mortgages on principal residences saw similar decreases in Quebec and Canada.

Also between 1999 and 2016, Quebec households saw lower growth in their average net worth (+81.8%) than all Canadian households (+98.5%). The fact that

the rate of principal residence ownership was relatively higher in Canada overall and that, at the same time, the value of homes grew faster elsewhere in Canada than in Quebec partly explains the difference in the changes in net worth between Quebec and Canada.

## The price of principal residences and household net worth saw greater increases in the Québec CMA than in the Montréal CMA

In 2016, the rate of principal residence ownership in the Québec CMA (56.8%) was close to the provincial average. Although fluctuations were more marked, the changes in the rate of principal residence ownership in the Québec CMA mirrored those in the provincial average (see figure 2). The homeownership rate in the Montréal CMA (49.6%) remained below the provincial average in 2016. However, this rate for the Montréal CMA rose significantly (5.0 percentage points from 1999 to 2016; see table 7), moving closer to the rates for the province and the country's other major metropolitan areas.<sup>16</sup> From 1999 to 2016, the average value of principal residences rose considerably more in the Québec CMA (+123.1%) than in Quebec overall (+95.4%), whereas the growth in the Montréal CMA was relatively lower (+88.3%).<sup>17</sup>

The rate of households with a mortgage in the Montréal CMA rose much more significantly than that in the Québec CMA and the province overall. Consequently, the decrease in the share of total debts accounted for by mortgages on principal residences was lower in the Montréal CMA than in the Québec CMA.

The increase in household net worth in the Montréal CMA (+79.4%) was very slightly below the average for all Quebec households between 1999

**Table 7: Growth in average net worth in Quebec, Canada and the Québec and Montréal CMAs from 1999 to 2016**

Assets and debts	Statistics	Quebec	Canada	Montréal CMA	Québec CMA
Total assets	Average value of assets (%)	86.3	102.1	85.3	123.0
Principal residence	Percentage of total assets (pp)	1.8	4.4	3.4	-0.2
	Percentage of households with the asset (pp)	1.2	2.1	5.0	-0.6
	Average value of the asset (%)	95.4	122.6	88.3	123.1
Total debts	Percentage of households with debts (pp)	5.7	3.1	7.9	7.7
	Average value of debts (%)	101.6	101.6	101.4	97.0
Mortgage on the principal residence	Percentage of total debts (pp)	-3.0	-2.6	-2.3	-6.6
	Percentage of households with the debt (pp)	3.1	3.3	6.1	1.3
	Average value of the debt (%)	88.1	96.5	75.2	92.8
Net worth	Average value (%)	81.8	98.5	79.4	123.4

Sources: Statistics Canada; CMHC, calculations.  
pp: Percentage point.

and 2016. On the other hand, the increase in household net worth in the Québec CMA was significantly greater (+123.4%) over this period. In particular, households in the Québec CMA were able to benefit from a significant increase in the value of their principal residence.

As shown in figure 1, there is a certain correlation between the changes in the average value of principal residences and average household net worth. This relationship is confirmed when we compare the four geographic areas considered in this study. The data

from table 7 show that, between 1999 and 2016, the Québec CMA and Canada overall saw increases in the average values of principal residences (hikes of about 123% in both cases) well above that for the province of Quebec, which contributed to greater growth in average net worth in these two areas. On the other hand, the increases in the average value of principal residences and average net worth were all lower in the Montréal CMA than in the province overall.

## Conclusion

This study shows that the principal residence is a key determinant of household net worth given the changes in this value between 1999 and 2016 in Quebec. During this period, the share of the total assets of Quebec households accounted for by principal residences was bolstered by a strong increase in house prices combined with a small rise in the homeownership rate. Also, the share of total debts accounted for by mortgages on principal residences dropped by 3.0 percentage points over the period under study.

There was a sharp increase in the net worth of Quebec households from 1999 to 2012, when house prices were fairly robust. However, this net worth decreased slightly between 2012 and 2016, when the residential market slowed down. A geographical analysis confirmed a link between the growth in net worth and the increase in the value of principal residences. The relatively less significant increase in house prices in Quebec between 1999 and 2016 was one of the reasons for the relatively lower growth in the average

net worth of Quebec households, compared with all Canadian households. The same conclusion applies to the lower growth in the average net worth of households in the Montréal CMA than in the Québec CMA.

Based on this study, we can assume that changes in household net worth in the coming years will depend, in part, on the vigour of the residential sector. Since 2016, the home resale market in the province has been tightening. All things being equal, if, in the coming years, this market continues to tighten, resulting in large increases in house prices, this would lead to a rapid rise in the province's average household net worth. On the other hand, if the home resale market slows down (as was the case between 2012 and 2016), that could put the brakes on the growth in household net worth. If house prices drop, household net worth could decrease significantly. In terms of liabilities, a gradual increase in interest rates is expected over the coming quarters. This increase could accentuate household mortgage debt and, thus, slow the growth in the net wealth of

Quebec households. In a future study (*Housing Market Insight*), it would be interesting to use annual historical data to measure the impact of house prices and their determinants on household net worth to make more accurate forecasts.

Lastly, it should be pointed out that the increase in the share of all household assets accounted for by principal residences also puts those assets at risk. Although real estate has a utility value, it is much less liquid than most financial assets. Households with a mortgage on their home may run into difficulty in the event of a job loss. Because the provincial residential resale market is unfavourable to sellers, homeowner households may be unable to sell their home for what it is worth (as estimated by them) within a reasonable time. Also, there is always the risk of households overestimating the actual value of their property. In fact, in 2016, our Housing Market Assessment (HMA) analytical framework identified moderate and high risks of overvaluation in the Montréal and Québec CMAs, respectively.



Presented by :



## Housing Market Conference\*

December 4th, Palais des congrès de Montréal  
December 5th, Centre des congrès de Québec

*\*This conference will be presented in French.*





## Appendix

**Appendix table 1**  
**Changes in average net worth in Quebec**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	312,200	380,900	574,800	581,500	86.3%
Principal residence	Percentage of total assets (%)	26.3	28.7	28.6	28.1	1.8 pp
	Percentage of households with the asset (%)	54.6	53.8	56.9	55.8	1.2 pp
	Average value of the asset (\$)	150,100	203,200	289,100	293,300	95.4%
Total debts	Percentage of households with debts (%)	64.3	68.9	71.3	70.0	5.7 pp
	Average value of debts (\$)	57,600	65,200	102,300	116,100	101.6%
Mortgage on the principal residence	Percentage of total debts (%)	60.3	60.5	55.9	57.3	-3.0 pp
	Percentage of households with the debt (%)	29.2	29.7	31.8	32.3	3.1 pp
	Average value of the debt (\$)	76,500	91,500	128,400	143,900	88.1%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	275,200	336,000	501,900	500,200	81.8%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Appendix table 2**  
**Changes in average net worth in Canada**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	387,700	505,500	681,400	783,600	102.1%
Principal residence	Percentage of total assets (%)	31.6	33.4	34.6	36.0	4.4 pp
	Percentage of households with the asset (%)	59.6	61.9	62.5	61.7	2.1 pp
	Average value of the asset (\$)	205,700	272,900	376,900	457,900	122.6%
Total debts	Percentage of households with debts (%)	67.3	69.4	71.1	70.4	3.1 pp
	Average value of debts (\$)	75,300	98,500	136,100	162,400	115.7%
Mortgage on the principal residence	Percentage of total debts (%)	66.2	63.9	61.4	63.6	-2.6 pp
	Percentage of households with the debt (%)	32.0	34.1	33.8	35.3	3.3 pp
	Average value of the debt (\$)	104,800	128,000	175,800	205,900	96.5%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	337,100	437,200	584,600	669,300	98.5%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Appendix table 3**  
**Changes in average net worth in the Montréal CMA**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	329,900	449,900	569,900	611,300	85.3%
Principal residence	Percentage of total assets (%)	26.2	28.9	31.6	29.6	3.4 pp
	Percentage of households with the asset (%)	44.6	45.6	46.6	49.6	5.0 pp
	Average value of the asset (\$)	194,000	285,100	386,200	365,300	88.3%
Total debts	Percentage of households with debts (%)	62.9	63.3	69.9	70.8	7.9 pp
	Average value of debts (\$)	65,600	80,100	103,700	132,100	101.4%
Mortgage on the principal residence	Percentage of total debts (%)	58.5	61.2	59.5	56.2	-2.3 pp
	Percentage of households with the debt (%)	25.4	26.1	26.9	31.5	6.1 pp
	Average value of the debt (\$)	95,300	118,700	160,600	167,000	75.2%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	288,600	399,200	497,400	517,700	79.4%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Appendix table 4**  
**Changes in average net worth in the Québec CMA**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	315,900	349,100 <sup>E</sup>	625,900	704,400	123.0%
Principal residence	Percentage of total assets (%)	26.5	24.6	28.4	26.3	-0.2 pp
	Percentage of households with the asset (%)	57.4	50.9	66.4	56.8	-0.6 pp
	Average value of the asset (\$)	146,100	169,000	267,700	326,000	123.1%
Total debts	Percentage of households with debts (%)	64.3	77.9	73.4	72.0	7.7 pp
	Average value of debts (\$)	60,700	42,500 <sup>E</sup>	95,600	119,600	97.0%
Mortgage on the principal residence	Percentage of total debts (%)	70.3	64.5	59.8	63.7	-6.6 pp
	Percentage of households with the debt (%)	34.6	31.3	38.3	35.9	1.3 pp
	Average value of the debt (\$)	79,300	68,000	109,600	152,900	92.8%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	276,800	316,000 <sup>E</sup>	555,800	618,300	123.4%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point; <sup>E</sup>: Use with caution.

**Appendix table 5**  
**Changes in average net worth in Quebec (households aged under 35)**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	124,400	118,600	233,000	201,100	61.7%
Principal residence	Percentage of total assets (%)	34.4	38.5	37.8	45.3	10.9 pp
	Percentage of households with the asset (%)	32.5	25.1	35.4	33.9	1.4 pp
	Average value of the asset (\$)	131,400	182,200	248,600	268,700	104.5%
Total debts	Percentage of households with debts (%)	73.1	76.3	81.2	79.5	6.4 pp
	Average value of debts (\$)	50,600	49,600	90,900	109,900	117.2%
Mortgage on the principal residence	Percentage of total debts (%)	64.6	60.1	68.3	67.4	2.8 pp
	Percentage of households with the debt (%)	27.2	21.5	32.3	32.1	4.9 pp
	Average value of the debt (\$)	87,900	105,900	156,100	183,600	108.9%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	87,400 <sup>E</sup>	80,700 <sup>E</sup>	159,200 <sup>E</sup>	113,700	30.1% <sup>E</sup>

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point; <sup>E</sup>: Use with caution.

**Appendix table 6**  
**Changes in average net worth in Quebec (households aged 35 to 44)**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	254,400	327,200	521,100	519,700	104.3%
Principal residence	Percentage of total assets (%)	34.4	39.3	38.6	32.6	-1.8 pp
	Percentage of households with the asset (%)	59.3	56.9	64.6	57.0	-2.3 pp
	Average value of the asset (\$)	147,400	225,900	311,200	297,500	101.8%
Total debts	Percentage of households with debts (%)	80.0	79.9	87.9	83.4	3.4 pp
	Average value of debts (\$)	66,000	87,900	165,600	167,800	154.2%
Mortgage on the principal residence	Percentage of total debts (%)	67.7	74.6	57.8	62.3	-5.4 pp
	Percentage of households with the debt (%)	44.7	47.8	58.0	52.2	7.5 pp
	Average value of the debt (\$)	79,800	109,500	145,100	167,100	109.4%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	201,600	257,000	375,600	379,700	88.3%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Appendix table 7**  
**Changes in average net worth in Quebec (households aged 45 to 54)**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	464,700	501,500	735,800	694,900	49.5%
Principal residence	Percentage of total assets (%)	23.2	26.4	28.0	29.0	5.8 pp
	Percentage of households with the asset (%)	66.9	65.5	65.7	65.6	-1.3 pp
	Average value of the asset (\$)	161,200	203,200	313,800	306,600	90.2%
Total debts	Percentage of households with debts (%)	73.2	80.0	78.8	85.4	12.2 pp
	Average value of debts (\$)	68,100	67,300	100,500	128,000	88.0%
Mortgage on the principal residence	Percentage of total debts (%)	54.0	56.7	54.9	56.5	2.5 pp
	Percentage of households with the debt (%)	38.2	37.7	40.3	46.0	7.8 pp
	Average value of the debt (\$)	70,500	80,900	107,900	134,200	90.4%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	414,900	447,600	656,600	585,600	41.1%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point.

**Appendix table 8**  
**Changes in average net worth in Quebec (households aged 55 to 64)**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	524,900	686,100	822,000	912,700	73.9%
Principal residence	Percentage of total assets (%)	19.8	22.3	22.5	22.8	3.0 pp
	Percentage of households with the asset (%)	64.9	71.2	63.3	69.3	4.4 pp
	Average value of the asset (\$)	160,500	215,100	291,600	300,200	87.0%
Total debts	Percentage of households with debts (%)	55.2	72.4	70.6	73.7	18.5 pp
	Average value of debts (\$)	51,100	76,400 <sup>E</sup>	94,300	101,700	99.0%
Mortgage on the principal residence	Percentage of total debts (%)	46.0	45.2	44.3	44.6	-1.4 pp
	Percentage of households with the debt (%)	21.4	32.1	27.1	31.1	9.7 pp
	Average value of the debt (\$)	60,700	77,800 <sup>E</sup>	108,800	107,700	77.4%
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	496,700	630,800	755,400	837,700	68.7%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point; <sup>E</sup>: Use with caution.

**Appendix table 9**  
**Changes in average net worth in Quebec (households aged 65 and over)**

Assets and debts	Statistics	1999	2005	2012	2016	Change 2016/1999
Total assets	Percentage of households with assets (%)	100	100	100	100	0 pp
	Average value of assets (\$)	329,500	396,600	603,100	588,100	78.5%
Principal residence	Percentage of total assets (%)	25.3	27.6	26.8	26.5	1.2 pp
	Percentage of households with the asset (%)	57.2	60.6	59.5	54.8	-2.4 pp
	Average value of the asset (\$)	146,100	180,500	271,900	284,600	94.8%
Total debts	Percentage of households with debts (%)	27.5	31.5	45.0	40.1	12.6 pp
	Average value of debts (\$)	27,900	24,400 <sup>E</sup>	48,600 <sup>E</sup>	54,000	93.5%
Mortgage on the principal residence	Percentage of total debts (%)	F	F	39.6	39.6	F
	Percentage of households with the debt (%)	F	F	10.1	10.5	F
	Average value of the debt (\$)	F	F	85,700 <sup>E</sup>	81,700	F
Net worth (assets minus debts)	Percentage of households with net worth (%)	100	100	100	100	0 pp
	Average value (\$)	321,800	388,900	581,300	566,500	76.0%

Sources: Statistics Canada; CMHC, calculations.

Amounts in 2016 constant dollars; pp: Percentage point; <sup>E</sup>: Use with caution; F: Too unreliable to be published.

**Comprehensive data source:** Statistics Canada, [Survey of Financial Security \(SFS\), assets and debts held by economic family type, by age group, Canada, provinces and selected census metropolitan areas \(CMAs\) \(x 1,000,000\)](#)



## ENDNOTES

- <sup>1</sup> A household's net worth is equal to the value of its assets minus its debts. A household can be made up of one or more individuals; more specifically, the term refers to economic families and persons not in an economic family. The value of the principal residence is estimated by the owner.
- <sup>2</sup> The debt ratio (debt-to-disposable income ratio) of Canadian households increased from 111% in 1999 to 172% in 2016, according to data from Statistics Canada (tables 36-10-0010-01 and 38-10-0235-01).
- <sup>3</sup> According to data from the Canadian Real Estate Association (CREA) and the Québec Federation of Real Estate Boards (QFREB) through the Centris® system, the average price of homes in Quebec increased by 172% between 1999 and 2016. This increase was much greater than inflation during the same period (34.3%, according to Statistics Canada).
- <sup>4</sup> CMA: census metropolitan area.
- <sup>5</sup> Marc-André Gauthier (2015). *L'endettement des familles québécoises : une comparaison Québec, Ontario, Canada*, Institut de la statistique du Québec,  
<http://www.stat.gouv.qc.ca/statistiques/conditions-vie-societe/bulletins/sociodemo-vol19-no2.pdf>.
- <sup>6</sup> Hélène Bégin (2017). *A Look at Household Assets in Quebec: Their Room for Manoeuvre is There Sufficient?* Desjardins, Economic Studies,  
[www.desjardins.com/ressources/pdf/pv171129e.pdf](http://www.desjardins.com/ressources/pdf/pv171129e.pdf).
- <sup>7</sup> According to data from CREA and the QFREB through the Centris® system, the average annual increases in home sales in Quebec were 3.4% between 1999 and 2012 and only 0.2% between 2012 and 2016.
- <sup>8</sup> Sources: Institut de la statistique du Québec and Statistics Canada,  
[www.stat.gouv.qc.ca/statistiques/economie/comparaisons-economiques/interprovinciales/tableau-statistique-canadien.pdf](http://www.stat.gouv.qc.ca/statistiques/economie/comparaisons-economiques/interprovinciales/tableau-statistique-canadien.pdf).
- <sup>9</sup> The age group refers to the age group of the household's major income earner. The survey included five age groups: under 35 years, 35 to 44 years, 45 to 54 years, 55 to 64 years and 65 years and over.
- <sup>10</sup> The database cannot directly distinguish between homeowner and renter households.
- <sup>11</sup> Other real estate includes properties such as cottages, timeshares, rental properties and other commercial properties.
- <sup>12</sup> Registered Retirement Savings Plans (RRSPs), Registered Retirement Income Funds (RRIFs), Locked in Retirement Accounts (LIRAs) and Employer-sponsored Registered Pension Plans (EPPs).
- <sup>13</sup> Quality seniors' residences (and purpose-built rental housing) built across the province have provided persons aged 65 and over with more housing options.
- <sup>14</sup> Market conditions are considered to be favourable to buyers (or unfavourable to sellers) when the active listings-to-sales ratio is above 10.
- <sup>15</sup> For a future study (*Housing Market Insight*), it would be interesting to focus only on the changes in the average principal residence and household net worth values for the country's major metropolitan areas (Toronto, Montréal and Vancouver).
- <sup>16</sup> For more information on changes in the homeowner and renter rates in Montréal, consult the Housing Market Insight report: "Renter rates in the Montréal, Toronto and Vancouver CMAs: different trends between 2011 and 2016."
- <sup>17</sup> Note that the lower growth in the value of principal residences in the Montréal CMA can be partly explained by the relatively large number, starting in 2006, of households owning single-family homes who turned to condominiums (generally less costly).

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