



FOR IMMEDIATE RELEASE

Economic Impact of Residential Real Estate-Related Expenditures Increased by 29%

Île-des-Soeurs, May 16, 2006 – The economic impact of residential real estate-related expenditures has increased by 29% since 2003, according to a study ordered by the Greater Montréal Real Estate Board (GMREB).

The study, conducted by Clayton Research, shows that average expenditures generated by the sale or the purchase of a real estate property are now \$21,325, up by 29% compared to \$16,590 in 2003. These expenditures include general household purchases, furniture and appliances, moving costs, renovations, taxes and services.

“These data show that the real estate activity, due to its importance, contributes significantly to the strength of the Québec economy,” says Michel Beauséjour, FCA, GMREB Chief Executive Officer.

The study also highlights the fact that sales of existing homes through the 12 Québec real estate boards’ MLS[®] systems generated economic benefits of \$1.5 billion a year between 2002 and 2004, compared to \$1.1 billion between 2000 and 2002. Also, an average of 68,300 annual sales were processed through MLS[®] systems between 2002 and 2004, compared to 66,300 between 2000 and 2002.

The Clayton Research study also shows that 17,850 direct and indirect jobs (full-time equivalent) were created by the residential real estate industry, an increase of 850 jobs compared to 2000-2002. More than 4,700 jobs (26%) come from the fields of finance, insurance and real estate; trade (3,210 jobs) and professional services (3,010 jobs) account for 18% and 17%, respectively. The other major fields are manufacturing and construction.

Montréal Accounts for 70% of Provincial Impact

Residential sales in the Montréal metropolitan area processed through the GMREB MLS[®] system account for 70% of the provincial economic impact. This is mostly due to higher average home prices, which translate into higher commissions, and taxes.

According to Clayton Research, 68% of all residential transactions took place on the Montréal metropolitan territory, compared to 65% between 2000 and 2002. Therefore, each transaction of an existing home processed in the GMREB MLS[®] system generates average expenditures of \$22,170, which represents \$2,470 more than the average of other Québec regions. Between 2000 and 2002, these additional expenses were totalling \$17,200. The increase is 29%. Also, 12,750 jobs were created in the Montréal metropolitan economy between 2002 and 2004, compared to 11,900 between 2000 and 2002.

About the GMREB

The Greater Montréal Real Estate Board is a non-profit organization and has more than 9,000 members, real estate brokers and agents. It is the second most important board in Canada and its mission is to actively promote and protect its members' professional and business interests in order for them to successfully meet their business objectives.

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