

**SECOND QUARTER: RESALE MARKET POSTS LESS PRONOUNCED  
SLOWDOWN IN GREATER MONTRÉAL**

**Montréal, August 13, 2003** – From April to June, activity on the resale market in Greater Montréal slowed by only 4 per cent, which was much less significant than the decrease of 19 per cent observed in the first quarter. According to the Multiple Listing Service S.I.A.®/MLS®, 9,469 transactions were compiled, or approximately 400 fewer sales than in 2002.

Despite a downturn of 12 per cent since the beginning of the year, the resale market remains very buoyant, posting its third best performance in 15 years. “Consistently very attractive financing conditions and continued strong consumer confidence have supported a high demand for existing homes,” explained Michel Beauséjour, FCA, Chief Executive Officer of the Greater Montréal Real Estate Board (GMREB).

Condominiums were the only type of housing to post an increase over last year. In the second quarter, such sales increased by 3 per cent, while sales of single-family homes and plexes both fell by 6 per cent. On a year-to-date basis, the condominium market also stands out with a much less pronounced slowdown. In fact, from January to June, resales declined by only 5 per cent, while single-family home sales fell by three times that much (-15 per cent) and plexes, by twice that much (-11 per cent). The condominium market fared better as the affordability of this type of housing continues to attract buyers.

While, in the last few years, the supply kept decreasing as resale market activity intensified, a change of direction is now being observed. For the first time in seven years, the total number of properties for sale, that is, active listings, has increased in the Greater Montréal area by almost 6 per cent compared to the second quarter of 2002.

After posting an increase of close to 20% in the first quarter, prices continued to rise at almost the same rate as at the beginning of the year. Average resale prices for single-family homes and condominiums increased at practically equal rates of 16 per cent and 17 per cent, respectively, during the second quarter, while the price for plexes posted a significant gain as in the first quarter (+21 per cent). As a result, for the first half of the year, average prices are up by 18 per cent for single-family homes, 20 per cent for condominiums and 21 per cent for plexes.

“Although demand has settled slightly and there are a few more properties for sale on the market, we should not lose sight of the fact that market conditions still remain very tight, which explains the very strong growth in prices,” commented Sandra Girard, Senior Market Analyst.

This information, and much more, can be found in ***Analysis of the Resale Market: Montréal Metropolitan Area***, a quarterly review jointly published by Canada Mortgage and Housing Corporation (CMHC) and the Greater Montréal Real Estate Board (GMREB). This report presents an analysis of the resale market in the metropolitan area, along with data on single-family houses, condominiums and plexes.

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For more information, please contact:

Sandra Girard  
Senior Market Analyst  
Canada Mortgage and Housing  
Corporation  
Tel.: (514) 283-5075

Linda Grondin  
Assistant Manager,  
Communications, Industry Relations and  
Legal Affairs  
Greater Montréal Real Estate Board  
Tel.: (514) 762-2181, ext. 130