

# October Sales: Still simmering

by Andy Dodge, CRA

*(NOTE: The following article relates to offers to purchase Westmount residential dwellings which were reported by the local real estate agents as having been accepted in September, 2007. Because they are not final registered sales, the addresses and prices cannot be made public, but give a good idea of current trends in local real estate activity. The graph on page xx offers a picture of these trends over time.)*

The real estate market in Westmount reached a new peak in October and it appears nothing can stop it now.

Eight of twelve Westmount properties sold for more than \$1 million in October and the raw average price topped \$1.5 million, the first time that has happened since February, 2005, when there were six sales over \$2 million. In October this year, three sales were above the \$2 million mark, highest price was \$3,500,000, and the lowest was \$600,000. Only one of the twelve sales was for less than its municipal evaluation and the average markup was 44 percent. While the dozen sales is slightly below the average of 14.5 for October, the volume so far this year is the highest it has been since 2003.

Even with five houses needing 100 or more days to sell, the average days-on-market dropped to 59, including four properties which took less than two weeks to move. Two sold for full asking price while three others sold for more than 10 percent less than asking, and only one of those had its asking price reduced during the term of the contract.

If business is busy in the single-family market, however, it appears to be sluggish among condominiums. Only two sales were reported in October, both for prices under \$350,000, whereas there is plenty of supply available.

The downtown area just east of Westmount reports three house sales in October, including two of the new townhouses on de Breslay Road, both of which sold for more than \$1.2 million. One sale was reported in eastern Notre Dame de Grâce, one in the southern Côte des Neiges district and one in the "Golden Square Mile." Three condominiums moved on Sherbrooke Street at Atwater Avenue.

Supply of new listings is low at this time of year, with many potential sellers waiting until after the holiday season to put their houses on the market. The strong demand is pushing prices up still further, so even if we get a better supply next spring, it will probably not drive prices down by much.

