

February Sales: Things are buzzing

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 February, 2008. 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.)

Things are buzzing in Westmount real estate these days, as buyers are hungrily grabbing at anything they can find in a seller's market.

Three Westmount houses sold for more than their asking prices in February, one more exactly at asking, and one on Marlowe Avenue just east of Westmount sold at asking price. And these were houses listed for anywhere from one to 16 days. At the same time, some houses which had been on the market for three months or more were finally picked up. And agents are complaining that there's not enough new stock coming on line to satisfy the demand.

Prices in February were fairly low, in a range from \$550,000 to \$1,375,000, with five of 13 sales over \$1 million. The raw average price dipped below \$1 million for the first time since last August, but the average markup climbed to 27 percent, moving up the average adjusted price to nearly \$1,300,000. Only one house sold for less than its municipal evaluation while the highest markup was 67.6 percent. Volume was about average for February, but this may be more because of lack of supply than lack of demand. The average days-on-market dropped from 102 in January to 75 in February, with five of the sales listed for 16 days or less.

Three condominium sales were reported in February, all of which were listed for less than two weeks, an indication that demand is getting hotter in this category. The average markup over valuation in the first quarter of 2008 (so far) is 19.4 percent, compared to only 2.8 percent in the fourth quarter of 2007.

In adjacent-Westmount areas, the pace was slower but prices were equally strong, including a sale for \$1.8 million-plus in the Circle Road area, two sales in the \$700,000 to \$800,000 range on Marlowe Avenue in eastern Notre Dame de Grâce, and one for \$750,000 in the area just east of Westmount. While one of the four house sales in adjacent-Westmount took 159 days to sell, the other three were listed for less than three weeks.

March is generally the busiest month of the year for real estate agents, so if we don't get a rush of new listings, expect prices to go up even more.