

December Sales: Volume Still the Problem

Volume continued to be the nemesis in terms of Westmount real estate in December. While the all-time low of two sales in November jumped to six as tardy agents reported their sales for that month, so far only four more sales have been reported for December.

Those four sales are representative of the full range of prices last year, from \$385,000 — which is the lowest price for a home in 2008 — to \$2,850,000, the sixth-highest price for the year. The range of markups, too, spans from a 15.7-percent markdown — fourth-lowest in the year — to an 85.9-percent markup, fifth-highest in 2008. The average markup of 24.6 percent helps bring up the “average” price of houses in Westmount, but the sample is so small because of lack of volume that the figure is misleading. We might also suggest that the reason the graph is so positive is that the December sales were mainly holdouts, where sellers waited to get their prices: three of the four sales involved houses which had been on the market for 100 days or more. Four sales in December is less than half the average volume in Westmount, and the third month in a row of record-low volume. So even if it looks like prices are soaring again, there’s a lot of hesitancy in the market.