

# January Sales: Volume Still Low

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 January, 2009. 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 new year got off to a very slow start in Westmount, with only three single-family dwellings and two condominiums selling during the month, all for prices less than \$1 million, while a vast array of holdovers from last year's market were quietly waiting to be sold.

The three single-family sales in January compares to an average 12.4 in the past dozen years, and the prices were uncharacteristically low, ranging from \$640,000 to \$855,000, though the average markup was fairly normal at just under 22 percent. On the other hand, all three were houses which sold very close to their initial asking prices and sold very quickly, between 4 and 17 days, perhaps because they came on the market at very reasonable prices. So while the market is rapidly changing from a seller's market to a buyer's market, prices will have to come down before we see much movement.

The condominiums included one apartment which sold for \$750,000 and half a duplex which went for \$390,000, both of which had been on the market for at least two months and for which the average markup over valuation was only half that of the single-family homes, at 11.8 percent.

Adjacent-Westmount did not do much better, with one townhouse sale in the "Golden Square Mile" district, and two half-duplexes, one just west of the city limits and one to the north. Last year in January four houses sold in those areas, along with a duplex and three half-duplexes.

The key to this year's market will become apparent in the next few weeks, as buyers looking to move in May, June and July start shopping for new houses. Agents say they have plenty of buyers and are looking for sellers, but of course sellers might be a bit wary about the chances of getting their houses sold, considering the last month Westmount recorded more than 10 sales was in June last year. January was the first month since December 2006 not to see any sales over \$1 million; only one sale since last August has been reported at \$2 million or higher.

