

June Sales: Still Sliding

June's late-spring real estate market did nothing to offer hope of a recovery during the summer months, as prices fell off again and volume remained at its lowest level in years.

What seemed like a rebound in March and April appears to have been a vain struggle to regain momentum, but the sales history of May and June shows that the market is still sliding. Only three single-family houses sold for more than \$1 million in June, the highest price was \$1,460,000 and there are still plenty of houses on the market asking more than that. Since January there have been eight reported sales over the \$1.5 million mark, all in March and April.

Volume stayed below average in June, with only nine sales compared to a monthly average of 16.2; so far this year some 72 sales have been reported compared to a six-month average of 114.6. The average price in six months this year is \$1,047,960, and the "typical" Westmount house now is worth just under \$1,100,000 compared to an average for all of last year of \$1,252,340. In fact, we are close to the average adjusted price for 2006, when prices were on the rise.

Lowest price in June was \$478,500, and three sales came in for less than municipal evaluation, with the biggest markdown at 17 percent. One home sold for 50 percent above the tax value, but most markups ranged between 20 and 40 percent. The average for the month was 17 percent above valuation.

Only one condominium sale was reported last month but the second quarter of 2009 has recorded nine condo transactions with an overall markup over valuation of 8.5 percent. There have been 14 condo sales this year compared to 19 in the first six months last year. Prices in the second quarter this year ranged from \$310,000 to \$1,500,000, interestingly both were for apartments at 1 Wood Avenue.

Most interest in adjacent-Westmount centred on the Côte des Neiges district just north of the city, where agents reported four sales in June, two on Grosvenor Avenue and two on Roslyn Avenue, for prices ranging from \$775,000 to \$1,400,000, about the same as inside the city limits. One more sale involved a house on St. Sulpice Road to the east of Westmount. Statistically, prices in the Côte des Neiges area this year are up about 10 percent, basically even in eastern Notre Dame de Grâce, down between 10 and 15 percent in the Trafalgar/Daulac area and "Golden Square Mile." We suspect that the market improvement north of the city limits is at the expense of the million-dollar prices in Westmount, with buyers feeling they can get more for their money in Montreal.

The summer market will probably be much slower, at least until September. If the economy starts to recover by then, it may be a good time to buy in Westmount.