

August Sales: Encouraging Signs

By Andy Dodge, CRA

Westmount's real estate prices moved up slightly in August, but the upper end of the market still has a way to go before we can say it has fully recovered.

Eight local sales have been posted by Westmount agents in a price range from \$580,000 to \$1,350,000, with four sales at \$1 million or higher and an average price of \$938,625, up from \$902,458 in July. While the adjusted average price of the "typical" Westmount house pushed above \$1.2 million, the problem is that the higher-priced homes simply are not moving, at least so far, while buyers push up the markups for the lower-priced real estate.

So far this year agents have reported 11 sales at \$1.5 million or higher (including four over \$2 million), but only two since April, and none over \$2 million since then. (BULLETIN: ONE EXCLUSIVE LISTING SOLD IN THE HIGH \$2 MILLION RANGE IN JULY). Currently there are 54 houses in Westmount listed for \$1.5 million or more, according to Multiple Listing Service.

Two condominiums sold in August, bringing the volume for that market to six in the third quarter of 2009, with an average markup over valuation of 25 percent, while the one- and two-family average was over 40 percent.

The Trafalgar-Daulac area of Montreal, just east of Westmount city limits, logged three new single-family sales in August, involving houses on Highland, de Breslay and Hill Park Circle. The extra interest there pushed the averages up for that area; for the rest of adjacent-Westmount they remained flat, with one house sale in southern Côte des Neiges and one condo sale in eastern Notre Dame de Grâce.

September usually marks the beginning of the fall mini-market, which means volume should improve between now and November. Whether this means that buyers will settle on prices for the higher-priced properties in Westmount remains to be seen. Volume is still at its lowest point in years, in fact since 1994, just before the Quebec referendum.