

## **December Sales: Fully Recovered** **By Andy Dodge, CRA**

Real estate agents were active in Westmount last month, arranging more sales than have taken place in any December since 1997. Nine of the 15 sales involved prices above the \$1 million mark, and six of those were for more than \$1.5 million. The average adjusted price went past the \$1.3 million level where it peaked in November, 2007, meaning that prices are now fully recovered from the two-year-long recession.

Volume has been above average for five of the past six months, an indication the buyers are confident that prices won't go back down, and during this time the value of the "typical" Westmount house has risen from about \$1.2 million to \$1.3 million or 8 percent. Since July, eight sales have been posted above \$2 million but none more than \$3 million. In fact, buyers were willing to commit more than \$3 million five times in 2008 as the market was sliding but never found that level throughout 2009.

In December, the 15 sales averaged \$1,300,700 and the prices ranged from \$670,000 to \$2,337,500. Only one sale was posted at less than municipal valuation while one other went for more than 2 1/2 times its tax value; the average was almost 30 percent, down slightly from 31 percent in November, but because the last two months were so strong, the prices keep moving up.

Only one new condominium sale was posted in December, bringing the last-quarter total to five. The year 2009 recorded 29 sales with an average markup of 14 percent, down slightly from the 17-percent average markup during all of 2008. Volume was about the same in each year, with two sales over \$1 million in 2008 and three in 2009, mostly at 1 Wood Avenue.

In adjacent-Westmount, volume of single-family dwelling sales was much higher last year in the "Golden Square Mile" and Trafalgar-Daulac areas, as prices and markups dropped substantially in both districts, an indication buyers were waiting for the vendors to get realistic about the recession. The northern and western fringes of Westmount, on the other hand, experienced about the same volume in 2009 but slightly higher prices, based on the markups over valuation. Shaughnessy Village residences hardly sold last year, except for one sale on Tupper Street and another on Seymour Street.

It appears there is plenty of demand out there as we enter the spring real estate season, now the question is whether there will be enough supply. For the last two months the average time on the market has been over 200 days, an indication the sales involved houses which were "holdouts" from last spring and summer. As these listings disappear there is little new stock to replace them.