

## May Sales: Easing Off

By Andy Dodge, C.R.A.

Westmount's springtime real estate market ended with a sigh as May drew to a close, while agents desperately tried to clear out inventory before the summer begins.

So far agents have posted only nine home sales for May, which along with March and April represents the busiest season for selling Westmount real estate. Volume so far this year is up only slightly from the first five months last year, when the financial world was reeling on the brink of collapse, but otherwise at its lowest point since the referendum years of 1994-95. Only one sale topped the \$2 million mark in May, all the rest were under \$1,500,000 and four of the nine were less than \$1 million. The average markup over valuation dropped to 16.7 percent compared to 39.7 percent in April, and only three of the houses were on the market for less than a month.

Instead, it seems, agents got busier in the condominium market, with five new sales bringing the second-quarter total to 11, compared to only eight in the second quarter last year, and June figures have still to be added. Markups are generally lower than they were in the first three months of 2010, down from 30.4 percent to 18.1 percent, only one sale topping the \$1 million mark.

If we suggest that buyers are resisting the higher prices in Westmount, how would we explain that only one more sale in adjacent-Westmount was posted in May, on Circle Road, plus half a duplex (condominium) on Victoria Avenue near Queen Mary Road? No new sales were reported in eastern Notre Dame de Grâce, nothing to report in the Trafalgar-Daulac area, nor in the "Golden Square Mile" or Shaughnessy Village.

Even rentals are down this year. Last year the Montreal Real Estate Board reported 17 Westmount homes had been rented in the first five months, with prices as high as \$10,000 a month. This year, the number is only 12 and the highest rent is \$8,500.

We were encouraged by the April figures after a slow March, now we are less than enthusiastic about May. Last year the market picked up into the summer months; we can only hope that the trend continues this year.