

# April Sales: Market Tighter

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 April, 2007. 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 Westmount real estate market got considerably tighter in Westmount as 14 home sales averaged almost \$1,150,000 and the time taken to enact sales dropped by two-thirds.

Eight of the 14 sales went for prices between \$1,035,000 and \$1,850,000, one for just under \$500,000 and the other five in a range between \$760,000 and \$885,000. The average markup over the new 2007 valuations was just over 20 percent, with three sales going under valuation and two for more than 60 percent markups. The adjusted average for Westmount homes held above \$1,150,000 for the second month in a row, up some 20 percent since mid-2005 and even 10 percent since December last year.

Perhaps more important, houses took an average 56 days to sell and only two of the April sales involved a houses which had been on the market for more than 100 days. In March, the average was 158 days and 11 of 21 sales had been on the market more than 100 days. The volume of 14 for April -- a number which might grow slightly as late confirmations are reported -- is well below the average of 20 for April sales, and only a dozen new listings appeared last month in Westmount compared to 30 in the same month last year. This can only mean higher prices in future months, even if the spring buying season is nearing its end.

On the other hand, the \$2 million-plus sales are very slow, with only one reported in March and one in February, even though at least a dozen are now on the market.

Five condominiums sold in April, down from nine in March, and three of the five sold for less than valuation, bringing the average markup to only 2.2 percent. Whether this means the city has overevaluated condominiums or the market is more lacklustre for condos is hard to say, but in fact the average

adjusted price of the five condos is \$561,200, compared to average adjusted prices per quarter for last year in the range of \$616,000 to \$626,000. This would indicate they are becoming less attractive as alternatives to the high prices for Westmount homes.

In adjacent-Westmount, two duplexes and a condominium were sold in the south section of Côte des Neiges and two houses each in eastern Notre Dame de Grâce, the Trafalgar-Daulac district just east of Westmount and the “Golden Square Mile” between Guy and Peel Streets north of Sherbrooke Street. House/duplex prices ranged from \$452,000 on Victoria Avenue to just over \$2 million on Redpath Crescent.