

July Sales: Definitely Down

by Andy Dodge, CRA

Westmount real estate is definitely tailing off, it now appears, following the fifth straight month of declining average prices as well as below-average volume.

Nine sales in July averaged only 10 percent above municipal evaluation, down from 36 percent in June, forcing a sharp drop in the price of the “typical” Westmount house from roughly \$1,225,000 to \$1,210,000 – not a serious drop until one realizes that the house was worth \$1,285,000 in February, and almost \$1,325,000 last November. Highest price in July was \$2,000,000, but only three sales topped the \$1,000,000 mark, pushing down the average price to \$956,611, the lowest raw average price since August, 2007, almost a year ago. Three houses sold below municipal evaluation, with one selling at less than 80 percent of its tax value. The highest markup was 42 percent, but in fact that is the lowest monthly maximum in the past year.

The nine home sales averaged 120 days on the market, well above average (109) for the year and much higher than the 106-day average for all of last year. Newer listings are taking longer to sell and three of the July sales had been on the market for more than 200 days each, including two of the sales which went under municipal evaluation.

Three condominiums sold in July, including one at 1 Wood Avenue which brought a price of more than \$1.5 million, the highest price for a condo since October, 2006. The lowest price of \$430,000 was still high for condos generally, offering an encouraging sign that those prices may not be in the same decline as for single-family homes.

One house and two upper duplexes sold in the Côte des Neiges district just north of Westmount, and one downtown townhouse sold for a healthy \$1,887,500. So far this year house prices in all adjacent-Westmount districts appear to be up by anywhere from 6 to 16 percent, and in fact condominium prices in the Côte des Neiges sector are up even more than that, though in every case the numbers are fairly small so the individual statistics can be somewhat misleading.

July and August are generally among the slowest months of the year for sales and prices generally dip as the market clears out from its spring fervor, so it will be important to see how the market fares in late September and October.