

May Sales: Higher Still

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 May. 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.)

Volume eased off but prices kept climbing in May this year, boosted mainly by the lack of low prices rather than high prices at the top of the list.

Sill, one \$3 million sale shows that there are buyers available for the high-priced Westmount homes, though only two other homes topped the \$1 million mark and both were for less than \$1,500,000. But the lowest-priced transaction in May was \$569,000 and only two sales were reported for less than \$700,000. One of the million-dollar sales actually involved a price which was triple the municipal evaluation, by far the highest markup over valuation in recent years, but at the same time one of the lowest prices represented a 9-percent markdown from the tax value, the biggest markdown of the year. Between the extremes, the other prices averaged a 46-percent markup which held the "typical" Westmount house price over \$1 million for the fourth month in a row, and still climbing.

May is usually the end of the spring season, however, so the prices might be expected to ease off as we head into the summer months. We might suggest that the market is still tight at the low end of the scale, but fully half the houses on the market now have asking prices over \$1 million, and there is relatively little movement there.

Two apartment condominiums sold in May, both over \$1 million which helped boost the year's average condo price considerably, to \$785,000, and in the second quarter of the year the average markup for condos is 57 percent. Volume is about the same as last year but considerably lower than in 2004 when 31 sales were recorded in the first half-year; so far this year only 14 sales have been reported.

The southern Côte des Neiges area saw five sales in May, leading the adjacent-Westmount districts, and prices there appear to be climbing as well. Ten sales were recorded in adjacent-Westmount, with prices ranging from \$407,500 to \$2,600,000, and markups from 42 percent to 189 percent; three of the ten sales went for more than double the municipal evaluation.