

October Sales: Hesitating

by Andy Dodge, CRA

(NOTE: The following article relates to offers to purchase Westmount residential dwellings which were reported by the local offices of Sutton and Royal LePage Realities as having been accepted in October. 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.)

Buyers were biding their time in October, normally a fairly strong month for sales in Westmount, perhaps waiting to learn the results of the United States election and its impact on the economy. Certainly the falling United States dollar did not help the local market, considering the number of buyers coming here from south of the border. Sellers were holding out for their prices, however, and while some agents were predicting a dip in the market, others felt there were plenty of buyers -- though it might be suggested those buyers are in no hurry to commit themselves.

One house sold in October for more than \$2 million, another for more than \$1.5 million. The lowest price in nine reported sales was \$535,000, the second-highest minimum price for a month ever recorded in Westmount. Last year, October recorded 20 sales, so this year's volume was less than half what it had been a year ago, and lower than the 14.5-sale average since 1989. The average price of \$955,000 left the "typical" Westmount house at just about the same level it had reached last month, very close to its all-time high in mid-summer.

The nine properties took an average 72 days to sell, with one house selling literally overnight (above its asking price) and another taking the better part of a year to sell. The average is up slightly from September but actually lower than the average for the entire year, which is about 86.5 days.

The slow volume in Westmount single-family sales was repeated in the condominium market (1 sale), the adjacent-Westmount single family market (1 sale) and the downtown condo/co-op market (5 sales).

We can usually expect volume to tail off between now and January, but already there are buyers looking to move into Westmount (or around Westmount) next summer. So long as interest rates stay low and supply doesn't grow too quickly, prices could be expected to increase into the spring months.