

Condo sales lead the way for stellar performance in May

OTTAWA, June 2, 2017 - Members of the Ottawa Real Estate Board sold 2,300 residential properties in May through the Board's Multiple Listing Service® System, compared with 1,919 in May 2016, an increase of 19.9 per cent. The five-year average for May sales is 1,946.

"Not only was May 2017 the best May on record for unit sales, it also surpassed the record for highest unit sales in a single month ever; blowing the previous record out of the water by 315 units," says Rick Eisert, President of the Ottawa Real Estate Board.

"One of the reasons for these stellar numbers can be attributed to the condo market, which has really helped strengthen the whole market over the past several months. This is quite evident in May, where units sold increased by 44.6 per cent over May 2016."

May's sales included 444 in the condominium property class, and 1,856 in the residential property class. The condominium property class includes any property, regardless of style (i.e. detached, semi-detached, apartment, townhouse, etc.), which is registered as a condominium, as well as properties which are co-operatives, life leases, and timeshares. The residential property class includes all other residential properties.

"Sales activity continued to trend towards a sellers' market, as evidenced by lower than normal inventory levels and listing averages for May, more multiple offer situations, and fewer days on market, but prices still remain relatively steady," explains Eisert. "If we were in a true sellers' market, we would expect to see a much higher spike in prices." The average sale price of a residential class property sold in May in the Ottawa area was \$436,625, an increase of 7.4 per cent over May 2016. The average sale price for a condominium-class property was \$270,993, an increase of 2.3 per cent over May 2016. The Board cautions that the average sale price can be useful in establishing trends over time but should not be used as an indicator that specific properties have increased or decreased in value. The calculation of the average sale price is based on the total dollar volume of all properties sold. Price and conditions will vary from neighbourhood to neighbourhood.

"Higher-end residential units in the \$750,000+ range continue to outperform sales from last year, especially in the \$1 million+ range, where unit sales have almost doubled those in May 2016," says Eisert. "We are not seeing quite the same trend for condo units though, where there are increases in units sold in almost all price ranges." "The two most active price points in the residential market continue to be the \$300,000 to \$399,999 followed by the \$400,000 to \$499,999 range, combined accounting for 56.4 per cent of the market. Within the condo market, the most active price point was between \$150,000 and \$249,999, accounting for 50.7 per cent of the market," says Eisert. "In addition to residential and condominium sales, OREB Members assisted clients with renting 1,551 properties