

## News Release

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## HOME SALES, LISTINGS TAKE A LEAP IN JANUARY

London, ON – 439 residential transactions were recorded last month via the MLS® System of the London and St. Thomas Association of REALTORS® (LSTAR), 28.7% more than in January 2023. The number of newly listed properties climbed from 386 in December 2023 to 873 in January 2024.

"The number of home sales is consistent with LSTAR's 10-year-average for January, but the jump in newly listed properties is significant. In January we saw the third highest number of new listings for that month," said 2024 LSTAR Chair Kathy Amess.

Out of the 439 properties sold in January, 329 were single-family homes, 74 were townhouses, and 31 – apartments. January's average price for a single-family home in LSTAR's jurisdiction sat at \$660,686, while that of a townhouse settled at \$504,304. The average price of an apartment from the London-St. Thomas region was \$319,210. "When compared to last January the average prices for townhouses and apartments saw a slight decline. However, the average price of a single-family home increased by 3.8%," Amess emphasized.

Housing supply dropped from 4.4 months of inventory in December to only 3.3 months in January.

"LSTAR's sales-to-new listings ratio sat at 50.3% last month. This and our January stats indicate a stable real estate market, which is positive news for everyone." Amess said.

The average home price for the entire LSTAR jurisdiction reached \$605,785 last month, up 3.9% over January 2023. However, the Composite MLS® Home Price Index (HPI) Benchmark Price ticked up at \$573,300, 0.4% higher than a month ago, but 0.7% lower than a year ago.

The table below presents a detailed breakdown of January's average and MLS® HPI Benchmark Prices in LSTAR's main regions.

AREA	JANUARY 2024 MLS® HPI BENCHMARK PRICE	JANUARY 2024 AVERAGE PRICE
Central Elgin	\$605,400	\$838,763
London East	\$466,500	\$475,072
London North	\$668,000	\$709,057
London South	\$569,300	\$619,553
Middlesex Centre	\$794,800	\$773,623
St. Thomas	\$520,400	\$556,382
Strathroy-Caradoc	\$729,000	\$590,221
<b>LSTAR</b>	<b>\$573,300</b>	<b>\$605,785</b>

"In analyzing the real estate landscape for January 2024, it's essential to discern between average prices and MLS® benchmark prices. The HPI benchmark price offers a glimpse into the perceived value of a 'typical home' in a specific area, taking into account certain housing attributes valued by local buyers. In contrast, the average sales price is derived by summing all home sale prices and dividing that total by the number of homes sold.

The HPI benchmark price is a more reliable tool for tracking trends over time because it provides a more stable reference point, unlike average sales prices, which can experience wild swings from one month to the next, due to only a few outliers from the sales activity mix." Amess stated.

The following table shows how January's benchmark prices for all housing types within LSTAR's jurisdiction stack up against those recorded in the previous month and three months ago.

<b>MLS® HOME PRICE INDEX BENCHMARK PRICES</b>			
<b>Benchmark Type</b>	<b>January 2024</b>	<b>Change over December 2023</b>	<b>Change over October 2023</b>
LSTAR Composite	\$573,300	0.4%	-3.2%
LSTAR Single-Family	\$619,900	0.5%	-2.1%
LSTAR One Storey	\$562,700	-0.5%	-4.5%
LSTAR Two Storey	\$662,000	1.2%	-0.5%
LSTAR Townhouse	\$472,900	-0.1%	-7.0%
LSTAR Apartment	\$351,400	-1.0%	-8.8%

"When compared to the prices recorded in other provincial and national centres, homes within the LSTAR jurisdiction remained relatively affordable, positioning our region as an attractive housing market for many," Amess said. The table below shows the most recent HPI benchmark prices, as provided by CREA.

<b>AREA</b>	<b>MLS® HOME PRICE INDEX BENCHMARK PRICE - JANUARY 2024</b>
Oakville-Milton	\$1,229,400
Greater Vancouver	\$1,161,300
Greater Toronto	\$1,065,800
Mississauga	\$1,036,200
Fraser Valley	\$985,800
Victoria	\$847,900
Hamilton-Burlington	\$809,600
Guelph & District	\$778,800
Barrie & District	\$766,800
Cambridge	\$747,800
Kitchener-Waterloo	\$714,600
Brantford Region	\$665,900
Woodstock-Ingersoll	\$624,100
Ottawa	\$621,600
Niagara Region	\$616,200
<b>London St. Thomas</b>	<b>\$573,300</b>
Windsor-Essex	\$560,400
Calgary	\$557,500
Huron-Perth	\$544,300
Halifax-Dartmouth	\$518,500
Montreal	\$509,400
Saskatoon	\$372,800
Edmonton	\$370,100
Winnipeg	\$334,700
St. John's, NL	\$332,000
<b>CANADA</b>	<b>\$707,800</b>

According to a recent study<sup>1</sup> by Altus Group, an average housing transaction in Ontario generates roughly \$77,420 in ancillary spending within three years from the date of purchase. These expenses include legal fees, moving costs, furniture acquisitions, and home improvement expenses, as well as some other dues.

"In other words, through the secondary spending they are triggering, LSTAR's January home sales have the potential to create almost \$34 million in spin-off spending by 2027. This demonstrates the key role played by our real estate market as a driver of the local economy." Amess concluded.

*The London and St. Thomas Association of REALTORS® (LSTAR) exists to provide its REALTOR® Members with the support and tools they need to succeed in their profession. As one of Canada's largest real estate associations, LSTAR serves and represents over 2,250 REALTORS® who are working in Middlesex and Elgin Counties, a trading area of more than 500,000 residents. LSTAR adheres to a Quality of Life philosophy, supporting growth that fosters economic vitality, and is a proud participant in the REALTORS Care Foundation's Every REALTOR™ Campaign. LSTAR provides housing opportunities, respects the environment, and builds good communities and safe neighbourhoods.*

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<sup>1</sup> *Economic Impacts of MLS® Systems Home Sales and Purchases in Canada and the Provinces*, Altus Group, 2019