

## News Release

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### LSTAR's Streak of Record Sales Continues in October

London, ON – Last month, the local real estate market continued its streak of record sales and prices. 917 homes were sold in October in the London and St. Thomas Association of REALTORS®' jurisdiction, while the overall average price for LSTAR climbed to \$526,848.

“The 917 residential transactions that took place in our jurisdiction represent the highest number of sales for the month of October since 1978, when the Association started tracking data,” said LSTAR 2020 President Blair Campbell. “Out of these transactions, 690 happened within the City of London, which had its best October for home sales, as well,” he added.

“The combination between the historically low interest rates and the ‘working-from-home’ trend has generated an extraordinary demand in a housing market with a very limited supply, which pushed the average home prices to record highs across the region,” Campbell stated.

The following table shows last month's average home prices by area and how they compare to the values recorded at the end of October 2019.

Area	October Average Sale Price	Change over October 2019
Elgin County	\$457,625	↑ 13.7%
London	\$530,006	↑ 28.5%
Middlesex County	\$728,590	↑ 56.2%
St. Thomas	\$438,276	↑ 27.5%
Strathroy	\$531,498	↑ 8.2%
<b>LSTAR</b>	<b>\$526,848</b>	<b>↑ 27.5%</b>

“Comparing these figures with last month's numbers, one will notice a big jump in the average price for Middlesex County between September and October 2020. The difference is largely explained by a handful of high-end sales in October. This example demonstrates perfectly why average prices are not the most reliable indicators of price trends. And this is exactly why LSTAR has decided to adopt and include The Canadian Real Estate Association's Home Price Index and benchmark price in its reports,” Campbell says.

In October 2020, the Aggregate Composite Benchmark price for the entire London-St. Thomas area was \$463,300, up 2.2% over the previous month and 112.2% from five years ago.

The benchmark price reflects the value of a “typical home” as assigned by buyers in a certain area based on various housing attributes. “Depending on how the property features of the home you have in mind compare to these standards, its value will be higher or lower than the benchmark price,” Campbell explains.

Taking a closer look at the region's geography, London South saw last month the biggest year-over-year increase in the average price: 28.7%. The average price for a home in London South rose to \$545,298, while the benchmark price for this area sat at \$457,900, 20.2% higher than a year ago.

At the end of October, the average home prices for London North and London East were \$605,791 and \$408,719, respectively. In St. Thomas, the average sales price was \$438,276, up 27.5% over October 2019.

The median number of days that a home was on the market in London was eight, that's down from 13 days in October 2019. Meanwhile, in Strathroy, it was 8.5, down from 27; in Elgin, it was 14, down from 17.5; in St, Thomas, it was eight, down from 13; and in Middlesex, it was 17, down from 24.

The following table is based on data taken from the [CREA National Price Map](#) for September 2020. It provides a snapshot of how home prices in London and St. Thomas compare to some other major Ontario and Canadian centres.

City	September Sale Price
Greater Vancouver	\$1,041,300
Greater Toronto	\$897,700
Fraser Valley	\$867,700
Hamilton-Burlington	\$718,600
Victoria	\$716,800
Kitchener-Waterloo	\$587,200
Ottawa	\$529,900
Niagara Region	\$491,100
London St. Thomas	\$453,600
Windsor-Essex*	\$419,711
Calgary	\$415,200
Edmonton	\$323,100
<b>CANADA</b>	<b>\$604,211</b>

According to a research report<sup>1</sup>, a total of \$73,250 in ancillary expenditures is generated by the average housing transaction in Ontario over a period of three years from the date of purchase.

"This means that our October sales could translate into more than \$67 million going back into the local economy within the next few years," Campbell said. "As the Canadian economy struggles with the effects of the COVID-19 pandemic, the real estate sector remains the only bright spot that gives Canadians confidence in their future," he 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. LSTAR is one of Canada's 10 largest real estate associations, representing over 1,900 REALTORS® working in Middlesex and Elgin Counties, a trading area of 500,000 residents. LSTAR adheres to a Quality of Life philosophy, supporting growth that fosters economic vitality, provides housing opportunities, respects the environment and builds good communities and safe neighbourhoods and is a proud participant in the REALTORS Care Foundation's Every REALTOR™ Campaign.*

*\*Area displaying average price; all other areas display benchmark prices.*

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