

News Release

Wednesday, January 6, 2021

For Comment: Blair Campbell, 519-963-2299;

For Background: Bill Madder, 519-641-1400



2020 – LSTAR’s second best year for home sales

London, ON – Despite the COVID-19 pandemic, 2020 proved to be the second best year for home sales in the history of the London and St. Thomas Association of REALTORS® (LSTAR). In the entire jurisdiction of LSTAR, 9,976 homes traded hands last year, with 596 sales wrapping up 2020 in the month of December.

“This number of residential transactions make 2020’s last month the best December on record. LSTAR REALTORS® started the year with a bang and, contrary to the somber predictions sparked by the coronavirus restrictions, they ended it on the same note,” said 2020 LSTAR President Blair Campbell.

“Globally, this year, people were forced to spend much more time in their homes with their families, which made them reevaluate their housing choices. Some of the trends that emerged saw a higher demand for moving to rural neighbourhoods, owning a house with more rooms for separate work and learning spaces, and having a good sized backyard with a pool. Because all of these might feel out of reach in the bigger cities, many Ontarians have decided to relocate in smaller urban areas, such as London and St. Thomas, thus contributing to the local market’s frenzy,” Campbell added.

The increased demand, coupled with an already low inventory, pushed the home prices up in all five main regions of LSTAR. The following table shows last month’s benchmark prices by area and how they compare to the values recorded at the end of December 2019.

Area	December MLS® HPI Benchmark Price	Change over December 2019
Central Elgin	\$473,000	↑ 27.3%
London North	\$589,600	↑ 20.8%
London East	\$418,200	↑ 25.2%
London South	\$475,400	↑ 22.2%
Middlesex Centre	\$725,300	↑ 20.1%
St. Thomas	\$392,500	↑ 30.3%
Strathroy-Caradoc	\$571,800	↑ 22.2%

“The HPI benchmark price is different than the average price of a home. This reflects the value of a ‘typical home’ as assigned by buyers from certain areas based on various housing attributes. Depending on how the features of the home you are considering match these standards, the property’s value will be higher or lower than the benchmark price,” Campbell explained.

In December 2020, the Aggregate Composite Benchmark price for the entire London-St. Thomas area was \$483,900, while the overall LSTAR average price sat at \$555,324.

At the end of December, the average home price in London North was \$673,872, up 29.3% compared to December 2019. In London South, it was \$584,997, 24.6% over the previous year, while London East saw its average home price climb to \$434,195, up 25.2% over a year ago. In St. Thomas, the average sales price was \$440,557, up 10.6% over December 2019.

Out of the 596 houses sold last month by LSTAR REALTORS®, 440 were single-family homes, 76 were townhouses and 52 were apartments. The table below shows the December benchmark prices for all house types and how they stack up against the values from a year ago.

MLS® Home Price Index Benchmark Prices		
Benchmark Type	December 2020	Change over December 2019
LSTAR Composite	\$483,900	↑ 23.5%
LSTAR Single-Family	\$530,200	↑ 26.6%
LSTAR One Storey	\$465,100	↑ 21.2%
LSTAR Two Storey	\$596,600	↑ 29.7%
LSTAR Townhouse	\$353,100	↑ 11.5%
LSTAR Apartment	\$284,800	↑ 15.9%

Despite these notable price increases, the homes in our area continue to remain relatively affordable when compared to houses from some other major Ontario and Canadian centres.

The following table is based on data taken from the [CREA National Price Map](#) for November 2020.

City	November 2020 Benchmark Price
Greater Vancouver	\$1,044,000
Greater Toronto	\$902,500
Fraser Valley	\$878,100
Hamilton-Burlington	\$735,300
Victoria	\$730,200
Kitchener-Waterloo	\$612,400
Ottawa	\$540,500
Niagara Region	\$511,500
London St. Thomas	\$475,600
Calgary	\$418,700
Windsor-Essex*	\$412,641
Edmonton	\$322,700
CANADA	\$603,344

According to a research report¹, 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.

"In other words, our December sales could bring more than \$43 million back into the local economy within the next few years," Campbell said. "Even with all the market volatility caused by the COVID-19 pandemic, real estate remains a solid option for investors," 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.

**Areas displaying average prices; all other areas displaying MLS® Home Price Index benchmark prices. The benchmark price reflects the value of a "typical home" as assigned by buyers in a certain area based on various housing attributes.*

¹ Economic Impacts of MLS® Systems Home Sales and Purchases in Canada and the Provinces, Altus Group, 2019.