

News Release

Wednesday, May 4th, 2022

For Comment: Randy Pawlowski, 519-661-7578

For Background: Chad Lovell, 519-641-1400



April Figures Suggest a Soft Landing of the Local Real Estate Market

London, ON – In April 2022, 877 homes traded hands in the London-St. Thomas area and 1,069 new property listings were posted on the MLS® System of the London and St. Thomas Association of REALTORS® (LSTAR). The local housing supply bounced up to 1.2 months of inventory in April from only 0.6 months in March.

“These figures suggest a soft landing of the local real estate market: the April home sales are on par with the ten-year average and last month’s sales-to-new listings ratio of 54.5% signals that we’re trending towards a more balanced market,” said Randy Pawlowski, 2022 LSTAR President.

Within the same time frame, LSTAR’s composite Home Price Index Benchmark Price saw a 4.5% month-over-month decline – from \$774,200 in March to \$739,700 in April. A similar difference was also seen in LSTAR’s overall average home price, which decreased from \$823,954 in March to \$771,682 in April.

“There is nothing dramatic about the decline in home prices. These single-digit decreases were actually expected after two consecutive interest rate hikes by the Bank of Canada and the Ontario Government’s decision to expand and increase the non-resident speculation tax,” Pawlowski explained.

The following table shows how April’s average home sales prices in LSTAR’s five main regions compare to the benchmark prices for the same areas.

Area	April 2022 MLS® HPI Benchmark Price	April 2022 Average Price
Central Elgin	\$773,000	\$900,732
London East	\$647,600	\$597,652
London North	\$863,900	\$874,712
London South	\$731,900	\$772,829
Middlesex Centre	\$1,076,700	\$1,192,683
St. Thomas	\$628,100	\$688,116
Strathroy-Caradoc	\$825,500	\$823,380
LSTAR	\$739,700	\$771,682

Out of the 877 units sold last month, 648 were single-family homes, 121 – condo townhouses, and 74 – apartments. “In April, the average price for a single-family home in LSTAR’s jurisdiction sat at \$840,415, that of a condo – at \$618,049, and the overall average price for an apartment – at \$476,283,” Pawlowski said. “Speaking of apartments, it’s interesting to see that their HPI benchmark price increased in April by 3.7% over the previous month, while the benchmark prices for all the other home types saw month-over-month single-digit reductions,” he noted.

The following table shows the April benchmark prices for all housing types in LSTAR’s jurisdiction and how they measure up to the values from a year ago.

MLS® Home Price Index Benchmark Prices		
Benchmark Type	April 2022	Change over April 2021
LSTAR Composite	\$739,700	↑ 25.1%
LSTAR Single-Family	\$789,700	↑ 23.7%
LSTAR One Storey	\$742,500	↑ 26.6%
LSTAR Two Storey	\$838,300	↑ 21.8%
LSTAR Townhouse	\$599,900	↑ 26.1%
LSTAR Apartment	\$461,400	↑ 37.0%

“Even if it’s much higher than in many cities from Alberta and Saskatchewan, LSTAR’s aggregate HPI benchmark price places our area among the most affordable in Ontario,” Pawlowski observed. The following table is based on data provided by the Canadian Real Estate Association (CREA) for April 1st, 2022.

Area	MLS® Home Price Index Benchmark Price
Oakville - Milton	\$1,608,900
Fraser Valley	\$1,384,000
Greater Vancouver	\$1,374,500
Greater Toronto	\$1,354,000
Mississauga	\$1,323,300
Hamilton-Burlington	\$1,092,800
Victoria	\$1,003,900
Guelph & District	\$1,001,700
Barrie & District	\$939,500
Kitchener-Waterloo	\$929,300
Cambridge	\$913,800
Niagara Region	\$814,600
Brantford Region	\$795,600
Woodstock-Ingersoll	\$756,700
Ottawa	\$754,400
London St. Thomas	\$739,700
Huron - Perth	\$673,200
Calgary	\$511,600
Edmonton	\$371,600
Winnipeg	\$351,100
Saskatoon	\$338,500
CANADA	\$882,400

According to a research report¹ by Altus Group, 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 April home sales could potentially generate more than 64 million in spin-off spending over the next three years, thus making an important contribution to the local economy,” Pawlowski concluded.

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

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 2,000 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.