

News Release

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Best August for St. Thomas Home Sales, LSTAR Apartments

London, ON – 925 homes traded hands last month via LSTAR’s MLS® system, marking the second best August for home sales since LSTAR started tracking data, back in 1978. However, the pace of sales was slower than in August 2020, with the median number of days spent by a home on the market sitting at 9, compared to only 8 days last year.

“The number of August residential transactions decreased by 4.3% over the same period last year, but, despite this slight change of pace, average and benchmark prices continued to climb,” said 2021 LSTAR President Jack Lane. “The overall average home price in LSTAR’s jurisdiction for August 2021 was \$620,002, and the composite benchmark price - \$586,800. These increases were undoubtedly caused by the very low housing supply and the sky-high demand,” he added.

The following table shows how August’s average sales prices compared to the benchmark prices. The MLS® Home Price Index (HPI) benchmark price reflects the value of a “typical home” from a certain area as assigned by local home buyers based on various housing attributes. The average sales price is calculated by adding the sale prices for all the homes sold and dividing that total by the number of transactions. Since monthly averages may be skewed by the type of houses sold in that timeframe, the HPI benchmark price is a more accurate way to gauge price trends.

Area	August 2021 MLS® HPI Benchmark Price	August 2021 Average Price
Elgin	\$611,600	\$603,624
London East	\$507,300	\$483,920
London North	\$697,300	\$732,936
London South	\$579,400	\$635,096
Middlesex	\$869,300	\$888,272
St. Thomas	\$503,400	\$566,320
Strathroy-Caradoc	\$680,000	\$603,415
LSTAR	\$586,800	\$620,002

“Beside prices, when analyzing the market activity in LSTAR’s five main regions, we are also looking at the Sales-to-New-Listings ratio recorded in each region. The higher this ratio is, the more that region favours Sellers,” he pointed out. “Currently, all LSTAR’s regions are firmly anchored in Sellers’ territory, with London seeing the highest ratio – 94.6%, followed by St. Thomas – with 90.1%,” he emphasized.

“Speaking of St. Thomas, it’s important to note that last month was the best August for home sales in the history of the Railway City, with 82 units sold,” Lane said.

In total, LSTAR saw 1,020 new listings last month, 1.4% less than in August 2020. The overall number of months of inventory continued to decrease, reaching a new record low at the end of August: 0.6. “This means that, at the current rate of sales activity, it would take less than a month to liquidate the entire existing housing inventory of LSTAR,” Lane explained.

The single-family home remains the favourite house type of local buyers, with 682 sales in August. “Nevertheless, it is worth mentioning that apartments had their best August ever, with 83 units exchanging hands last month,” Lane noted.

The table below shows the August benchmark prices for all housing types in LSTAR’s jurisdiction and how they stack up against the values from a year ago.

MLS® Home Price Index Benchmark Prices		
Benchmark Type	August 2021	Change over August 2020
LSTAR Composite	\$586,800	↑ 32.9%
LSTAR Single-Family	\$634,000	↑ 34.3%
LSTAR One Storey	\$583,800	↑ 37.6%
LSTAR Two Storey	\$682,500	↑ 32.2%
LSTAR Townhouse	\$483,100	↑ 38.1%
LSTAR Apartment	\$319,300	↑ 13.1 %

Despite all the increases seen in the HPI benchmark prices and average sales prices, homes in LSTAR’s jurisdiction appear to be 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 July 2021.

City	July 2021 Benchmark Price
Greater Vancouver	\$1,175,500
Greater Toronto	\$1,054,300
Fraser Valley	\$1,053,900
Hamilton-Burlington	\$882,500
Victoria	\$843,600
Kitchener-Waterloo	\$748,700
Ottawa	\$660,400
Niagara Region	\$652,200
London St. Thomas	\$578,600
Windsor-Essex*	\$532,401
Calgary	\$447,600
Edmonton	\$345,200
CANADA	\$661,788

According to a research report^[1], 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 August home sales could potentially generate more than \$67 million for the local economy over the next few years," Lane 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 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.

**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.