

News Release

Wednesday, September 5, 2018

For Comment: Jeff Nethercott, 519-673-0011;

John Geha, 519-641-1400



Solid Home Sales in August Cap a Strong Summer Season

London, ON – London and St. Thomas Association of REALTORS® (LSTAR) announced 923 homes* were sold in August, up 2.2% over the same time last year. August 2018 marked the second best August for home resales since the Association began tracking sales data in 1978. August 2016 holds the record, with 999 home resales.

“It was a very strong summer for home resales, with August achieving very solid numbers,” said Jeff Nethercott, 2018 LSTAR President. “Resale activity has performed high above the 10-year average, despite low inventory, which the marketplace has experienced all year. The average sales price continues to rise: it was \$378,511, up 18.0% from August 2017. When you go back five years, that’s up 54.2% compared to August 2013.”

Breaking it down by geography, London South (which also includes data from the west side of the city) had an average sales price of \$381,636, up 17.5% from August 2017 and up 55.8% from August 2013. London East continues to experience a steady gain in average sales price, coming in at \$287,162, up 16.6% from August 2017 and up 38.9% from August 2013. Meanwhile in London North, the average sales price was \$466,654, up 11.9% from August 2017 and up 57.3% from August 2013.

“Average home sales price may be up across the region, but we continue to experience a 10-year historical low in inventory,” Nethercott said. “In August, there were 1,535 active listings, down 12.6% from this time last year and down 57.6% from August 2013. The sales-to-new listings ratio was 85.1%, which the Canadian Real Estate Association (CREA) says represents conditions in the marketplace that favour sellers (a ratio between 40% and 60% is generally consistent with a balanced market). Going back to August 2013, the sales-to-new listings ratio for the region was 54.5%. In August, London North had a sales-to-new listings ratio of 92.1%, while in London South it was 90.8%.”

St. Thomas saw a total of 66 homes sold in August, up 11.9% from the same period last year. For inventory, there were 98 active listings, down 10.9% from last August and down 59.8% from August 2013. The average home sales price in St. Thomas was \$295,262 up 17.2% from August 2017 and up 46.9% from August 2013.

The following table is based on data taken from the CREA National MLS® Report for July 2018 (the latest CREA statistics available). It provides a snapshot of how average home prices in London and St. Thomas compare to other major Ontario and Canadian centres.

City	Average Sale
Vancouver	\$1,046,792
Toronto	\$808,650
Fraser Valley	\$762,458
Victoria	\$707,033
Hamilton	\$559,367
Kitchener-Waterloo	\$483,240
Calgary	\$459,337
Ottawa	\$406,066
Niagara	\$395,459
Edmonton	\$370,330
London St. Thomas	\$364,115
Windsor-Essex	\$296,185
CANADA	\$489,797

According to a research report¹, one job is created for every three real estate transactions and approximately \$53,000 in ancillary spending is generated each time a home changes hands in Ontario. “The home resale activity has given a huge boost to the economy of southwestern Ontario, generating potentially more than \$48 million in August,” Nethercott said. “The 923 home resales in August have also helped create approximately 307 jobs, reinforcing the contributions the business of real estate makes for the entire community.”

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 15 largest real estate associations, representing over 1,700 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.

**These statistics are prepared for LSTAR by the Canadian Real Estate Association (CREA) and represent a data snapshot taken on September 1, 2018, based on processed home sales activity between August 1 and 31, 2018.*

¹ **Economic Impacts of MLS® System Home Sales and Purchases in Canada and the Provinces**, Altus Group Consulting, 2013.