

News Release

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Home Prices Continue to Climb in February

London, ON – 813 homes traded hands in February 2022 in the jurisdiction of the London and St. Thomas Association of REALTORS®, only 8 units less than in the second month of 2021, which was LSTAR’s best February for home sales ever.

“Even though last month our residential transactions fell short by a few units from reaching a new peak, February 2022 succeeded to set quite a few new records,” says Randy Pawlowski, 2022 LSTAR President. “This was the February with the highest number of new listings in the history of LSTAR, but also the one with the lowest housing inventory and the lowermost number of active listings at month-end,” he continued.

1,021 new listings came on the market this month, but only 408 were still active as of February 28. The number of inventory months remained at 0.5 - unchanged from the previous month.

“These numbers illustrate perfectly the acute imbalance between the high demand for homes in our area and the severe housing supply shortage we’re facing,” Pawlowski emphasized. “In such conditions, average prices and benchmark prices can’t go anywhere else, but up,” he added.

In February, the overall average price for all home types in our area was \$825,221, whereas LSTAR’s composite MLS® Home Price Index Benchmark Price sat at \$749,000.

During the same month, while the Sales-to-New-Listings ratio for LSTAR’s entire jurisdiction was a bit lower than in February 2021 - 79.6% last month versus 86.2% in February 2021, the Sale-to-List-Price ratio increased by 9% over the same period, reaching a new record high of 123%.

“These percentages show how firmly anchored our local real estate market is in Sellers’ territory and how much the home Buyers are willing to go over the asking price to get in the market,” Pawlowski said.

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

Area	February 2022 MLS® HPI Benchmark Price	February 2022 Average Price
Central Elgin	\$813,400	\$974,715
London East	\$651,300	\$645,707
London North	\$879,100	\$958,599
London South	\$742,200	\$838,023
Middlesex Centre	\$1,072,600	\$993,602
St. Thomas	\$663,000	\$731,584
Strathroy-Caradoc	\$840,600	\$817,870
LSTAR	\$749,000	\$825,221

The single-family home remains on top of the local home buyers’ preferences, followed by condo townhouses and apartments.

“572 single-family homes, 127 condo townhouses, and 75 apartments were sold last month in our area. All these house types saw substantial price gains. In February, the average price for a single-family home in LSTAR’s jurisdiction was \$904,800, that of a condo - \$680,358, and the overall average price for an apartment - \$474,322.” Pawlowski added.

The following table shows the February 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	February 2022	Change over February 2021
LSTAR Composite	\$749,000	↑ 41.2%
LSTAR Single-Family	\$815,600	↑ 38.3%
LSTAR One Storey	\$733,500	↑ 42.6%
LSTAR Two Storey	\$891,900	↑ 35.2%
LSTAR Townhouse	\$594,500	↑ 52.5%
LSTAR Apartment	\$400,700	↑ 64.6%

“The latest increases in the HPI benchmark prices and average sale prices place LSTAR somewhere in the middle of the Canadian home affordability scale,” Pawlowski noted. The following table is based on data provided by the Canadian Real Estate Association (CREA) for February 1st, 2022.

Area	MLS® Home Price Index Benchmark Price
Oakville - Milton	\$1,709,100
Mississauga	\$1,356,600
Greater Toronto	\$1,340,000
Fraser Valley	\$1,316,300
Greater Vancouver	\$1,313,400
Hamilton-Burlington	\$1,128,800
Cambridge	\$1,006,900
Guelph & District	\$983,800
Kitchener-Waterloo	\$974,600
Victoria	\$944,500
Barrie & District	\$940,600
Brantford Region	\$821,200
Niagara Region	\$798,100
London St. Thomas	\$749,000
Woodstock-Ingersoll	\$732,500
Ottawa	\$730,300
Huron - Perth	\$615,300
Calgary	\$484,000
Edmonton	\$348,900
Winnipeg	\$342,400
Saskatoon	\$330,600
CANADA	\$869,300

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. "This means that our February home sales could bring almost 60 million to the local economy over the next three years, which demonstrates the important role the real estate industry can play in the economic recovery of our region," Pawlowski 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.

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