

News Release

Wednesday September 4, 2024

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MIXED RESULTS IN AUGUST

London, ON -September 4, 2024 – The real estate market in the London and St. Thomas area showed mixed results in August. Sales activity declined, with 577 homes sold, marking a 6.0% drop from the same month last year. The average sale price also decreased by 4% to \$629,500. However, active listings saw a 19% increase compared to August 2023.

LSTAR Chair Kathy Amess noted, “Despite the fluctuations in sales activity, average price and dollar volume, the increase in new and active listings indicates a more balanced market, providing more opportunities for buyers and sellers alike.

There are lots of opportunities for buyers in this market, which in turn benefits our sellers. Additionally, with the Bank of Canada lowering its key interest rate to 4.25% today, we anticipate a potential boost in market activity as borrowing costs decrease.”

The table below displays August average prices and MLS® HPI Benchmark Prices in LSTAR's main regions supplied by the Canadian Real Estate Association (CREA).

AREA	AUGUST 2024 MLS® HPI BENCHMARK PRICE	AUGUST 2024 AVERAGE PRICE
Central Elgin	\$636,500	\$665,343
London East	\$498,300	\$482,894
London North	\$737,400	\$737,949
London South	\$625,000	\$681,182
Middlesex Centre	\$873,700	\$941,375
St. Thomas	\$552,400	\$533,902
Strathroy-Caradoc	\$816,500	\$586,286
LSTAR	\$623,500	\$629,259

The HPI benchmark price reflects the value of a “typical home” as assigned by buyers in a certain area based on various housing attributes, while the average sales price is calculated by adding all the sale prices for homes sold and dividing that total by the number of homes sold. The HPI benchmark price is helpful to gauge trends over time since averages may fluctuate by changes in the mix of sales activity from one month to the next.

The following table displays August benchmark prices for all housing types within LSTAR's jurisdiction and shows how they compare with those recorded in the previous month and three months ago.

Kathy Amess added, “These figures highlight the resilience and attractiveness of our local market. Despite broader economic challenges, our region continues to thrive and offers great opportunities for both buyers and sellers. This data underscores the dynamic nature of the housing market in the London St. Thomas area, with

varying trends across different property types. The continued interest and investment in our market are testaments to its enduring appeal and potential for growth.”

MLS® HOME PRICE INDEX BENCHMARK PRICES			
Benchmark Type	August 2024	Change over July 2024	Change over May 2024
LSTAR Composite	\$623,500	0.5%	2.7%
LSTAR Single-Family	\$669,100	0.5%	2.3%
LSTAR One Storey	\$594,400	-3.3%	-0.3%
LSTAR Two Storey	\$727,600	3.2%	4.3%
LSTAR Townhouse	\$509,800	-0.8%	1.8%
LSTAR Apartment	\$427,400	1.5%	8.8%

The table below provided by CREA shows the most recent HPI benchmark prices.

AREA	MLS® HOME PRICE INDEX BENCHMARK PRICE - AUGUST 2024
Oakville-Milton	\$1,250,300
Greater Vancouver	\$1,194,900
Greater Toronto	\$1,089,000
Mississauga	\$1,072,100
Fraser Valley	\$990,900
Victoria	\$862,400
Hamilton-Burlington	\$849,800
Barrie & District	\$802,000
Guelph & District	\$801,300
Cambridge	\$756,100
Kitchener-Waterloo	\$741,400
Brantford Region	\$683,100
Ottawa	\$644,400
Niagara Region	\$639,300
Woodstock-Ingersoll	\$661,400
London St. Thomas	\$623,500
Calgary	\$582,100
Huron-Perth	\$585,100
Windsor-Essex	\$573,100
Halifax-Dartmouth	\$549,200
Montreal	\$535,600
Saskatoon	\$403,200
Edmonton	\$396,400
Winnipeg	\$360,600
St. John's, NL	\$347,600
CANADA	\$717,400

According to a recent study¹ by Altus Group, an average housing transaction in Ontario generated an average of \$88,966 in spin-off spending per transaction from 2020 to 2022. These expenses include legal fees, appraisers, moving costs, new appliances, and home renovation expenses.

"The home sales in August potentially generated more than \$51 million, reinforcing the economic engine of the business of real estate," Amess said.

Employment resulting from home sales is also significant, according to the Altus study. Resale housing activity created an estimated 106,565 jobs annually in Ontario from 2020 to 2022. Jobs include manufacturing, construction, finance, and insurance.

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. As one of Canada's largest real estate associations, LSTAR serves and represents over 2,300 REALTORS® who are working in Middlesex and Elgin Counties, a trading area of more than 500,000 residents. LSTAR adheres to a Quality of Life philosophy, supporting growth that fosters economic vitality and is a proud participant in the REALTORS Care Foundation's Every REALTOR™ Campaign. LSTAR provides housing opportunities, respects the environment, and builds good communities and safe neighbourhoods.

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¹ *Economic Benefits Generated by Home Sales and Purchases Over MLS® Systems in Canada*, Altus Group, 2023