

## News Release

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## SEPTEMBER SHOWS MORE SIGNS OF STABILIZATION

London, ON – September ushered 1,320 new listings on the local home market, 12.6% more than the same time a year ago. The number of new listings is the highest recorded for September since 2014.

“As new listings start to see larger increases, we have moved into a marketplace that shows some balance between sellers and buyers,” said Adam Miller, 2023 Chair of the London and St. Thomas Association of REALTORS® (LSTAR). “Housing supply also saw a healthy jump to 4.4 months of inventory, from 3.4 months in August. We haven’t seen those kinds of numbers in years.”

September home sales tapered slightly, with 476 homes exchanging hands via the LSTAR MLS® System, down 6.5% compared to September 2022. The September total was a little down from the previous month, which recorded 569 sales.

“With the affordability challenges and increased inventory, we expected a dip in activity,” Miller said. “When you compare the sales over the last few months, the activity is fairly consistent. There is still high demand for homes across the region. With less urgency and more options, it’s giving buyers more time in the market.”

The table below highlights home sales, average home prices and benchmark prices in LSTAR’s jurisdiction over the past four months.

	JUNE 2023	JULY 2023	AUGUST 2023	SEPTEMBER 2023
<b>LSTAR HOME SALES</b>	745	640	569	476
<b>LSTAR’S OVERALL AVERAGE PRICE</b>	\$675,923	\$668,821	\$663,663	\$633,848
<b>LSTAR’S COMPOSITE MLS® HPI BENCHMARK PRICE</b>	\$626,200	\$612,800	\$607,400	\$595,300

The overall sales-to-new listing ratio for LSTAR was 36.1% in September, down from 46.9% in August. According to the Canadian Real Estate Association (CREA), a ratio between 40% and 60% is generally consistent with a balanced market.

“It’s important to remember that every home transaction is unique,” Miller said. “Based on what the Bank of Canada decides to do during its next announcement on October 25, your local REALTOR® can help navigate this ever-changing environment, with real-time data and professional guidance.”

The September average home price was \$633,848, down from \$663,663 in August. The composite MLS® Home Price Index (HPI) Benchmark Price was \$595,300 down from \$607,400 in August. 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 table below shows the September benchmark prices for all housing types within LSTAR's jurisdiction, comparing changes from the previous month and three months ago.

<b>MLS® HOME PRICE INDEX BENCHMARK PRICES</b>			
Benchmark Type	September 2023	Change over August 2023	Change over June 2023
LSTAR Composite	\$595,300	↓2.0%	↓4.9%
LSTAR Single-Family	\$639,700	↓1.8%	↓5.1%
LSTAR One Storey	\$592,100	↓0.3%	↓3.0%
LSTAR Two Storey	\$674,300	↓2.7%	↓6.2%
LSTAR Townhouse	\$501,700	↓1.6%	↓3.6%
LSTAR Apartment	\$376,800	↓5.5%	↓4.1%

"When compared to other values recorded provincially and nationally, homes in the LSTAR area continue to remain relatively affordable," Miller said. The following table shows the latest HPI benchmark prices, courtesy of CREA.

<b>AREA</b>	<b>MLS® HOME PRICE INDEX BENCHMARK PRICE</b>
Oakville-Milton	\$1,277,500
Greater Vancouver	\$1,203,300
Greater Toronto	\$1,127,000
Mississauga	\$1,095,200
Fraser Valley	\$1,029,200
Victoria	\$885,400
Hamilton-Burlington	\$854,200
Guelph & District	\$840,200
Barrie & District	\$809,400
Cambridge	\$741,300
Kitchener-Waterloo	\$734,600
Brantford Region	\$676,600
Niagara Region	\$651,700
Woodstock-Ingersoll	\$660,900
Ottawa	\$643,600
<b>London St. Thomas</b>	<b>\$595,300</b>
Windsor-Essex	\$579,500
Huron-Perth	\$565,700
Halifax Dartmouth	\$522,900
Montreal	\$518,600
Calgary	\$464,100
Saskatoon	\$381,900
Edmonton	\$373,400
Winnipeg	\$342,800
St. John's, NL	\$338,900
<b>CANADA</b>	<b>\$741,400</b>

According to a research study conducted by Altus Group, the average housing transaction in Ontario generates \$77,420 in ancillary expenditures over a period of three years from the purchase date. These expenditures encompass a wide range of costs, including, but not limited to, legal fees, moving expenses, furniture purchases, and renovation costs. "That means home sales in September are potentially contributing with more than \$36 million to the local economy," Miller said.

*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 2,250 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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