

News Release

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Sales cool in September

The real estate market cooled in September 2012, with only 596 homes exchanging hands over the course of the month. Altogether 493 detached homes sold, down 16.3% from September 2011, along with 103 condos, down 8.8%. Altogether sales were down 15.1%.

“There was a slump in resale housing activity nationwide between July 2012 and August 2012, with declines reported in about two-thirds of all local markets, including our own,” says Barb Whitney, President of the London and St. Thomas Association of REALTORS®. “The data isn’t in from around the country yet, but we’re likely going to see a similar pattern play out this month as last.” She adds, “According to the Canadian Real Estate Association, recent changes to mortgage regulations are just now starting to have a dampening effect upon the market. Now that amortization periods for high ratio mortgages have been shortened, fewer first time buyers can qualify for a mortgage than previously. Lower first-time buying activity is a lynchpin of the housing market and its curtailment was bound to have downstream effects over the rest of the market.” Year-to-Date home sales are even with last year’s.

New listings were also down 11.9%, while inventory – the number of active listings at month end – was down 8.7%. The Sales-to-New-Listings ratio, which measures the balance between demand and supply in a market, stood at 47% for detached homes in September 2012 and 42% for condos. “That’s an indication that our market remains balanced,” says Whitney.

The City of St. Thomas experienced a slump in sales as well. 51 homes sold in September, 10 units less than the previous September, a decline of 16.4%. The average price for a house in St. Thomas Year-to-Date is \$191,340, up 1% from December 31, 2011.

The average price for a home in LSTAR’s overall jurisdiction also continues to rise. Year-to-Date the average price stands at \$238,808, up 2.8% compared to December 31, 2011. This table, based on data taken from CREA’s National MLS® Report for August 2012 (the latest information available), demonstrates how homes in LSTAR’s jurisdiction continue to maintain their affordability compared to other major Ontario and Canadian centers.

The best-selling house style in LSTAR’s jurisdiction last month was the two-storey, followed by the ranch, then the bungalow, then the townhouse condominium.

City	Average Sale \$\$
Vancouver	\$725,870
Victoria	\$469,312
Toronto	\$504,854
Calgary	\$426,921
Hamilton-Burlington	\$375,793
Ottawa	\$352,815
Kitchener-Waterloo	\$340,746
Edmonton	\$342,464
Saskatoon	\$328,852
Regina	\$312,430
Halifax-Dartmouth	\$267,656
London St. Thomas	\$238,808
CANADA	\$357,366

House Style	Units Sold	Average Price
2 storey	133	\$314,615
Ranch	92	\$257,506
Bungalow	88	\$196,043
Townhouse Condo	50	\$147,209

The London and St. Thomas Association of REALTORS® (LSTAR) is one of Canada's fifteen largest real estate associations, representing over 1,500 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.

As members of the Canadian Real Estate Association, LSTAR members may use the REALTOR® trademark, which identifies them as real estate professionals who subscribe to a strict code of ethics. The Association operates the local Multiple Listing Service® (MLS®) and provides ongoing professional education courses for its members.