

News Release

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Market recovery continues with Record Sales in December

Last month, 438 homes exchanged hands in the jurisdiction of the London and St. Thomas Association of REALTORS® (LSTAR), a 55.9-per-cent increase over December 2008. However, December 2008 had an unusually low sales volume of 281, compared to 375 in 2007, 421 in 2006, 388 in 2005, etc. This anomaly explains the large percentage increase for December 2009. However, it should be noted that this was the Best December sales ever in the history of LSTAR and Listings continued to rise by 12.8% - both of these indicators speaks to the strong recovery in our jurisdiction.

This month's sales include 353 detached homes (up 61.9 per cent from December 2008) and 85 condos (up 34.9 per cent from December 2008). Year to date, 6561 detached homes and 1509 condos have been sold – down 1.4 per cent and down 11.4 per cent respectively compared to the same period in 2008. Year to date, sales are down 3.42 per cent overall compared to 2008. When you consider we started January 2009 down 35% this is good news.

Sales in St. Thomas also saw gains – 37 homes exchanged hands in December 2009, a 60-per-cent increase over December 2008. However, St. Thomas sales in December 2008 were unusually low at 23, compared to 32 in 2007 and 38 in 2006. December 2009 sales are returning to normal levels. The average residential price for the month of December was up to \$178,132, a 3.3 per-cent increase over November 2008 and finishing for the year with an YTD average price of \$182,450 which is down only by 2.6%.

“The average residential price in the Association's jurisdiction for the month of December is up 12.3 per cent to \$215, 235,” says Joe Hough, Past President of LSTAR. “But the really good news is that our Year to date average price is \$213,402 and this represents a 1.2 percentage increase year over year which is good news when you consider our average price went down 2.8% at the beginning of 2009. This is another good indicator that our market is recovering.”

“National home sales activity last month shows how strongly the housing market has rebounded since the beginning of the year,” said Canadian Real Estate Association President Dale Ripplinger. “As we predicted last April, the rebound in resale housing activity led the overall Canadian economy out of recession.”

The number of sales and average prices year-to-date for December 2009 were:

Type	Units Sold	Average Price	% Change from YTD 2008
Total Detached	6561	\$226,002	0.0
Total Condo	1509	\$158,617	4.4
Total Residential	8070	\$213,402	1.2

The average residential price year-to-date for December 2009 is \$213,402 the following table compares year-end average home prices in LSTAR’s jurisdiction over the past 10 years:

Year	Price
2008	\$210,888
2007	\$202,256
2006	\$188,942
2005	\$178,058
2004	\$166,138
2003	\$152,586
2002	\$142,106
2001	\$136,636
2000	\$134,593
1999	\$131,899

December residential sales year-to-date over the last 10 years:

Year	Sales
2009	8070
2008	8356
2007	9,378
2006	8,916
2005	8,859
2004	8,903
2003	8,120
2002	8,097
2001	6,343
2000	5,781

The best-selling house style in LSTAR’s jurisdiction for the month of December was the two-storey, followed by the bungalow, the ranch, and the townhouse condo:

House Style	Units Sold	Average Price
2 storey	98	\$295,143
Bungalow	72	\$158,031
Ranches	55	\$270,777
Townhouse Condo	48	\$154,255

Homes in LSTAR’s jurisdiction continue to maintain their affordability compared to other major Ontario and Canadian centers. According to the Canadian Real Estate Association’s Residential MLS Report for November 2009 (the most current available), the average price year-to-date for:

- **London and St. Thomas was \$215,235;**
- Calgary was \$383,998;
- Durham Region was \$277,309;
- Edmonton was \$320,585;
- Hamilton-Burlington and District was \$289,483;
- Kitchener-Waterloo was \$269,443;
- Ottawa was \$303,788;
- St. Catharine’s & District was \$223,861;
- Toronto was \$392,823; and
- Greater Vancouver was \$586,401.

The Association’s jurisdiction includes Middlesex and Elgin Counties, home to nearly 500,000 residents. An average of \$46,400 is spent in additional expenditure per real estate transaction in Canada. For the average of 480,120 homes processed annually through MLS® systems in Canada during the period between 2006 and 2008, spending attributable to moving totaled over \$22.3 billion per year – a significant contribution to the total Canadian economy. REALTORS® believe healthy communities depend on a strong economy, safe neighborhoods, a clean environment, access to housing and the protection of rights of property owners. The Multiple Listing Service® is a cooperative marketing system used only by Canada’s real estate boards and associations to ensure maximum exposure of properties for sale. All of LSTAR’s listings may be found on the public website at www.REALTOR.ca.