

News Release

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Home sales level out


In the second month of 2011, a total of 552 homes exchanged hands, down 8.8% from the previous year. “If you look at the previous decade, February sales have tended to hover around the six hundred mark,” says Jack Lane, LSTAR President. “We saw a marked drop in February 2009, right after the global financial downturn, followed by a rebound in 2010 and a kind of leveling off in 2011, with sales more on a par with those of February 2001 (532) and February 2000 (556) than more recent years. It’s important to remember, however, that 2000 and 2001 were both respectable years for real estate in our market. Another factor that we have to take into consideration was the weather in January, which was unusually cold and snowy for our jurisdiction.”

Year	February Sales
2011	552
2010	605
2009	480
2008	687
2007	708
2006	615
2005	657
2004	671
2003	619
2002	703

This month’s sales included 436 detached homes (down 10.7% from the previous year) and 116 condos (down 0.9% from the previous year).

“When trying to determine how much properties have appreciated over time, we’re starting to look more at their increase from one month to the next, rather than year over year,” explains Lane. “That percentage more fully represents the level and pace of actual appreciation.” The average price of a detached home has increased 4.6% from January 2011 to February 2011 to stand at \$244,601, while the average price of a condo has decreased 5.7% to stand at

\$170,035. A higher ratio of lower-end condominiums sold in January 2011 than usual and that has skewed the price of total residential downwards. Compared to the January 2011, the average price for a home of any kind in LSTAR's jurisdiction was up 2.4% to stand at \$228,931.



Month	Year	Average Price
Jan.	2010	\$222,798
Feb.	2010	\$222,680
March	2010	\$225,983
April	2010	\$229,289
May	2010	\$230,056
June	2010	\$229,208
July	2010	\$228,283
Aug.	2010	\$227,794
Sept.	2010	\$227,152
Oct.	2010	\$227,636
Nov.	2010	\$227,257
Dec.	2010	\$227,056
Jan.	2011	\$223,667
Feb.	2011	\$228,931

Sales in London's Sister City of St. Thomas were down 9.1% in February. They continue 3.7% up, however Year to Date. The average price of a home in St. Thomas Year to Date stands at \$180,061. In February 2011 it stood at \$198,035, based on 40 sales.

This month, as in previous months and years, homes in LSTAR's jurisdiction maintain their affordability compared to other major Ontario and Canadian centers. According to the CREA's National MLS® Report for January 2011, the average price year-to-date for:

- **London and St. Thomas -- \$228,931**
- Vancouver -- \$791,591
- Victoria -- \$488,519
- Toronto -- \$439,889
- Calgary -- \$418,126
- Edmonton -- \$311,081
- Ottawa -- \$327,770
- Hamilton -- \$325,397
- Kitchener-Waterloo -- \$262,329
- St. Catharines -- \$228,710

House Style	Units Sold	Average Price
2 storey	125	\$322,330
Bungalow	82	\$ 189,583
Townhouse Condo	64	\$162,983
Ranch	62	\$ 278,644

The best-selling house style in LSTAR's jurisdiction for January 2011 was the two-storey, followed by the bungalow, the townhouse condo and the ranch.

According to a recent study prepared for the Canadian Real Estate Association by Altus Group Economic Consulting in Toronto, a total of \$46,400 in ancillary expenditure is generated by the average housing transaction in Canada over a period of three years from the date of purchase. “That means that February 2011’s sales alone will generate \$25,612,800 of economic activity over the next few years, helping to drive our local economy,” says Lane.

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