

News Release

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Market still in recovery

Last month, 664 homes exchanged hands in the jurisdiction of the London and St. Thomas Association of REALTORS® (LSTAR), a 14.3-per-cent increase over October 2008. However, October 2008 had an unusually low sales volume of 581, compared to 705 sales in 2007 and 711 sales in 2006, etc. This anomaly explains the large percentage increase for October 2009. This month's sales include 543 detached homes (up 14.3 per cent from October 2008) and 121 condos (up 14.2 per cent from October 2008). Year to date, 5,726 detached homes and 1,325 condos have been sold – down 6.7 per cent and down 14.8 per cent respectively compared to the same period in 2008. Year to date, sales are down 8.3 per cent overall compared to 2008.

Sales in St. Thomas also saw gains – 55 homes exchanged hands in October 2009, a 14.6-per-cent increase over October 2008. The average residential price for the month of October was up to \$199,242, a 3.9-per-cent increase over October 2008.

“The average residential price for the month of October is up 1.5 per cent to \$211,493,” says Joe Hough, President of LSTAR. “This is good news and shows that our market is recovering well.”

“Momentum for sales activity remained strong throughout the third quarter,” said Canadian Real Estate Association President Dale Ripplinger. “Low interest rates, rebounding consumer confidence and an improving overall sense of economic security continue to draw homebuyers to the housing market.”

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

Type	Units Sold	Average Price	% Change from YTD 2008
Total Detached	5,726	\$225,823	-0.5
Total Condo	1,325	\$158,263	3.6
Total Residential	7,051	\$213,127	0.5

The average residential price year-to-date for October 2009 is \$213,127. 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

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

Year	Sales
2009	7051
2008	7692
2007	8355
2006	8499
2005	7826
2004	7915
2003	7195
2002	7160
2001	6343
2000	5781

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

House Style	Units Sold	Average Price
2 storey	149	\$292,765
Bungalow	124	\$177,231
Ranches	79	\$241,705
Townhouse Condo	58	\$153,487

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

- **London and St. Thomas was \$214,103;**
- Calgary was \$382,161;
- Durham Region was \$275,931;
- Edmonton was \$320,746;
- Hamilton-Burlington and District was \$288,702;
- Kitchener-Waterloo was \$270,399;
- Ottawa was \$302,087;
- St. Catharines & District was \$223,697;
- Toronto was \$388,999; and
- Greater Vancouver was \$579,012.

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 house 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.