

News Release

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Home sales soar to new record in May

London, ON – The London and St. Thomas Association of REALTORS® (LSTAR) announced a total of 1,539 homes were sold in May, an increase of 33.4% over the same period last year. This represents the best results ever for May, and the highest monthly home sales total ever recorded, since LSTAR began tracking sales data in 1978*.

“We’re experiencing a very strong marketplace, with the fifth consecutive month of record sales,” said Jim Smith, LSTAR President. “REALTORS® are still seeing multiple offer scenarios and interest from outside the region. When you factor in the region’s low unemployment rate and continued job growth, the economy is firing on all cylinders. This year, year-to-date home sales are already 27 percent ahead of 2016.”

In May, a total of 1,209 detached homes were sold, an increase of 28.6% over the previous year, while there were 330 condominium sales, up 54.2% from 2016. The average sales price across London and St. Thomas was \$344,815 down 0.6% from the previous month. The average year-to-date sales price was \$330,890 up 18.6% from the 2016 average home price of \$279,057.

“We understand the City and local home builders are working closely to bring more permit ready residential lots in the second half of the year, which contributes a tremendous boost to the economy,” Smith said. “The news of high-speed rail is also encouraging, and this may be a huge factor toward a future building boom in home construction.”

In May, there were 1,985 listings, up 15.5% from the same time in 2016. The year-to-date sales are outpacing last year by 27.0%, with a total of 5,307 homes sold. St. Thomas also had a very healthy May, with a total of 115 homes sold, down 0.9% from the same time last year. The average home price in St. Thomas was \$259,491 down 4.0% from the previous month.

| House Style | Units Sold | Average Price |
|----------------------|------------|---------------|
| 2 storey | 408 | \$484,877 |
| Bungalow | 227 | \$278,216 |
| Ranch | 173 | \$406,440 |
| Townhouse | 154 | \$212,592 |
| High rise apt. condo | 106 | \$232,806 |

The best-selling house style in May continues to be the two-storey, followed by the bungalow and ranch. The average price for a detached home in May was \$372,163 down 0.1% from the previous month, while the average price for a condominium was \$244,619 down 1.4% from the previous month.

The following table is based on data taken from the Canadian Real Estate Association's (CREA) National MLS® Report for April 2017 (the latest CREA statistics available). It provides a snapshot of how average home prices in London and St. Thomas compare to other major Ontario and Canadian centres.

| City | Average Sale \$\$ |
|--------------------|-------------------|
| Vancouver | \$1,001,679 |
| Toronto | \$877,854 |
| Fraser Valley | \$690,388 |
| Victoria | \$613,306 |
| Hamilton | \$581,520 |
| Kitchener-Waterloo | \$512,030 |
| Calgary | \$470,875 |
| Niagara | \$408,869 |
| Ottawa | \$391,406 |
| Edmonton | \$375,591 |
| London St. Thomas | \$352,560 |
| CANADA | \$536,028 |

According to a research report¹, one job is created for every three real estate transactions and approximately \$53,000 in ancillary spending is generated every time a home changes hands in Ontario. "Based on the historic sales we saw in May, that translates into creating potentially over 500 jobs and positioning us to potentially generate more than \$81 million back into the local economy," Smith said. "With the summer season, many homeowners are looking to add value to their homes through renovating and landscaping projects as well, igniting lots of activity for area merchants and small businesses, helping to further grow the economy."

The London and St. Thomas Association of REALTORS® (LSTAR) exists to provide our REALTOR® Members with the support and tools they need to succeed in their profession. LSTAR is one of Canada's 15 largest real estate associations, representing over 1,700 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.

**These statistics represent a data snapshot taken on June 1, 2017, based on reported sales activity between May 1 and 31, 2017.*

¹ **Economic Impacts of MLS® System Home Sales and Purchases in Canada and the Provinces**, Altus Group Consulting, 2013.