

News Release

Thursday, April 5, 2018

For Comment: Jeff Nethercott, 519-673-0011

For Background: John Geha, 519-641-1400



March home sales on par with 10-year average, as inventory remains low

London, ON – The London and St. Thomas Association of REALTORS® (LSTAR) announced 769 homes* were sold in March, down 37.9% over March 2017, which set a record for best March results since LSTAR began tracking sales data in 1978.

“The marketplace is still being challenged with low levels of housing inventory, which continues to impact sales across the region,” said Jeff Nethercott, 2018 LSTAR President. “Looking at inventory, there were 1,192 Active Listings, down 20.4% from this time last year and down 55.3% from March 2016. Similar to February, the March inventory is the lowest level for the month in the last 10 years.”

Average home sales price across London and St. Thomas continues to rise, despite the low inventory. The average March sales price in the region was \$364,112 up 8.6% over March 2017. By geographic area, London South was \$360,587 up 3.1% from last March. In London North, average home sales price was \$438,827 up 7.1% compared to the previous year, while in London East, it was \$291,161 an increase of 8.4% from March 2017. In St. Thomas, it was \$295,980 up 18.5% over last March.

“Another interesting statistic that paints a picture of the marketplace is the sales-to-new listings ratio,” Nethercott said. “According to the Canadian Real Estate Association (CREA), a ratio between 40% and 60% is generally consistent with a balanced housing market. In March, London and St. Thomas had a sales-to-new listings ratio of 75.1%, which CREA says represents conditions in the marketplace that favour sellers. It reinforces the trends LSTAR Members have been experiencing, with low supply and high demand, and also managing multiple offer situations and out-of-town interest in our region.”

St. Thomas saw a total of 73 homes sold in March, down 29.1% from the same period last year. When looking at inventory, there were 42 active listings, down 51.2% from last March.

The following table is based on data taken from the CREA National MLS® Report for February 2018 (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	\$1,027,298
Fraser Valley	\$751,959
Toronto	\$746,216
Victoria	\$691,411
Hamilton	\$551,982
Calgary	\$472,701
Kitchener-Waterloo	\$472,321
Niagara	\$401,622
Ottawa	\$398,290
Edmonton	\$383,235
London St. Thomas	\$346,301
Windsor-Essex	\$264,706
CANADA	\$481,664

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. “Real estate makes a tremendous contribution to growing the regional economy and beyond, generating potentially more than \$40 million right here in London and St. Thomas,” Nethercott said. “This broad impact also helped create approximately 256 jobs in March, further boosting the robust economic engine of southwestern Ontario.”

The London and St. Thomas Association of REALTORS® (LSTAR) exists to provide its 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 are prepared for LSTAR by the Canadian Real Estate Association (CREA) and represent a data snapshot taken on April 1, 2018, based on reported sales activity between March 1 and 31, 2018.*

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