

News Release

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Home sales strong in June, despite inventory challenges

London, ON – London and St. Thomas Association of REALTORS® (LSTAR) announced 1,080 homes* were sold in June, down 14.6% over the same time last year, which saw a record-setting month for June with 1,264 homes sold since the Association began tracking sales data in 1978.

“The home sales in June continue the strong momentum we saw in May, setting the stage for a very robust season for resale homes this summer,” said Jeff Nethercott, 2018 LSTAR President. “Sales activity remains above the 10-year average, as the marketplace continues to manage the lowest inventory levels since 2009. Average home prices are making slight gains all across the region.”

By geographic area, London East made the biggest gains, with the average June sales price at \$295,541, up 11.7% from June 2017 and up 34.7% compared to June 2016. London North also saw an increase of 11.6% from June 2017 with an average sales price of \$479,237. That’s up 39.9% compared to June 2016. Meanwhile, the average sales price in London South was \$372,881, up 9.2 percent from June 2017 and up 36.6% from June 2016.

Overall, the average June sales price in London and St. Thomas was \$370,247, up 10.5% from June 2017 and up 32.7% from June 2016. Going further back, it’s a 72.0% increase compared to the average sales price 10 years ago.

“As the average sales price trends upward, inventory continues to decrease,” Nethercott said. “In June, there were 1,779 active listings, down 4.3% from this time last year and down 40.0% from June 2016. The sales-to-new listings ratio was 72.0%, which the Canadian Real Estate Association (CREA) says represents conditions in the marketplace that favour sellers (a ratio between 40% and 60% is generally consistent with a balanced market). So for those considering to sell their home, now would be an optimal time to get in touch with your local REALTOR® who can help you navigate through the process.”

St. Thomas saw a total of 99 homes sold in June, down 9.2% from the same period last year. For inventory, there were 76 active listings, down 32.7% from last June and down 53.1% from June 2016. The average home sales price in St. Thomas was \$294,471, up 5.5% from June 2017 and up 25.7% from June 2016.

The following table is based on data taken from the CREA National MLS® Report for May 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	\$1,056,729
Toronto	\$759,158
Fraser Valley	\$702,233
Victoria	\$687,224
Hamilton	\$570,373
Kitchener-Waterloo	\$480,221
Calgary	\$456,721
Ottawa	\$407,445
Niagara	\$401,649
Edmonton	\$374,948
London St. Thomas	\$350,537
Windsor-Essex	\$285,617
CANADA	\$476,424

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. “The real estate space is a huge catalyst to the economy, generating potentially more than \$57 million in June,” Nethercott said. “Helping to create approximately 360 jobs, the business of real estate affects everyone. It’s an integral part of building our local communities and solidifying the long-term growth of the diverse neighbourhoods that our REALTOR® members passionately serve.”

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 July 1, 2018, based on processed home sales activity between June 1 and 30, 2018.*

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