

News Release

For Comment: Bruce Sworik, President, 519-670-4509
For Background: Kathryn Olde, Director of Communications, 519-641-1400

London, August 5, 2008

Second best July on record

Nine hundred and fifty homes exchanged hands in July 2008, making last month the second best July for home sales since the London and St. Thomas Association of REALTORS® (LSTAR) began keeping records in 1978. The best July on record was in 2007, when 1,009 homes exchanged hands.

“Despite reports to the contrary, local-area home sales continue to perform extremely well this year,” comments Bruce Sworik, LSTAR President. “Not only was last month our second best July on record, but May 2008 was our third best month for real estate sales *ever*. A total 5,592 homes have exchanged hands so far this year and that’s fantastic news for our local economy, given the economic spin-off generated by each housing transaction.” According to a study done by Clayton Research Associates for the Canadian Real Estate Association, an estimated \$32,200 in ancillary spending (i.e. spending by purchasers on items other than the actual house and land) is generated by the average housing transaction in Canada.

The following table compares the number of homes sold in July and year to date in LSTAR’s jurisdiction¹ over the past 10 years:

Residential Units Sold		
Year	Month ending July 31	Year ending July 31
2008	950	5,592
2007	1,009	6,147
2006	800	5,667
2005	793	5,507
2004	883	5,790
2003	895	5,248
2002	746	5,273
2001	677	4,536
2000	558	4,234
1999	704	4,327
Average	802	5,232

“Right now, year to date sales are down 9% compared to 2007,” observes Sworik. “While it’s unlikely we’ll reach last year’s record-breaking total of 9,378 units by the end of December, 2008 is definitely still on track to being another great year for real estate sales in our area.”

¹ The Association’s jurisdiction includes Middlesex and Elgin Counties.

Listings were up in July – 8.1% for detached homes year to date and 21.7% for condos. “More significantly, our active listings end of period are up 25.2% for detached homes and 24.7% for condos,” explains Sworik. “This higher level of inventory means we’re seeing a more balanced market in 2008. Rather than being a cause for concern, sellers are finding out it’s a great time to list, as well-priced homes continue to sell quickly, and buyers are enjoying the benefits of a greater selection of properties to choose from.”

Year to date, average prices in LSTAR’s jurisdiction were:

Type	Units Sold	Average Price	\$\$ Increase from YTD 2007
Total Detached	4,440	\$227,927	4.9%
Total Condo	1,152	\$153,521	6.1%
Total Residential	5,592	\$212,599	5.1%

In terms of house style, for the month of July:

House Style	Units Sold	Average Price
2 story	204	\$305,146
Bungalow	155	\$167,748
Ranches	97	\$254,919
Townhouse Condo	89	\$143,173

Year to date, prices across London² were:

Area	Type	2007 Average Sale Price (January 1, 2007 – December 31, 2007)	2008 YTD	%
North	Total Detached	\$271,384	\$279,491	3.0%
	Total Condo	\$182,644	\$189,935	4.0%
South	Total Detached	\$238,638	\$247,822	3.8%
	Total Condo	\$129,922	\$136,273	4.9%
East	Total Detached	\$181,727	\$187,246	3.0%
	Total Condo	\$139,974	\$138,752	-0.9%

The average price of a home in the city of St. Thomas stands at \$185,993, up 8.7% over the same period in 2007.

According to the Canadian Real Estate Association’s Major Market Release for June 2008 (the most current available), the average price January 1, 2008 – June 30, 2008 year to date for:

- **London and St. Thomas was \$213,603;**
- Calgary was \$416,109;
- Durham Region was \$274,427;
- Edmonton was \$339,147;
- Hamilton-Burlington and District was \$285,666;
- Kitchener-Waterloo was \$273,572;
- Ottawa was \$293,076;
- St. Catharines & District was \$221,634;
- Toronto was \$390,289; and
- Greater Vancouver was \$615,012.

² For MLS® purposes, London is divided into three sectors, as determined by the Thames River: North, South, and East. There is no “West London”.

“The average price of a home in the London and St. Thomas area offers incredible value for people looking to purchase any type of housing, whether they are buying their first home or perhaps relocating to London from elsewhere,” says Sworik. “With all that our area has to offer, our prices are unbeatable!”

The London and St. Thomas Association of REALTORS® is a professional organization committed to serving the real estate needs of the community and to providing its Members with the services and education required to promote excellence, knowledge and a high standard of ethics and business practices. The Association’s jurisdiction includes Middlesex and Elgin Counties, home to nearly 500,000 residents. The Multiple Listing Service® (MLS®) 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 online at www.REALTOR.ca.