

News Release

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MARKET SHOWS POSITIVE GROWTH IN JANUARY

London, ON – February 4, 2025

The real estate market showcased several positive trends despite a temporary dip in sales activity. With 370 transactions, sales activity saw a decline of 20.3% compared to the previous year. However, the average home price remained robust at \$639,486, marking a 4.5% increase from January 2024. This stability in pricing is a strong indicator that interest and demand in the market are still healthy.

Given the stable average prices and the rise in new and active listings, we are optimistic that sales activity will gain momentum in the coming months. The market fundamentals remain strong, and we anticipate a positive rebound in sales activity as we progress through the year.

LSTAR Chair Dale Marsh commented, "The increase in new and active listings is a positive indicator of a robust market. With more properties available, buyers have greater choices, and the steady rise in average prices demonstrates the continued confidence in our market. We are optimistic about the future and believe this trend will benefit both buyers and sellers in the coming months. Additionally, the recent lowering of interest rates in Canada is starting to have a positive impact on the real estate market. Lower borrowing costs are making homeownership more accessible, encouraging more buyers to enter the market and further driving demand. This trend is expected to support continued growth and stability in the housing sector."

The table below displays January's average prices and MLS® HPI Benchmark Prices in LSTAR's main regions.

AREA	JANUARY 2024 MLS® HPI BENCHMARK PRICE	JANUARY 2024 AVERAGE PRICE
Central Elgin	\$635,800	\$741,488
London East	\$492,500	\$509,112
London North	\$722,500	\$714,565
London South	\$618,500	\$676,638
Middlesex Centre	\$822,500	\$1,116,615
St. Thomas	\$550,700	\$533,451
Strathroy-Caradoc	\$809,900	\$634,450
LSTAR	\$617,300	\$639,486

The HPI benchmark price reflects the value of a "typical home" as assigned by buyers in a certain area based on various housing attributes, while the average sales price is calculated by adding all the sale prices for homes sold and dividing that total by the number of homes sold. The HPI benchmark price is helpful to gauge trends over time since averages may fluctuate by changes in the mix of sales activity from one month to the next.

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The following table displays January's benchmark prices for all housing types within LSTAR's jurisdiction and shows how they compare with those recorded in the previous month and three months ago.

Comparing the MLS® Home Price Index Benchmark Prices from January 2025 to December 2024, we see the following changes:

- **LSTAR Composite:** Increased from \$609,900 to \$617,300, a rise of 1.2%.
- **LSTAR Single-Family:** Increased from \$655,300 to \$665,000, a rise of 1.5%.
- **LSTAR One Storey:** Increased from \$588,000 to \$598,200, a rise of 1.7%.
- **LSTAR Two Storey:** Increased from \$710,500 to \$720,300, a rise of 1.0%.
- **LSTAR Townhouse:** Decreased slightly from \$495,000 to \$492,200, a drop of 0.6%.
- **LSTAR Apartment:** Remained stable at \$410,900, with no change from December 2024

These figures indicate a general upward trend in home prices across most property types, as we entered the new year.

MLS® HOME PRICE INDEX BENCHMARK PRICES			
Benchmark Type	January 2025	Change over December 2024	Change over November 2024
LSTAR Composite	\$617,300	1.2%	1.4%
LSTAR Single-Family	\$665,000	1.5%	1.5%
LSTAR One Storey	\$598,200	1.7%	2.4%
LSTAR Two Storey	\$720,300	1.0%	1.0%
LSTAR Townhouse	\$492,200	-0.6%	1.0%
LSTAR Apartment	\$410,900	0.0%	-0.3%

The table below shows the most recent HPI benchmark prices, as provided by CREA.

AREA	MLS® HOME PRICE INDEX BENCHMARK PRICE - JANUARY 2025
Oakville-Milton	\$1,257,800
Greater Vancouver	\$1,173,000
Greater Toronto	\$1,070,100
Mississauga	\$1,046,600
Fraser Valley	\$964,800
Victoria	\$870,100
Hamilton-Burlington	\$819,500
Guelph & District	\$812,500
Barrie & District	\$782,600
Cambridge	\$747,300
Kitchener-Waterloo	\$730,000
Brantford Region	\$679,500
Woodstock-Ingersoll	\$653,600
Ottawa	\$649,900
Niagara Region	\$637,100
London St. Thomas	\$617,300
Huron-Perth	\$589,800
Calgary	\$573,100
Halifax-Dartmouth	\$550,500

Montreal	\$549,900
Edmonton	\$412,200
Saskatoon	\$403,400
St. John's NL	\$367,600
Winnipeg	\$363,200
CANADA	\$709,200

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According to a recent study¹ by Altus Group, an average housing transaction in Ontario generated an average of \$88,966 in spin-off spending per transaction from 2020 to 2022. These expenses include legal fees, appraisers, moving costs, new appliances, and home renovation expenses.

Employment resulting from home sales is also significant, according to the Altus study. Resale housing activity created an estimated 106,565 jobs annually in Ontario from 2020 to 2022. Jobs include manufacturing, construction, finance and insurance.

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. As one of Canada's largest real estate associations, LSTAR serves and represents over 2,300 REALTORS® who are working in Middlesex and Elgin Counties, a trading area of more than 500,000 residents. LSTAR adheres to a Quality of Life philosophy, supporting growth that fosters economic vitality and is a proud participant in the REALTORS Care Foundation's Every REALTOR™ Campaign. LSTAR provides housing opportunities, respects the environment, and builds good communities and safe neighbourhoods.

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¹ **Economic Benefits Generated by Home Sales and Purchases Over MLS® Systems in Canada**, Altus Group, 2023