

LEGEND:  # of Sales |  Average Sale Price |  Cumulative Days on Market

2021

NIAGARA MARKET REPORT



ST. CATHARINES		
2021		% change
2,553 Sold		+15%
\$642,000		+29%
17		-43%

NOTL		
2021		% change
488 Sold		+7%
\$1,141,000		+18%
53		-42%

NIAGARA FALLS		
2021		% change
1,911 Sold		+18%
\$665,000		+29%
21		-49%

THOROLD		
2021		% change
609 Sold		+14%
\$653,000		+30%
22		-56%

FONTHILL		
2021		% change
371 Sold		-1%
\$921,000		+22%
24		-60%

LINCOLN		
2021		% change
495 Sold		+16%
\$839,000		+28%
18		-44%

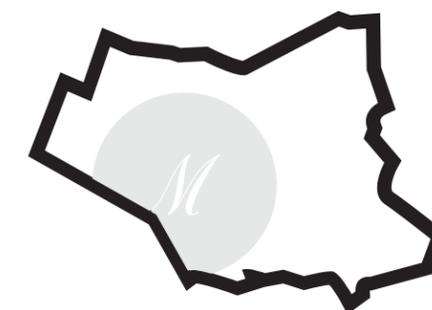
GRIMSBY		
2021		% change
718 Sold		+14%
\$866,000		+28%
13		-55%

WELLAND		
2021		% change
1,209 Sold		+17%
\$590,000		+31%
15		-56%

PORT COLBOURNE / WAINFLEET		
2021		% change
515 Sold		+14%
\$648,000		+28%
19		-66%

FORT ERIE		
2021		% change
967 Sold		+16%
\$688,000		+31%
31		-54%

THE NIAGARA REGION



2021		% change
10,049 Sold		+15%
\$709,000		+28%
21		-51%

*According to MLS(r) data for residential real estate.

*CDOM represents the cumulative days on market for a property, taking into account previous days on market for a property that is cancelled and re-listed.



2021 ANNUAL REPORT NIAGARA REGION

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

A Year Like No Other

The first line of last year's report: "It is tough to find words to describe the 2020 real estate market in Niagara". Well, here we are again, trying to make sense of a year that produced data and market conditions unlike anything we've seen.

January & February - the number of sales surpassed all previous records and quickly got everyone's attention.

March thru June - sales absolutely smashed previous records, reaching levels we may not see again. As an example, there were 1,149 sales in March 2021. The incredible market of March 2017 (now 2nd place) had a mere 886 sales.

July & August - after COVID restrictions were eased, the general population turned their attention to everything but real estate. As a result, sales pulled back to resemble more normal levels.

September thru December - each month saw the imbalance of supply & demand compound as new listing inventory (supply) simply could not keep pace with the record number of sales (demand). The result was increased escalation in pricing.

To summarize, the back half of 2020 and the first half of 2021 produced an absolutely jaw dropping number of sales. While the last half of 2021 was very strong, stay tuned for 2022 as that level of intensity can only last for so long.

Supply & Demand Crunch

There was plenty of talk about a lack of supply. "There simply aren't enough listings!" Yes, that's true, but there was more to that story. The reality is that the supply of new listings wasn't exactly terrible. In fact, compared to the 10-year average, the number of new listings was actually 7% higher than normal. Meanwhile, the number of sales were 34% higher than normal. So yes, historic demand was the impetus behind the market conditions.

Average Sale Price Trends

When demand continuously outpaces supply, prices typically go in one direction which is up. And up they went. The average price of a home in 2020 was \$555,000. That average was \$709,000 in 2021, a 28% increase which makes 2021 a record setter in terms of average sale price increase for any year on record. Perhaps more alarming is the trend only intensified toward the end of 2021. The average sale price for the last 3 months of 2021 was \$754,000, the result of that ramped up supply & demand imbalance.

A Trend to Watch

Buyer demand. If demand returns towards normal, we'll have a market resembling normal, at least in terms of general conditions. As we type this, there are rumours afoot about the government introducing new restrictions or rules in an effort to slow that demand down, so it is definitely the factor to watch. At least among all of the others.

Our Suggestion?

As always, make sure the real estate data that you're consuming is local, accurate and relevant. In a market that seemingly changes shape every few months, the role of an informed and skilled Realtor is more important than ever.

*If we can help, please do not
hesitate to contact us.*

We'd love to hear from you!

MCGARR REALTY CORP.

ALL RESIDENTIAL		
2021		% change
10,049 Sold		+15%
\$709,000		+28%
21		-51%

DETACHED		
2021		% change
7,697 Sold		+14%
\$747,000		+28%
21		-52%

\$1 MILLION & UP		
2021		% change
1,175 Sold		+169%
\$1,416,000		-1%
41		-62%

CONDO APARTMENTS		
2021		% change
545 Sold		+33%
\$465,000		+25%
28		-30%

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2021 ANNUAL REPORT ST.CATHARINES

Average Sale Price Trends

After the banner years of 2016 and 2017, things settled down a little bit in 2018 and 2019 to resemble some kind of normal. 2020 started strong but then was walloped by COVID in March. Surely prices were going to pull back! To the contrary, from the summer of 2020, prices began a sustained ascent unlike anything we've seen. 2020 ended the year with an average sale price of \$496,000, good for a 15.7% increase. Through 2021, we saw a steady increase in overall activity which drove prices up 29% for the year to \$642,000, an all-time record increase in prices.

Note: There is one thing you're going to read across virtually all of the cities in Niagara. Average sale price % increases in 2021 set all-time records, with 2nd place years now a spec in the rear-view mirror.

Number of Homes Sold

Due to the onset of COVID, 2020 was a roller-coaster in terms of overall sales. Case in point, the 1st half of 2020 produced the second lowest number of sales in the last decade while the 2nd half of 2020 produced the highest number all-time.

That volatility changed to almost relentless buyer demand here in 2021, making 2021 the new record holder in number of sales with 2,553 homes sold, just edging out the huge market of 2016. Similar to the rest of Niagara, that sales demand outpaced a lacklustre supply of new listings. In fact, compared to the 10-year average, the number of new listings were 1% less than average while the number of sales were 20% above. Not a huge disparity but enough to produce a very competitive market.

Days on Market

Days on the Market (DOM) is simply the average number of days it takes to sell a house. If a home is listed a few times for a total of 42 days, then it's DOM number is 42. For DOM, St. Catharines has been a case in symmetry the last 6 years. The 2016 average was 17 days. After a climb up to 46 days in 2019, we saw a return back to 'very quick' in 2021 which matched 2016 with 17 days on average to sell a home.

Affordability

Affordability and buyer frustration continue to be a reality as this market has left a lot of people priced out of home ownership. And the data shows it. For example, homes sold under \$400,000 accounted for 83.8% of all sales in 2016. In 2020, they accounted for 32%. In 2021, they were reduced to 9.6% of all sales.

A Trend to Watch

Supply. And demand. But supply. As noted, the number of new listings in 2021 was actually 1% lower than normal. And it was the 2nd lowest in the last 5 years. So, while we can expect buyer demand to continue its push (at least for the next 4 - 6 months), the number of homes listed will be critical to the big picture.

If you are interested in taking a deeper look into the St.Catharines real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL		
2021		% change
2,553 Sold		+15%
\$642,000		+29%
17		-43%

DETACHED		
2021		% change
1,874 Sold		+15%
\$683,000		+30%
16		-43%

BUNGALOW TOWNHOMES		
2021		% change
73 Sold		-26%
\$678,000		+16%
28		-50%

CONDO APARTMENTS		
2021		% change
212 Sold		+45%
\$425,000		+31%
23		-28%

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2021 ANNUAL REPORT

NIAGARA ON THE LAKE

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

Number of Homes Sold

By all accounts, 2020 was a huge year in Niagara-on-the-Lake. After the impact of COVID relaxed a bit that summer, the buyer demand returned and continued into and throughout 2021. In fact, 2020 is now 2nd with 454 sales behind 1st place 2021 which logged 488 sales, the highest annual total on record.

It is worth noting however that similar to the Niagara Region in general, the strongest sales activity happened through the end of 2020 into the first half of 2021. While still strong, the last half of 2021 started to resemble more 'normal' numbers. The demand and overall activity of sales will be worth watching here in 2022.

A Town of Many Parts

To use the logical analogy, Niagara-on-the-Lake is like wine. There isn't just one type. So, summarizing NOTL as one homogenous town can paint an unrealistic picture. For example, sale prices can range widely between Virgil, St. Davids, Queenston, Old Town and the rural areas. Sales growth remained consistent across all areas however whether it was a new home, townhome, large rural property or grand home in Old Town.

Average Sale Price

As mentioned, with such geography in NOTL, sales prices vary depending on where you're looking. That said, would you believe that until 2021, there were only 4 months in history with an average sale price over \$1 million? That all goes to show how incredible 2021 was, which saw the average sale price every month top \$1 million. As well, 2021 was the first year with an average annual sale price of over \$1 million, coming in at \$1,141,000 for the year across the entire town.

With any statistic, it's important to look at the bigger picture and the reality is that after a bump in prices into 2017, sale prices values stuck around the \$800,000 mark until growth started again in 2020.

A New Normal

Niagara-on-the-Lake has always been associated with being the highest price point in Niagara, but that end of the market has certainly gained serious traction in the last few years. In fact, the million plus market reached 50% of all sales in 2021 in NOTL.

The number of sales over \$1 million went from 69 in 2017 to 142 in 2020 to 242 in 2021. That is an increase of 19% of all sales in 2017 to 50% of all sales in 2021.

A Trend to Watch

After 2 incredible years, it will be interesting to watch where buyer demand goes in 2021. As mentioned, while still strong, the number of monthly sales in NOTL started to come back to earth towards the end of last year. Does the town have another year of 450-500 sales in it? How much turnover can happen in a town with segmented and limited inventory? We shall see.

If you are interested in taking a deeper look into the Niagara on the Lake real estate market or a specific property, please feel free to reach out anytime.

ALL RESIDENTIAL

2021		% change
488 Sold		+7%
\$1,141,000		+18%
53		-42%

DETACHED

2021		% change
378 Sold		+6%
\$1,212,000		+17%
58		-40%

VIRGIL & GARRISON (DETACHED)

2021		% change
56 Sold		-22%
\$972,000		+26%
43		-34%

OLD TOWN

2021		% change
101 Sold		+15%
\$1,492,000		+5%
54		-58%

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2021 ANNUAL REPORT NIAGARA FALLS

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

Supply Issues

Imagine an upside-down checkmark. That is a fair visual representation of the supply of new listings in Niagara Falls for 2021. Compared to the average over the last decade, January started out slow at 29% below the average. The comeback started as February and March were up 11% and 48%(!) respectively. Then the decline began which saw 7 consecutive months in negative territory, with some months 20-25% below average. That set up a market which strained under the weight of relentless demand.

Number of Homes Sold

After recovering from the direct hit of COVID in early 2020 which essentially put everything in life on hold, the year 2020 went on to produce the 2nd highest total number of sales on record. Still incredible to ponder that thought. That said, 2021 came along and beat 2020 by nearly 200 sales easily taking over 2nd place. Yes, still behind the epic 2016 which is still the only year in the history of Niagara Falls real estate to top 2,000 sales.

An example of where the lack of supply of new listings met head on with increased demand at the end of 2021 was October and November where supply of new listings was down by 11% and 15% respectively while the demand or number of sales were up by 24% and 15%. Similar to everywhere else in Niagara (and beyond) is these dynamics lead to escalating sale prices.

Days to Sell

If the supply of new listings resembled an upside-down checkmark, the time it took to sell a home over the last 5 years resembled an anthill. After 2 relatively quick years in 2016 and 2017 (25 days or so), the time it took to sell a home grew 51 in the slower market of 2019. It will come as no surprise that the 2020 market was quicker and the 2021 even quicker. The time it took to sell a home in 2021 was the fastest in modern times at only 21 days on average.

A Trend to Watch

Similar to other area of the region, while the first half of 2021 set monthly sales records (# of sales), the second half showed a definite trend towards normal. Up until June, each month set records for monthly sales however from July through December, the monthly sales data was somewhere between the records set in the second half of 2020 and what could be considered normal volume.

No one is anticipating the first half of 2022 to replicate the first half of 2021, but we still expect to see elevated levels of buyer demand. Unless that new listing inventory picks up its pace, we'll continue to see a competitive market with multiple offers and further price growth.

If you are interested in taking a deeper look into the Niagara Falls real estate market or a specific property, please feel free to reach out anytime.

ALL RESIDENTIAL

2021		% change
1,911 Sold		+18%
\$665,000		+29%
21		-49%

DETACHED

2021		% change
1,496 Sold		+17%
\$700,000		+29%
19		-54%

NEWER THAN 5 YEARS

2021		% change
292 Sold		+15%
\$784,000		+19%
35		-50%

\$1 MILLION & UP

2021		% change
133 Sold		+202%
\$1,314,000		+5%
38		-56%

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2021 ANNUAL REPORT THOROLD

Getting Bigger

Making sense of the market data in Thorold is getting a bit trickier as it grows geographically. Thorold includes the downtown area, Confederation Heights (new and older), Thorold South, Allanburg, Port Robinson and now the new home areas down near Merritt Street heading into Welland among others.

As a result, when looking at the average sale price or number of homes sold data for Thorold, you will have to drill down to get a better idea of a specific area. The addition of new areas and new homes is behind the reason why we've seen the number of homes sold in Thorold nearly double since 2018.

Number of Homes Sold

Not unlike the rest of Niagara, Thorold had a record setting year in this category. 2020 had set an all-time record with 533 sales until 2021 came along and topped it by 14% for a total of 609 sales. As mentioned, 609 sales in 2021 is nearly double the total of 320 back only 3 years ago in 2018.

It's interesting to note that even though there was continuous growth in sales the last 3 years, the number of available listings was nearly flat. While there was between 699 - 708 new listings per year, sales grew from 419 in 2019 to 534 in 2020 to 609 in 2021. That supply and demand ratio led to average sale prices increasing by 50% in 2 years.

Average Sale Prices

As mentioned above, there are several distinct areas to look at as well as the impact of new construction.

It's important to note that not all 'new' construction is in our data as builders may have a few homes, no homes or all the homes of a specific development on Realtor.ca.

That being said, the average sale price across the board for Thorold was \$653,000 in 2021. Of the 609 sales last year, 45 of them were categorized as 'new homes' and they had an average sale price of \$738,000. Taking new construction out of the data and the average sale price was \$646,000.

Overall, 'newer' real estate (up to 5 years old) did very well in 2021 as well with those properties selling for an average of \$760,000. The increase of nearly \$200,000 over 2020 is largely tied to the increased volume and turnover of newer real estate, quite often sold by investors.

A Trend to Watch

Similar to 2021, this one is a combo pack yet again here in 2022. Investor demand (both local and out-of-market), supply of new listing inventory and new construction will all combine to determine the market for Thorold (and much of Niagara).

The demand in the first half of 2021 was running at full speed however we've seen that ease somewhat with monthly sales numbers resembling normal volume. If new listing inventory improves while that demand trend continues, we could see a return to a more reasonable market.

If you are interested in taking a deeper look into the Thorold real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL

2021		% change
609 Sold		+14%
\$653,000		+30%
22		-56%

DETACHED

2021		% change
429 Sold		+18%
\$677,000		+29%
18		-67%

NEWER THAN 5 YEARS

2021		% change
191 Sold		-2%
\$760,000		+37%
36		-57%

DOWNTOWN

2021		% change
189 Sold		+32%
\$553,000		+33%
15		-38%

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2021 ANNUAL REPORT FONTHILL

New Home Construction

The supply of new homes in Fonthill has definitely been a driver in the overall real estate picture. Take a drive through town and you'll see you a transformation is clearly underway. There are detached homes, townhomes and condo apartments newly built, under construction or on the books to be built throughout the area.

While some think new home sales drive up average sale prices, in Fonthill that is not the case where the average price of a home categorized as 'new' is actually lower than the town average. As mentioned in other reports, not all new construction homes are in the Realtor.ca data so it is tough to put a huge amount of weight on the impact.

Average Sale Prices

The perennial 2nd place finisher behind Niagara-on-the-Lake in terms of average sale price, Fonthill posted a very strong 2021 with the average price coming in at \$919,000. That is up 22% over 2020 and up an astonishing 68% in 5 years. Even looking back 2 years ago, the average sale price grew from \$630,000 in 2019 to \$919,000 in 2021. What is possibly even more surprising is the growth of the market over \$1 million. In just 4 years, the number of homes sold over \$1 million grew by 10x from 9 in 2018 to 109 in 2021. Looking at it another way, the \$1 million plus market went from 4% of all sales in 2018 to nearly 1/3 of all sales in 2021.

Breaking It Down A Bit

As we all know, one of the impacts of COVID was a historic shuffling of the deck as people moved in all directions for all reasons. While the typical buyer in Fonthill used to largely be the down-sizer, that has widened to all segments of the buyer market. As a result, the importance of the bungalow was less important as homes of all shapes and sizes became highly desirable.

For example, looking at detached 2 storey homes, they represented nearly 1/3 of all sales and had an average sale price of \$1,083,000. That is up from \$684,000 in 2018. Meanwhile, there were 70 townhome sales that sold for an average of \$707,000. As previously mentioned, since Fonthill is so varied, drilling down the data is necessary to get a better handle on a particular property.

Market Imbalance

Looking at the last 2 years, there has been a remarkable change in the ratio of supply and demand. In general, the supply of new listings has decreased while the number of homes sold has increased. For example, in 2018, there were 522 new listings with 273 homes sold. Fast forward to 2021, Fonthill had 456 new listings with 371 sales. That is a market that is significantly tighter resulting in reduced supply, reduced time to sell and increasing prices.

A Trend to Watch

Similar to the rest of the region, supply vs demand will be the variable to watch. Will the demand ease back or continue at pace? That combined with supply levels and any impact that the arrival of new construction units have will be crucial factors to consider.

If you are interested in taking a deeper look into the Fonthill real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL		
2021		% change
371 Sold		-1%
\$921,000		+22%
24		-60%

DETACHED		
2021		% change
280 Sold		-13%
\$1,006,000		+27%
25		-60%

NEWER THAN 5 YEARS		
2021		% change
105 Sold		+5%
\$957,000		+20%
24		-66%

\$1 MILLION & UP		
2021		% change
103 Sold		+110%
\$1,372,000		+4%
41		-66%

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2021 ANNUAL REPORT

LINCOLN (JORDAN VINELAND & BEAMSVILLE)

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

Geography to Consider

There are several cities in Niagara that have diverse geography and Lincoln is definitely one of them. Lincoln is a combo pack of Jordan Village, Beamsville, Vineland and the rural countryside. As a result, similar to Niagara-on-the-Lake, the data for all of Lincoln should always have an asterisk beside it. If you're looking to get better info on your specific home or neighbourhood, it will require some further drilling down.

Supply & Demand

Is it a lack of new listings or is it too many buyers for the available inventory? That is the question often asked and like the rest of the Region, it is a combo pack. But make no mistake, the demand for homes in Lincoln is at an all-time high and that is the key point to watch rather than a perceived lack of inventory. In fact, when looking at the last 10 years, 2021 had the 2nd highest number of new listings and the 2nd highest number of sales. So overall, it was simply an elevated market

Two Distinct Halves

2020 was a year split in half, largely due to the initial arrival of COVID in March. The result was a very unique year in terms of overall market data with the first half being extremely quiet while the second half ran at a torrid pace. And that torrid pace carried through into the first half of 2021 which produced one record breaking month after another.

In keeping with the title of this section. 2021, similar to 2020, was a year with fairly distinct halves as well. In fact, the overall sale activity in the second half of 2021 returned back to earth starting in July with each month posting very 'average' numbers.

Average Sale Price

In a market like Lincoln where there isn't a significant level of inventory or sales in a given year, it's tough putting too much weight into monthly data. That being said, it was clear in January of 2021 that the average price of a home in the area was now at a new level. After bouncing around in the \$500 - \$700,000 range in 2020, the average price of a home got up and over \$800,000 very quickly in 2021.

As we mentioned both in this report and all other municipalities, the prolonged and intense buyer demand led to prices pushing even higher in the second half of the year where it actually averaged nearly \$960,000 for the 4 months ending 2021. That is a far cry from the average price 5 years ago which came in at \$495,000.

A Trend to Watch

The level of buyer demand showed a definitive return towards something resembling normal over the last 6 months of the year. It will be interesting to watch if that is simply a symptom of COVID and the ebb and flow of lockdowns or is it a sign that new trends are taking hold. Watching the level of sales through the first 3 months of 2022 will be a good indicator of what's to come.

Just keep in mind that a town that only produces 30 - 40 sales per month can produce monthly data that moves in various directions. Similar to Niagara-on-the-Lake and Fonthill, it's important to look at longer trends as well.

If you are interested in taking a deeper look into the Lincoln real estate market or a specific property, please feel free to reach out anytime.

ALL RESIDENTIAL

2021		% change
495 Sold		+16%
\$839,000		+28%
18		-44%

DETACHED

2021		% change
278 Sold		+1%
\$998,000		+35%
19		-49%

BEAMSVILLE

2021		% change
156 Sold		-14%
\$855,000		+26%
13		-52%

VINELAND & JORDAN

2021		% change
107 Sold		+55%
\$764,000		+24%
31		-39%

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2021 ANNUAL REPORT GRIMSBY

Steady Growth

For several years up to and including 2015, Grimsby would see 400 - 500 sales per year. Then 2016 saw a modest bump up to 550 sales. Things returned back into the 450 sale range in 2017 and 2018. Then things changed and the Grimsby market took off. Sales jumped up to 574 in 2019, 631 sales in 2020 and then a record 719 sales in 2021. Like most of Niagara, that makes 2021 the all-time record holder for the annual number of homes sold in Grimsby.

The entire year of Grimsby showed strong monthly activity which is a slight change from much of Niagara which often saw a tapering in total sales numbers towards the end of the year. In fact, the 4th quarter of 2021 was the 2nd strongest in terms of sales, only behind the stellar Q4 of 2020.

Detached Homes

With the uptick in condo apartments and townhomes in Grimsby, it is increasingly important to pull apart the data in order to get a better handle on what is actually happening. For example, the average sale price across all residential real estate in 2021 was \$866,000. Looking at the average sale price for detached homes and that number jumps up to \$1,057,000.

Meanwhile, there were 137 condo apartment sales in 2021 which sold for an average of \$525,000. So, depending where you live and what type of property you own, the sale price will likely vary quite a bit from the overall average.

Average Sale Price Segments

Speaking of average sale price, Grimsby has seen incredible price growth in a relatively quick time frame. In fact, the average sale price bounced in the high \$500s from 2017

through 2019. Then 2020 jumped up by 15% to \$674,000, a big year by any measure. Along came 2021 which thanks to incredibly strong buyer growth saw the average sale price bump up a record setting 28% to \$865,000.

That 28% topped the 26% growth back in 2017 when priced went from \$471,000 in 2016 to \$592,000 in 2017. We all knew that the market was due to increase again but you'll be hard pressed to find someone who predicted a 28% increase in 2021.

Million Dollar Market

It is no secret that the market for homes over \$1 million has exploded across the Region. You need to look no further than Grimsby for evidence of that. In fact, for the decade 2011 - 2020, the total number of homes sold over \$1 million for that entire decade was 140 sales. How did 2021 do? 174. Yes, one singular year outscored the previous decade by 34 sales.

A Trend to Watch

Good ol' fashioned supply and demand. Given that the supply of new listings has largely been consistent over the last 4 years, it will come down to how many buyers are lined up to buy a particular house. As was mentioned, the demand throughout 2021 sustained itself at impressive levels. Here to start out 2022, it will be important to watch how the number of sales behave and whether that buyer demand eases at all.

If you are interested in taking a deeper look into the Lincoln real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL		
2021		% change
718 Sold		+14%
\$866,000		+28%
13		-55%

DETACHED		
2021		% change
389 Sold		+17%
\$1,057,000		+29%
13		-55%

CONDO APARTMENTS		
2021		% change
136 Sold		+28%
\$525,000		+22%
19		-54%

\$1 MILLION & UP		
2021		% change
174 Sold		+255%
\$1,368,000		-4%
16		-73%

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2021 ANNUAL REPORT WELLAND

A Powerful Market

2021 was quite the banner year for Welland. A year where the number of homes sold topped 1,200 for the first time while the number of new listings topped 1,400 for only the second time on record. How strong was demand? The number of sales were 39% higher than the average when looking back over the past decade.

The 1,209 sales in 2021 was 17% higher than 2020, now firmly in second place with 1,030 sales. The only other year that Welland topped 1,000 sales in one year was 2016 which had 1,017 sales. In fact, the average when looking back over the past decade was 868 annual sales. So yes, 2021 and 2020 were two very strong years.

Average Sale Price Trends

Similar to the rest of Niagara, Welland has had some significant price gains in recent years. Up until 2021, the previous record holder for average sale price increase was 2017 which had posted an incredible 25.9% increase. Meanwhile, 2020 was holding down 2nd place with an increase of 21.8%. Well, along came 2021 which posted an increase of 30%, coming in at \$589,000 for the year.

Affordability is an important discussion to have these days as home prices have become out of reach for many people. Even though Welland remains the lowest priced city in Niagara, it is still up an astonishing 58% in 2 years. Yes, the average price of a home in Welland went from \$373,000 to \$589,000 in 2 years.

Out-of-Market Buyers

The level of demand from out-of-market buyers has been a big driving force behind our entire market and Welland is no different. The truth is that a lot investors go 'where the deals are' and given that the dollar can often go farther in Welland, we have seen a real investor push to the city. Being the lowest priced city in the Region can prove

challenging as once word gets out, it only goes to drive up activity which ultimately pushes prices up along with it.

2021 In Two Parts

The first half of 2021 had some intense supply and demand dynamics. An example is that 4 of the first 6 months of the year had over 100 monthly sales, something which hadn't happened before. March and April were up 82% and 94% respectively when compared to the average over the past decade. 2021 was clearly off to a huge start.

That activity was a catalyst that saw the average sale prices jump from the low \$500s in the first half of 2021 to the low \$600s in the second half of the year. That momentum continued with the last 3 months of 2021 averaging \$625,000. Will 2022 be the first year with an average sale price over \$600,000? That is a fair expectation at this point.

A Trend to Watch

Still the lowest price in Niagara, watch for out-of-market buyer demand and how it maintains its intensity. If things carry on similar to the back half of 2021, it's reasonable to expect to see the average price to continue to hover at or slightly higher than \$600 here in 2022. The relationship between supply (number of new listings) and demand (number of sales) will be key.

If you are interested in taking a deeper look into the Welland real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL

2021		% change
1,209 Sold		+17%
\$590,000		+31%
15		-56%

DETACHED

2021		% change
986 Sold		+15%
\$606,000		+31%
15		-57%

NEWER THAN 5 YEARS

2021		% change
136 Sold		+4%
\$779,000		+35%
19		-74%

UNDER \$500,000

2021		% change
412 Sold		-43%
\$417,000		+10%
17		-32%

*According to MLS(r) data for residential real estate.

*CDOM represents the cumulative days on market for a property, taking into account previous days on market for a property that is cancelled and re-listed.



2021 ANNUAL REPORT

PORT COLBORNE & WAINFLEET

Sales Volume

Our 2020 report described incredible sales volume (number of homes sold). Well, here we are again talking about how 2021 just came along and topped it, this time by 15%. After 453 sales in 2020, 2021 posted 515 sales, the first time the market has ever topped 500 sales in 1 year.

If you're looking for a prime example of how much the market has changed, look no further than Port Colborne and Wainfleet over the last 2 years. 2019 posted 637 new listings along with 411 homes sold. Two years later and 2021 posted 619 new listings and 515 homes sold. So yes, new listings declined by 18 while the number of homes sold jumped by 104. That is a market that simply tightened right up.

Average Sale Price

2020 and 2021 just posted 2 of the largest annual price increases that you'll find, at least in Niagara. The average sale price in 2020 jumped up 29.2% to \$505,000 from \$391,000 in 2019. Then 2021 came along and jumped up 28% to land at \$648,000. Combine those 2 years, and the average sale price increased an eyebrow raising 65.7%.

Waterfront Impact

As with other smaller markets, a large property or unique segment of the marketplace can skew the numbers in any direction. In this area of Niagara, it can be helpful to remove waterfront sales from the data. A few high-end waterfront estate sales can skew the numbers for Port Colborne in a hurry.

For example, approximately 12% of sales in 2021 were identified as waterfront (direct or indirect views). Those 61 listings sold for an average of \$1,027,000.

Remembering that the average sale price for Port Colborne and Wainfleet was \$648,000 in 2021, taking waterfront (direct or indirect) out of the data, the average sale price drops to \$599,000. That being said, no matter how you slice it, the average sale price in this area of Niagara has absolutely exploded in the past few years.

New Listing Supply

When the demand increases, a problem arises when the inventory or supply of new listings can't keep up and that was essentially the recipe for 2021. Of note was the end of the year where the number of new listings was only slightly higher than the number of sales. When demand meets or exceeds supply, the result is a quicker market (low days on market), multiple offers and escalating prices. As well, it results in happy sellers and frustrated buyers

A Trend to Watch

Out-of-market buyer demand. With the beautiful beaches and lifestyle that goes along with it, there is an increasing awareness of south Niagara which has only led to increased traffic and attention. How that demand continues will be the factor to watch. With fairly consistent supply (new listing inventory) over the last several years, the only variable that will have rapid impact will be lessening buyer demand. The monthly and quarterly reports here in 2022 will be important to watch

If you are interested in taking a deeper look into the Port Colborne/Wainfleet real estate market or a specific property, please feel free to reach out anytime.

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

ALL RESIDENTIAL

2021		% change
515 Sold		+14%
\$648,000		+28%
19		-66%

TOWN CENTRE (NO WATERFRONT)

2021		% change
297 Sold		+7%
\$497,000		+23%
16		-60%

DIRECT WATERFRONT

2021		% change
50 Sold		+9%
\$1,142,000		+19%
31		-61%

2+ ACRE PROPERTIES

2021		% change
40 Sold		+25%
\$967,000		+36%
29		-65%

**According to MLS(r) data for residential real estate.*

**CDOM represents the cumulative days on market for a property, taking into account previous days on market for a property that is cancelled and re-listed.*



2021 ANNUAL REPORT FORT ERIE

LEGEND: # of Sales | Average Sale Price | Cumulative Days on Market

Changing Sales Numbers

Aside from the 2016 market which had 827 sales, all years between 2010 and 2019 averaged approximately 650 sales per year. That is until 2020 and 2021 came along. 2020 was the record holder with 836 sales until the 2021 market posted 967 sales. In 2 years, the number of homes sold in Fort Erie went from 667 in 2019 to 967 in 2021, an increase of 45%.

Days on the Market

We often hear from people that the market is quiet or there aren't a lot of homes for sale. The truth is that the overall listing activity hasn't been that much different. What is different is the speed of the market. In 3 years, the average days to sell a home went from 85 in 2019 to 68 in 2020 to just 31 in 2021. It's worth noting that the epic market of 2016 averaged 36 days to sell which further cements how powerful the 2021 market was.

New Construction Influence

As we have mentioned in previous reports, new construction will be a major factor in the Fort Erie real estate market for years to come. As the development of land progresses along, new listing inventory will only increase options for buyers. This will affect both the average sale prices, sales volume and selection for the buyers who are looking for newer product.

As mentioned above, 2021 is edging up on having 1,000 annual sales which is happening through a combination of strong buyer demand and increasing new home inventory. Not all new homes are listed on Realtor.ca, however approximately 6% of the sales in 2021 were labelled 'new'. Those homes sold for an average of \$831,00.

Average Sale Prices

If the average sale price of new homes was \$831,000 in 2021, what kind of impact did that have on the overall data? The average price of a home with the new listings out of the data was \$658,000 in 2021 which was only \$10,000 less than the average for all residential real estate. The average of \$668,000 was up 31% over 2020 which ties Fort Erie with a few other municipalities for the largest annual price gain on record.

2021 was a year with 2 halves in Fort Erie as well. Look no further than the average sale price for evidence of that. The first half of the year averaged from the high \$500s to the \$650,000 range while the second half ramped up to average in the \$700s with the last 5 months of the year averaging \$720,000. So, yes, the average for the year was \$668,000 however the trend line is still escalating.

A Trend to Watch

It all comes down to buyer demand. With sales bouncing up from 667 to 967 in 2 years, the number of new listings can't be expected to compensate. In fact, while the number of sales increased by 300 in 2 years, the number of new listings increased by 118. Looking back over the past decade and the number of monthly new listings has only ranged between 1,050 and 1,300. Meanwhile annual sales have grown from 529 to 967. That is a recipe for a tightening market and increasing prices.

If you are interested in taking a deeper look into the Fort Erie real estate market or a specific property, please feel free to reach out anytime.

ALL RESIDENTIAL

2021		% change
967 Sold		+16%
\$668,000		+31%
31		-54%

DIRECT WATERFRONT

2021		% change
77 Sold		+28%
\$1,358,000		+24%
52		-61%

NEWER THAN 5 YEARS

2021		% change
132 Sold		-15%
\$798,000		+36%
49		-60%

CRYSTAL BEACH, STEVENSVILLE & RIDGEWAY

2021		% change
388 Sold		+12%
\$688,000		+31%
30		-54%

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