



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.

