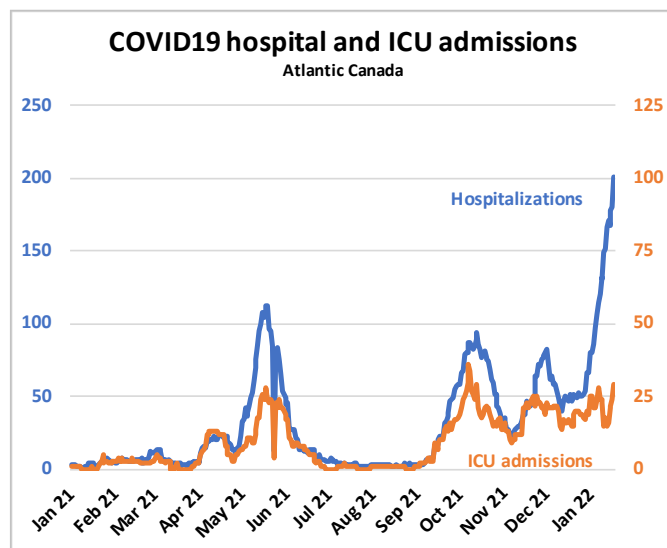
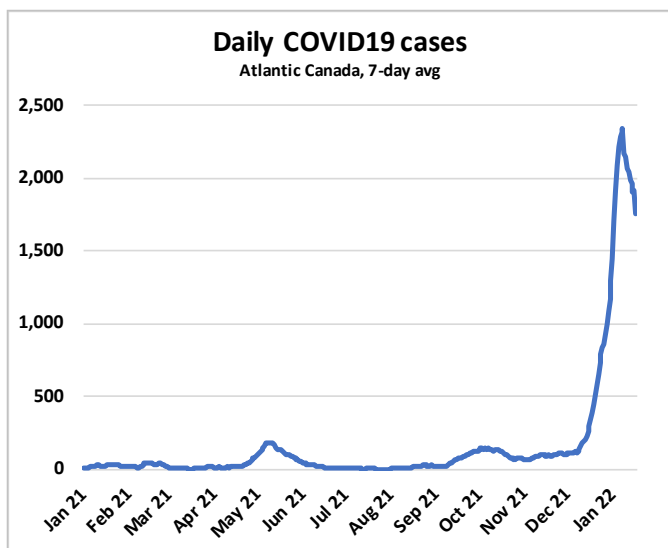




Housing and Mortgage Market Review

Home Sales Remain Strong, Bolstered by High Inter-Provincial Migration

COVID-19 cases across Atlantic Canada have fallen sharply in recent weeks, though it's difficult to make definitive conclusion due to the shortage of PCR tests. Hospitalizations have hit record highs, but ICU admissions have not followed in lock-step. Still, COVID-related restrictions will remain in place for a while longer, and that will likely weigh modestly on economic growth this quarter.



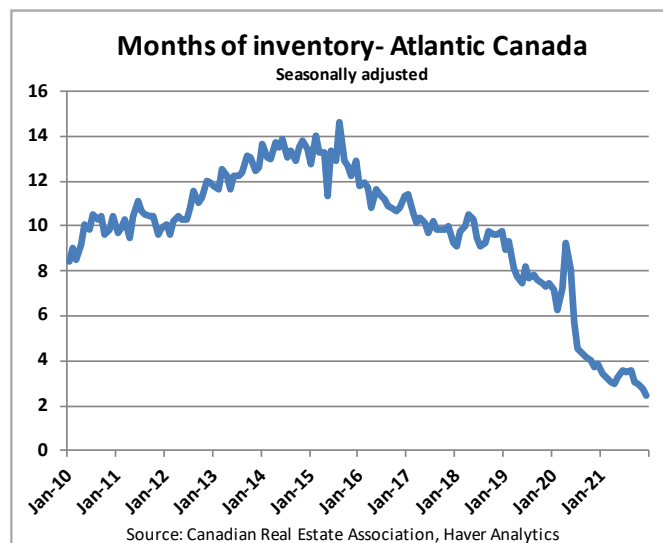
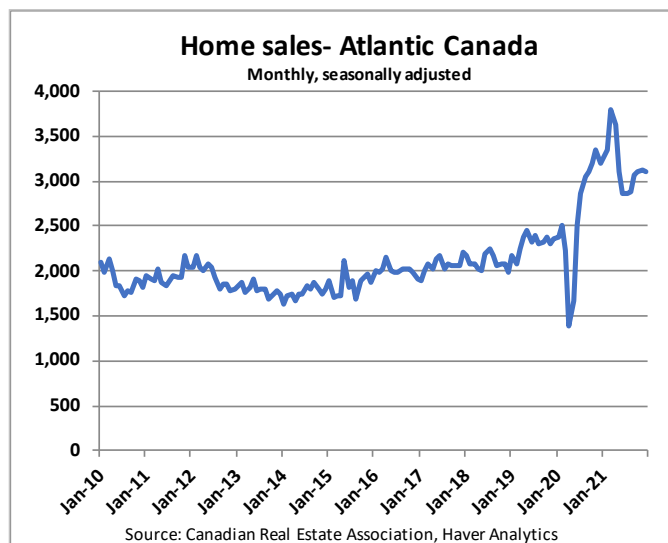


Housing and Mortgage Market Review

Atlantic Canada

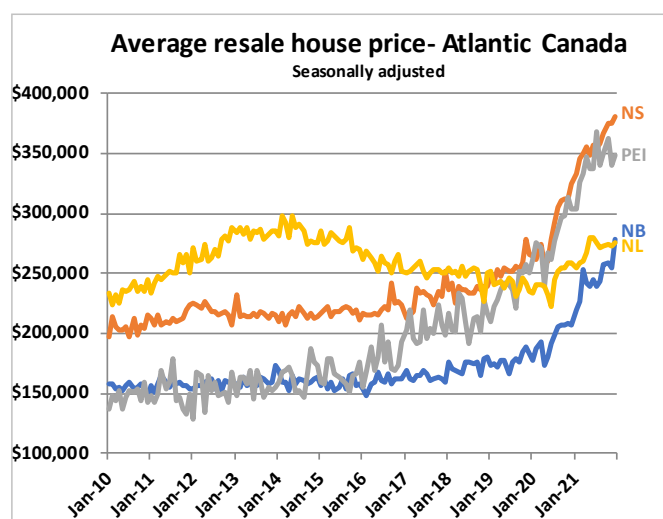
Home Sales

Home sales across Atlantic Canada have slowed from the peak in early 2021 but remain exceptionally strong relative to decade norms. Sales are currently running at 25% above pre-pandemic levels on a seasonally adjusted basis. At the same time, active listings are a whopping 37% lower than last year at this time and 66% below pre-pandemic levels. This is leading to a strong imbalance in supply and demand, as seen in months of inventory, which has fallen to just 2.4, a record low by a wide margin.



House prices are surging across all provinces in Atlantic Canada, led by a 34.6% year-over-year increase in New Brunswick in the fourth quarter. Nova Scotia saw price gains at 17.2%, while PEI registered a 14.6% gain and Newfoundland saw more modest gains of 6.6% year-over-year.

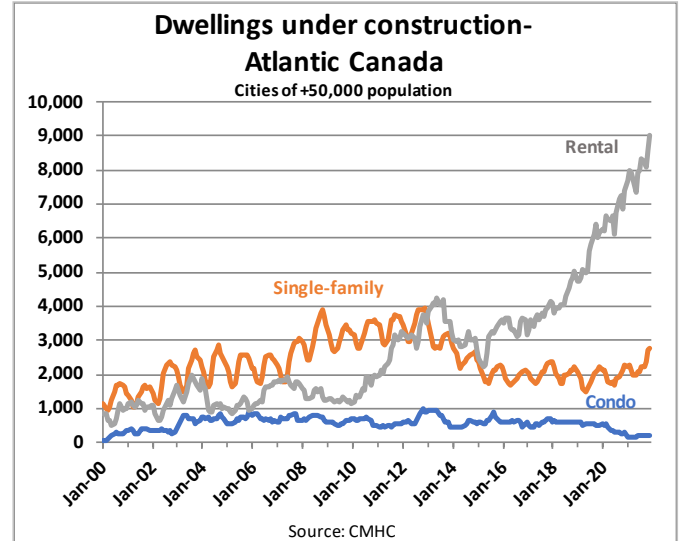
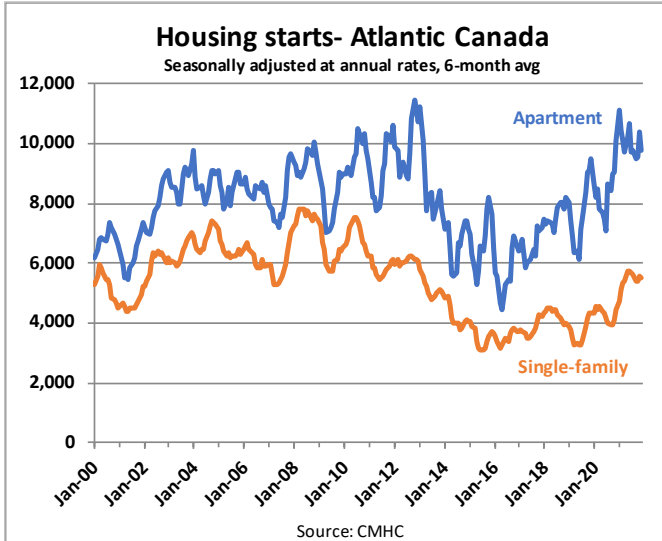
In terms of new supply in the pipeline, single-family housing starts have risen sharply in recent months but remain below levels seen from 2000-2014 in spite of much stronger population growth.



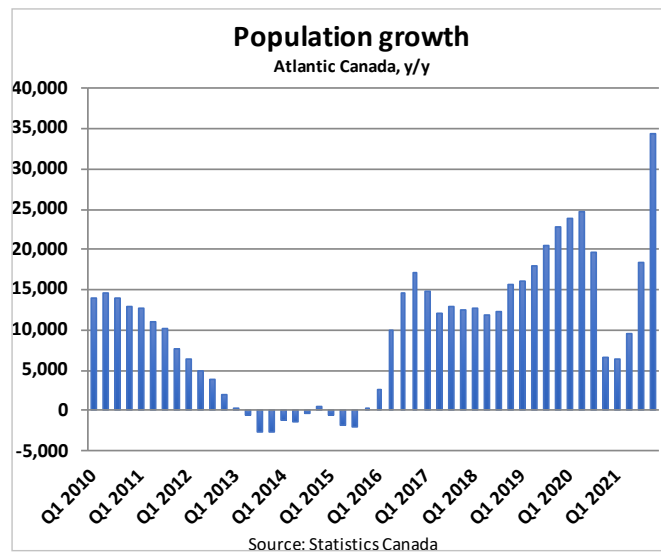


Housing and Mortgage Market Review

Atlantic Canada



Population growth across Atlantic Canada hit the highest level in at least 50 years in Q4, bolstered by immigration and very strong interprovincial flows, notably out of Ontario.



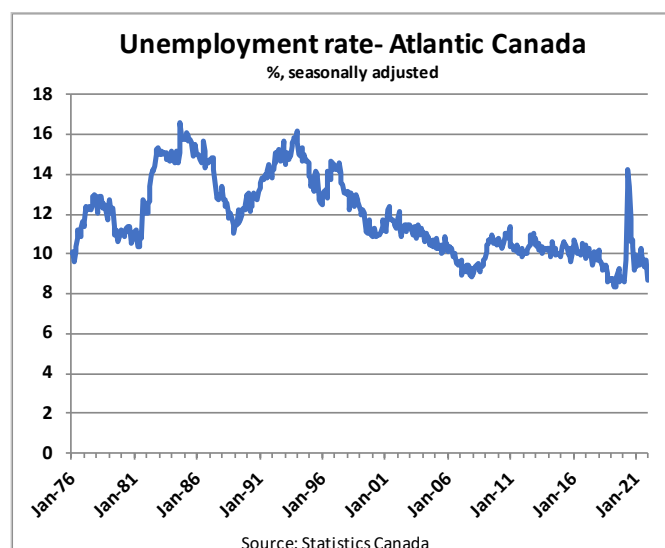
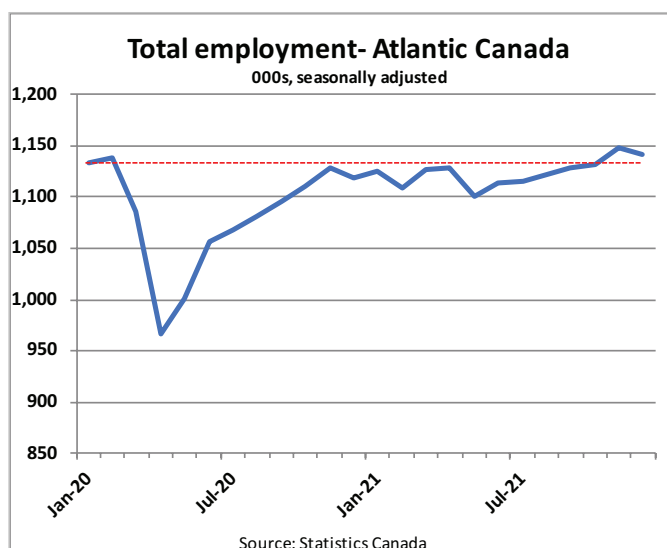


Housing and Mortgage Market Review

Atlantic Canada

Job market has fully recovered

Atlantic Canada has fully recovered all jobs lost during the 2020 recession, while the unemployment rate has fallen to 8.6%. That's substantially higher than the national average of 5.9%, but it's nevertheless one of the lowest readings on record.



What it all means: Atlantic Canada is seeing very strong population growth right now, driven in part by an exodus out of Ontario where many buyers are finding themselves priced out. It will be interesting to see whether the “work from home” phenomenon and sky-high house prices in other provinces will lead to structural change in demand. Either way, with supply so low and demand currently at elevated levels, the stage looks set for a very strong spring selling season.

**Any forecasts/projects contained in this report are accurate as of the date indicated.*

Ben Rabidoux is the founder of Edge Realty Analytics (www.edgeanalytics.ca), which equips top real estate and mortgage professionals with timely research and insightful marketing infographics to help them stand apart from the competition and stay engaged with their clients and prospects.

He is also the founder and president of North Cove Advisors, a market research firm serving institutional and high net worth clients since 2013 that is consistently ranked top 5 for Canadian economic coverage by Brendan Wood International.

He is a frequent guest and contributor in major media outlets, including Bloomberg, The Wall Street Journal, Reuters, The Globe and Mail, The Toronto Star, Macleans, and many others.



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