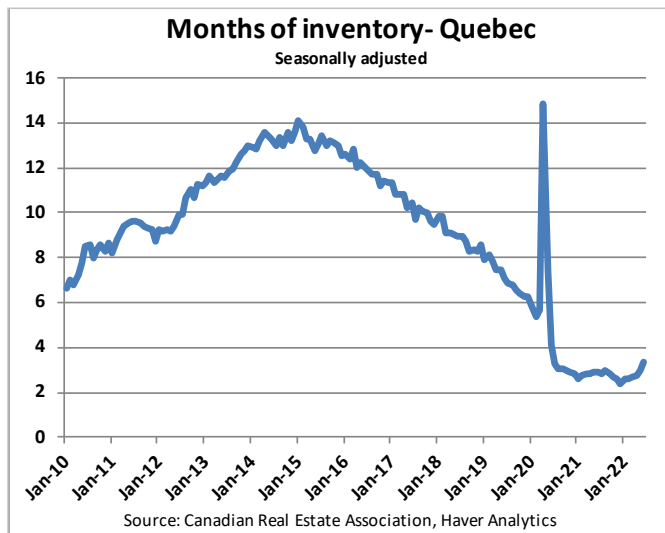
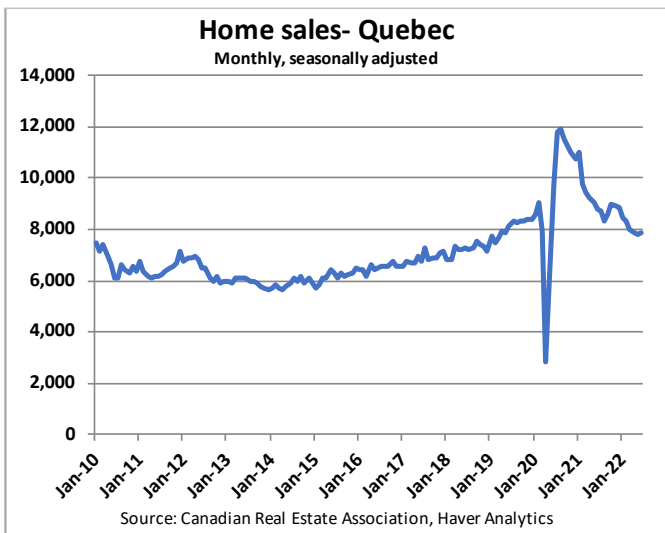




Housing and Mortgage Market Review

Home sales slip and labour market starting to soften

Seasonally adjusted home sales fell 4.6% in Q2 relative to the prior quarter, but they remain well above average levels over the past decade.



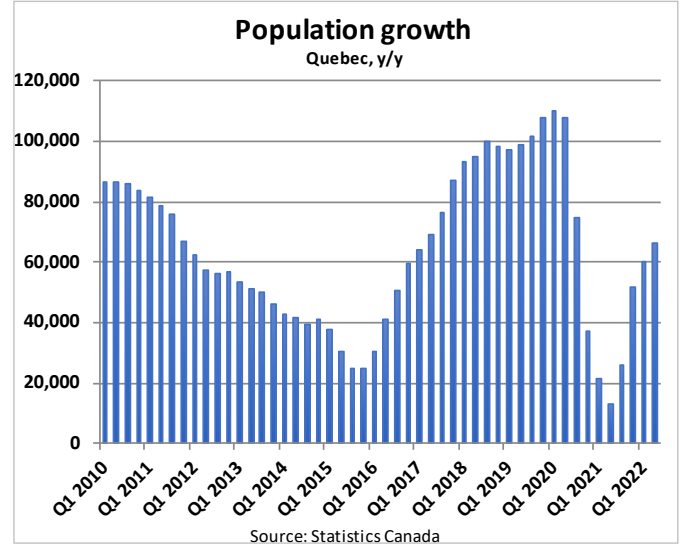
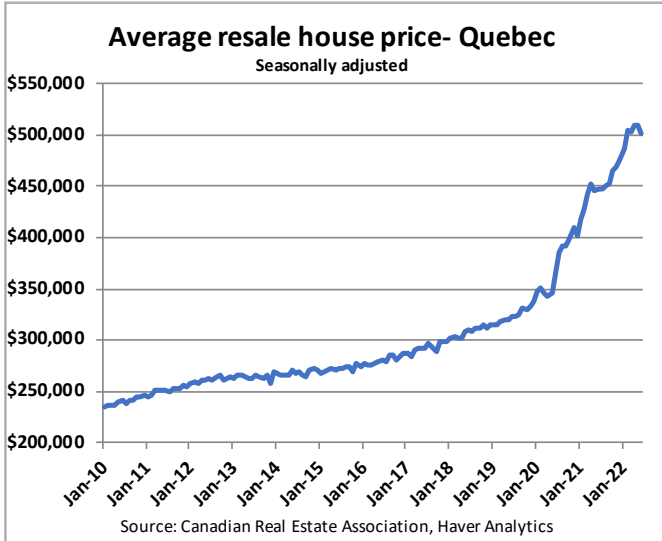
Inventory in the resale market jumped 21% in the second quarter on a seasonally adjusted basis. Months of inventory remain relatively low by historical standards, but did tick up to 3.3, the highest since early 2020.

Seasonally adjusted average house prices slipped 0.3% in the second quarter but were 12% above year-ago levels.



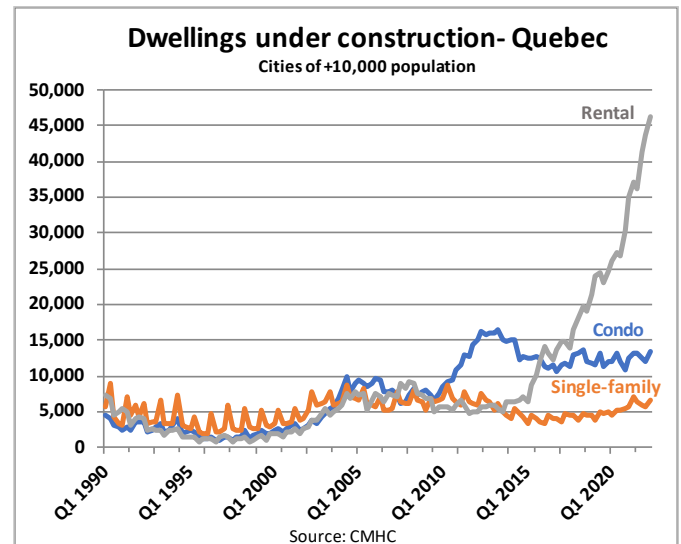
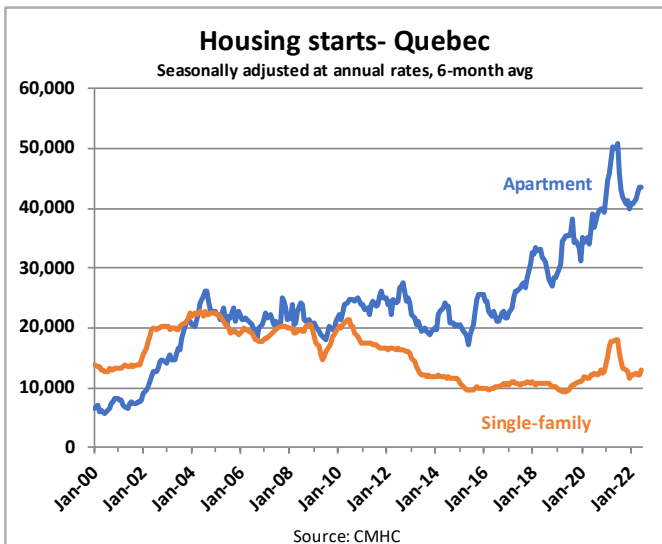
Housing and Mortgage Market Review

Quebec



Population growth continues to rebound

Quebec's population growth continues to rebound, but remains barely half of the pre-pandemic highs.



Housing starts rose 4.5% in the second quarter primarily due to a surge in the apartment segment. Dwellings under construction continue to rise, led by a sharp increase in rentals. There are now more rental units under construction than at any time in the past 30 years.

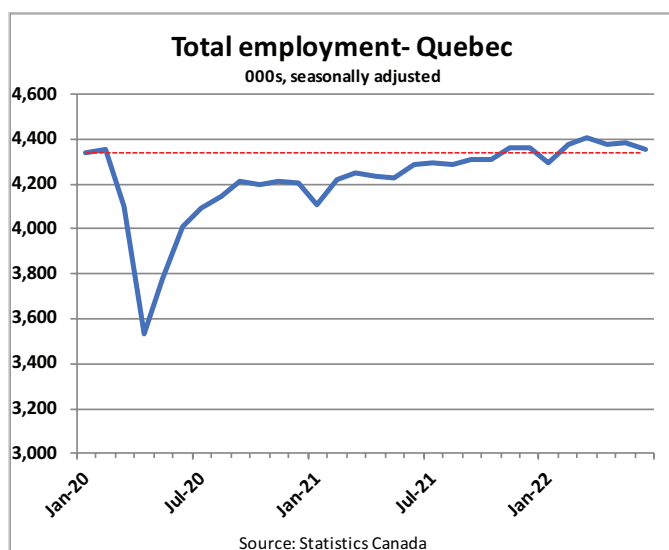


Housing and Mortgage Market Review

Quebec

Economic momentum begins to wane in Q2

Quebec shed nearly 50,000 jobs in the second quarter. Total employment is now barely above pre-pandemic levels. The unemployment rate ticked up by 0.2% to 4.3%, but it remains near the lowest on record.



What it all means: Even with some softening in the labour market, housing in Quebec remains on relatively solid footing. Activity may dampen further as we move through the year and the full impact of the Bank of Canada's recent rate hikes are felt by consumers.

**Any forecasts 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.

