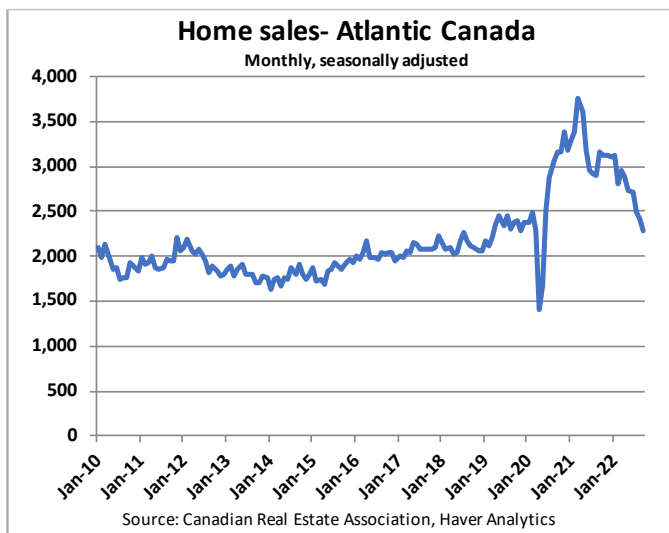




Housing and Mortgage Market Review

Despite decline in sales, housing markets remain very tight

Seasonally adjusted home sales across Atlantic Canada fell 13.8% in third quarter, building on a 4% decline in Q2. The steepness of the recent decline hides the fact that demand is still running well above decade norms.



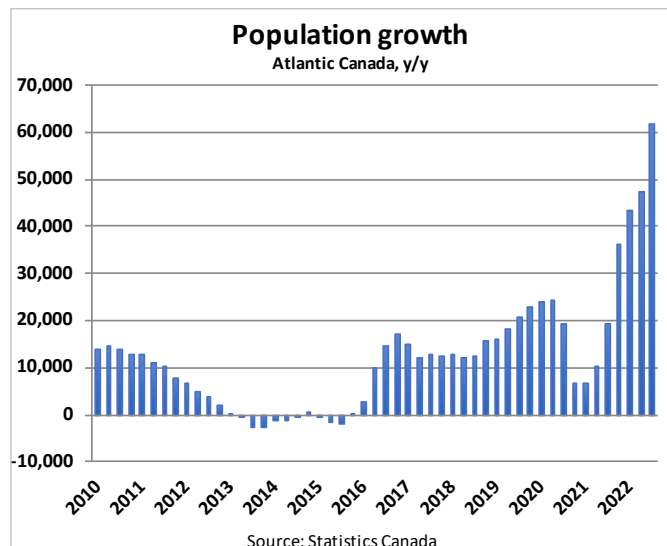
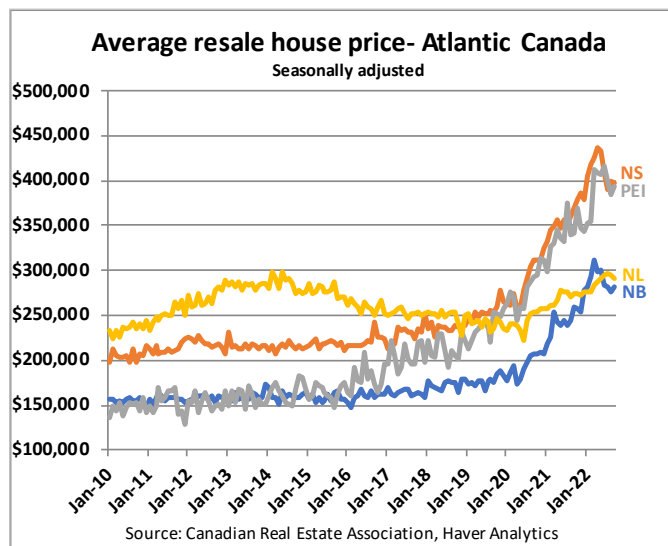
Seasonally adjusted inventory in the resale market has risen sharply from Q1 levels, but is still down 6% from last year. Months of inventory, a crude measure of supply and demand, remains exceptionally low, signalling that markets across Atlantic Canada are still very tight relative to normal levels.



Housing and Mortgage Market Review

Atlantic Canada

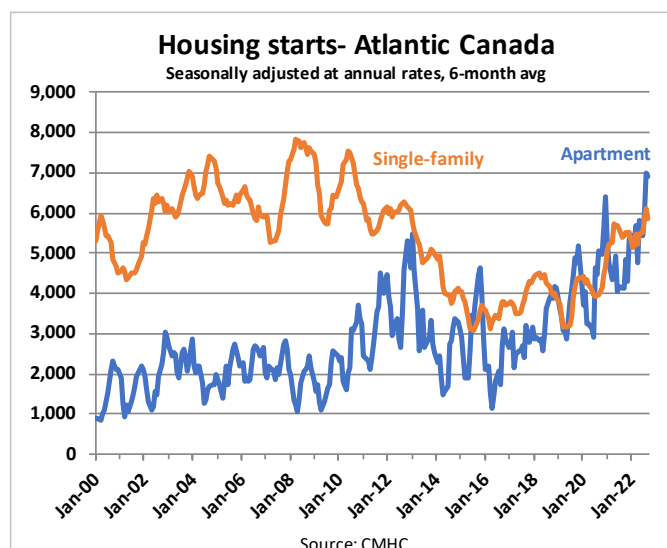
Seasonally adjusted average house prices declined in every province in Atlantic Canada in the third quarter, led by PEI (-5.3%) and Nova Scotia (-2.8%). Still, relative to last year, prices are higher in all four provinces: PEI (+15.1% year-over-year), New Brunswick (+9.3%), Nova Scotia (+7.8%), and Newfoundland & Labrador (+5.9%).



Population growth hits new record

The population of Atlantic Canada has grown by over 60,000 people in the past year as of the third quarter. That's a record by a substantial margin.

Despite surging population growth, housing starts actually fell by 7.4% in Q3, led by a 10.4% decline in the single-family segment.



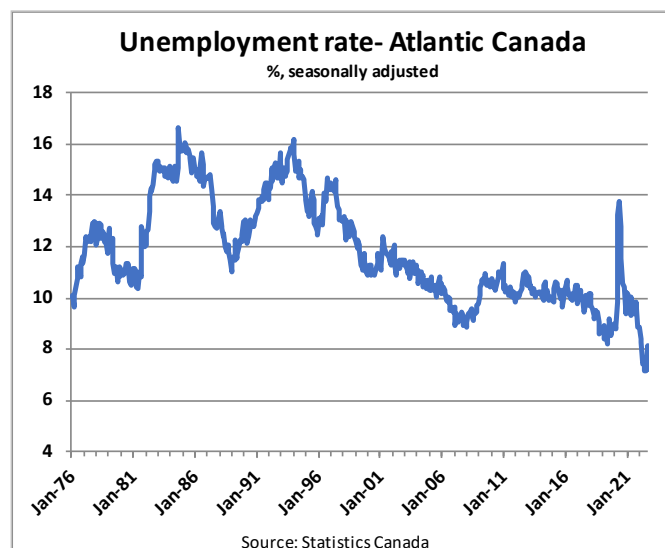
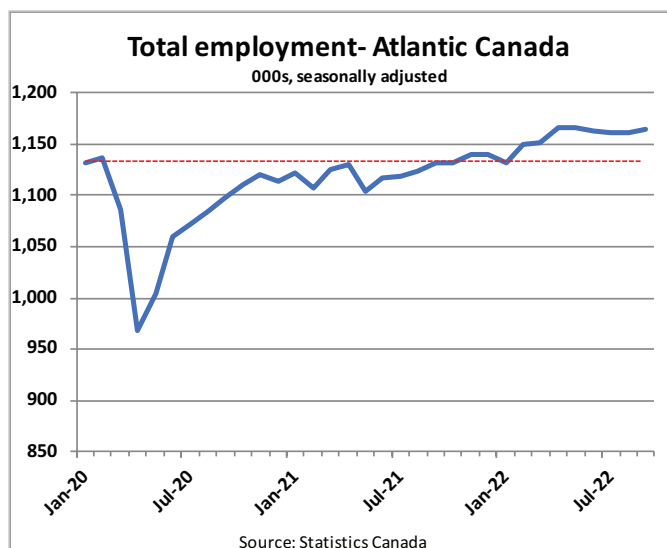


Housing and Mortgage Market Review

Atlantic Canada

The labour market holds firm

Employment expanded by 3,000 positions in the third quarter while the unemployment rate held steady at 7.2%...among the lowest readings on record. The job market remains very tight for now, but that may change as rising interest rates work through the system and begin to constrain growth early next year.



What it all means: Rising interest rates may have put a bit of a damper on homebuying activity in Atlantic Canada in Q3, but a low level of resale supply, a solid labour market, and exceptional population growth all point to solid longer-term fundamentals.

**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.



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