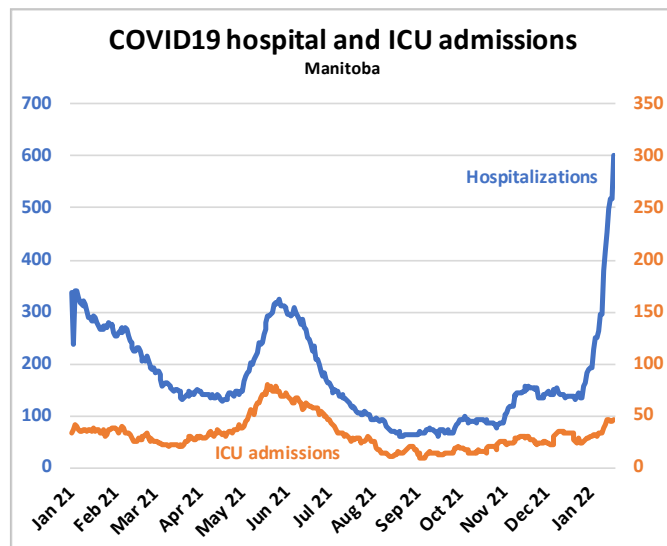
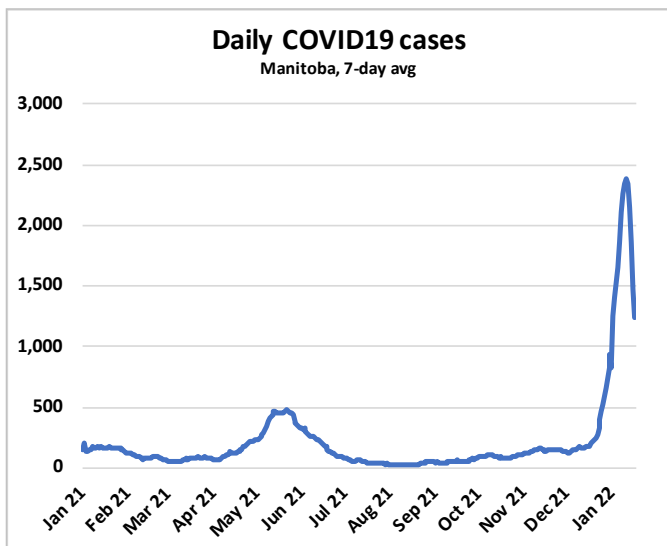




Housing and Mortgage Market Review

Record Housing Starts Should Help Bring Balance to the Market by Year-End

COVID-19 cases in Manitoba appear to have peaked, though it's difficult to make definitive conclusion due to the shortage of PCR tests. Hospitalizations have surged, but it's perhaps notable that ICU admissions due to COVID have not followed the same pattern for now. This suggests that while the Omicron variant is far more contagious, it's perhaps also a less virulent strain. Still, with these numbers on the rise and an ongoing shortage of healthcare workers, COVID-related restrictions will remain in place for a while longer, and that will likely weigh modestly on economic growth this quarter.



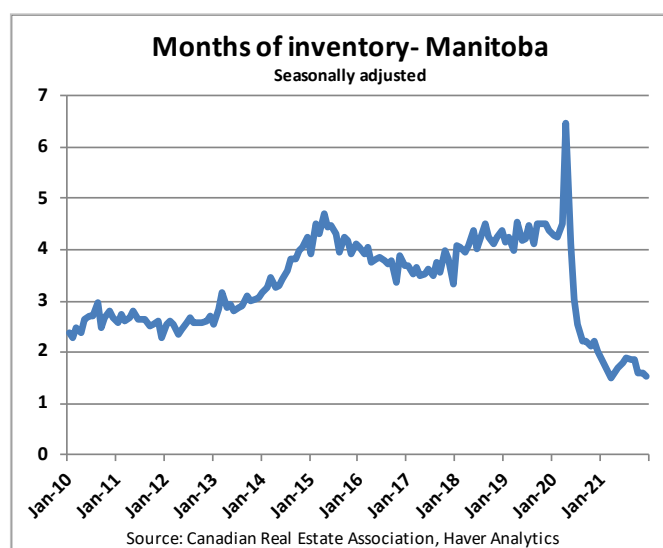
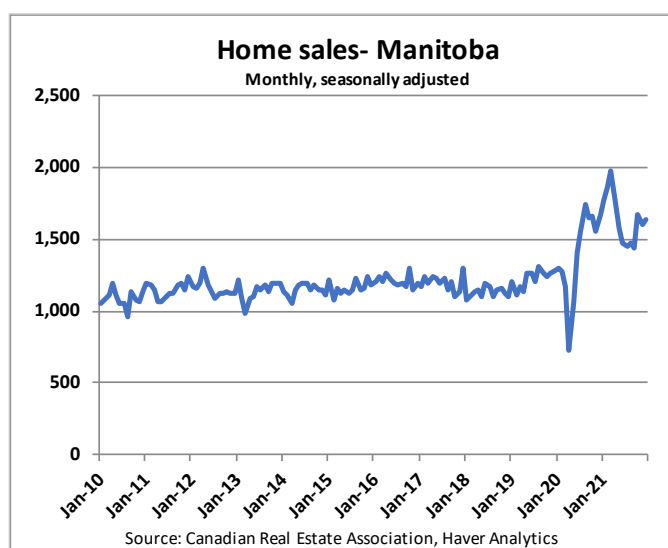


Housing and Mortgage Market Review

Manitoba

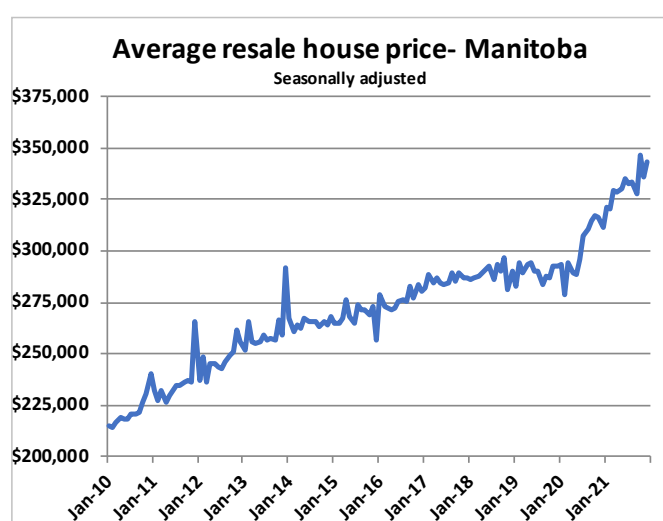
Home Sales

Home sales across Manitoba remain at elevated levels relative to pre-COVID trends. The bigger issue is the shortage of supply. Active listings on the MLS across the province have fallen 24% compared to last year at this time and are down a whopping 64% since the beginning of 2020. Months of inventory have fallen to just 1.5, the lowest since 2003.



Average house prices are reflecting these tight market conditions, rising 10.2% year-over-year in the fourth quarter to just shy of \$350,000.

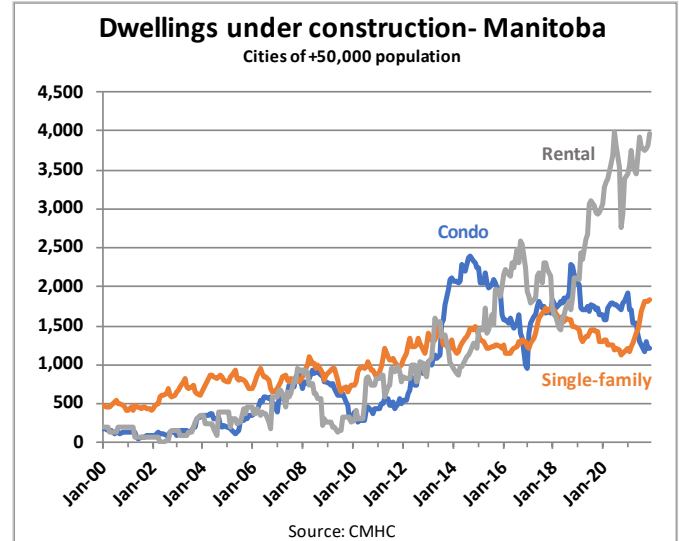
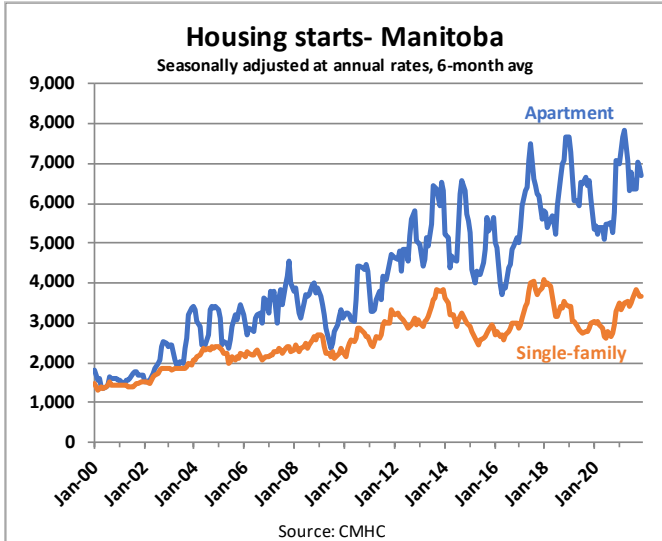
In terms of new supply in the pipeline, single-family housing starts have risen sharply off the pandemic lows to hit 3,800... one of the highest readings in the past 30 years. We're also seeing a record number of purpose-built rental activity with nearly 4,000 units under construction in major metro areas across the province. That supply should help bring some balance to the market in as we move through 2022.



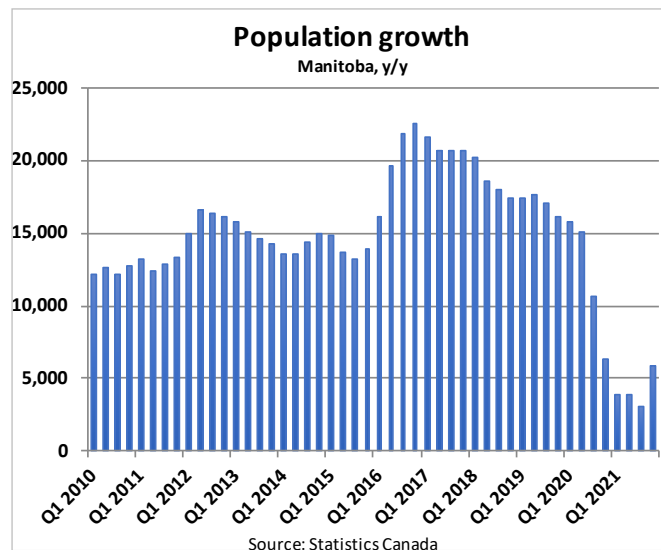


Housing and Mortgage Market Review

Manitoba



Population growth has rebounded off the pandemic lows but is still barely a third of pre-COVID levels.



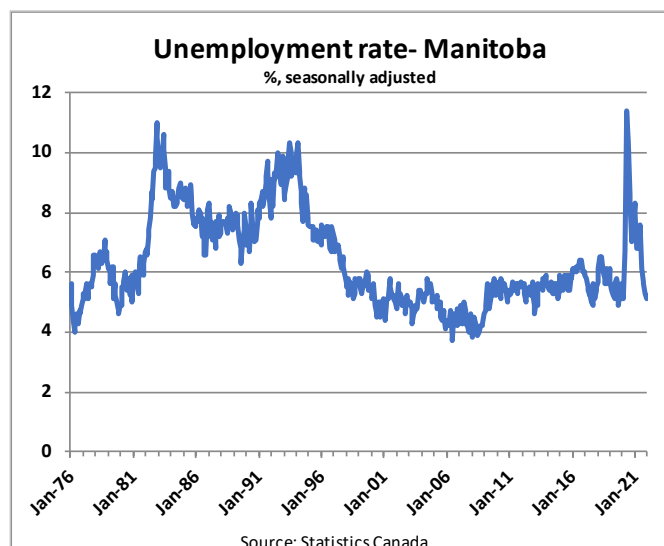
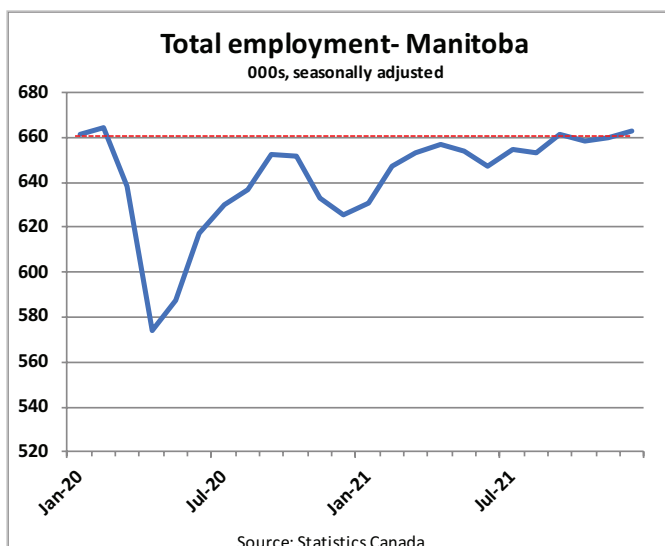


Housing and Mortgage Market Review

Manitoba

All jobs now recovered

After seeing nearly 90,000 jobs evaporate in the early days of the pandemic, the jobs market in Manitoba has recovered nicely. Total employment is now back above pre-COVID levels, while the unemployment rate has fallen from a peak of over 11% back to 5%.



What it all means: The housing markets in metro areas across the province remain strongly in seller's territory, and that points to a strong spring selling season on deck. With considerable new supply in the pipeline and with a high probability of multiple rate hikes by mid-year, we should expect the market to begin to balance out towards the back half of 2022.

**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.



MORTGAGE
PROFESSIONALS
CANADA