



Housing and Mortgage Market Review

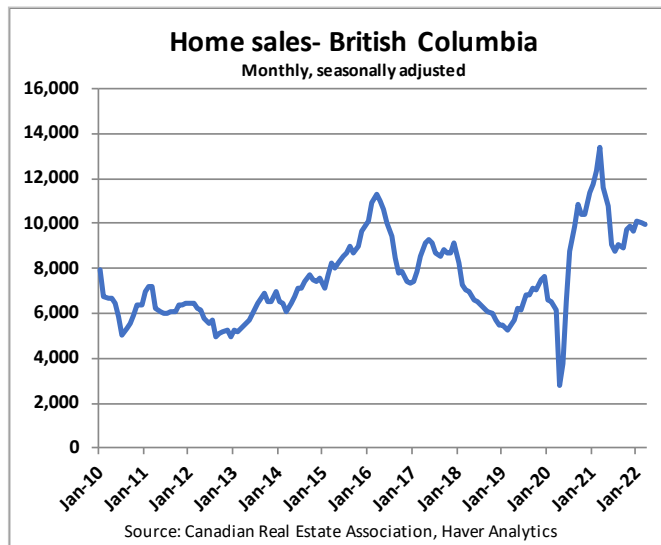
B.C.'s housing market slowing, but remains above pre-COVID levels

The housing market in British Columbia may be easing from last year's levels, but are still historically strong. Rising interest rates could provide further drag, but the province also remains well-supported by record employment and population growth.

Home sales

Seasonally adjusted home sales stalled out in the first quarter and remain well below levels seen in 2021, but are still roughly 25% above pre-COVID levels.

Active listings across the province remain nearly 60% below 2020 levels, but appear to have bottomed. Inventory has been rising sharply in recent months, even after adjusting for normal seasonality. The market overall remains strongly in seller's territory with just 2.2 months of inventory, but that's up from a low of 1.8 in January. The market is still exceptionally strong, but appears to finally be trending back to more balanced conditions.

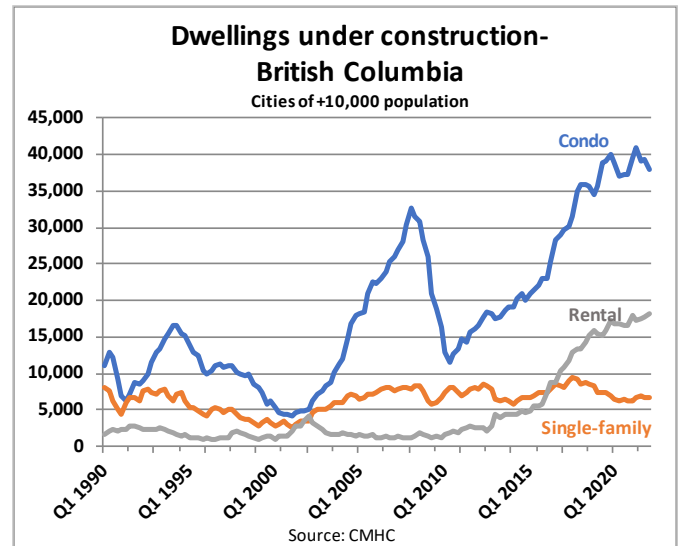
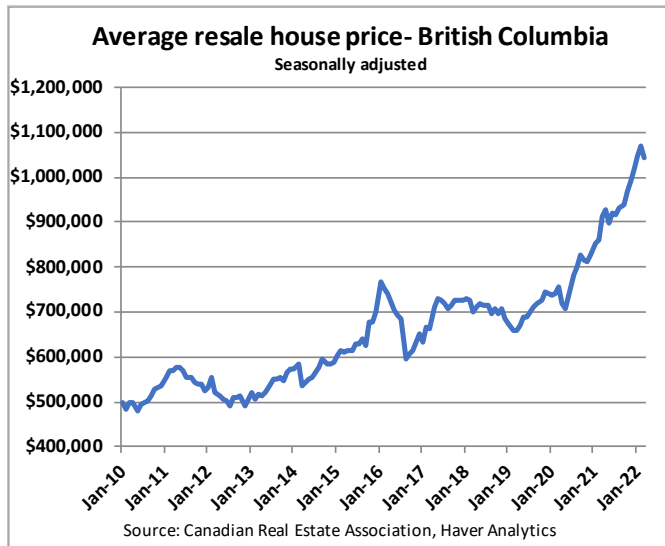




Housing and Mortgage Market Review

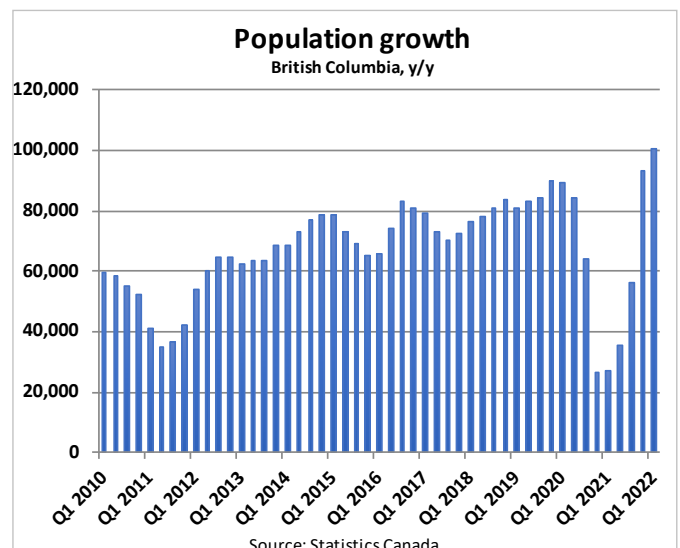
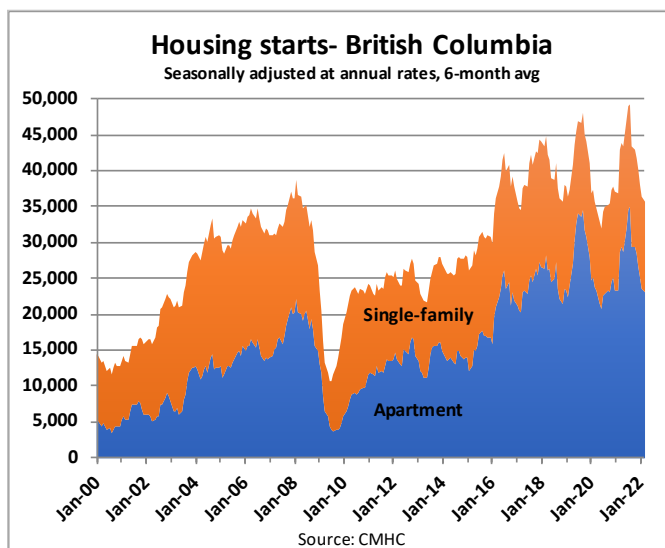
British Columbia

Seasonally adjusted average house prices slipped slightly in March, but were still 14.7% higher than last year:



Housing starts in B.C. slipped to 38,000 on an annualized basis in Q1, down from 43,000 in Q4 2021. Importantly, single-family housing starts remain roughly 8% below 20-year averages in spite of very strong population growth.

And while there's plenty of construction activity happening, it's overwhelmingly concentrated in the condo and rental apartment segments. There's little long-term relief in sight for B.C.'s undersupplied single-family housing market:



Population growth in B.C. set a new record in the first quarter, eclipsing 100,000 people on an annualized basis for the first time on record:

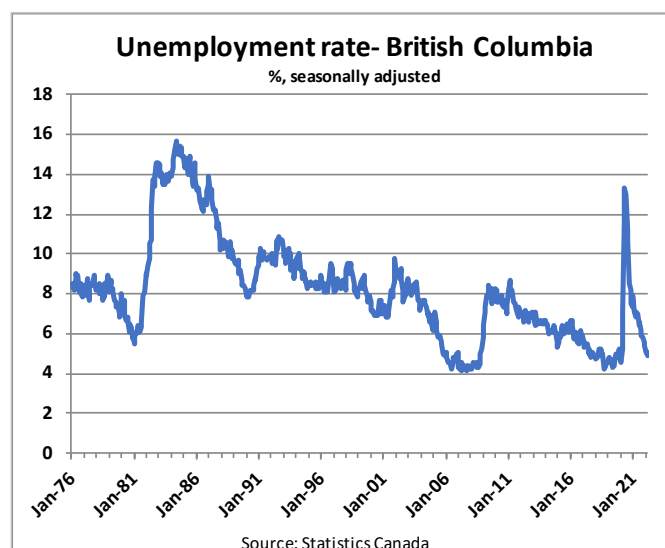
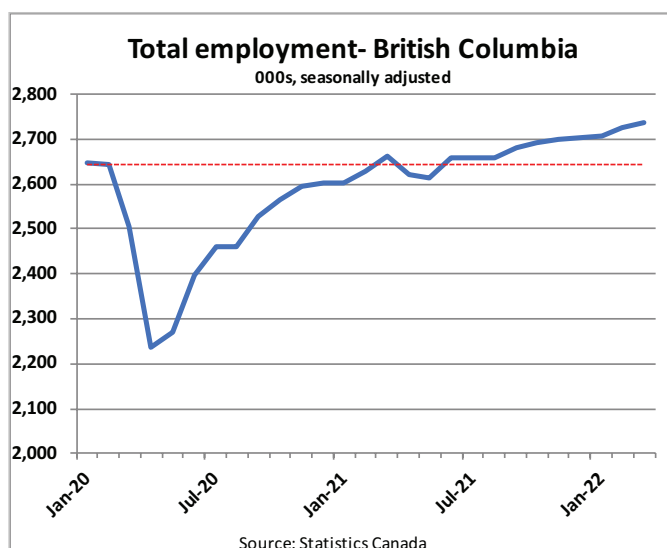


Housing and Mortgage Market Review

British Columbia

Solid economic momentum

B.C.'s economy added nearly 36,000 new jobs in the first quarter of 2022. Total employment is now 90,000 above pre-COVID levels, while the unemployment rate has fallen to just 5.1%:



What it all means: B.C.'s housing market is still extremely strong, but has eased off the chaotic levels seen in the first quarter. Resale supply is finally rising again while sales have cooled slightly, but we have a long way to go to get back to a balanced market. The economic backdrop continues to look solid, with employment and population growth back at record levels.

**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.



MORTGAGE PROFESSIONALS CANADA