



Housing and Mortgage Market Review

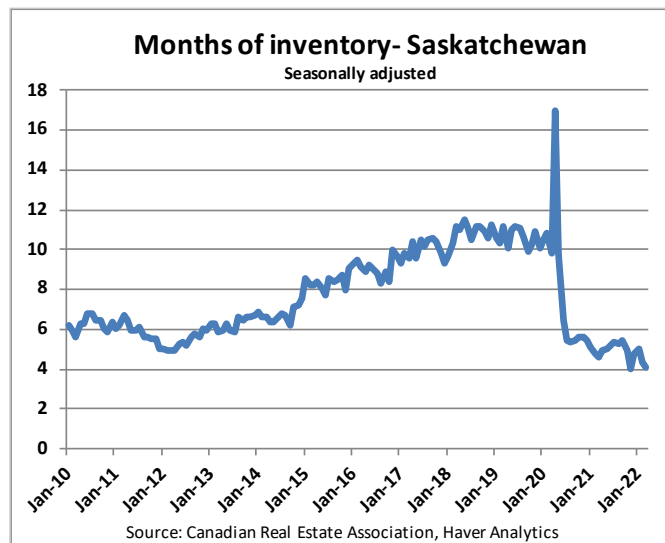
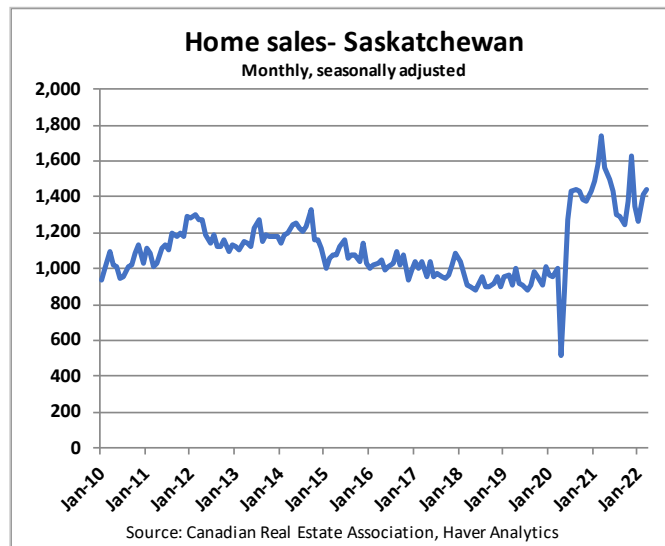
Home prices in Saskatchewan don't reflect the supply and demand imbalance

Home price growth in the province remains moderate despite home sales above pre-pandemic levels and the province facing a 14-year low in housing supply. But with a return to pre-pandemic jobs figures and strong population growth, the province looks well-prepared to weather the coming interest rate increases.

Home sales

Home sales across Saskatchewan remain roughly 40% above pre-COVID levels while resale inventory is 11% below year-ago levels.

As a result, months of inventory, an important measure of supply and demand, remains at just 4. That's the lowest reading (i.e. the tightest market) since 2008.

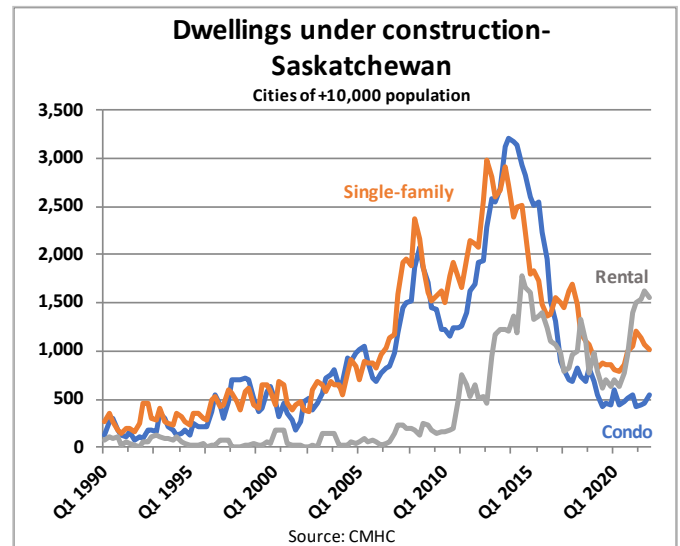
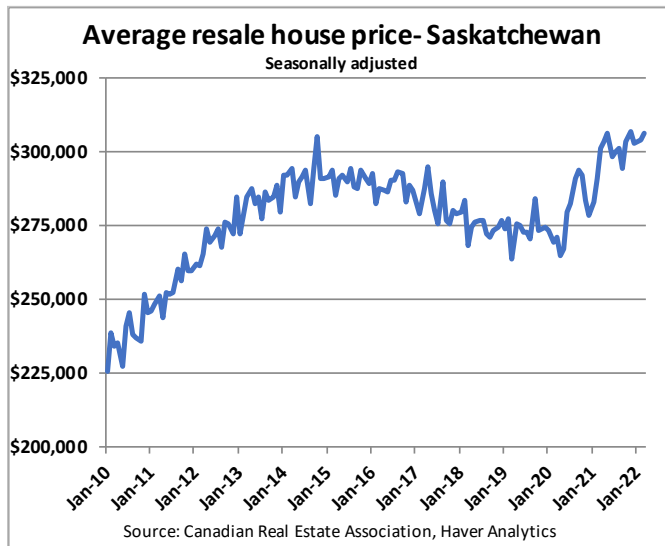




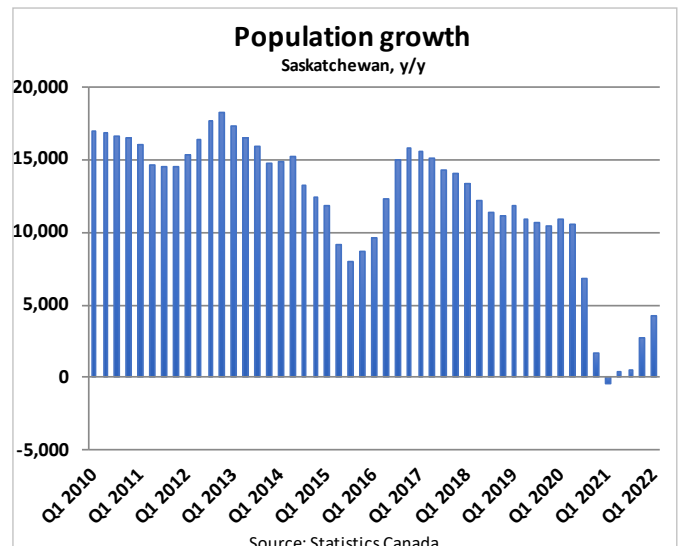
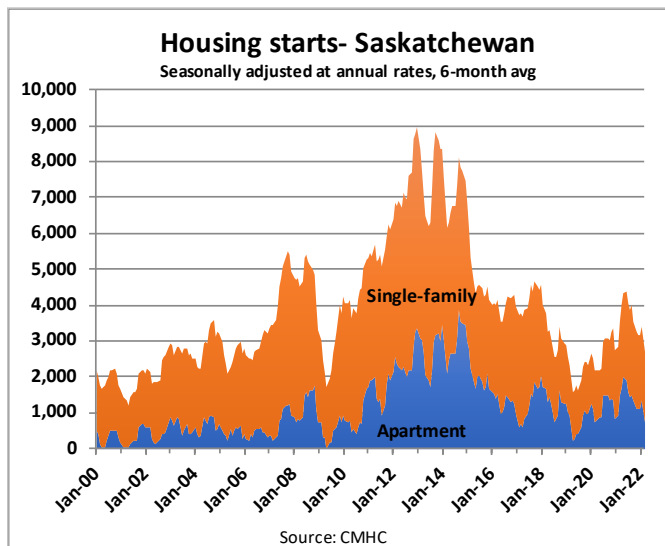
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Saskatchewan

Average house prices arguably do not reflect the tight resale market. Seasonally adjusted average prices rose slightly in the first quarter, but are up just 1.8% compared to last year.



Housing starts fell to 3,000 on a seasonally adjusted basis in the first quarter, down 11% compared to Q4 2021. In terms of new supply in the construction pipeline, there are just over 1,000 single-family dwellings under construction across the province. That's less than half of what was being built as recently as 2015.



Population growth continues to rebound off the pandemic lows, but is still less than half what it was at the start of 2020.

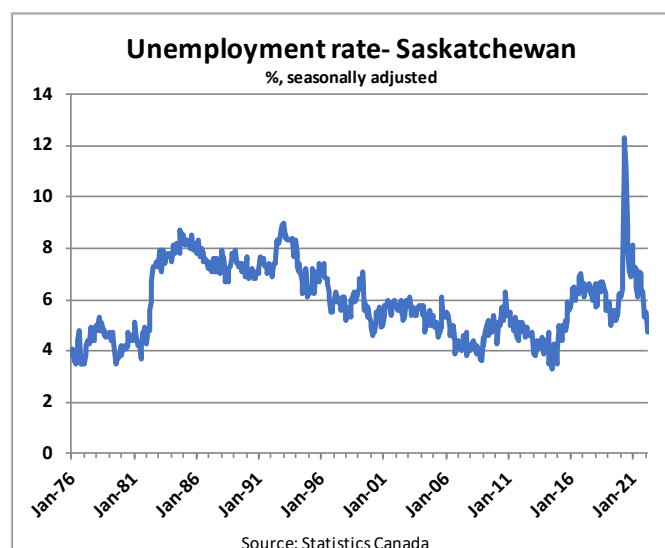
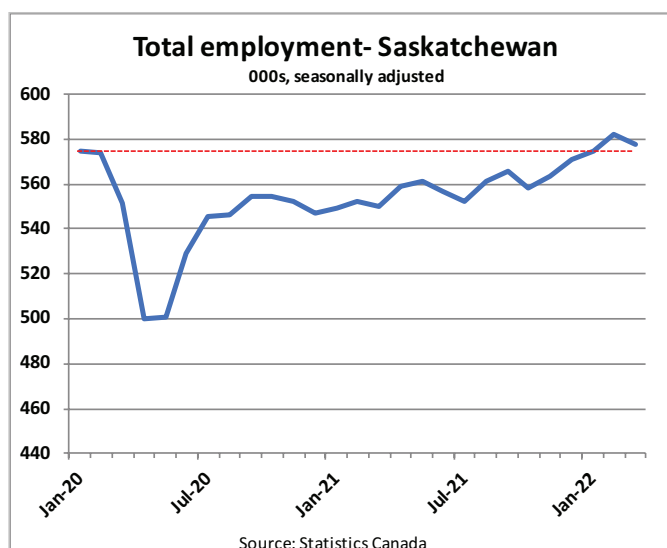


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Saskatchewan

All jobs lost during the pandemic have now been recovered

Saskatchewan added 6,000 new jobs in the first quarter and has finally recovered all of the jobs lost during the pandemic. The unemployment rate has fallen to 5%, the lowest reading since 2015.



What it all means: Saskatchewan’s housing market continues to see very strong demand and shrinking resale supply. Prices arguably do not reflect how tight the market currently is. Employment is back to record levels, while population growth is recovering. Rising interest rates may curb some demand, but overall, the market looks to be in a good position to absorb rate hikes going forward.

**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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