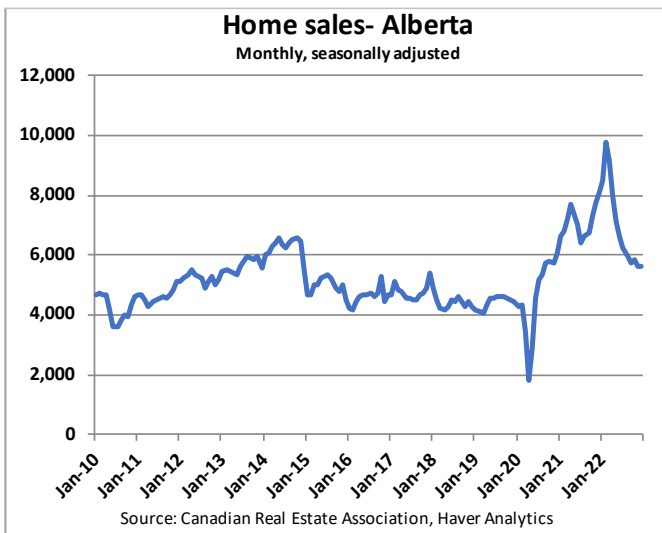




Housing and Mortgage Market Review: *January 2023*

Sales fall but remain above pre-COVID levels

Home sales across Alberta fell 4.9% in the fourth quarter, but still remain well above pre-COVID levels.



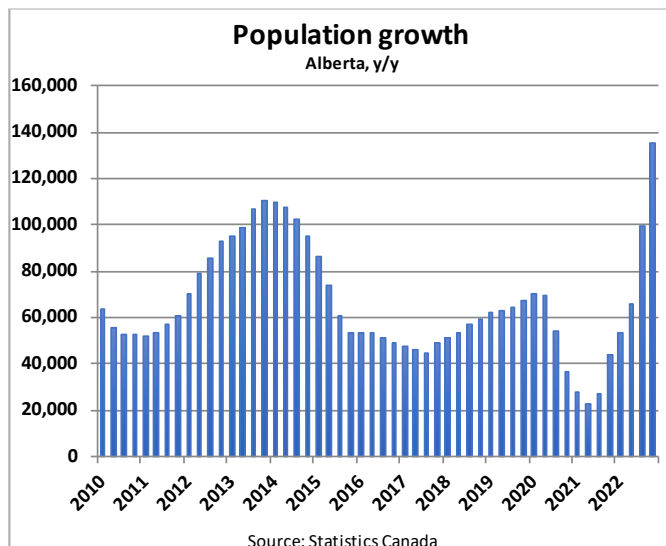
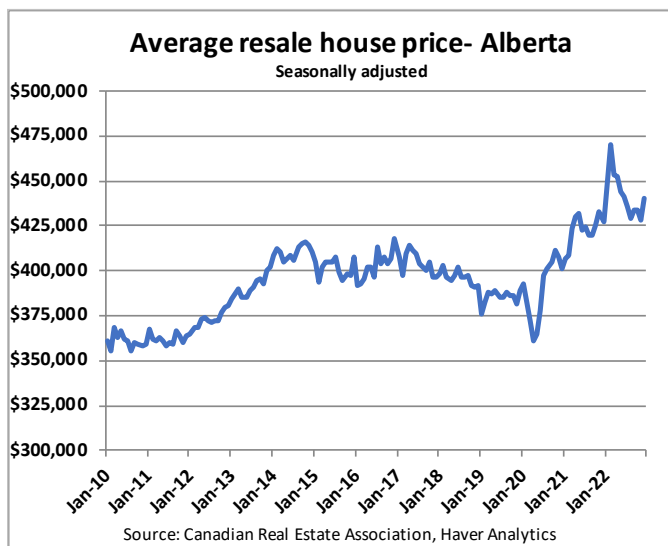
Active listings ended the year down 2% compared to 2021. Months of inventory, a crude measure of supply and demand, has risen off its recent record lows, but is still well below normal levels for the past decade, indicating a persistently tight resale market.



Housing and Mortgage Market Review

Alberta

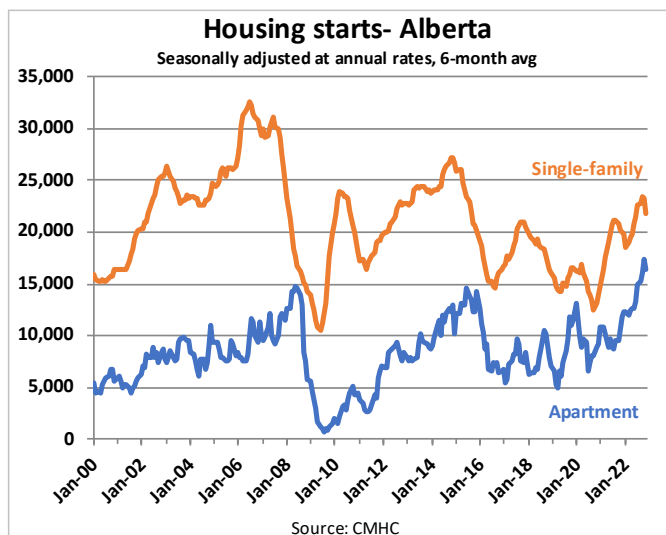
Seasonally adjusted average resale prices ticked up 1.5% in the fourth quarter and were up 2.9% compared to the same period last year.



Population growth breaks records

Alberta added a record 135,000 people to its population in the past year, including a staggering 58,000 last quarter alone.

On the new supply side, multi-family housing starts (condos plus purpose-built rentals) remain near record highs. But the same isn't true for the single-family segment, where construction activity is well below prior cycle highs in 2006-2007 and 2014.



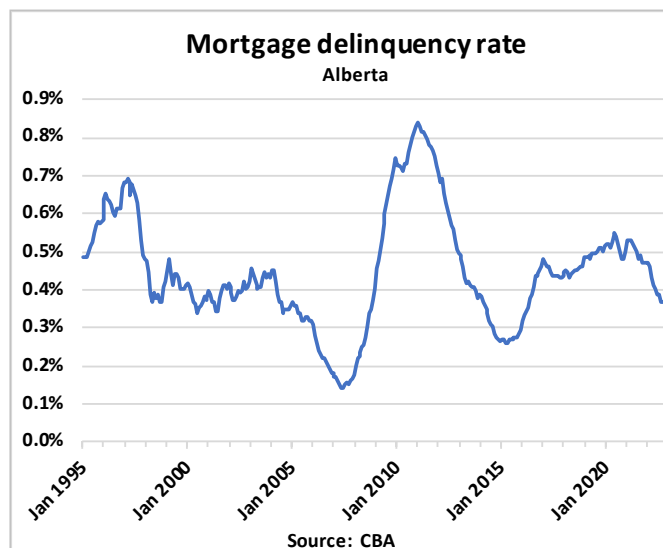


Housing and Mortgage Market Review

Alberta

Labour market ends the year on solid footing

Alberta's economy created 16,000 new jobs in the fourth quarter. The unemployment rate did tick up slightly to 5.8%, but remains well below pre-pandemic levels.



Mortgage delinquencies across the province ended the year at 0.37%.

What it all means: Alberta's housing market continues to outperform most others across the country, a trend I expect will continue through 2023. Rising mortgage rates and a weaker economy may weigh on housing demand through the first part of the year, but strong population growth, low resale inventory and overall solid fundamentals will ultimately underpin the market over the longer term.

**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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