



## PRESS RELEASE



*Canadian Mortgage News - National Archive 2003*

### **Average Rental Vacancy Rate Rises to 2.2 Per Cent**

**OTTAWA, Ontario, December 2, 2003** — The average rental apartment vacancy rate in Canada's 28 metropolitan areas<sup>1</sup> rose to 2.2 per cent in October 2003 from 1.7 per cent a year ago, but is below the average of 3.4 per cent over the 1992 to 2002 period, according to the Rental Market Survey released by Canada Mortgage and Housing Corporation (CMHC) today. This is the second consecutive annual increase in the vacancy rate.

"The rise in the vacancy rate over the past year reflects a number of factors," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Foremost among these are low mortgage rates, which reduced mortgage carrying costs and lessened demand for rental housing by bringing home ownership within the reach of many renter households. Vacancy rates also rose because rental apartment completions added new rental supply in many centres."

"Nationally, vacancy rates have increased across the range of rent levels in a number of large centres. Nevertheless, at the most affordable level, there is still an inadequate supply of units. Therefore, there is a need to add to the affordable rental stock. This fact is reinforced by evidence that a large proportion of low income families have to pay more than 30 per cent of their income for rent." said Bob Dugan, Chief Economist at CMHC.

Vacancy rates were higher than one year ago in 20 of Canada's 28 metropolitan areas. Saint John (NB), Saguenay, Saskatoon, Calgary and Windsor had the highest vacancy rates, while Québec, Sherbrooke, Victoria, Montréal, and Gatineau were among the cities with the lowest vacancy rates.

Vacancy rates were higher in nine of Ontario's 11 metropolitan areas. Rates increased by at least one percentage point in Hamilton, Toronto, Kingston, and Ottawa.

In Quebec, four of six metropolitan areas had higher vacancy rates than in 2002. The greatest relative increase occurred in Gatineau (from 0.7 per cent to 1.2 per cent), while Montréal, Québec, and Saguenay vacancy rates rose modestly. Vacancy rates in Sherbrooke and Trois-Rivières declined by more than one per cent each.

Vacancy rates went up in seven of eight metropolitan areas in the Prairies and British Columbia. The only decline was in Victoria, from 1.5 per cent to 1.1 per cent.

In Atlantic Canada, the vacancy rate in Saint John (NB) fell 1.1 percentage points to 5.2 per cent. In spite of this, Saint John and Saguenay had the highest vacancy rate of all Canadian metropolitan areas. Vacancy rates also fell in both Halifax and St. John's (NFLD).

CMHC's annual Rental Market Survey also shows that average rents for two-bedroom apartments increased in all metropolitan areas except Toronto and Calgary, where rents were essentially flat (down 0.7 per cent in Toronto, unchanged in Calgary). The greatest increase occurred in Gatineau, where rents were up 6.7 per cent. Kingston posted the second-largest increase at 5.6 per cent. Average rents in London, Winnipeg, Saguenay, and Montréal were all up by about four per cent. Nationally, rent increases were highest at the lower end of the rent spectrum.

## Canadian Mortgage News - Average Rental Vacancy Rate Rises to 2.2 Per Cent

The highest average monthly rents for two-bedroom apartments were in Toronto (\$1,040), Vancouver (\$965), and Ottawa (\$932). The lowest average rents were in Trois-Rivières (\$436) and Saguenay (\$457).

CMHC's Rental Market Survey is conducted yearly in October, to provide vacancy rate and rent information on privately initiated apartment structures containing at least three rental units.

### For further information contact:

Bob Dugan  
CMHC  
(613) 748-4009  
[bdugan@cmhc-schl.gc.ca](mailto:bdugan@cmhc-schl.gc.ca)

### <sup>1</sup> Census metropolitan areas as defined by Statistics Canada

**Note: Tables of vacancy rates and rents follow.**

**For local rental market information, please contact your local CMHC branch.**

<b>Vacancy Rates in Apartment Structures of Three Units and Over Privately Initiated, in Metropolitan Areas</b>					
	October 1999	October 2000	October 2001	October 2002	October 2003
<b>Atlantic Region</b>					
St. John's	9.2	3.8	2.5	2.7	2
Halifax	3.6	3.6	2.8	2.7	2.3
Saint John	5.2	3.4	5.6	6.3	5.2
<b>Quebec Region</b>					
Gatineau	4.4	1.4	0.6	0.5	1.2
Montréal	3	1.5	0.6	0.7	1
Québec	3.3	1.6	0.8	0.3	0.5
Saguenay	4.9	4.4	4.4	4.9	5.2
Sherbrooke	7.6	4.7	2.3	1.8	0.7
Trois-Rivières	7.9	6.8	4.7	3	1.5
<b>Ontario Region</b>					
Hamilton	1.9	1.7	1.3	1.6	3
Kingston*	3.4	1.8	1.5	0.9	1.9
Kitchener	1	0.7	0.9	2.3	3.2
London	3.5	2.2	1.6	2	2.1
Oshawa	1.7	1.7	1.3	2.3	2.9

Canadian Mortgage News - Average Rental Vacancy Rate Rises to 2.2 Per Cent

Ottawa	0.7	0.2	0.8	1.9	2.9
St.Catharines-Niagara	3.2	2.6	1.9	2.4	2.7
Greater Sudbury	11.1	7.7	5.7	5.1	3.6
Thunder Bay	7.5	5.8	5.8	4.7	3.3
Toronto	0.9	0.6	0.9	2.5	3.8
Windsor	2.7	1.9	2.9	3.9	4.3
<b>Prairie Region</b>					
Calgary	2.8	1.3	1.2	2.9	4.4
Edmonton	2.2	1.4	0.9	1.7	3.4
Regina	1.4	1.4	2.1	1.9	2.1
Saskatoon	0.9	1.7	2.9	3.7	4.5
Winnipeg	3	2	1.4	1.2	1.3
<b>British Columbia Region</b>					
Abbotsford*	6.7	3.7	2.4	2	2.5
Vancouver	2.7	1.4	1	1.4	2
Victoria	3.6	1.8	0.5	1.5	1.1
<b>Total (1)</b>	2.6	1.6	1.1	1.7	2.2

(1) Weighted average of Metropolitan Areas Surveyed does not include the newly created Abbotsford and Kingston CMAs prior to 2002.

\* Data prior to 2002 is based on the census agglomeration definition; 2002 and 2003 data is based on the census metropolitan area definition.

<b>Weighted Average Rent by Metropolitan Area Privately Initiated Three Apartment Units and Over</b>				
	One-Bedroom		Two-Bedroom	
	Oct. 2002	Oct. 2003	Oct. 2002	Oct. 2003
<b>Atlantic Region</b>	\$	\$	\$	\$
St.John's	510	520	589	607
Halifax	572	596	704	720
Saint John	424	423	492	504
<b>Quebec Region</b>				
Gatineau	509	548	599	639
Montréal	505	528	552	575
Québec	489	506	550	567

Canadian Mortgage News - Average Rental Vacancy Rate Rises to 2.2 Per Cent

Saguenay	370	374	440	457
Sherbrooke	369	385	456	471
Trois-Rivières	370	382	431	436
<b>Ontario Region</b>				
Hamilton	627	633	765	778
Kingston	598	627	727	768
Kitchener	638	646	750	754
London	566	586	705	736
Oshawa	713	752	819	845
Ottawa	767	768	930	932
St.Catharines-Niagara	583	600	695	704
Greater Sudbury	513	524	647	651
Thunder Bay	532	552	657	672
Toronto	891	884	1,047	1,040
Windsor	638	650	769	776
<b>Prairie Region</b>				
Calgary	657	661	804	804
Edmonton	575	588	709	722
Regina	480	490	581	589
Saskatoon	461	469	567	576
Winnipeg	490	508	622	645
<b>British Columbia Region</b>				
Abbotsford	530	537	650	672
Vancouver	743	759	954	965
Victoria	605	619	771	789