



## PRESS RELEASE



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### **Rental Vacancy Rates are Lowest in Alberta and British Columbia Due to Strong Population Growth**

**OTTAWA, Ontario, June 06, 2007** — The average rental apartment vacancy rate in Canada's 35 major centres<sup>1</sup> was 2.8 per cent in April 2007, according to the new spring **Rental Market Survey** released today by Canada Mortgage and Housing Corporation (CMHC).

Thanks to strong employment growth, solid income gains, and high immigration levels, the Canadian economy remains very supportive of strong demand for both ownership and rental housing," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Generally speaking, vacancy rates were lowest in Alberta (0.9 per cent) and British Columbia (1.2 per cent). The economic expansion experienced in western provinces is attracting workers from Central and Atlantic Canada. Upon their arrival, many of these people settle in rental housing, which has put downward pressure on vacancy rates in major centres in Alberta and British Columbia."

The new April Rental Market Survey<sup>2</sup> is part of CMHC's new suite of enhanced surveys and analytical reports. From now on, CMHC will be releasing rental market information twice a year in June and December as opposed to only in December. The new spring survey will enable all market participants to benefit from more timely information on market trends.

In October 2006, the vacancy rate was 2.6 per cent nationally, however, due to potential seasonality between the fall and the spring, which could affect rental market conditions, caution should be taken when comparing the October and April vacancy rates.<sup>3</sup>

The results of this new spring survey reveal that the major centres with the lowest vacancy rates in April 2007 were Calgary (0.5 per cent), Abbotsford (0.6 per cent), Kelowna (0.7 per cent), and Victoria (0.8 per cent). All the major centres in British Columbia posted a vacancy rate below one per cent as the province's increasing population and the continued relatively high homeownership costs have propped up rental demand.

At the other end of the spectrum, the major urban centres with the highest vacancy rates were Windsor (11.6 per cent), Moncton (6.1 per cent), Saint John (NB) (5.7 per cent), Thunder Bay (5.5 per cent), and Charlottetown (5.3 per cent).

The highest average monthly rents for two-bedroom apartments in Canada's major centres were in Toronto (\$1,073), Vancouver (\$1,051), and Calgary (\$1,037). Of all the major centres, these three were the only ones with average rents above \$1,000. The lowest average monthly rents for two-bedroom apartments were in Trois-Rivières (\$482) and Saguenay (\$491).

"Interestingly, the highest average rents were not in one of Canada's major centres, but in the northern Alberta community of Wood Buffalo, where the average monthly two-bedroom rent was \$1,681," said Mr. Dugan. "Strong economic growth due to activity in the oil sands in Wood Buffalo has attracted workers from other parts of the country and has driven up demand for rental housing."

CMHC's spring Rental Market Survey found that the average rental apartment availability rate in Canada's 35 major centres was 5.4 per cent in April 2007. A rental unit is considered available if the unit is vacant (physically unoccupied and ready for immediate rental), or if the existing tenant has given or received notice to move and a new tenant has not signed a lease. Availability rates were highest in Windsor (15.0 per cent), Saguenay (8.8 per cent), and Charlottetown (8.5 per cent), while the lowest rates were in Kelowna (0.8 per cent), Vancouver (1.6 per cent), Calgary and Edmonton (both 1.8 per cent).

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years. CMHC is committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country.

<sup>1</sup> Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes and Charlottetown which is a Census Agglomeration (CA).

<sup>2</sup> CMHC's Rental Market Survey is now conducted twice a year in April and October, to provide vacancy, availability and rent information on privately initiated structures in all centres over 10,000 population across Canada. Reports are released in June and December.

The spring survey covers apartment and row structures containing at least three rental units, and unlike the fall survey does not report information on:

1. Smaller geographic zones within centres
2. Secondary rental market (rented condominium apartments, single detached, semi-detached, duplexes or accessory apartments).

<sup>3</sup> In our analysis, we have avoided making comparisons between the results of the April 2007 rental market survey and the October 2006 survey. A key reason for this is that changes in rents, vacancy rates, and availability rates between the spring and the fall may not be solely attributable to changes in rental market conditions; they could also reflect seasonal factors. For example, if more people tend to move in the spring than in the fall, it could have an impact on vacancy and availability rates as well as the level of rents. Alternatively, in centres where there are a significant number of university students, vacancy and availability rates could be higher in the spring if students move home for the summer.

To the extent that these types of seasonal variations exist, comparing results from the spring and fall Rental Market Surveys could lead to incorrect conclusions about trends in rental market conditions. To avoid this, we have limited our analysis to the results of our spring 2007 Rental Market Survey and comparing these results for different centres across Canada. In spring 2008, when we have results from our second spring Rental Market Survey, we will be able to extend our analysis to make year over year comparisons.

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**To access CMHC's 2007 reports on the rental market select from the links below. These reports will be released throughout the day, June 6. If the report that you are looking for is not yet available, please try again later.**

- [Rental Market Report — Canada Highlights](#) — containing at a glance rental market information for Canada's 35 major centres.

- Rental Market Report — Provincial Highlights — providing a summary of rental market statistics for urban centres with a population of over 10,000 in each province and Yellowknife, Northwest Territories.
- Rental Market Statistics Report — a sourcebook of statistical tables with national, provincial and local rental housing market data.

**Vacancy Rates, Availability Rates, Average Rents for New and Existing Structures in Privately Initiated Apartment Structures of Three Units and Over in Major Centres**

	Vacancy Rate (%)	Availability Rate (%)	Average Rent Two-Bedroom (\$)
	April 2007	April 2007	April 2007
<b>Newfoundland &amp; Labrador</b>	<b>4.2</b>	<b>4.8</b>	<b>560</b>
St. John's	4.6	5.3	602
<b>Prince Edward Island</b>	<b>5.7</b>	<b>8.4</b>	<b>640</b>
Charlottetown CA	5.3	8.5	653
<b>Nova Scotia</b>	<b>3.8</b>	<b>4.7</b>	<b>757</b>
Halifax	3.6	4.6	793
<b>New Brunswick</b>	<b>6.0</b>	<b>6.7</b>	<b>610</b>
Moncton	6.1	6.8	631
Saint John	5.7	6.7	568
<b>Quebec</b>	<b>2.4</b>	<b>5.8</b>	<b>603</b>
Gatineau	2.8	4.2	654
Montréal	2.9	6.3	630
Québec	0.9	4.6	638
Saguenay	3.3	8.8	491
Sherbrooke	1.6	5.2	529
Trois-Rivières	1.0	3.6	482
<b>Ontario</b>	<b>3.9</b>	<b>6.4</b>	<b>921</b>
Barrie	3.5	6.0	929
Brantford	2.1	3.3	735
Guelph	3.2	6.1	838
Greater Sudbury	0.9	2.2	723
Hamilton	4.3	7.4	802
Kingston	4.1	7.8	839
Kitchener	4.0	7.0	839
London	3.7	7.1	795
St. Catharines – Niagara	3.9	6.9	760
Oshawa	3.9	5.5	867
Ottawa	2.2	5.3	961
Peterborough	3.5	6.6	815

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Thunder Bay	5.5	6.7	693
Toronto	4.0	6.4	1,073
Windsor	11.6	15.0	769
<b>Manitoba</b>	<b>1.4</b>	<b>2.2</b>	<b>715</b>
Winnipeg	1.2	2.0	733
<b>Saskatchewan</b>	<b>3.2</b>	<b>5.1</b>	<b>619</b>
Regina	2.7	4.1	636
Saskatoon	3.0	6.3	626
<b>Alberta</b>	<b>0.9</b>	<b>2.0</b>	<b>932</b>
Calgary	0.5	1.8	1,037
Edmonton	1.1	1.8	877
<b>British Columbia</b>	<b>1.2</b>	<b>2.2</b>	<b>893</b>
Abbotsford	0.6	3.0	700
Kelowna	0.7	0.8	817
Vancouver	0.9	1.6	1,051
Victoria	0.8	3.4	892
<b>Canada CMAs (1)</b>	<b>2.8</b>	<b>5.4</b>	<b>784</b>
<b>Canada (10,000 +)</b>	<b>2.8</b>	<b>5.3</b>	<b>760</b>

(1) Weighted average of Census Metropolitan Areas (CMAs). Charlottetown, which is a Census Agglomeration, is not included.