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Ottawa

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Vacancy rate increases in 2002

NOVEMBER 26, 2002

According to results from Canada Mortgage and Housing Corporation's annual Rental Market Survey, the vacancy rate for the Ottawa Census Metropolitan Area (CMA) increased to 1.9 per cent in 2002, up from 0.8 per cent a year earlier and much higher than the 0.2 per cent recorded in 2000.

Finding a rental accommodation in Ottawa will be a little easier for residents this year. The CMHC survey found 1,162 vacant privately-owned apartments in the Ottawa CMA, double the 547 vacant units recorded in the October 2001 survey. With historically low borrowing rates this year, many residents have been spurred on to homeownership to meet their housing needs. As a result, many potential renters have left the rental market in favour of owning a home. In addition, the rental supply has been increased indirectly as investors purchase condominiums to rent out as a form of investment.

Almost all survey zones in Ottawa recorded an easing of vacancy rates for this year. The increase in vacancy rates range from 1.1 per cent in the Downtown to 3.0 per cent in the East End of Ottawa. Only the regions of Nepean, Kanata and Goulbourn recorded a decrease in the vacancy rate, from 2.5 per cent in 2001 to 1.4 per cent this year.

Rents have increased this year, albeit at a slower rate than those recorded in 2001. The average monthly rent for a two-bedroom apartment went up to \$930, an increase of 1.8 per cent compared to last year and on par with inflation. This increase is below the 3.8 per cent increase witnessed a year earlier. While smaller units recorded only modest increases in rent this year, the biggest gains were in three or more bedroom apartment units. In 2002, the average monthly rent for these larger apartments increase by 2.7 per cent, compared to less than one per cent last year.

With this year's survey, Ottawa is still considered a tight rental market compared to the rest of Ontario. London recorded a vacancy rate of 0.9 per cent, while Hamilton came in just below Ottawa at 1.6 per cent in 2002. Hull recorded a tight vacancy rate of 0.5 per cent, signifying that some potential renters may be moving to the other side of the river for rental accommodations.

To get a complete picture of the city's rental market, including vacancy rates and rents by zone, structure type, structure size, and age of building, get CMHC's 2002 Ottawa Rental Market Report for only \$40.00 (call: 1-800-493-0059). Available on the week of December 30, 2002.

Rental Vacancy Rates	2001	2002
Bachelor	0.3	2.0
1 Bedroom	0.9	2.3
2 Bedroom	0.8	1.5
3 or more Bedrooms	0.7	1.6
Total	0.8	1.9

Average Rents	2001	2002
Bachelor	\$622	\$624
1 Bedroom	\$762	\$767
2 Bedroom	\$914	\$930
3 or more Bedrooms	\$1,099	\$1,129

Number of Units	Vacant	Total
Bachelor	109	5,350
1 Bedroom	635	27,755
2 Bedroom	373	24,267
3 or more Bedrooms	45	2,724
Total	1,162	60,096

Note: All data is for privately initiated rental apartment and row buildings with 3 units and over.



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1. VACANCY RATES										
Rental Vacancy Rates by Zone and Bedroom Type, Ottawa CMA										
Area	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Zone 1 - Downtown	0.1	1.1	0.8	1.3	0.6	1.6	2.6	4.1	0.7	1.4
Zone 2 - Sandy Hill, Lowertown	0.1	1.6	0.3	2.1	0.3	0.5	0.0	1.4	0.2	1.5
Zone 3 - Southwest	0.5	**	0.5	2.3	0.1	1.5	**	**	0.3	2.2
Zone 4 - East End	0.6	3.0	1.0	2.9	0.8	1.2	0.5	0.8	0.9	2.1
Zone 5 - West End	0.3	0.6	1.1	2.0	0.6	1.2	0.2	0.9	0.8	1.5
Zones 1 - 5 Former City of Ottawa	0.3	1.6	0.8	2.1	0.6	1.2	0.5	1.6	0.6	1.7
Zone 6 - Vanier	0.0	1.4	0.3	1.9	1.1	0.9	3.6	2.4	0.8	1.6
Zone 7 - Gloucester, Cumberland	0.0	0.6	0.7	4.6	0.2	1.5	0.0	2.1	0.3	2.7
Zone 8 - Nepean, Kanata, Goulbourn, Rideau	2.5	1.4	3.1	1.8	2.1	1.1	0.0	1.2	2.4	1.4
Ottawa CMA	0.3	2.0	0.9	2.3	0.8	1.5	0.6	1.6	0.8	1.9

2. AVERAGE RENTS										
Average Rents by Zone and Bedroom Type, Ottawa CMA										
Area	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		2001	2002
	2001	2002	2001	2002	2001	2002	2001	2002		
Zone 1 - Downtown	\$644	\$646	\$801	\$829	\$1,048	\$1,082	\$1,226	\$1,322		
Zone 2 - Sandy Hill, Lowertown	\$605	\$642	\$802	\$826	\$996	\$1,056	\$1,229	\$1,272		
Zone 3 - Southwest	\$583	**	\$730	\$797	\$944	\$1,010	**	**		
Zone 4 - East End	\$628	\$610	\$762	\$753	\$916	\$914	\$1,068	\$1,142		
Zone 5 - West End	\$657	\$639	\$779	\$730	\$911	\$856	\$1,041	\$1,023		
Zones 1 - 5 Former City of Ottawa	\$626	\$637	\$773	\$786	\$942	\$960	\$1,138	\$1,184		
Zone 6 - Vanier	\$469	\$572	\$612	\$708	\$717	\$881	\$779	\$1,329		
Zone 7 - Gloucester, Cumberland	\$663	\$612	\$799	\$800	\$912	\$978	\$1,167	\$1,062		
Zone 8 - Nepean, Kanata, Goulbourn, Rideau	\$690	\$642	\$743	\$763	\$876	\$930	\$948	\$1,043		
Ottawa CMA	\$622	\$624	\$762	\$767	\$914	\$930	\$1,099	\$1,129		

Zone 1: bounded by Queensway (south), Bronson (west), Ottawa River (north), Rideau Canal (east)

Zone 2: includes Sandy Hill, Lowertown, ByWard Market, Strathcona Heights

Zone 3: includes Ottawa East, Ottawa South, the Glebe, Chinatown, Little Italy, Hintonburg, Mechanicsville, Tunney's Pasture and Westboro north of Richmond Rd.

Zone 4: includes all neighbourhoods within the former City of Ottawa east of the Rideau River

Zone 5: includes Westboro south of Richmond Rd. and all former City of Ottawa neighbourhoods located west of Island Park, south of Carling Ave. and west of the Rideau River

Zone 6: the former City of Vanier

Zone 7: the former cities of Gloucester and Cumberland and the former Township of Osgoode

Zone 8: the former cities of Nepean and Kanata and the former Townships of Goulbourn, Rideau and West Carleton