RENTAL MARKET REPORT

Kitchener

Canada Mortgage and Housing Corporation

www.cmhc.ca

ANNUAL SURVEY
OCTOBER 2004

Market Highlights

Rental Market Soft

- Low mortgage rates and strong job growth have prompted the movement to home ownership.
- The supply of rental units in the CMA increased this year.
- The increased movement of renter households to ownership coupled with added rental unit supply boosted vacancy rates in 2004.
- High vacancy rates resulted in below inflation rent increases.
- Vacancy rates are expected to decline only slightly in 2005, as rent increases will be minimal.

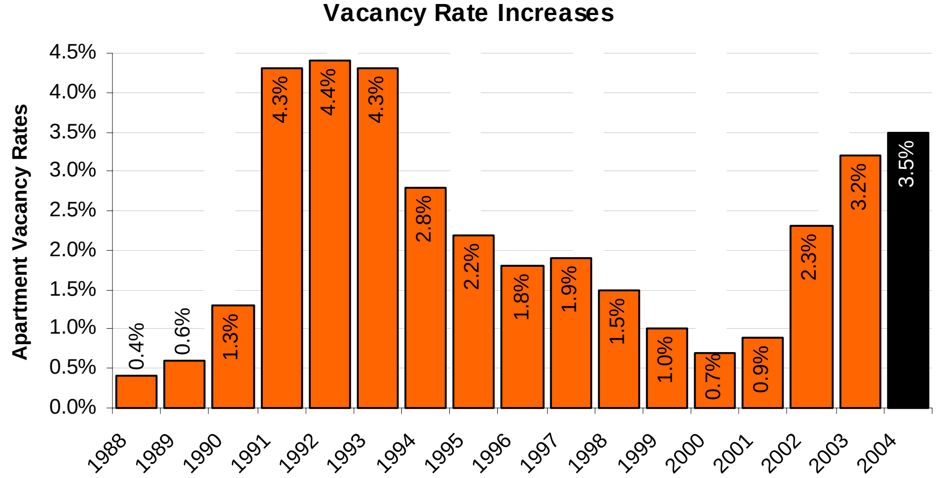
Vacancy Rate Climbs; Real Rents Decline

Vacancies Not Uniform

Demand for rental units in the Kitchener CMA shrank in 2004, with the average vacancy rate for all rental apartment units rising to 3.5 per cent - up from 3.2 per cent last year.

Vacancy levels varied substantially across the metropolitan area. Demand for rental accommodation remained relatively high in the City of Waterloo and North Kitchener. This is not surprising, as dwellings in this area are favoured by post-secondary students, due to their close proximity to the region's two universities and college.

Vacancy Rate Increases



Source: CMHC

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IN THIS ISSUE

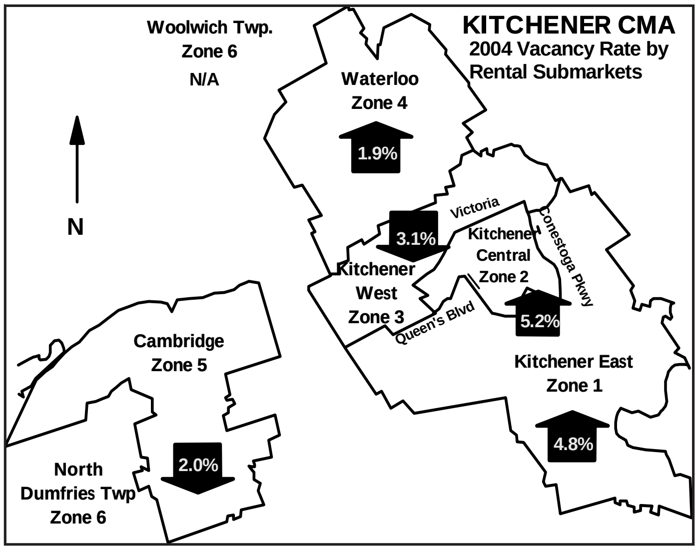
1	Market Highlights: Rental Market Remains Soft in 2004
1	Vacancy Rate Climbs; Real Rents Decline
1	Vacancies Not Uniform
2	Increased Vacancies have Resulted in a real Decline in Average Rents
2	Availability of Units is High
3	National Comparison: Kitchener CMA Vacancy Rate Above Average
4	Demand and Supply Factors
4	Hot Ownership Market has Kept Demand for Rental Units Low
4	The Addition of New Supply has also Affected Vacancies
4	Rental Market Outlook: 2005
5-8	Statistical Tables

Vacancy rates also differed noticably by the size of rental unit (i.e. number of bedrooms). Vacancy rates for two and 3+ bedroom apartment units, at four and 4.1 per cent respectively, were well above the average for the apartment universe and the rental market as a whole. Similarly, the vacancy rate for row units was above the market average. In particular, the 3+ bedroom rate was well above the average at 4.3 per cent.

Above average vacancies in larger,

Canada

CMHC SCHL HOME TO CANADIANS



higher rent units are not surprising given that the monthly payments associated with the ownership of similar-sized homes are comparable to these rental payments in many cases. As a result, the movement of households into home ownership has likely been most pronounced from these more expensive segments of the rental market.

Vacancies Resulted in a Real Average Rent Decline

The increased number of vacancies in 2004 has meant that households searching for rental accommodation have had more choice in the market place. With more units available for rent than there are renters, rental property owners and managers have been competing vigorously for tenants.

The primary outcome of this competion for tenants has been downward pressure on market rents. As the vacancy rate rose sharply in 2002 and again in 2003, average rent increases declined steeply in turn, from 3.9 per cent in 2002 to 0.5 per cent last year. In 2004, the average two bedroom rent rose by 1.5 per cent to $765.

At first glance it seems that substantial increases in rents were realized in the Kitchener area, especially in the face of rising vacancies. However, it is important to note that these rent increases did not keep pace with inflation. The October consumer price index (CPI) rose by 2.3 per cent in 2004, or 80 basis points (0.8) above the average rent increase. This means that the cost of operating a rental property (upkeep, utilities etc.) has increased at a greater rate than revenues. Thus, income realized by rental property owners has declined in many cases.

While many property managers have been seeking greater rents, in order to at least partially account for rising operating costs, these increases have often been mitigated by the decision to offer incentives such as "one month's free rent". Property owners who have utilized these incentives have experienced a further erosion of revenues in relation to expenses, as their effective rent has decreased.

In sum, average rents realized in the Kitchener area rose in nominal (not inflation adjusted) terms. Factors such as a comparatively greater rate of inflation and the competitive pressure to offer incentives have resulted in a real (inflation adjusted) decline in revenues, on average.

Availability of Units is High

A new measure called the availability rate was introduced, on a pilot basis, to this year's Rental Market Survey.

Availability refers to the percentage of units that are either vacant or for which notice to move has been received from or given to the current tenant and for which a lease has not been signed by a new tenant.

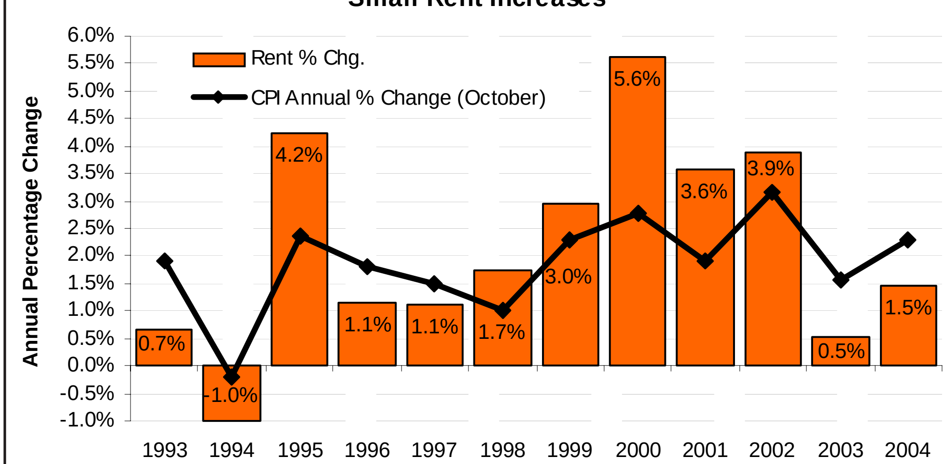
Units move in and out of the available pool largely as the result of the following:

- Renter households moving into the ownership market;
- New households moving into the rental market, due to new household formation within the current population or the in-migration of renter households; and
- Renter households giving notice for one rental unit, in order to take advantage lower rents and/ or incentives offered elsewhere in the marketplace.

The cycling of households through the rental market can point to increased costs for property owners *as well as* increased affordability for renters.

On the property ownership side, the total number of available units can be

Small Rent Increases



Source: CMHC, Statistics Canada

used as a measure of the maximum potential revenue loss in the rental market, at a given point in time. This upper bound of revenue loss would hypothetically be reached if no new tenants were found for all available units (those vacant and those soon to be).

While this extreme situation would never occur, each available unit - whether re-rented or not - represents added costs. In today's market, when a unit becomes available the property owner and/or manager will have to pay for improvements and advertising and perhaps incur losses associated with rent reductions and/or incentives, in order to fill actual or potential vacancies. When potential revenue loss and associated competitive pressures trigger rent reductions and incentive offers, the rental market becomes more affordable for many renters.

Overall availability, by rental sub-market in Kitchener, closely follows vacancy trends in these areas. The City of Kitchener (survey Zones 1 through 3) exhibited the highest vacancy and overall availability. In contrast, the City of Waterloo (Zone 4) experienced the lowest rates. This is likely due to the high levels of demand driven by the continued influx of post-secondary students.

National Comparison: Kitchener CMA Vacancy Rate Above Average

The average rental apartment vacancy rate in Canada's 28 major centres rose to 2.7 per cent in October 2004 from 2.3 per cent a year ago.

The rising vacancy rate over the past year is due to various factors. Low mortgage rates have kept mortgage carrying costs low and lessened demand for rental housing by bringing home ownership within the reach of many renter households.

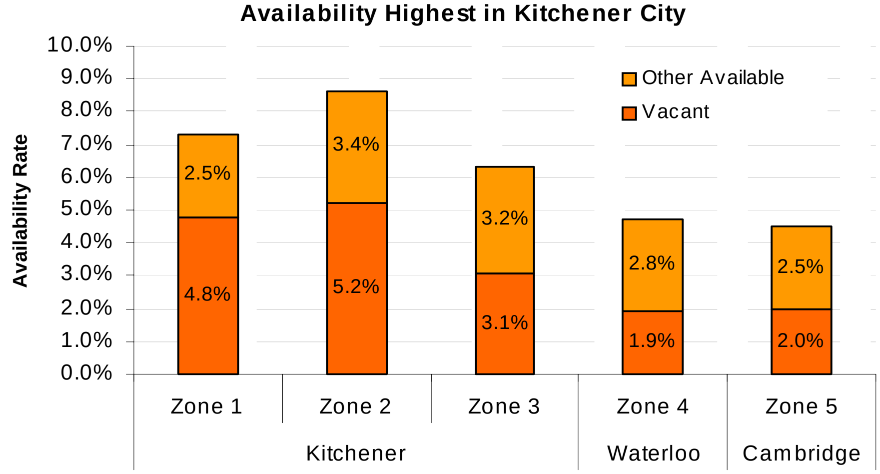
Continued high levels of condominium completions have also created competition for the rental market and have contributed to rising vacancy rates. Condominiums are a relatively inexpensive form of housing that are often purchased by renter households switching to home ownership. Condos also supplement the rental market because, in some cases, they are purchased by investors who in turn rent them out. Vacancy rates have also risen because rental apartment completions have added new rental supply in some centres.

Vacancy rates were higher than one year ago in 21 of Canada's 28 major centres. Windsor (8.8 per cent), Saskatoon, Saint John (NB), Edmonton, Saguenay, and Thunder Bay had the highest vacancy rates, while Victoria (0.6 per cent), Sherbrooke, Québec, Winnipeg, Trois-Rivières, and Vancouver were among the cities with the lowest vacancy rates.

Despite the higher vacancy rates in many centres, there are many households that pay more than 30 per cent of their income for rent. These households either need to move to less expensive units or require some help in order to make their monthly shelter costs more affordable. In some cases, however, there are not enough vacant units to meet the needs of all households in core housing need; for example households living in crowded conditions. Therefore, additional affordable housing units continue to be required.

In the Kitchener area, the 3.5 per cent vacancy rate was well above the Canadian average and in line with many centres in southwestern Ontario.

Availability Highest in Kitchener City



Source: CMHC

Apartment Vacancy Rates in Census Metropolitan Areas

Area	2003	2004
Windsor	4.3	8.8
Saskatoon	4.5	6.3
Saint John	5.2	5.8
Saguenay	5.2	5.3
Edmonton	3.4	5.3
Thunder Bay	3.3	5
Calgary	4.4	4.3
Toronto	3.8	4.3
Charlottetown	3.5	4.2
Ottawa	2.9	3.9
London	2.1	3.7
Kitchener	3.2	3.5
Hamilton	3	3.4
Oshawa	2.9	3.4
St. John's	2	3.1
Halifax	2.3	2.9
Abbotsford	2.5	2.8
Regina	2.1	2.7
St. Catharines-Niagara	2.7	2.6
Greater Sudbury	3.6	2.6
Kingston	1.9	2.4
Hull	1.2	2.1
Montreal	1	1.5
Vancouver	2	1.3
Trois-Rivieres	1.5	1.2
Quebec	0.5	1.1
Winnipeg	1.3	1.1
Sherbrooke	0.7	0.9
Victoria	1.1	0.6
CANADA'S CMAs	2.2	2.7

Source: CMHC

Demand and Supply Factors

Hot Ownership Market has Kept Demand for Rental Units Low

Two major factors contribute to the demand for rental housing: employment growth and interest rates.

The rate of employment growth dictates the overall level of demand for housing, in terms of both the rental and ownership markets. The Kitchener CMA experienced strong job growth over the past 15 years. Between 1988 and 2003, employment grew by 1.7 per cent on average - a growth rate greater than observed for the province of Ontario as a whole. This positive growth trend continued through the third quarter of this year and is expected to carry forward through 2005. Total employment is forecast to reach almost 240,000 this year (+1.6 per cent) and 246,000 next year (+2.6 per cent).

The cost of borrowing money - interest and by extension mortage rates - is a major driver of demand in the ownership market. Mortgage rates in 2004 reached historic lows. As a result, the average real (inflation adjusted) monthly ownership payment (principal and interest) was also close to historic lows this year.

Assuming the average resale price and a fixed rate three-year mortage, the monthly payment averaged $955 year-to-date. This payment is about $125 more than the average rent for a row-house style unit.

Given the strong local job market and affordable ownership costs, it is not surprising that a large component of the local population was comfortable purchasing new or resale homes over the past year. Sales in the resale market are forecast to reach a new record of 5,800 this year. In the new home market, total starts are expected to amount to approximately 3,730 - down less than 10 per cent in comparison to the 13-year high set in 2002.

The rising vacancy rate over the past three years suggests that a substantial component of this demand is accounted for by households moving from the rental market into ownership.

The Addition of New Supply has also Affected Vacancies

Alongside the movement of households out of the rental market has been a substantial increase in the number of new rental units completed in the Kitchener CMA. Between January and October of this year 1,164 apartment and row-house style units were completed. In addition, as of the end of October, 646 units were under construction.

While some of these units have been absorbed by the local student population and other in-migrants, a considerable portion of this new supply has also contributed to the increasing vacancy levels in the region.

Rental Market Outlook: 2005

The rental market in the Kitchener CMA is forecast to tighten slightly in 2005. This will result from continued increases in the price of resale and new homes. Coupled with these price increases will be mortgage rate hikes through the end of 2005. As a result, the average monthly payment will climb to $1,075 - up $120 in comparison to last year.

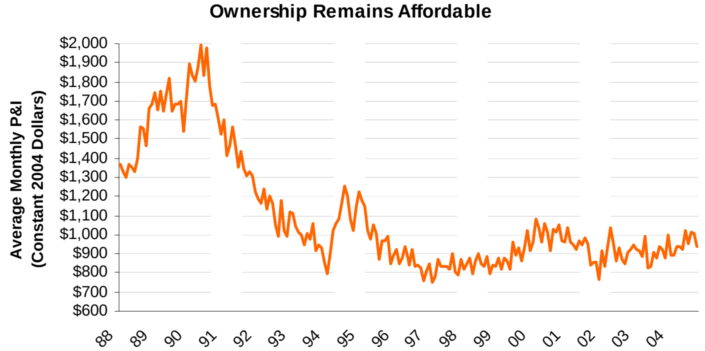
The rising cost of ownership will delay the home buying decision for a small number of households. These households will continue to rely on the rental market to secure accommodation.

Increased demand for rental units will reduce the number of vacancies next year. However, it is important to note that mitigating this effect, at least in part, will be the increased supply of rental units coming on line this year and next.

Taking these supply and demand factors into account, the forecast vacancy rate and average two-bedroom rent are summarized in the bullets that follow:

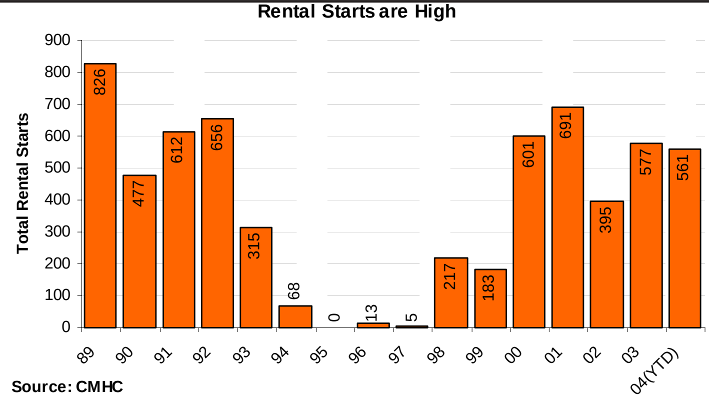
- The average vacancy rate will decline slightly to 3.2 per cent - a similar level to that experienced in 2003; and
- The average two bedroom apartment rent will rise at the same rate as 2004 (approximately 1.5 per cent) to approximately $777.

Ownership Remains Affordable



Source: Average MLS Price, 25% d.p., 3-Yr Mort. w/25-Year Amort

Rental Starts are High



Source: CMHC

METHODOLOGY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only structures with at least three rental units, which have been on the market for at least three months. The data collected for a structure depends on its initiation type (public or private), and whether it is an apartment or a row structure. The survey collects vacant unit data for all sampled structures. The market rent data are collected for only privately initiated structures. The available unit data are obtained only for privately initiated apartments. Most data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

Definitions

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; OR the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is what the owner is asking for the unit.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row Structure: Any building containing three or more rental units, all of which are ground oriented. Owner-occupied units are not included in the rental building unit count.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Acknowledgement

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Market Zones

The survey zones reported in this publication are described below and shown on page 2.

Zone 1: Kitchener East: Highland Rd. West, Mill St., Victoria Ave (north), N. Dumfries boundaries (New Dundee Rd.) (south), Woolwich Twp. (Grand River), Cambridge, Hwy 401 (east), Trussler Rd. (west)

Zone 2: Kitchener Central: Victoria Ave (north), Highland Rd. West, Mill St. (south), Conestoga Pkwy (east), Lawrence Ave. (west)

Zone 3: Kitchener West: Waterloo City boundaries (north), Highland Rd. West, Mill St., Victoria Ave (south), Woolwich Twp. (Grand River) (east), Wilmont Line/Wilmont Twp boundaries (west)

Zone 4: Waterloo: Woolwich Twp. boundaries (north), Kitchener City boundaries (south), Woolwich Twp. (Grand River) (east), Wilmont Line (west)

Zone 5: Cambridge: Woolwich Twp. boundaries (north), N. Dumfries Twp boundaries (south), Town Line Rd. (N. Dumfries Twp, Puslinch Twp) (east), Kitchener City boundaries (west)

Zone 6: Woolwich: Waterloo City, Cambridge City boundaries (south), Puslinch Twp (east), Regional Rd 16, Waterloo City, Kitchener City (west)

Zone 6: N. Dumfries: Kitchener City, (north), Cambridge City boundaries (east), Trussler Rd. (west)

TABLE 1: APARTMENT VACANCY RATES

Vacancy Rates by Zone for Private 3+ Unit Buildings (%) Kitchener CMA										
Rental Sub-market	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zone 1 - Kitchener (East)	4.1	4.8	0.4	0.0	3.6	3.6	4.7	5.5	3.2	5.8
Zone 2 - Kitchener (Central)	4.2	5.2	6.4	4.2	4.0	3.7	4.0	6.3	**	**
Zone 3 - Kitchener (West)	3.3	3.1	2.5	1.2	2.7	1.7	3.9	4.4	**	**
Zones 1-3 Kitchener City	**3.9**	**4.4**	**2.9**	**1.4**	**3.4**	**3.0**	**4.4**	**5.3**	**3.1**	**5.4**
Zone 4 - Waterloo City	1.6	1.9	**	**	1.4	1.6	1.4	1.8	4.4	2.9
Zone 5 - Cambridge City	2.6	2.0	1.8	4.7	3.4	1.7	1.9	2.0	4.5	1.6
Zone 6 - Two Townships	1.8	**	0.0	0.0	**	**	**	**	N/A	N/A
Kitchener CMA	**3.2**	**3.5**	**2.5**	**2.1**	**3.0**	**2.6**	**3.4**	**4.0**	**3.7**	**4.1**

TABLE 2: APARTMENT VACANCY RATES

Private 3+ Unit Apartment Universe and Vacancies by Zone Kitchener CMA										
Rental Sub-market	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe
Zone 1 - Kitchener (East)	449	9,385	0	237	102	2,844	312	5,703	35	601
Zone 2 - Kitchener (Central)	167	3,191	5	127	49	1,332	104	1,658	**	**
Zone 3 - Kitchener (West)	157	5,018	2	191	32	1,884	123	2,807	**	**
Zones 1-3 Kitchener City	**772**	**17,593**	**8**	**555**	**183**	**6,060**	**538**	**10,167**	**44**	**811**
Zone 4 - Waterloo City	100	5,314	**	**	21	1,327	64	3,519	12	403
Zone 5 - Cambridge City	86	4,354	4	84	22	1,280	57	2,797	3	192
Zone 6 - Two Townships	**	**	0	6	**	**	**	**	0	0
Kitchener CMA	**963**	**27,417**	**15**	**711**	**227**	**8,722**	**663**	**16,578**	**58**	**1,406**

TABLE 3: APARTMENT VACANCY RATES

Apartment Vacancy Rates by Structure Year of Completion and Bedroom Type Kitchener CMA										
Completion Year	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	N/A	**	N/A	**	N/A	**	N/A	N/A	N/A	N/A
Pre 1940	5.5	5.6	**	**	**	**	**	**	**	**
1940 - 1959	4.0	2.6	5.6	**	3.6	3.3	4.2	2.1	**	**
1960 - 1974	3.1	3.3	1.1	1.6	2.9	2.7	3.2	3.5	4.5	5.0
1975 - 1984	3.0	2.6	1.1	0.0	2.8	1.7	3.4	3.1	2.2	2.9
1985 - 1994	**	3.8	**	**	**	3.9	**	3.8	**	**
After 1995	N/A	7.0	N/A	**	N/A	0.0	N/A	9.9	N/A	**
Total	**3.2**	**3.5**	**2.5**	**2.1**	**3.0**	**2.6**	**3.4**	**4.0**	**3.7**	**4.1**

TABLE 4: APARTMENT VACANCY RATES

Vacancy Rates by Structure Size and Bedroom Type (%) Kitchener CMA										
No. of Rental Units in the Building	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
3 - 5 Units	3.6	2.1	**	**	4.4	3.3	3.6	1.7	**	**
6 - 19 Units	4.1	3.6	3.6	5.6	4.7	3.9	3.8	3.3	4.6	3.7
20 - 49 Units	2.4	3.4	2.4	0.0	2.8	2.7	2.1	3.7	2.1	4.4
50 - 99 Units	4.1	3.4	2.6	0.0	2.2	2.2	5.1	3.8	4.3	7.1
100+ Units	2.6	3.8	**	0.0	2.0	1.6	2.8	5.1	4.1	3.8
All Sizes	**3.2**	**3.5**	**2.5**	**2.1**	**3.0**	**2.6**	**3.4**	**4.0**	**3.7**	**4.1**

TABLE 5: APARTMENT AVAILABILITY RATES

Apartment Availability and Vacancy Rates by Zone and Bedroom Type (%) Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	Avail. Rate	Vac. Rate	Avail. Rate	Vac. Rate	Avail. Rate	Vac. Rate	Avail. Rate	Vac. Rate	Avail. Rate	Vac. Rate
Zone 1 - Kitchener (East)	7.3	4.8	0.4	0.0	6.0	3.6	8.0	5.5	8.7	5.8
Zone 2 - Kitchener (Central)	8.6	5.2	8.3	4.2	5.2	3.7	11.1	6.3	**	**
Zone 3 - Kitchener (West)	6.3	3.1	4.7	1.2	4.2	1.7	7.9	4.4	**	**
Zones 1-3 Kitchener City	**7.2**	**4.4**	**3.7**	**1.4**	**5.3**	**3.0**	**8.5**	**5.3**	**8.2**	**5.4**
Zone 4 - Waterloo City	4.4	1.9	**	**	5.4	1.6	4.2	1.8	3.5	2.9
Zone 5 - Cambridge City	4.6	2.0	11.4	4.7	4.6	1.7	4.4	2.0	4.5	1.6
Zone 6 - Two Townships	**	**	20.6	0.0	**	**	**	**	N/A	N/A
Kitchener CMA	**6.3**	**3.5**	**4.8**	**2.1**	**5.2**	**2.6**	**6.9**	**4.0**	**6.3**	**4.1**

TABLE 6: APARTMENT RENTS

Average Rents by Zone for Private 3+ Unit Buildings ($) Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zone 1 - Kitchener (East)	720	736	552	575	640	649	751	768	897	935
Zone 2 - Kitchener (Central)	692	712	473	**	631	643	776	776	**	**
Zone 3 - Kitchener (West)	706	721	**	**	645	660	753	761	**	**
Zones 1-3 Kitchener City	**711**	**727**	**520**	**547**	**640**	**651**	**755**	**768**	**914**	**959**
Zone 4 - Waterloo City	781	800	**	**	688	675	794	808	1,066	1,160
Zone 5 - Cambridge City	675	680	**	499	622	624	702	703	**	776
Zone 6 - Two Townships	**	**	521	537	**	**	**	**	N/A	N/A
Kitchener CMA	**719**	**734**	**517**	**541**	**646**	**651**	**754**	**765**	**943**	**990**

TABLE 7: APARTMENT RENTS

Average Apartment Rents by Structure Year of Completion and Bedroom Type ($) Kitchener CMA										
Completion Year	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	N/A	**	N/A	**	N/A	**	N/A	N/A	N/A	N/A
Pre 1940	539	579	**	**	**	**	**	**	**	**
1940 - 1959	601	611	462	**	538	552	659	657	**	**
1960 - 1974	714	721	519	529	649	649	742	752	938	932
1975 - 1984	772	787	607	629	684	699	804	813	946	989
1985 - 1994	**	762	**	**	**	678	**	812	**	**
After 1995	N/A	1,440	N/A	N/A	N/A	N/A	N/A	1,179	N/A	**
Total	**719**	**734**	**517**	**541**	**646**	**651**	**754**	**765**	**943**	**990**

TABLE 8: APARTMENT RENTS

Average Apartment Rents by Structure Size and Bedroom Type ($) Kitchener CMA										
No. of Rental Units	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
in the Building	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 - 5 Units	652	690	**	**	555	558	670	686	**	**
6 - 19 Units	644	661	462	464	585	586	681	698	881	980
20 - 49 Units	681	696	504	513	611	626	715	731	861	826
50 - 99 Units	762	783	549	556	687	695	792	813	968	993
100+ Units	802	807	**	628	715	716	843	844	994	1,019
All Sizes	**719**	**734**	**517**	**541**	**646**	**651**	**754**	**765**	**943**	**990**

TABLE 9: APARTMENT VACANCY RATES

Vacancy Rates by Rent Range (%) Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
< $350	**	**	**	**	**	**	**	N/U	**	N/U
$350 -$399	**	**	**	**	**	**	**	N/U	N/U	N/U
$400 -$449	3.3	1.2	6.3	**	**	**	**	**	N/U	**
$450 -$499	1.2	0.9	3.6	0.0	0.0	0.8	**	**	**	**
$500 -$549	1.0	2.6	2.0	3.5	0.8	2.5	**	**	**	**
$550 -$599	2.6	2.2	2.1	4.3	3.2	2.5	0.7	0.7	**	**
$600 -$649	2.4	3.9	**	**	3.5	5.1	0.2	2.1	**	**
$650 -$699	3.4	3.3	**	**	4.0	3.8	2.9	3.2	**	**
$700 -$749	3.9	3.7	**	**	2.2	0.8	4.9	4.7	**	**
$750 -$799	3.9	6.2	**	N/U	3.6	3.4	3.9	7.3	**	**
$800 -$849	3.0	4.5	N/U	**	**	**	3.4	4.1	0.6	6.3
$850 +	4.7	4.1	N/U	N/U	**	**	4.9	3.6	4.0	5.2

TABLE 10: ROW-HOUSING VACANCY RATES

Row Vacancy Rates by Zone and Bedroom Type (%) Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zone 1 - Kitchener (East)	3.9	4.0	N/U	N/U	**	**	6.0	6.0	3.1	3.0
Zone 2 - Kitchener (Central)	0.0	1.4	**	**	N/U	N/U	**	**	**	**
Zone 3 - Kitchener (West)	1.8	**	N/U	N/U	**	N/U	**	**	**	**
Zones 1-3 Kitchener City	**3.3**	**3.5**	**	**	**	**	**4.8**	**5.3**	**2.6**	**2.6**
Zone 4 - Waterloo City	3.3	**	N/U	**	**	**	3.8	**	3.2	**
Zone 5 - Cambridge City	3.5	2.9	N/U	N/U	**	**	2.3	1.4	6.9	6.6
Zone 6 - Two Townships	0.0	**	N/U	N/U	**	**	0.0	**	**	**
Kitchener CMA	**3.3**	**3.7**	**	**	**1.5**	**	**3.5**	**3.1**	**3.3**	**4.3**

TABLE 11: ROW HOUSING VACANCY RATES

Row Unit Universe and Vacancies by Zone Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe	Vacant Units	Universe
Zone 1 - Kitchener (East)	49	1,201	N/U	N/U	**	**	28	458	21	704
Zone 2 - Kitchener (Central)	1	74	**	**	N/U	N/U	**	**	**	**
Zone 3 - Kitchener (West)	**	**	N/U	N/U	N/U	N/U	**	**	**	**
Zones 1-3 Kitchener City	**54**	**1,543**	**	**	**	**	**30**	**570**	**24**	**929**
Zone 4 - Waterloo City	**	**	**	**	**	**	**	**	**	**
Zone 5 - Cambridge City	21	725	N/U	N/U	**	**	7	508	14	211
Zone 6 - Two Townships	**	**	N/U	N/U	**	**	**	**	**	**
Kitchener CMA	**118**	**3,218**	**	**	**	**	**43**	**1,403**	**75**	**1,745**

TABLE 12: ROW HOUSING RENTS

Row Average Rents by Zone and Bedroom Type Kitchener CMA										
Rental	All Units		Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +	
Sub-market	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zones 1-3 Kitchener City	865	847	**	**	**	**	**	**	861	857
Zone 4 - Waterloo City	**	**	N/U	N/A	**	**	**	**	**	**
Zone 5 - Cambridge City	678	686	N/U	N/U	**	**	651	659	749	**
Zone 6 - Two Townships	**	**	N/U	N/U	**	**	**	**	**	**
Kitchener CMA	**839**	**831**	**	**	**	**	**781**	**778**	**896**	**889**