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Northern Vancouver Island/Sunshine Coast

NOVEMBER 26, 2001

2001 RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Rental Vacancies Continue High

- **Apartment and rowhouse vacancy rates remain above 10%** in all North Vancouver Island/Sunshine Coast communities except Squamish this October.
- **Squamish saw the fewest vacancies this fall** with 6.3% of suites empty and available for rent.
- **Port Hardy has the highest vacancy rate**, with over one-third of apartments vacant at October 2001.
- Markets with more diverse economies, such as **Squamish** and **Courtenay-Comox**, have lower vacancy rates than markets with resource-based economies.

Average Rents Level Off

- **Average rents for two bedroom apartments stayed close to last year's levels** in North Island/Sunshine Coast markets. Last year, rents decreased in all markets except Squamish.
- **Powell River and Campbell River recorded the largest average apartment rent declines.** Rents held steady in Courtenay-Comox and rose marginally in Port Hardy and Squamish.
- **Decreasing rents** (in real dollar terms) **reflect high vacancy rates** and the North Vancouver Island/Sunshine Coast's slow pace of economic growth.

Row and Apartment Vacancy Rates	Oct. 2000	Oct. 2001
Campbell River	18.7%	17.4%
Courtenay/Comox	14.2%	10.3%
Port Hardy	27.3%	35.4%
Powell River	20.6%	22.7%
Squamish	5.8%	6.3%

Average 2-Bedroom Apartment Rents	Oct. 2000	Oct. 2001
Campbell River	\$515	\$508
Courtenay/Comox	\$541	\$541
Port Hardy	\$479	\$482
Powell River	\$487	\$477
Squamish	\$605	\$613

Row and Apartment Units (Oct. 2001)	Units Vacant	Total Units
Campbell River	256	1,471
Courtenay/Comox	224	2,171
Port Hardy	228	644
Powell River	136	600
Squamish	25	399

Note: All data is for privately initiated apartment buildings with 3 units or more.

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 CMHC Victoria - Market Analysis
 Website: www.cmhc-schl.gc.ca
 Also available: Metro Victoria and Mid Vancouver Island FastFaxes



Canada

CAMPBELL RIVER HIGHLIGHTS

Little Change in Rental Vacancies

- Rowhouse vacancies inched up to **23.7%** in October 2001 from 21.7% last year. **Apartments saw slightly fewer vacancies**, with this year's vacancies at 15.9% compared with 17.9% in 2000.
- **Three bedroom rowhouses** had the highest vacancy rates, while **one bedroom suites** recorded the fewest vacancies this fall.
- **More vacancies were recorded in every bedroom category except two bedroom suites** as compared with last year. However, the **overall number of vacant suites declined** slightly at October 2001.

Rents Drop

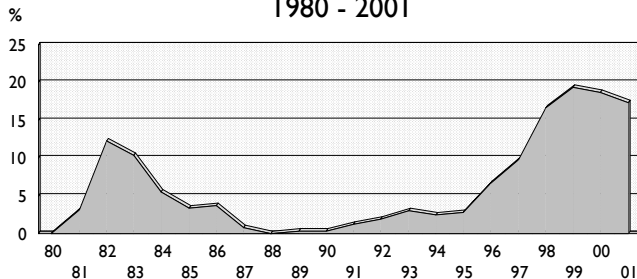
- **Average rents dipped for all apartments** and for three bedroom rowhouses this year.
- **Average apartment rents dipped 1.2% in 2001**- the sixth consecutive year of rent declines. Rowhouse rents edged up 1.2% after dropping 2.3% in 2000.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Campbell River

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	8.6	N/A	24.2	N/A	28.4	35.8	21.7	23.7
Apartments	16.3	18.8	13.7	12.2	21.3	17.8	5.8	16.7	17.9	15.9
Row Housing & Apartments	16.4	17.6	13.0	13.1	22.0	18.2	18.5	27.8	18.7	17.4

CAMPBELL RIVER VACANCY RATE

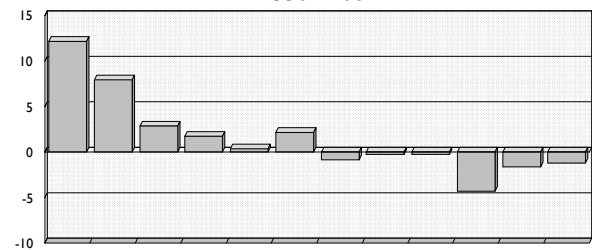
1980 - 2001



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

CAMPBELL RIVER

Average Apartment Rents - Annual Percent Change
1990 - 2001



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

2. Average Rents by Dwelling Type and Bedroom Type: Campbell River

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	\$406	N/A	\$522	N/A	\$578	\$569	\$507	\$513
Apartments	\$373	\$361	\$433	\$432	\$515	\$508	\$615	\$603	\$486	\$480

COURTENAY-COMOX HIGHLIGHTS

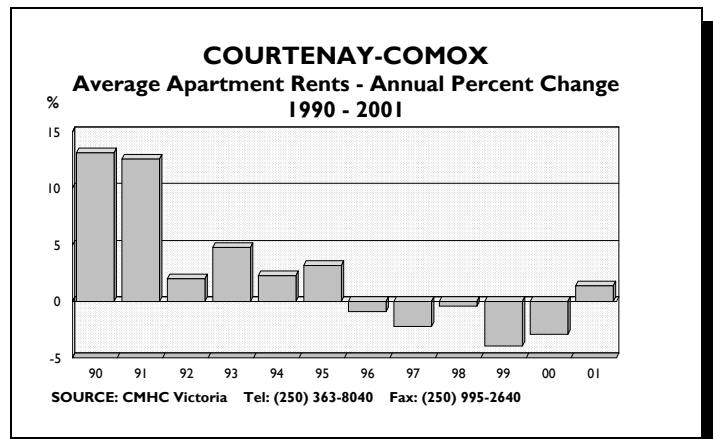
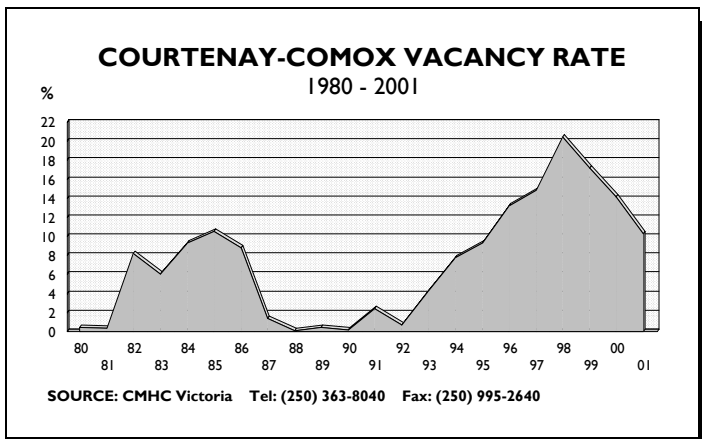
Rental Vacancy Rate Trending Down

- **Apartments reduced to 8.6%** from 11.9% last year. **Rowhouse vacancies edged down to 17.4%** in October 2001 from 24.2% one year earlier.
- **One bedroom rowhouses** had the highest vacancy rates in 2001, while **three bedroom apartments** recorded the fewest vacancies. One bedroom rowhouses also had the only vacancy increase, more than doubling to 58.8% from 20.0% last year.
- **The three bedroom apartment market recorded the largest decrease with 2.3% vacant.** Vacancies continued high in **all other types of rental housing** again this year in Courtenay-Comox.

Rents Edge Up

- **Average rents inched up for most rental housing types** in October 2001, breaking a 5-year declining trend.
- **Average apartment rents rose 1.4%** while **rowhouse rents crept up 0.4%**. Last year, rents slipped 2.9% for apartments and 1.6% for rowhouses.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Courtenay-Comox										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	20.0	58.8	27.6	21.6	18.4	4.1	24.2	17.4
Apartments	4.5	4.0	10.7	6.4	13.3	10.6	14.9	2.3	11.9	8.6
Row Housing & Apartments	5.6	7.3	11.0	7.9	16.1	12.8	17.1	3.4	14.2	10.3



2. Average Rents by Dwelling Type and Bedroom Type: Courtenay-Comox										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	\$370	\$411	\$496	\$494	\$659	\$659	\$547	\$549
Apartments	\$341	\$348	\$453	\$451	\$541	\$541	\$606	\$604	\$500	\$507

PORT HARDY HIGHLIGHTS

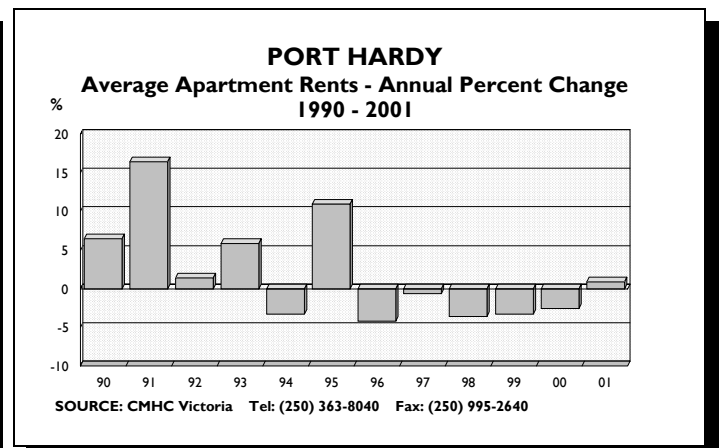
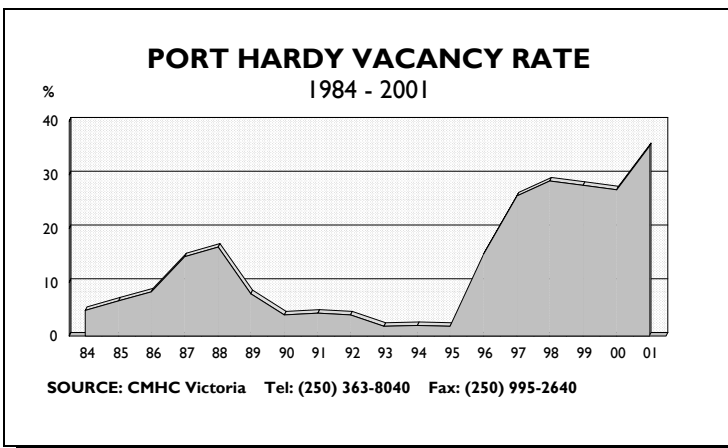
Rental Vacancies Exceed One-Third of All Units

- **Rowhouse vacancies jumped to 45.9%** in October 2001 from 9.8% in 2000 and 34.7% in 1999. **More apartments were also vacant**, at 33.3% from 30.1% last year.
- **One bedroom suites** had the highest vacancy rates, while **bachelor suites** recorded the fewest vacancies. Two bedroom apartments had the only vacancy drop, to 27.8% in 2001.
- **The Port Hardy rental market has seen high vacancies since 1996**, reflecting local economic decline.

Rents Edge Up

- **Average rents crept up for all rental housing types** in October 2001.
- **Average apartment rents rose 0.9%** while **rowhouse rents pushed ahead 3.2%**. Last year, apartments rents declined 2.5% and rowhouses decreased 7.8%.

1. Vacancy Rates by Dwelling Type and Bedroom Type: Port Hardy										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	12.0	41.2	6.3	50.0	9.8	45.9
Apartments	19.7	23.0	36.8	44.6	30.7	27.8	N/A	23.3	30.1	33.3
Row Housing & Apartments	19.7	23.0	36.8	44.6	27.2	30.2	9.3	38.6	27.3	35.4



2. Average Rents by Dwelling Type and Bedroom Type: Port Hardy										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	\$513	\$514	\$571	\$585	\$535	\$552
Apartments	\$326	\$326	\$394	\$396	\$479	\$482	\$583	\$599	\$437	\$441

POWELL RIVER HIGHLIGHTS

Rental Market Sees More Suites Vacant in 2001

- Overall vacancies increased to **22.7%** in October 2001 from 20.6% last year. **Apartment vacancies were 23.0%**.
- **Apartments with three or more bedrooms** had the highest vacancy rates again this year, while **rowhouses** recorded the fewest vacancies. Vacancy rates for **smaller suites (bachelor + one bedrooms)** grew the most in 2001.
- Powell River's **rental market has seen high vacancies since 1993**, reflecting local economic decline.

Rents Level Off

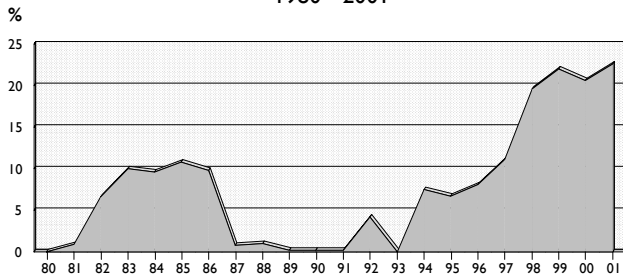
- Average apartment rents edged down **1.3%** in October 2001 while **rowhouse rents averaged \$503**.
- Average rents decreased most strongly in one and two bedroom apartments.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Powell River

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14.8	14.8
Apartments	14.3	23.1	16.9	20.5	21.6	21.4	45.0	50.0	20.9	23.0
Row Housing & Apartments	13.3	21.4	16.9	20.5	20.8	20.7	40.4	44.2	20.6	22.7

POWELL RIVER VACANCY RATE

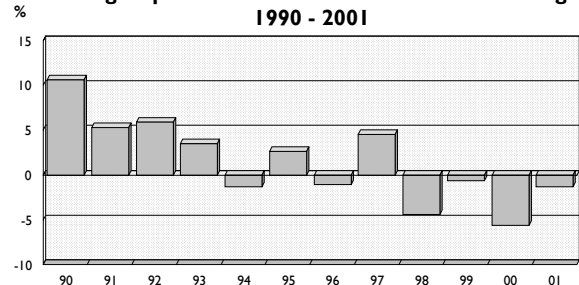
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POWELL RIVER

Average Apartment Rents - Annual Percent Change
1990 - 2001



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2. Average Rents by Dwelling Type and Bedroom Type: Powell River

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$489	\$503
Apartments	\$314	\$332	\$422	\$409	\$487	\$477	\$541	\$551	\$457	\$451

SQUAMISH HIGHLIGHTS

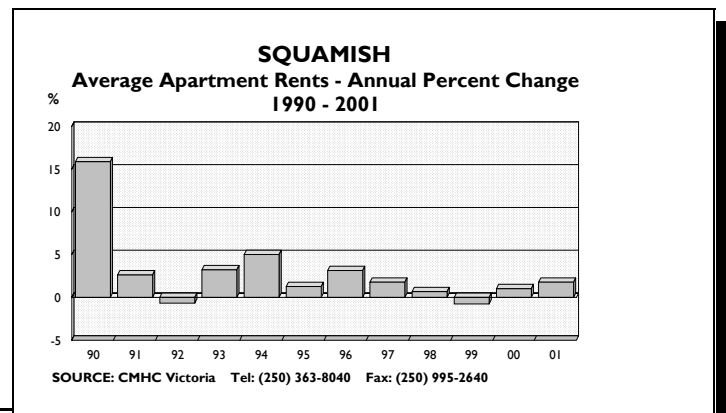
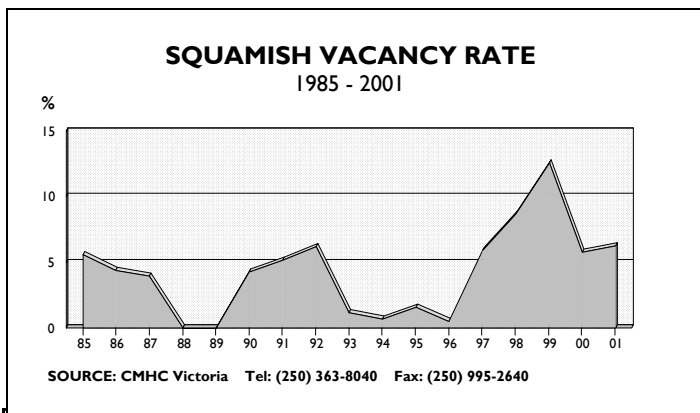
Rental Market Vacancies Growing

- Overall vacancies edged up to **6.3%** in October 2001 from 5.8% last year. **Apartment vacancies rose to 6.9%**.
- **Bachelor apartments** again had the highest vacancy rates, while **two bedroom apartments** recorded the lowest rate. In fact, very few two bedroom apartments were vacant, with the rate dropping to 0.7% compared with 4.5% in 2000.
- Squamish's **high vacancy rates are centered in bachelor apartments**, with other categories showing rates ranging from 1.3% to 3.8%. Squamish's diversifying economy is pushing employment growth, improving demand for rental housing.

Rents Up Slightly

- Average apartment rents rose **1.7%** this October compared with 1.1% in October 2000.
- Squamish's modest rent increases remain below the rate of inflation, reflecting continued vacant suites.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Squamish										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	N/A	N/A	2.3	N/A	3.2	N/A
Apartments	15.2	34.8	3.3	3.3	4.5	0.7	8.3	4.9	6.3	6.9
Row Housing & Apartments	15.2	34.8	3.3	3.3	4.6	1.3	5.7	3.8	5.8	6.3



2. Average Rents by Dwelling Type and Bedroom Type: Squamish

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Row Housing	N/A	N/A	N/A	N/A	N/A	N/A	\$676	N/A	\$657	N/A
Apartments	\$428	\$431	\$523	\$525	\$605	\$613	\$649	\$679	\$566	\$576

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