



EAST FAX

Newfoundland

RENTAL MARKET REPORT

NEWFOUNDLAND HIGHLIGHTS

Canada Mortgage and Housing Corporation

Widespread Increase in Provincial Rental Demand

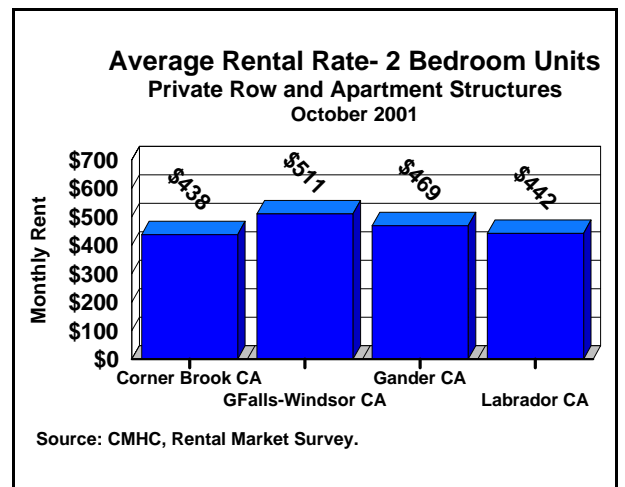
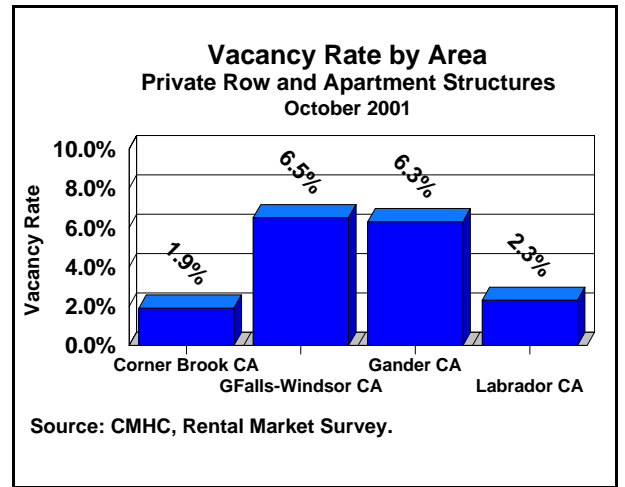
NOVEMBER 26TH, 2001

Rental demand within provincial urban centres outside of St. John's increased significantly in 2001, with vacancy rates falling from the year before. Unlike recent years, the improved performance was widespread as all markets experienced a decline in vacancy rates over the past 12 months. The healthy improvement in rental demand largely reflects growth in local economies. Increased employment associated with the opening of customer contact centres in Gander and Corner Brook as well as the new Exploits Centre for Information Technology Excellence in Grand Falls-Windsor have also stimulated rental demand throughout 2001. Employment gains stemming from further expansion of retail capacity in a number of urban centres has also bolstered demand for apartments. With new construction of rental stock remaining weak and demand for this type of accommodation growing, the net effect has been a lowering of vacancy rates.

Vacancy rates for row and apartment structures containing three or more units ranged from a low 1.9 per cent in the Corner Brook CA to a high of 6.5 per cent in the Grand Falls-Windsor CA. Vacancy rates in the Gander CA fell to 6.3 per cent while conditions in Labrador West remained amongst the tightest in the province with just 2.3 per cent of units laying vacant in October of 2001. Fewer vacancies have also been reflected in rental rates with average rents for two bedroom units climbing in all urban centres as well.

Canada Mortgage and Housing Corporation's Rental Market Survey is the most comprehensive source of information on rental markets in Newfoundland. The survey is conducted every October in urban centres of 10,000 population and over. The most recent survey included the enumeration of 3,900 row and apartment units in the St. John's metro region and an additional 2,065 units in other urban centres. Detailed information on historical vacancy and rental rate data for provincial urban centres is available from CMHC on a fee-for-service basis.

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CMHC - Market Analysis Centre



Canada

1. Vacancy Rates

Row and Apartment Vacancy Rates Bedroom Type - Newfoundland (%)

Area	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Gander Ca	**	**	7.3	10.8	12.0	5.6	2.9	0.0	10.5	6.3
Grand Falls-Windsor CA	13.4	0.0	22.6	19.7	11.0	4.6	5.1	2.6	11.9	6.5
Corner Brook CA	10.8	**	6.6	3.2	9.1	1.0	**	**	8.9	1.9
Labrador CA	**	**	5.5	0.0	5.7	4.1	4.0	0.0	5.6	2.3

2. Average Rents

Row and Apartment Average Rents by Bedroom Type - Newfoundland (\$)

Area	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom	
	2000	2001	2000	2001	2000	2001	2000	2001
Gander Ca	**	**	\$374	\$377	\$466	\$469	\$472	\$474
Grand Falls-Windsor CA	\$341	\$409	\$409	\$421	\$478	\$511	\$455	\$458
Corner Brook CA	\$359	**	\$376	\$382	\$427	\$438	**	**
Labrador CA	**	**	\$377	\$396	\$401	\$442	\$439	\$455

3. Rental Universe

Rental Universe and Vacant Units by Area and Bedroom Type - Newfoundland

Area	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom	
	Total	Total	Vacant	Total	Vacant	Total	Vacant	Total
Gander Ca	**	**	12	111	25	443	0	34
Grand Falls-Windsor CA	0	8	16	81	16	358	2	77
Corner Brook CA	1	26	5	168	3	315	**	**
Labrador CA	**	**	0	73	9	217	0	99

** Not Available. Suppressed because of confidentiality.