

F

AST FAX

Ottawa

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Vacancy rate increases slightly

NOVEMBER 26, 2001

Ottawa's rental market has eased slightly in 2001. From its record low of 0.2 per cent twelve months ago, the rental vacancy rate now stands at **0.8 per cent**, meaning eight out of every 1,000 rental units is available.

The increase in the vacancy rate can be attributed to two factors: first, the economic slowdown, which has especially affected the Nepean-Kanata area. In this western sub-market, the vacancy rate is now close to 2 per cent, and rents have actually declined. The second factor is rising rents in all other sub-markets. This has resulted in tenants moving away from higher-priced areas or units. Notably, many tenants have moved across the Ottawa River, and the new City of Gatineau now has a lower rental vacancy rate than Ottawa, at 0.6 per cent.

This easing in the rental market is still slight in magnitude. Vacancies have declined in parts of downtown (Zone 2 - Sandy Hill and Lowertown) and in the areas where rents were lower (Zone 3 - Chinatown, Hintonburg, Little Italy, and Zone 7 - Gloucester and Cumberland).

Rents have increased by an overall rate of 4.1 per cent. The increases surpassed the rate of inflation again this year but were not as steep as the 12.6 per cent recorded in the prior twelve-month interval. The smaller units recorded the highest rent increases (bachelor rents rose by 8.7 per cent), whereas the larger units experienced the lowest rent increments. The benchmark two-bedroom apartment now rents for **\$916**, an increase of 3.9 per cent over last year.

With this year's survey, Ottawa loses its dubious honour as the nation's tightest rental market. The title is now held by Victoria, with a 0.5 per cent vacancy rates. Ottawa keeps the lowest vacancy rate in Ontario, however, with Toronto and Kitchener tied for second place at 0.9 per cent.

CMHC's rental market survey is conducted every year in early October and measures trends in a universe of 68,128 private rental apartments and row houses in the Ottawa Census Metropolitan Area (CMA).

CMHC Ottawa Office - Alain Miguelez, Senior Market Analyst (613) 748-5120

Rental Vacancy Rates	2000	2001
Bachelor	0.3	0.3
1 Bedroom	0.2	0.9
2 Bedroom	0.2	0.8
3 Bedroom and +	0.4	0.7
Total	0.2	0.8

Average Rents	2000	2001
Bachelor	\$572	\$622
1 Bedroom	\$722	\$762
2 Bedroom	\$882	\$916
3 Bedroom and +	\$1,059	\$1,063

Rental Units	Vacant	Total
Bachelor	16	5,324
1 Bedroom	256	28,077
2 Bedroom	214	25,951
3 Bedroom and +	61	8,776
Total	547	68,128

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



HOME TO CANADIANS
Canada

1. VACANCY RATES

Rental Vacancy Rates by Zone and Bedroom Type, Ottawa CMA

Area	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Zone 1 – Downtown	0.7	0.1	0.1	0.8	0.8	0.6	4.3	2.3	0.5	0.7
Zone 2 – Sandy Hill, Lowertown	0.2	0.1	0.2	0.3	0.4	0.3	0.9	0.0	0.3	0.2
Zone 3 – Southwest	0.1	0.5	0.4	0.5	0.6	0.1	0.2	0.2	0.4	0.3
Zone 4 – East End	0.0	0.6	0.1	1.0	0.0	0.8	0.1	0.6	0.1	0.8
Zone 5 – West End	0.1	0.3	0.2	1.1	0.2	0.6	0.6	0.5	0.2	0.8
<i>Zones 1 – 5 – Former City of Ottawa</i>	<i>0.3</i>	<i>0.3</i>	<i>0.2</i>	<i>0.8</i>	<i>0.3</i>	<i>0.6</i>	<i>0.5</i>	<i>0.6</i>	<i>0.3</i>	<i>0.6</i>
Zone 6 – Vanier	0.0	0.0	0.6	0.3	0.1	1.1	0.0	3.0	0.3	0.8
Zone 7 – Gloucester, Cumberland	0.0	0.0	0.0	0.7	0.1	0.2	0.0	0.5	0.0	0.4
Zone 8 – Nepean, Kanata, Goulbourn, Rideau	0.0	2.5	0.2	3.1	0.2	2.2	0.3	0.8	0.2	1.9
Ottawa CMA	0.3	0.3	0.2	0.9	0.2	0.8	0.4	0.7	0.2	0.8

2. AVERAGE RENTS

Average Rents by Zone and Bedroom Type, Ottawa CMA

Area	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom	
	2000	2001	2000	2001	2000	2001	2000	2001
Zone 1 – Downtown	\$592	\$644	\$766	\$801	\$1 035	\$1,046	\$1,164	\$1,201
Zone 2 – Sandy Hill, Lowertown	\$547	\$605	\$758	\$801	\$950	\$993	\$1,159	\$1,213
Zone 3 – Southwest	\$534	\$583	\$658	\$729	\$833	\$943	\$1,062	\$1,156
Zone 4 – East End	\$552	\$627	\$717	\$762	\$866	\$920	\$1,030	\$994
Zone 5 – West End	\$607	\$657	\$732	\$779	\$849	\$913	\$983	\$1,030
<i>Zones 1 – 5 – Former City of Ottawa</i>	<i>\$571</i>	<i>\$626</i>	<i>\$725</i>	<i>\$773</i>	<i>\$886</i>	<i>\$942</i>	<i>\$1,045</i>	<i>\$1,057</i>
Zone 6 – Vanier	\$454	\$469	\$569	\$612	\$666	\$717	\$766	\$858
Zone 7 – Gloucester, Cumberland	\$620	\$663	\$735	\$799	\$857	\$910	\$1,058	\$1,064
Zone 8 – Nepean, Kanata, Goulbourn, Rideau	\$755	\$690	\$822	\$743	\$983	\$889	\$1,100	\$1,084
Ottawa CMA	\$572	\$622	\$722	\$762	\$882	\$916	\$1,059	\$1,063

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