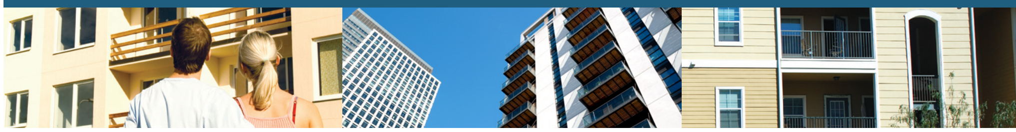
RENTAL MARKET REPORT

Canada Highlights



CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Fall 2014

Figure 1

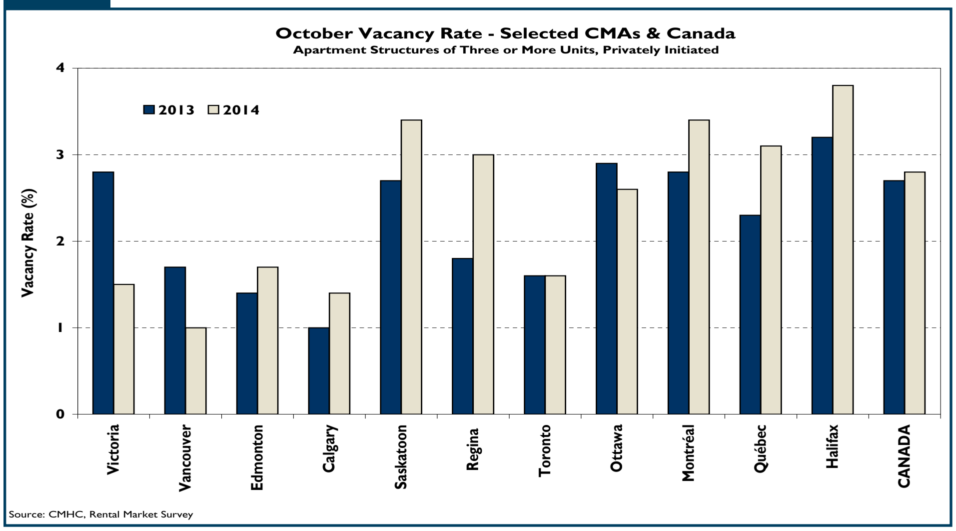
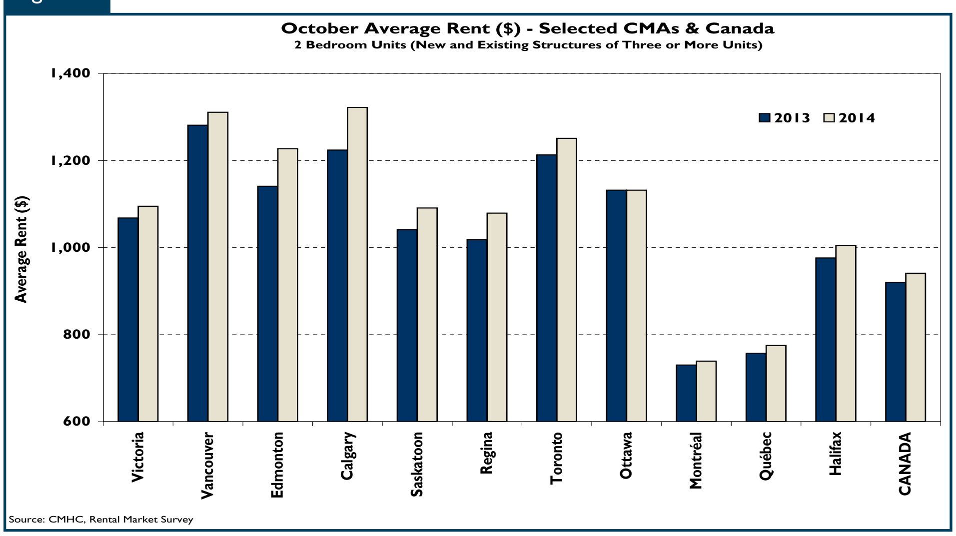


Figure 2



Highlights

- In the primary purpose-built rental market, the average rental apartment vacancy rate in Canada's 35 larger centres[1] increased slightly, to 2.8 per cent in October 2014, from 2.7 per cent in October 2013.
- The average rent for two-bedroom units was $941 in October 2014, with the averages ranging from $568 in Trois-Rivières to $1,322 in Calgary.
- On the secondary rental market, the vacancy rates for condominium apartments ranged from a high of 3.4 per cent in Montréal to a low of 0.7 per cent in Vancouver.
- The average monthly rents[2] for two-bedroom condominium apartments were highest in Toronto ($1,818) and lowest in Québec ($1,070).
- The fall Rental Market Survey also asked property managers to provide information on the total number of condominium apartment units owned by people whose permanent residence is outside of Canada.
- The centres with the highest percentage of foreign investment in condominium units are Toronto at 2.4 per cent, Vancouver at 2.3 per cent and Montréal at 1.5 per cent.

[1] Larger centres are based on Statistics Canada census metropolitan areas (CMAs), with the exception of the Ottawa-Gatineau CMA, which is treated as two centres for Rental Market Survey purposes, and Charlottetown, which is a census agglomeration (CA). See page 11 for a complete description of the survey methodology.

[2] CMHC uses a measure that estimates the change in rents charged in existing structures. This measure excludes the impact of new structures and conversions added to the universe between surveys. The estimated percentage change in the average rent is a measure of the market movement and is based on those structures that were common to the survey sample for both years.

National vacancy rate increases slightly in the primary purpose-built rental market

The average vacancy rate in the primary purpose-built apartment market in Canada's 35 larger centres increased slightly from 2.7 per cent in October 2013 to 2.8 per cent in October 2014. The vacancy rate has increased every year since 2011, when it was 2.2 per cent. The primary rental market vacancy rate published by CMHC measures the percentage of all unoccupied rental apartments in privately initiated apartment structures containing three or more units.

Between October 2013 and October 2014, in the largest centres the number of purpose-built rental units rose by 2.7 per cent or 42,711 units, which measures the increase in the supply of rental units. This increase in supply outpaced the approximate 39,900 increase in units occupied. Accordingly, the national vacancy rate rose.

Demand for rental housing continues to be supported by employment and migration factors:

- Net migration was also supportive of rental housing demand. Last year net migration was 270,293 people, just slightly lower than the record high of 272,305 set in 2009. In general, recent immigrants tend to rent a dwelling when they arrive in the country before moving to homeownership.
- With respect to full-time employment for those in the 15 to 24 age range, who are very often renters, there was no change from October 2013 to October 2014.[3] In addition, the average weekly wage for this age group for full time positions was up 1.7 per cent over the same period.

Western centres have stronger rental fundamentals

The fundamentals supporting Canada's housing markets, such as migration, employment and income, are stronger in the western part of the country than they are in other parts. For example, total net migration into Alberta as of the second quarter of 2014 was almost the same as the larger province of Ontario. This is due to relatively better employment and income opportunities. Relatively similar gains have been experienced in other western provinces as well.

When looking across Canada, western centres appear more robust. With respect to the top ten lowest vacancy rates, five are from the west (Vancouver, Kelowna, Calgary, Victoria, Edmonton). With respect to the top ten highest rents, 6 are from the west (Calgary, Vancouver, Edmonton, Victoria, Saskatoon and Regina). With respect to the top ten changes in rents for two-bedroom apartments in structures common to both the 2013 and 2014 October surveys[4], five come from the west (Edmonton, Calgary, Saskatoon, Winnipeg and Regina). Finally, with respect to the top ten increases in the rental units only three come from the west (Regina, Winnipeg and Edmonton). This highlights very strong demand for rental housing in western centres and that perhaps supply has yet to catch up with demand.

Vacancy rates lower in most centres, but up in the larger centres

A total of 15 of the 35 surveyed centres had decreases in the vacancy rate when compared to October 2013, while rates increased in 11 centres and remained unchanged in 9 centres. The reason the national vacancy rate has increased while most centres have decreased is

Cautionary Note

In the report, comparisons between the results of the October 2014 rental market survey and the April 2014 survey are avoided. A key reason for this is that changes in rents, vacancy rates, and availability rates between the spring and the fall may not be solely attributable to changes in rental market conditions; they could also reflect seasonal factors. For example, if more people tend to move in the spring than in the fall, it could have an impact on vacancy and availability rates as well as the level of rents.

Alternatively, in centres where there are a significant number of university students, vacancy and availability rates could be higher in the spring if students move for the summer. To the extent that these types of seasonal variations exist, comparing results from the spring and fall Rental Market Surveys could lead to incorrect conclusions about trends in rental market conditions. To avoid this, CMHC has limited its analysis to the results of its fall Rental Market Survey, comparing results for 2013 and 2014, as well as different centres across Canada.

[3] Over the same period, full-time employment among those 15 and over increased by 1.1 per cent nationally.

[4] Year-over-year comparison of average rents can be slightly misleading because rents in newly built structures tend to be higher than in existing buildings. By excluding new structures, we can get a better indication of actual rent increases paid by tenants. See the technical note on page 10.

because the largest share of rental units is in Montréal, representing 32.3 per cent. The 0.6 percentage point increase in the Montréal vacancy rate, therefore, more than offset the decrease in the other centres.

In October 2014, the larger centres with the highest purpose-built rental vacancy rates were Saint John (9.0 per cent), Moncton (8.7 per cent), Ottawa-Gatineau (Que. part) (6.5 per cent) and Charlottetown (5.9 per cent), while the lowest proportions of unoccupied units were registered in Vancouver and Kelowna (1.0 per cent), Guelph (1.2 per cent), Calgary (1.4 per cent) and Victoria (1.5 per cent).

Comparable rents for two-bedroom apartments increased at a steady pace

Overall, the average rent for two-bedroom apartments in structures common to both the 2013 and 2014 October surveys across Canada's 35 major centres rose by 2.5 per cent. By comparison, for the 12-month period to October 2014, inflation in Canada was 2.4 per cent.

All of the surveyed centres saw increases in their average rents for two-bedroom apartments between October 2013 and October 2014. The largest moves were registered in Edmonton (+6.1 per cent), Calgary (+5.9 per cent) and Saskatoon (+4.3 per cent). The smallest rises were experienced in Charlottetown (+0.3 per cent), Saint John (+0.7 per cent), and London (+1.0 per cent).

The average monthly rent across Canada's 35 larger centres was $941 in October 2014. Average monthly rents for two-bedroom apartments in new and existing structures were highest in Calgary ($1,322), Vancouver ($1,311) and Toronto ($1,251). Rents were the lowest in Trois-Rivières ($568), Saguenay ($595) and Sherbrooke ($604).

Availability rate remains stable

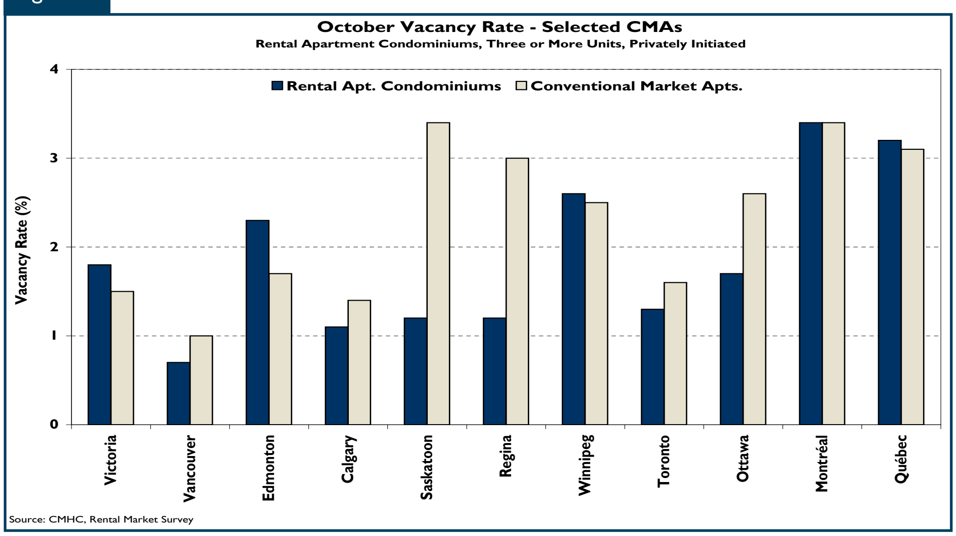
The average rental apartment availability rate[5] in Canada's 35 larger centres was unchanged in October 2014, at 3.7 per cent. Availability rates were highest in Saint John (10.0 per cent), Moncton (9.1 per cent) and Ottawa-Gatineau (Que. part) (7.0 per cent). The lowest rates were in Vancouver (1.6 per cent), Kelowna (1.7 per cent) and Edmonton (2.5 per cent). The availability rate published by CMHC is an alternative measure to the vacancy rate. The availability rate measures the percentage of units that can be rented. In addition to the unoccupied units, reflected by the vacancy rate, the availability rate also takes into account the units that are occupied but nonetheless available for rent at the time of the survey.

On the secondary rental market, rental condominium vacancy rates steady

CMHC's October 2014 Rental Market Survey also covers condominium apartments offered for rent in Victoria, Vancouver, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal and Québec.[6] The rental condominium vacancy rates ranged from a high of 3.4 per cent in Montréal, to a low of 0.7 per cent in Vancouver.

In October 2014, the vacancy rates for rental condominium apartments increased in two of eleven centres from October 2013, when considering the survey margin of error.[7] Rates decreased in four centres, and remained unchanged in five centres.

Figure 3



[5] A rental unit is considered available if the unit is vacant (physically unoccupied and ready for immediate rental) or if the existing tenant has given, or received, notice to move and a new tenant has not signed a lease.
[6] The fall survey covers apartment and row structures containing at least three rental units and, unlike the spring survey, reports information on a) smaller geographic zones within centres, and b) the secondary rental market (rental condominiums, single-detached houses, semi-detached homes, duplexes and accessory apartments). This survey was conducted in Calgary, Edmonton, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, Victoria and Winnipeg.
[7] A significant change is a change that cannot be explained by an error in the survey sampling. If a change is insignificant, the survey cannot clearly tell if a vacancy rate is higher or lower this year relative to the previous year, when considering the survey margin of error.

The average monthly rents for two-bedroom condominium apartments were highest in Toronto ($1,818) and lowest in the Québec CMA ($1,070). All surveyed centres except for Edmonton posted average monthly rents for two-bedroom condominium apartments that were higher than the average monthly rents for private two-bedroom apartments on the primary rental market. This is largely due to the fact that condominiums typically are newer and many have amenities. The greatest rent gaps between rental condominiums and conventional purpose-built rental units were noted in Toronto ($567) and Montréal ($405).

The supply of rental condominiums continues to increase

When comparing whether or not a condominium unit is owner occupied or rented, nine of the eleven surveyed centres experienced increases in the percentage of rented units. Decreases occurred only in Vancouver and Victoria.

Overall for 2014, the proportions of rental condominium apartments were lowest in the Québec CMA and Montréal, at 10.2 per cent and 13.3 per cent, respectively, and highest in the Alberta centres, at 33.5 per cent in Edmonton and 30.6 per cent in Calgary. In October 2014, the proportions of rental condominiums stood at 29.3 per cent in Toronto and 25.3 per cent in Vancouver. In October 2013, these shares were 26.1 per cent for Toronto and 26.3 per cent for Vancouver. At the time of the first edition of this survey in 2006, the rates in these two cities were 20.9 per cent and 21.9 per cent, respectively.

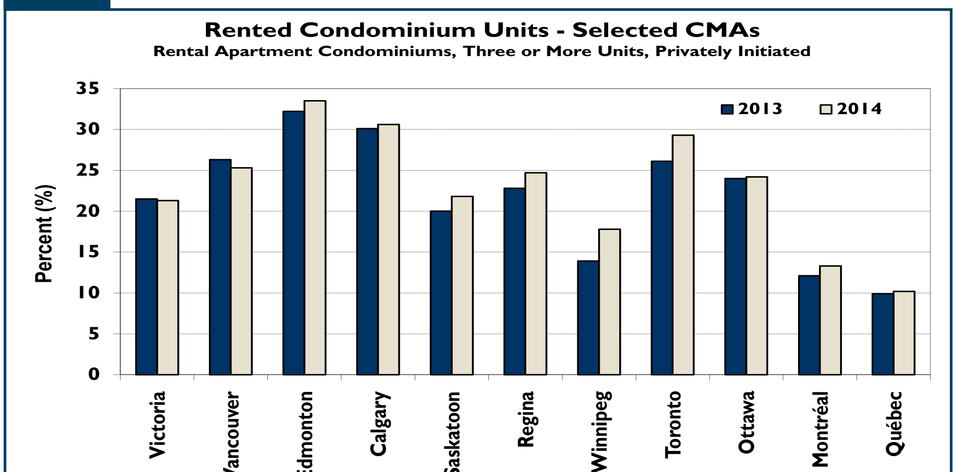
Across the eleven centres surveyed, the supply of condominium units available for rent increased by 11.5 per cent between October 2013 and October 2014 to 216,007 units. The percentage of condominium units available to rent in October 2014 was 24.4 per cent, up from 23.3 per cent in 2013.

The centres with the largest increases in the supply of condominium units available to rent are Winnipeg (up 35.6 per cent), Regina (up 23.6 per cent) and Montréal (up 22.7 per cent). Meanwhile, the centres with the smallest increases include Vancouver (up 0.7 per cent), Victoria (up 0.9 per cent) and Ottawa (up 7.1 per cent). Toronto was up 17.4 per cent.

When comparing growth in the supply of rented condominium units to the growth in supply of owned condominium units in these eleven centres, all centres, except for Vancouver and Victoria, experienced larger growth in the supply of rental condominium units. The largest growth differential occurred in Winnipeg, where the owned condominium market grew by 1.5 per cent, but the supply of rented condominiums grew by 35.6 per cent. Toronto was next, with virtually no growth in the supply of owned condominiums, while the supply of rental condominiums grew by 17.4 per cent. Montréal is similar to Toronto, with growth of 10.3 per cent of owned condominiums and 22.7 per cent in rental condominiums.

At the other end of the spectrum, Vancouver's supply of owned condominium units grew at 6.2 per cent, while the supply of rental condominiums grew at just 0.7 per cent. Victoria experienced 1.8 per cent and 0.9 per cent growth, respectively.

Figure 4



Source: CMHC, Rental Market Survey

Foreign investment in Canadian condominium units

The October 2014 survey has, for the first time, asked property managers to provide information on the total number of condominium apartment units owned by people whose permanent residence is outside of Canada. The results of this additional question indicate that the percentage of foreign investment in condominiums in Victoria is 1.1 per cent, Vancouver 2.3 per cent, Calgary 0.2 per cent, Edmonton 0.1 per cent, Saskatoon 0.3 per cent, Regina 0.1 per cent, Winnipeg 0.1 per cent, Toronto 2.4 per cent, Ottawa 0.7 per cent, Montréal 1.5 per cent and Québec 0.6 per cent.

With respect to location, the city core in Canada's largest rental areas (Montréal, Toronto and Vancouver) experienced larger foreign condominium ownership. The survey indicates that downtown Montréal and Nun's Island has a foreign ownership rate of 6.9 per cent, compared to 1.5 per cent for the CMA as a whole. Similarly for Toronto Centre, the rates are 4.3 per cent, compared to 2.4 per cent for the CMA as a whole. Finally, Vancouver's Burrard Peninsula has a foreign investor rate of 5.8 per cent, compared to 2.3 per cent for the CMA as a whole.

Figure 5

CMA	Foreign Investor Rate	
Victoria	1.1%	a
Vancouver	2.3%	b
Calgary	0.2%	b
Edmonton	0.1%	a
Saskatoon	0.3%	b
Regina	0.1%	b
Winnipeg	0.1%	b
Toronto	2.4%	a
Ottawa	0.7%	a
Québec	0.6%	a
Montréal	1.5%	a

Figure 6

Geography	Percent	Reliability
Vancouver		
Burrard Peninsula	5.8%	d
Vancouver Westside	1.5%	b
Vancouver Eastside	0.8%	a
Subtotal - Vancouver City	**3.4%**	d
Suburban Vancouver	2.3%	c
Remainder of CMA	0.6%	a
Total - Vancouver CMA	**2.3%**	b
Toronto		
Centre	4.3%	c
West	1.1%	a
East	1.2%	a
North	1.5%	a
Subtotal - Toronto City	**2.7%**	a
Remainder of GTA	1.1%	a
Total - Toronto GTA	**2.3%**	a
Total - Toronto CMA	**2.4%**	a
Montréal		
Downtown and Nun's Island	6.9%	c
Outer Centre	1.2%	a
West of Island of Montréal	1.3%	a
East of Island of Montréal	0.8%	a
Subtotal - Montréal Island	**2.3%**	a
Remainder of CMA	0.4%	a
Total - Montréal CMA	**1.5%**	a

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Please click Methodology or Data Reliability Tables Appendix link for more details

1.0 Rental Market Indicators
Privately Initiated Apartment Structures of Three Units and Over
Provinces and Major Centres[1]

Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom (2) From Fixed Sample (Existing structures only)	
	Oct-13	Oct-14	Oct-13	Oct-14	Oct-13	Oct-14	Oct-12 to Oct-13	Oct-13 to Oct-14
Newfoundland & Labrador 10,000+	**2.7** a	**4.1** a ↑	**3.2** a	**5.4** a ↑	**784** a	**812** a	**5.2** a	**3.1** b
St. John's CMA	3.2 a	4.6 a ↑	3.8 a	6.0 a ↑	864 a	888 a	5.2 a	3.2 b
Prince Edward Island 10,000+	**7.1** a	**5.4** a ↓	**8.2** a	**6.2** a ↓	**790** a	**819** a	**1.2** a	**0.7** a
Charlottetown CA	7.9 a	5.9 a ↓	9.1 a	6.7 a ↓	804 a	836 a	1.3 a	0.3 b
Nova Scotia 10,000+	**3.7** a	**4.1** a ↑	**4.5** a	**4.7** a -	**929** a	**955** a	**1.1** a	**1.7** a
Halifax CMA	3.2 a	3.8 a ↑	4.2 a	4.5 a ↑	976 a	1,005 a	1.2 a	1.8 b
New Brunswick 10,000+	**8.9** a	**8.0** a ↓	**9.4** a	**8.6** a ↓	**715** a	**735** a	**1.0** a	**1.2** a
Moncton CMA	9.1 a	8.7 a -	9.7 a	9.1 a -	742 a	762 a	2.0 a	1.2 a
Saint John CMA	11.4 a	9.0 a ↓	12.0 a	10.0 a ↓	691 a	714 a	++	0.7 b
Québec 10,000+	**3.1** a	**3.7** a ↑	**3.6** a	**4.1** a ↑	**699** a	**711** a	**1.7** b	**2.0** a
Ottawa-Gatineau CMA (Que. Part)	5.1 b	6.5 b ↑	6.0 b	7.0 b -	744 a	750 a	-1.6 c	2.1 c
Montréal CMA	2.8 a	3.4 a ↑	3.2 a	3.9 a ↑	730 a	739 a	2.0 b	2.2 a
Québec CMA	2.3 a	3.1 a ↑	2.9 a	3.7 a ↑	757 a	775 a	1.0 a	2.0 a
Saguenay CMA	2.8 b	4.2 b ↑	3.4 b	4.3 b ↑	571 a	595 a	1.9 c	2.1 c
Sherbrooke CMA	5.3 a	5.4 a -	5.5 a	5.5 a -	591 a	604 a	1.1 a	1.7 b
Trois-Rivières CMA	5.1 b	5.3 b -	5.4 a	5.7 a -	555 a	568 a	1.1 a	1.8 c
Ontario 10,000+	**2.6** a	**2.3** a ↓	**4.2** a	**3.8** a ↓	**1,059** a	**1,086** a	**2.7** a	**2.1** a
Barrie CMA	3.0 b	1.6 b ↓	4.6 a	3.2 b ↓	1,048 a	1,118 a	1.4 a	1.5 a
Brantford CMA	2.9 b	2.4 a -	4.3 b	3.2 b ↓	835 a	855 a	++	1.8 c
Greater Sudbury/Grand Sudbury CMA	3.4 b	4.2 b ↑	4.7 b	5.3 b -	914 a	927 a	1.4 a	1.6 c
Guelph CMA	1.9 a	1.2 a ↓	3.3 a	2.4 a ↓	957 a	988 a	3.3 b	3.0 a
Hamilton CMA	3.4 a	2.2 a ↓	5.2 a	3.6 a ↓	932 a	959 a	3.1 a	2.8 a
Kingston CMA	2.3 a	1.9 a ↓	3.6 a	3.5 a -	1,054 a	1,070 a	2.8 a	2.1 a
Kitchener-Cambridge-Waterloo CMA	2.9 a	2.3 a ↓	4.3 a	3.8 a ↓	952 a	975 a	3.2 a	1.6 a
London CMA	3.3 a	2.9 a ↓	5.7 a	5.1 a ↓	924 a	943 a	1.6 a	1.0 a
St. Catharines-Niagara CMA	4.1 a	3.6 b -	6.3 a	5.7 a ↓	872 a	892 a	2.2 a	1.6 a
Oshawa CMA	2.1 a	1.8 a ↓	3.0 a	2.9 a -	985 a	1,010 a	4.6 b	2.8 b
Ottawa-Gatineau CMA (Ont. Part)	2.9 a	2.6 a ↓	5.1 a	4.7 a ↓	1,132 a	1,132 a	2.0 a	++
Peterborough CMA	4.8 a	2.9 a ↓	6.4 a	3.7 b ↓	915 a	952 a	2.6 b	1.4 a
Thunder Bay CMA	2.6 a	2.3 a -	3.5 a	3.2 a -	858 a	888 a	4.6 b	3.9 c
Toronto CMA	1.6 a	1.6 a -	3.2 a	3.0 a ↓	1,213 a	1,251 a	2.9 a	2.6 a
Windsor CMA	5.9 a	4.3 a ↓	7.0 a	5.6 a ↓	788 a	798 a	2.0 a	1.9 b

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Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom (2) From Fixed Sample (Existing structures only)	
	Oct-13	Oct-14	Oct-13	Oct-14	Oct-13	Oct-14	Oct-12 to Oct-13	Oct-13 to Oct-14
Manitoba 10,000+	**2.4** a	**2.5** a -	**3.9** a	**3.3** a ↓	**937** a	**983** a	**4.6** a	**4.1** a
Winnipeg CMA	2.5 a	2.5 a -	4.0 a	3.4 a ↓	969 a	1,016 a	4.8 a	4.2 b
Saskatchewan 10,000+ (3)	**3.0** a	**4.1** a ↑	**4.0** a	**5.3** a ↑	**998** a	**1,056** a	**3.8** a	**4.7** a
Regina CMA	1.8 a	3.0 a ↑	2.6 a	4.4 a ↑	1,018 a	1,079 a	3.7 a	3.0 a
Saskatoon CMA	2.7 a	3.4 a ↑	4.1 a	5.0 a ↑	1,041 a	1,091 a	4.0 a	4.3 a
Alberta 10,000+ (4)	**1.6** a	**2.1** a ↑	**2.7** a	**3.1** a ↑	**1,158** a	**1,238** a	**6.1** a	**5.7** a
Calgary CMA	1.0 a	1.4 a ↑	2.2 a	2.7 a ↑	1,224 a	1,322 a	7.2 a	5.9 a
Edmonton CMA	1.4 a	1.7 a ↑	2.5 a	2.5 a -	1,141 a	1,227 a	5.6 a	6.1 a
British Columbia 10,000+	**2.4** a	**1.5** a ↓	**3.3** a	**2.3** a ↓	**1,087** a	**1,112** a	**1.8** a	**2.4** a
Abbotsford-Mission CMA	3.2 a	3.1 a -	3.9 a	4.6 a ↑	820 a	835 a	1.5 a	1.1 a
Kelowna CMA	1.8 a	1.0 a ↓	2.7 a	1.7 a ↓	970 a	980 a	1.9 b	1.6 b
Vancouver CMA	1.7 a	1.0 a ↓	2.4 a	1.6 a ↓	1,281 a	1,311 a	2.1 a	2.5 a
Victoria CMA	2.8 a	1.5 a ↓	4.0 a	2.6 a ↓	1,068 a	1,095 a	0.7 a	2.6 a
Canada CMAs (1)	2.7 a	2.8 a ↑	3.7 a	3.7 a -	920 a	941 a	2.5 a	2.5 a
Canada 10,000+	2.9 a	3.0 a ↑	3.9 a	3.9 a -	894 a	915 a	2.5 a	2.4 a

[1]Major centres refer to Census Metropolitan Areas (CMA), except for Charlottetown. For information on non-CMA centres, please see the local RMR reports.

[2]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

[3]Includes both Alberta and Saskatchewan portions of Lloydminster CA.

[4]Does not include Alberta portion of Lloydminster CA. For Lloydminster CA data, refer to Saskatchewan Highlights report.

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4.1 Rental Condominium Apartments and Private Apartments in the RMS[1] Vacancy Rates (%), Average Rents ($), Universe and Percentage of Condominium Apartments in Rental Oct-14							
Centres	**Vacancy Rates (%)**		**Average Rent ($) 2 Bedroom**		**Universe**		**Percentage of Condo Apts in Rental vs. Ownership**
	Rental Condo Apts	**Apts in the RMS[1]**	**Rental Condo Apts**	**Apts in the RMS[1]**	**Rental Condo Apts**	**Apts in the RMS[1]**	
Calgary CMA	1.1 a	1.4 a	1,511 b	1,322 a	16,236 a	34,362	30.6 a
Edmonton CMA	2.3 b	1.7 a	1,179 b	1,227 a	14,874 a	60,032	33.5 a
Montréal CMA	3.4 b	3.4 a	1,144 b	739 a	21,105 a	534,005	13.3 a
Ottawa-Gatineau CMA (Ont. Part)	1.7 b	2.6 a	1,429 b	1,132 a	7,155 a	60,086	24.2 a
Québec CMA	3.2 b	3.1 a	1,070 b	775 a	3,142 a	80,835	10.2 a
Regina CMA	1.2 a	3.0 a	n/a	1,079 a	1,582 a	11,647	24.7 a
Saskatoon CMA	1.2 a	3.4 a	n/a	1,091 a	2,155 d	13,017	21.8 d
Toronto CMA	1.3 a	1.6 a	1,818 a	1,251 a	90,705 a	308,212	29.3 a
Vancouver CMA	0.7 a	1.0 a	1,668 b	1,311 a	51,598 a	106,111	25.3 a
Victoria CMA	1.8 a	1.5 a	1,289 d	1,095 a	4,929 a	23,866	21.3 a
Winnipeg CMA	2.6 c	2.5 a	1,151 c	1,016 a	2,707 d	53,975	17.8 d
Total	1.6 a	2.5 a	1,554 a	966 a	216,007 a	1,286,148	24.4 a

[1]Apartments surveyed in the Rental Market Survey (RMS) include only those units in purpose built rental buildings with at least three rental units.

4.2 Rental Condominium Apartments Vacancy Rates (%), Average Rents ($), Universe and Percentage of Condominium Apartments in Rental								
Centres	**Vacancy Rates (%)**		**Average 2 Bedroom Rent ($)**		**Rental Condo Apts.**		**Percentage of Condominium Apartments in Rental vs Ownership**	
	Oct-13	**Oct-14**	**Oct-13**	**Oct-14**	**Oct-13**	**Oct-14**	**Oct-13**	**Oct-14**
Calgary CMA	1.0 a	1.1 a	1,400 c	1,511 b	14,825 a	16,236 a	30.1 a	30.6 a
Edmonton CMA	1.1 a	2.3 b	1,292 c	1,179 b	13,670 a	14,874 a	32.2 a	33.5 a
Montréal CMA	2.7 a	3.4 b	1,121 b	1,144 b	17,198 a	21,105 a	12.1 a	13.3 a
Ottawa-Gatineau CMA (Ont. Part)	3.6 c	1.7 b	1,432 b	1,429 b	6,680 a	7,155 a	24.0 a	24.2 a
Québec CMA	5.9 a	3.2 b	980 b	1,070 b	2,806 a	3,142 a	9.9 a	10.2 a
Regina CMA	1.4 a	1.2 a	-	-	1,280 a	1,582 a	22.8 a	24.7 a
Saskatoon CMA	0.7 a	1.2 a	-	-	1,884 a	2,155 d	20.0 a	21.8 d
Toronto CMA	1.8 a	1.3 a	1,752 a	1,818 a	77,255 a	90,705 a	26.1 a	29.3 a
Vancouver CMA	1.1 a	0.7 a	1,580 b	1,668 b	51,224 a	51,598 a	26.3 a	25.3 a
Victoria CMA	2.1 a	1.8 a	1,270 b	1,289 d	4,884 a	4,929 a	21.5 a	21.3 a
Winnipeg CMA	1.5 a	2.6 c	1,089 d	1,151 c	1,997 d	2,707 d	13.9 d	17.8 d
Total	1.7 a	1.6 a	1,498 a	1,554 a	193,699 a	216,007 a	23.3 a	24.4 a

<u>The following letter codes are used to indicate the reliability of the estimates</u>:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
n/u: No units exist in the universe for this category. n/s: No units exist in the sample for this category. n/a: Not applicable.

Please click Methodology or Data Reliability Tables Appendix link for more details

5.1 Other Secondary Rented Unit[1] Average Rents ($) by Dwelling Type

	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-13	Oct-14	Oct-13	Oct-14	Oct-13	Oct-14	Oct-13	Oct-14	Oct-13	Oct-14
Abbotsford CMA	**	**	609 b	665 c	774 b	890 c	1,311 c	1,268 a	1,013 c	1,035 b
Barrie CMA	**	**	891 c	822 c	1,039 b	990 b	1,263 a	1,308 a	1,173 a	1,184 a
Calgary CMA	**	**	**	**	1,041 b	1,273 b	1,509 c	1,583 b	1,340 b	1,449 b
Edmonton CMA	**	**	**	948 d	1,049 b	1,186 c	1,416 c	1,418 a	1,281 b	1,326 a
Halifax CMA	**	**	601 c	**	790 b	**	1,082 b	1,114 b	933 b	1,033 b
Kelowna CMA	**	**	**	766 b	1,076 b	1,018 b	1,441 a	1,576 b	1,366 c	1,279 b
Montreal CMA	**	**	592 c	639 c	706 a	807 b	914 b	930 b	759 a	815 a
Ottawa-Gatineau CMA (Ont. Part)	**	**	**	**	1,077 b	1,130 c	1,268 a	1,321 c	1,201 a	1,259 b
Québec CMA	**	**	613 c	679 d	681 b	696 b	870 c	860 b	733 b	749 b
Regina CMA	**	**	**	642 d	899 b	**	1,134 b	1,325 b	1,026 b	1,243 c
St. John's CMA	**	**	570 b	661 c	737 b	860 c	942 b	1,057 b	800 b	913 b
Saskatoon CMA	**	**	547 c	669 c	1,058 c	1,029 c	1,088 b	1,312 b	909 c	1,009 b
Toronto CMA	**	**	831 c	1,071 c	1,201 b	1,269 c	1,662 b	1,630 b	1,384 b	1,420 b
Vancouver CMA	**	**	879 c	846 d	1,085 b	1,131 b	1,564 b	1,699 b	1,230 b	1,312 b
Victoria CMA	**	**	762 b	760 b	1,121 b	1,156 b	1,477 c	1,477 b	1,165 b	1,180 b
Winnipeg CMA	**	**	702 c	**	745 c	887 c	941 b	1,157 d	846 b	1,026 c

[1] Statistics for secondary rented units exclude apartments in purpose built rental structures with three rental units or more, condominium apartments, units in institutions, and any dwelling whose type could not be identified in the survey. Please see page 12 for a complete list of definitions.

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent (0 [cv [2.5), b – Very good (2.5 < cv [5), c – Good (5 < cv [7.5)
d – Fair (Use with Caution) (7.5 < cv [10)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and 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 privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled 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 April/October, and the results reflect market conditions at that time.

CMHC is constantly reviewing the Universe of rental structures in the rental market Universe to ensure that it is as complete as possible. Every year, any newly completed rental structures with at least 3 rental units are added to the Universe. In addition to this, CMHC undertakes comprehensive reviews by comparing the Universe listing to other sources of data to ensure that the list of structures is as complete as possible.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

Use caution when comparing changes in statistics from one year to the next. Even if there is a year over year change, it is not necessarily a statistically significant change. These tables include indicators to help interpret changes. ↑ indicates the year-over-year change is a statistically significant increase, ↓ indicates the year-over-year change is a statistically significant decrease, while – indicates that the effective sample does not allow one to interpret any year-over-year change as being statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS – rented single-detached homes, semi-detached (double) homes, rented freehold row/townhomes, rented duplex apartments (i.e., one-above-other), rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type), rented condominiums (can be any dwelling type but are primarily apartments), and one or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. Rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal and Québec (NOTE: Condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Winnipeg, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

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 the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

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 (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

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

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

Data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members 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.

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