



News Release

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Vacancy rate increases to 3.3%

According to CMHC, the average rental vacancy rate in major centres across Canada increased from 2.8% in October 2014 to 3.3% in October 2015. Larger increases in the vacancy rate took place in Alberta and Saskatchewan due to the economic slowdown in those provinces.

In many centres some new purpose-built rental housing has come on stream. The vacancy and availability figures indicate a good availability of apartments for prospective renters in almost all centres.

New rental supply in many centres

In a number of centres, new purpose-built rental housing has come on stream between October 2014 and October 2015. For example, in Halifax 1,250 apartment were added to a stock of 44,000. In Ottawa, 800 were added to a stock of 60,000. In Vancouver, 809 were added to a stock of 109,217. Those additions are generally the smaller part of the increase in the rental supply, with more units being added among rental condos (known as strata title in BC), or in the secondary market.

In Edmonton, 2,310 purpose-built rental units were added to the rental supply, increasing that supply to 70,210. Additional rental units came into the condo rental market and the secondary market, so that the rental supply in Edmonton as a whole increased by 3,447 units, which is 2.4% of the total rental supply of 144,235 units.

Condo rentals versus purpose-built rentals

Outside of Atlantic Canada, condos have become a significant source of rental supply. Between 18% and 33% of all condos in each major centre are rented to tenants. The proportions of all condos rented in major centres in October 2015 are: Ottawa 23%, London 33%, Toronto 30.5%, Winnipeg 19%, Calgary 31%; Edmonton 33% and Vancouver 27%. However, condos lack some of the advantages of purpose-built rental housing.

Secondary rental market offers lower rents and growth

Growth is also taking place in the secondary rental market in many cities. In Ottawa, the total rental supply grew by 3.3%, reflecting mostly an increase in rented houses, doubles, duplexes and accessory suites.

In most centres the “secondary market” of condos, rented houses, doubles, duplexes and accessory suites makes up 40% to 50% of the total rental supply. The secondary market provides a flexible housing supply which is often lower priced than the primary market, as shown in the table attached.

In October 2015, the average rent for two bedroom apartments in the secondary market in Vancouver (apart from condos) was \$1,131, 17% less than in the primary market.

For more information, contact: John Dickie, President, CFAA (613) 235-0101, or e-mail president@cfaa-fcapi.org.

Two bedroom units at October 2015

Census Metropolitan Area	Average rent in the purpose-built market	Average rent in the secondary market	Differential
Winnipeg	\$1,045	\$953	9%
Saskatoon	\$1,088	\$989	9%
Calgary	\$1,319	\$1,214	8%
Edmonton	\$1,261	\$1,119	11%
Vancouver	\$1,375	\$1,131	17%

Source: CMHC, Fall 2015 Rental Market Reports

The Canadian Federation of Apartment Associations represents the owners and managers of close to one million residential rental suites in Canada, through direct membership and 11 associations across Canada. CFAA is the sole national organization representing the interests of Canada's \$480 billion private rental housing industry, which houses more than eight million Canadians.