



FAST FAX

Mid Vancouver Island

2003 RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

2003 EDITION

Vacancy Rates Lower

- **Vacancy rates were lower in 2003** for all Mid Vancouver Island markets.
- **Nanaimo** and **Parksville/Qualicum** rates both dropped below 2% while **Duncan/North Cowichan** saw a rate below 10% for the first time since 1995. **Port Alberni** again posted the highest rate.
- **Rental stock held steady in all markets except Port Alberni** where some units were taken off the market since 2002.
- Markets with more diverse economies, such as **Nanaimo** and **Parksville-Qualicum**, have lower vacancy rates than markets with resource-based economies.

Row and Apartment Vacancy Rates	Oct 2002	Oct 2003
Duncan/N. Cowichan	11.1%	8.4%
Nanaimo	3.3%	1.2%
Parksville/Qualicum	3.3%	1.8%
Port Alberni	19.8%	15.2%

Average 2-Bedroom Apartment Rents	Oct 2002	Oct 2003
Duncan/N. Cowichan	\$569	\$572
Nanaimo	\$592	\$601
Parksville/Qualicum	\$592	\$604
Port Alberni	\$489	\$483

Average Rents Edge Up

- **Average rents edged higher from 2002 levels** in all Mid Vancouver Island markets except Port Alberni this year.
- **Parksville-Qualicum experienced the largest rent increases** in 2003. However, all Mid Vancouver Island **rent increases remain below the pace of inflation**.
- **Decreasing rents** (in real dollar terms) **reflect high vacancy rates** in **Port Alberni** and **Duncan/North Cowichan**. Higher rent increases are expected in **Parksville-Qualicum** and **Nanaimo** next year, due to recent reductions in vacancies.

Row and Apartment Units (Oct 2003)	Units Vacant	Total Units
Duncan/N. Cowichan	139	1,658
Nanaimo	48	3,902
Parksville/Qualicum	11	617
Port Alberni	175	1,152

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

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DUNCAN-NORTH COWICHAN HIGHLIGHTS

Vacancies Continue Downtrend

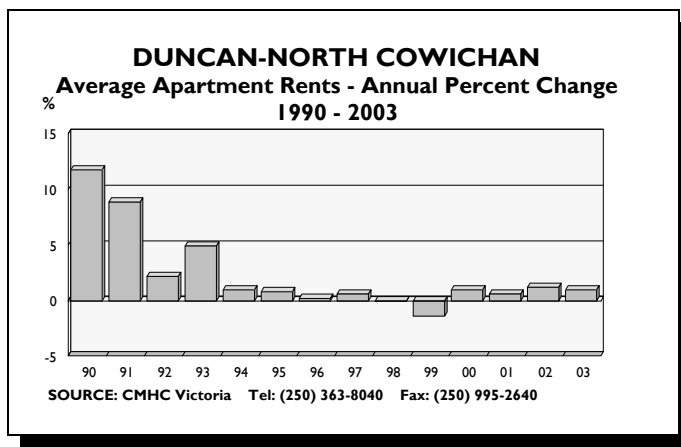
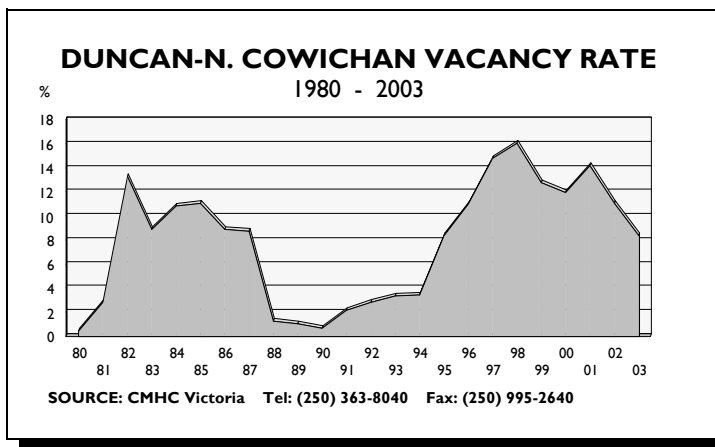
- **Both apartments and rowhouses saw fewer vacancies in 2003** as rental demand continued to rise from 2001's low.
- **Bachelor suites** had the highest vacancy rates, while **one bedroom suites** recorded the fewest vacancies this fall.
- **Two bedroom apartments had the greatest decrease** in vacancies in October 2003. All types of rental housing recorded high vacancies again this year in Duncan-North Cowichan.

Rents Edge Up

- **Average rents rose 1.0% for apartments and 0.7% for rowhouses in 2003**, as slowly rising demand placed a small degree of upward pressure on rents.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Duncan-North Cowichan

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	8.6	5.2	13.5	1.4	7.6	8.2	9.4	4.8
Apartments	11.4	11.4	7.2	8.3	15.2	9.0	25.0	10.5	11.3	8.8
Row Housing & Apartments	11.4	11.4	7.3	8.1	15.0	8.3	12.1	9.1	11.1	8.4



2. Average Rents by Dwelling Type and Bedroom Type: Duncan-N. Cowichan

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	\$483	\$489	\$550	\$564	\$679	\$728	\$589	\$593
Apartments	\$401	\$407	\$455	\$463	\$569	\$572	\$659	\$649	\$508	\$513

NANAIMO HIGHLIGHTS

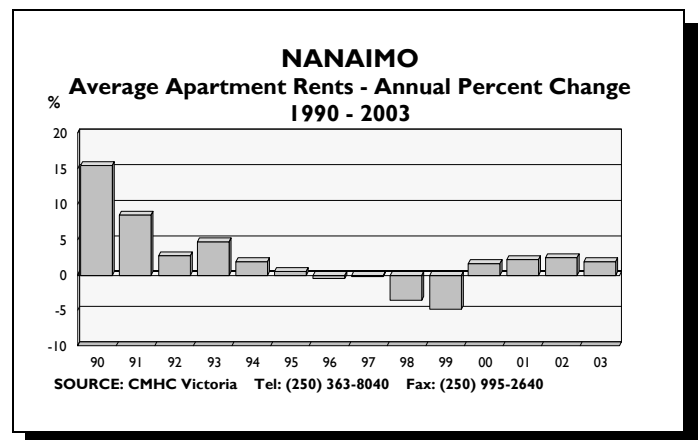
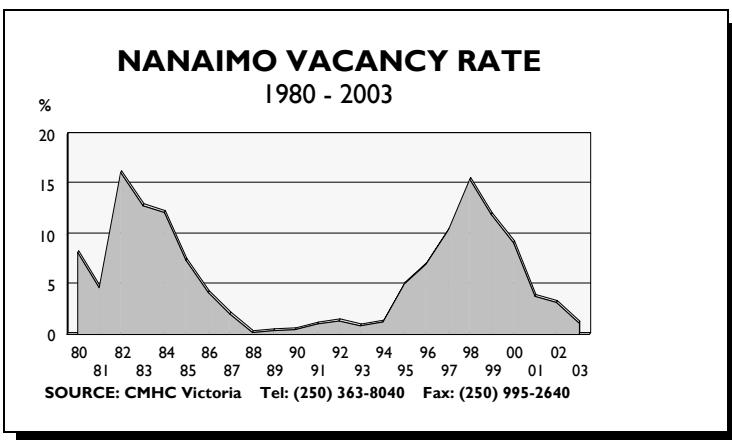
Few Vacancies in 2003

- **Apartment vacancies reduced** to 1.2% from 3.4% one year ago, while **rowhouses vacancies slipped to 1.3%**.
- **One and two bedroom rowhouses** had the lowest vacancy rates at 0.0%, while **bachelor rowhouses** recorded the highest vacancies this fall.
- **One and two bedroom suites posted the greatest drop** in vacancies in October 2003. Only a **modest selection of rental apartments** remain vacant in Nanaimo.

Average Rents Trend Up

- Average **apartment rents rose 1.9%** while **rowhouse increases averaged 5.8%** from last year.
- Strengthening demand for rental housing is continuing to place **upward pressure on rents**.

1. Vacancy Rates by Dwelling Type and Bedroom Type: Nanaimo										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	0.0	8.3	10.8	0.0	0.6	0.0	0.0	3.8	1.6	1.3
Apartments	1.3	1.6	3.8	0.4	3.7	2.1	1.8	0.6	3.4	1.2
Row Housing & Apartments	1.3	1.8	3.9	0.4	3.4	1.9	1.2	1.7	3.3	1.2



2. Average Rents by Dwelling Type and Bedroom Type: Nanaimo										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	\$343	\$354	\$426	\$449	\$596	\$628	\$672	\$715	\$583	\$617
Apartments	\$388	\$396	\$490	\$504	\$592	\$601	\$695	\$699	\$532	\$542

PARKSVILLE-QUALICUM HIGHLIGHTS

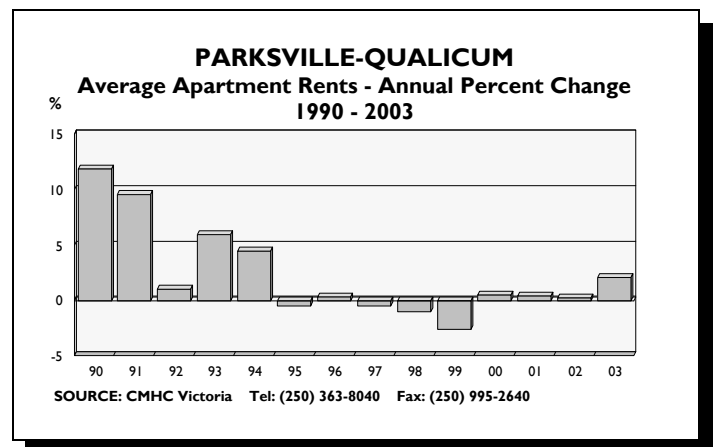
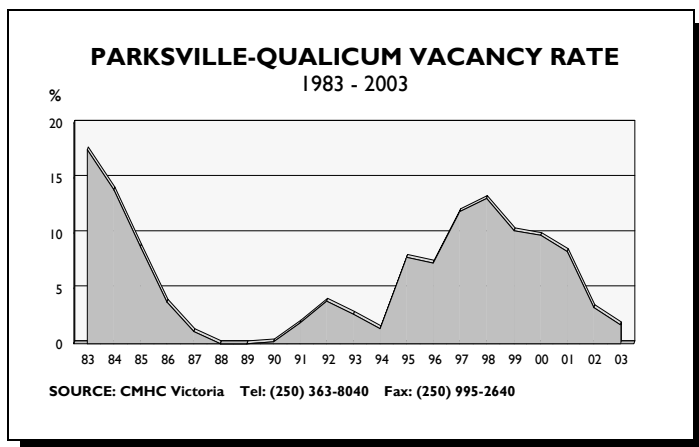
Fewer Vacancies in 2003

- **Vacancy rates dropped for the fifth consecutive year**, to 1.8% overall.
- **Bachelor suites** recorded the highest vacancy rate at 5.9%.
- **Suites with three or more bedrooms saw the largest drop** in vacancies in October 2003, with no vacancies reported, down from 8.7% vacant in October 2002. Vacancies dropped in all types except bachelor suites where they remained unchanged.

Rents Trending Up

- Average **apartment rents rose 2.1%** from last year.
- Next year will see more upward pressure on rents due to stronger demand.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Parksville-Qualicum										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	0.0	N/A	N/A	N/A	N/A	N/A	0.0	N/A
Apartments	5.9	5.9	2.4	1.6	3.4	1.7	10.0	0.0	3.5	1.7
Row Housing & Apartments	5.9	5.9	2.0	1.4	3.3	1.9	8.7	0.0	3.3	1.8



2. Average Rents by Dwelling Type and Bedroom Type: Parksville-Qualicum										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	\$484	N/A	\$635	N/A	N/A	N/A	\$571	N/A
Apartments	\$438	\$427	\$492	\$516	\$592	\$604	\$658	\$667	\$567	\$579

PORT ALBERNI HIGHLIGHTS

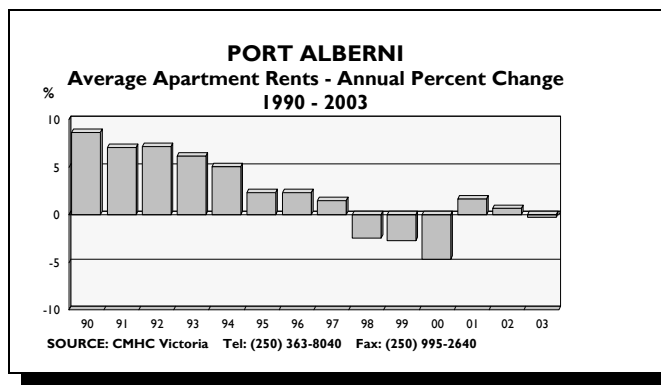
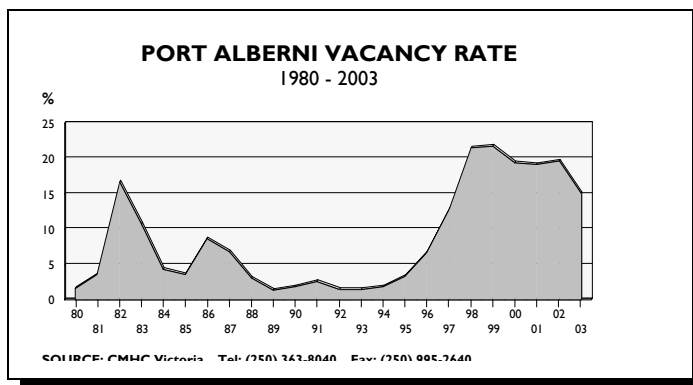
Rental Vacancies Continue High

- Overall, vacancies remained high, at **15.2% in 2003**. Fewer suites were vacant than in 2002 because of two main factors: the reduction in rental stock and a slight upturn in demand.
- **Smaller suites** posted the highest vacancy rates, at 22.2% for **bachelor suites** and 18.6% for **one bedroom suites**.
- With over one-seventh of its rental stock vacant for the sixth consecutive year, **Port Alberni has the highest vacancy rates in Mid Vancouver Island**. However, **comparable rates are recorded in Powell River, Port Hardy and northern B.C. markets**, where patterns of weak economic growth are similar to those of Port Alberni.

Average Apartment Rents Edge Down

- Average **apartment rents slipped 0.2%** from 2002 levels, as weak demand put downward pressure on rents again this year. **Rowhouse rents rose 7.4%**, rebounding from their 4.3% drop in 2002.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Port Alberni										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	N/A	N/A	11.9	4.2	14.4	4.8	13.9	4.3
Apartments	11.6	22.1	25.3	19.1	18.4	14.7	10.4	10.5	20.7	17.0
Row Housing & Apartments	11.6	22.1	25.1	18.6	17.8	13.6	13.1	6.3	19.8	15.2



2. Average Rents by Dwelling Type and Bedroom Type: Port Alberni										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Row Housing	N/A	N/A	N/A	N/A	\$467	\$514	\$493	\$525	\$472	\$507
Apartments	\$324	\$334	\$375	\$380	\$489	\$483	\$523	\$510	\$427	\$426

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