



# EAST FAX

## RENTAL MARKET REPORT

## Owen Sound

### Vacancy rate moves lower

NOVEMBER 26, 2002- The vacancy rate for privately initiated rental apartments in Owen Sound moved down to 1.5 percent in October 2002 from 1.6 percent recorded a year earlier according to the annual October Rental Market Survey, released by Canada Mortgage and Housing Corporation (CMHC). Despite the strong resale market in the Grey-Bruce Real Estate Board territory, the flow of tenants into ownership was offset by new tenant household formation.

Overall, the rental market saw very little change from 2001. The supply of private rental apartments edged down from 1,831 units last October to 1,829 units this year. At the same time, the number of vacant units dropped by 2 units in October 2002. Although the vacancy rate for Bachelor units dropped sharply from 5.2 per cent to 2.8 per cent in October 2002, the decline was due to the drop of only 2 vacant units. Similarly, the second lowest vacancy rate was for two bedroom units at 1.2 per cent, down from 1.5 percent in 2001. However, the decline was two vacant units once again. By bedroom type, units with three bedrooms and over saw 0.9 per cent vacancy rate up from zero vacancies in last year's survey while one bedroom apartments also moved higher to 1.9 percent from 1.8 percent last year.

The tight market conditions enabled rents to increase well above the rate of inflation. The largest percentage rent increase occurred for two bedroom apartments with the average rent rising 4.2 percent to \$663 from last year's \$636. Similarly, the average rent for the one bedroom unit rose 3.2 percent to \$640. The average rent on a bachelor apartment and apartments with three or more bedrooms recorded the smallest percentage increases at 1.9 per cent and 1.8 percent. However, due to the small number of units, average rents for these types of units are subject to large fluctuations from survey to survey.

CMHC's survey is conducted in October of each year and measures trends in private apartments in buildings with three or more units available for rent, private rental row housing, and assisted rental apartments and row housing.

Canada Mortgage and Housing Corporation

Vacancy Rates by Apartment Type	2001	2002
Bachelor	5.2%	2.8%
1 Bedroom	1.8%	1.9%
2 Bedroom	1.5%	1.2%
3 Bedroom +	0.0%	0.9%
Total	1.6%	1.5%

Average Rents by Apartment Type	2001	2002
Bachelor	\$417	\$425
1 Bedroom	\$522	\$540
2 Bedroom	\$636	\$663
3 Bedroom +	\$665	\$677

Apartment Types	Vacant Units	Total Units
Bachelor	2	78
1 Bedroom	13	690
2 Bedroom	10	828
3 Bedroom +	2	232
Total	27	1,828

**Survey covers private apartment buildings which have at least 3 units available to rent.**

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Apartment Vacancy Rates By Zone and Bedroom Type Owen Sound										
Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom +	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Owen Sound	1.6	1.5	5.2	2.8	1.8	1.9	1.5	1.2	0.0	0.9

  

Apartment Average Rents By Zone and Bedroom Type Owen Sound										
Area	Bachelor		One Bedroom		Two Bedroom		Three Bedroom +			
	2001	2002	2001	2002	2001	2002	2001	2002		
Owen Sound	\$417	\$425	\$522	\$540	\$636	\$663	\$665	\$677		

  

Number of Apartment Units - Vacant and Total (Universe) By Zone and Bedroom Type Owen Sound										
Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom +	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Owen Sound	27	1,828	2	78	13	690	10	828	2	232

Row Vacancy Rates By bedroom Type						
Area	All Units		Two Bedroom		Three Bedroom +	
	2001	2002	2001	2002	2001	2002
Owen Sound	5.4	5.4	7.4	0.0	**	**

  

Row Average Rents By Bedroom Type						
Area	All Units		Two Bedroom		Three Bedroom +	
	2001	2002	2001	2002	2001	2002
Owen Sound	\$664	\$716	\$762	\$803	**	**

  

Number of Row Units - Vacant and Total (Universe) By Bedroom Type						
Area	All Units		Two Bedroom		Three Bedroom +	
	Vacant	Total	Vacant	Total	Vacant	Total
Owen Sound	2	37	0	27	**	**

Source: CMHC Market Analysis LONDON, Annual October Rental Market Survey.