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# A S T F A X

## Sherbrooke

## RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

NOVEMBER 26, 2002

### Vacancy Rate Down Again

Out of the 569 apartments that were unoccupied in October 2001 in the Sherbrooke census metropolitan area (CMA), only 442 remained this year. The vacancy rate on the rental market therefore went down again between 2001 and 2002, as it fell from 2.3 per cent to 1.8 per cent. The rate has now reached its lowest level since 1980.

The strong job creation that the Sherbrooke CMA has been posting for the past several months, especially for young people, is one of the factors that has stimulated the rental housing demand. International immigration and the aging of the population are two other factors. With regard to migration flows, it is international immigration that has been contributing to the increase in the Sherbrooke area population. Interprovincial migration, for its part, has been playing a role in the aging of the population, as young households are leaving the area for major centres in Quebec or Ontario, and they are being replaced in part by older people from the surrounding rural areas.

Although the rental market was already tight in 2001, the supply of new dwellings increased only slightly, which made conditions on this market even tighter. This year, around 300 apartments were started, but most of them will not be available for rent before 2003.

However, the low mortgage rates helped curb the rental housing demand, as they facilitated access to homeownership. Renters who bought a home vacated some housing units and thereby made it possible for other households to enter the rental market.

Even if unoccupied apartments are increasingly scarce, the hikes in the average rents remained similar to inflation (2.3 %) for most units.

Apartment Vacancy Rates	2001	2002
Bachelor	3.0%	2.9%
1-Bedroom	3.2%	2.3%
2-Bedroom	2.1%	1.5%
3-Bedroom +	1.0%	1.1%
Total	2.3%	1.8%

Average Apartment Rents	2001	2002
Bachelor	\$297	\$309
1-Bedroom	\$366	\$369
2-Bedroom	\$446	\$456
3-Bedroom +	\$538	\$553

Apartment Units (2002)	Vacant	Total
Bachelor	53	1,810
1-Bedroom	156	6,704
2-Bedroom	192	12,413
3-Bedroom +	41	3,659
Total	442	24,586

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**Apartment Vacancy Rates (%)  
by Survey Zone and Bedroom Type  
Sherbrooke Metropolitan Area**

Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Zone 1 - East District	1.7	6.2	4.1	3.3	2.9	1.2	0.6	2.5	2.9	2.3
Zone 2 - Centre District	6.7	2.6	6.6	3.9	2.6	1.0	2.9	0.0	5.2	2.5
Zone 3 - West District	0.4	1.9	2.2	1.2	2.4	1.5	1.7	1.0	2.1	1.4
Zone 4 - North District	3.7	0.2	1.2	1.1	0.6	0.7	0.1	1.5	0.9	0.9
<b>City of Sherbrooke</b>	<b>2.9</b>	<b>2.8</b>	<b>3.2</b>	<b>2.3</b>	<b>2.0</b>	<b>1.1</b>	<b>0.9</b>	<b>1.5</b>	<b>2.3</b>	<b>1.6</b>
Zone 5 - Ascot Township and Lennoxville	2.1	6.1	3.2	3.6	2.7	4.5	2.2	0.3	2.8	3.7
Zone 6 - Rock Forest	***	***	0.5	0.0	1.1	0.5	0.0	0.0	0.6	0.3
Zone 7 - Fleurimont	***	***	***	***	3.2	1.1	1.9	0.0	3.7	0.8
<b>Metropolitan Area</b>	<b>3.0</b>	<b>2.9</b>	<b>3.2</b>	<b>2.3</b>	<b>2.1</b>	<b>1.5</b>	<b>1.0</b>	<b>1.1</b>	<b>2.3</b>	<b>1.8</b>

**Average Apartment Rents (\$)  
by Survey Zone and Bedroom Type  
Sherbrooke Metropolitan Area**

Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +	
	2001	2002	2001	2002	2001	2002	2001	2002
Zone 1 - East District	284	305	357	367	439	454	550	548
Zone 2 - Centre District	253	269	328	330	401	428	443	486
Zone 3 - West District	293	300	352	351	435	429	509	502
Zone 4 - North District	339	340	404	403	480	493	577	605
<b>City of Sherbrooke</b>	<b>298</b>	<b>308</b>	<b>367</b>	<b>368</b>	<b>450</b>	<b>460</b>	<b>543</b>	<b>558</b>
Zone 5 - Ascot Township and Lennoxville	293	309	356	370	418	422	512	537
Zone 6 - Rock Forest	***	***	381	382	465	492	534	533
Zone 7 - Fleurimont	***	***	***	***	446	453	530	550
<b>Metropolitan Area</b>	<b>297</b>	<b>309</b>	<b>366</b>	<b>369</b>	<b>446</b>	<b>456</b>	<b>538</b>	<b>553</b>

\*\*\* Sample too small to disclose results

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