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RENTAL MARKET

Halifax

REPORT

Canada Mortgage and Housing Corporation

VOLUME 5 EDITION 1
OCTOBER 2003

Metro Rental Market Continues to Tighten

Vacancy Rate Falls to 2.3%, Average Rent Climbs to \$675

Contrary to the national trend of rising vacancy rates, the Metro Halifax rental market continued to tighten between October 2002 and October 2003. The rental market vacancy rate in Metro Halifax fell to 2.3 per cent from last year's rate of 2.7 per cent, and with fewer vacant apartments available for lease, landlords were able to raise monthly rents accordingly.

A decline in the vacancy rate occurred in six of the nine rental market zones in Metro Halifax, including all areas of Dartmouth and the Mainland areas of the former city of Halifax. At 0.9 per cent, Peninsula South continues to post the lowest vacancy rate among the nine zones in Metro while Dartmouth South

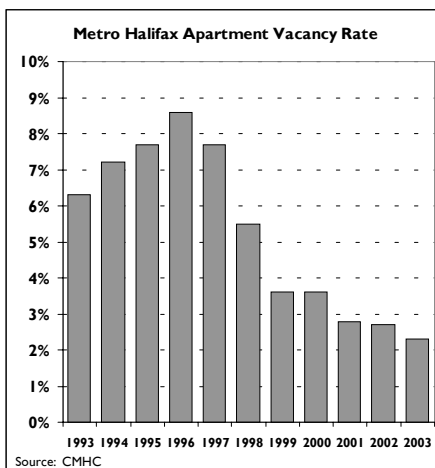
remains the area with the highest vacancy rate at 6.0 per cent (albeit lower than last year). While there are more vacant bachelor and three-plus bedroom units over the past year, vacancy rates fell for one-bedroom and two-bedroom units, which comprise over 80 per cent of the total rental apartment market in Metro Halifax.

The decline in the region's vacancy rate occurred at the same time as a net addition of over 120 rental units boosted the total Metro Halifax rental apartment market universe from 36,502 in October 2002 to 36,624 this year. Although 222 new units were completed in the most recent survey year, some existing units were temporarily off the market due to damage from Hurricane Juan or permanently lost due to fire or demolition. Nevertheless, Haligonians still have adequate choice in the rental market with just over 850 vacant apartments available for rent across the region.

As was the case in 2002, the lowest priced apartments in Metro generally continue to have higher vacancy rates than more expensive units. The average vacancy rate for rental units under \$500 per month is just over 5 per cent while the average vacancy rate for apartments priced over \$900 per month is only 1.5 per cent. This low vacancy rate among the relatively expensive rental stock in Metro explains why Halifax is one of the few major urban centres in Canada that

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HOME TO CANADIANS
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continues to experience purpose-built new rental construction.

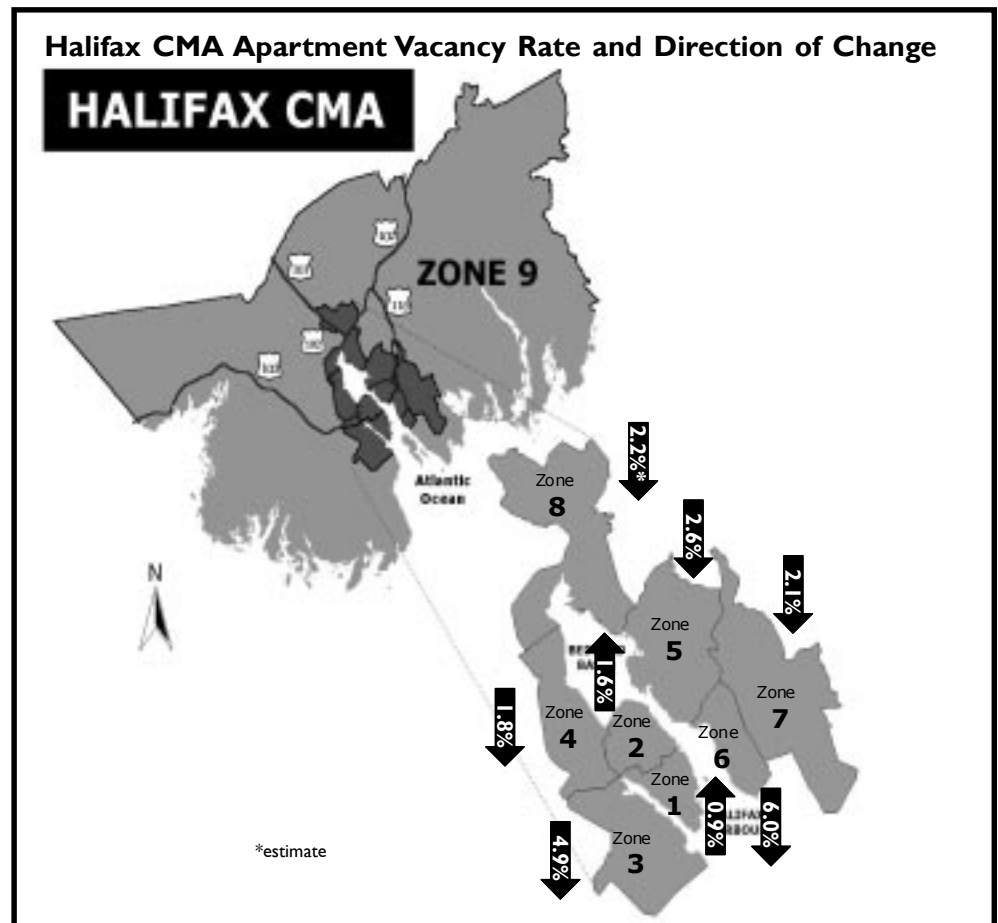
In general, vacancy rates in the Halifax region maintained the characteristic of rising in tandem with the age of the apartment building. Older rental apartments built before 1940 posted the highest vacancy rates at 4.0 per cent while units that have hit the market after 1995 posted an average vacancy rate of 1.2 per cent. In addition to age, it appears that height makes a difference when it comes to vacancy rate trends in the Halifax region. In Metro's tallest apartment buildings, with 10 or more storeys, the vacancy rate is 0.4 per cent, and this figure climbs steadily as the height of the building declines, with apartment buildings that only stand one to four storeys tall posting average vacancy rates of 2.9 per cent.

With tightening vacancy conditions, the average rent for all units in Metro Halifax climbed by \$17 per month or 2.6 per cent from \$658 to \$675 over the past year, outpacing the local rate of inflation over that same time frame. Rental rate increases were widespread among the nine zones as well as for apartments of all sizes, from bachelor to three-plus bedrooms. The most significant increases in average rents over the past year occurred in the zones that shape the former city of Dartmouth area (which experienced the most significant decline in vacancy rate) as well as in Peninsula South (which has the lowest vacancy rate in Metro).

In addition to impacting vacancy rates, it appears that height also makes a difference when it comes to rental rate trends in Metro. Average rental rates climb steadily with the height of an apartment structure. In fact, Metro's tallest apartment buildings, with 10 or more storeys, command on average \$150 more per month than buildings standing one to four storeys tall (a 23.6 per cent premium). This is likely due to additional amenities, views and location preferences offered by these larger buildings.

Why the decline in vacancy rates? As developers turned to new condominium construction, relatively few new rental units were built in Halifax this year leading to pressure on supply. From a demand perspective, although many Haligonians made the move to homeownership over the past year, many young adults have moved into their first residence as the job market

for youth has strengthened considerably this year. Furthermore, an influx of post-secondary students (from both Ontario's double cohort and a rising number of Echo generation youth) is also helping to stimulate rental demand in Metro.



- HIGHLIGHTS**
- The rental market vacancy rate in Metro Halifax continued to fall over the past year, declining to 2.3 per cent from last year's rate of 2.7 per cent. A decline in the vacancy rate occurred in two-thirds of the city's nine rental market zones.
 - Average rents for all units in Metro climbed by \$17 per month or 2.6 per cent from \$658 to \$675 between October 2002 and October 2003, which outpaced local inflation over that same time frame.
 - Metro Halifax was one of only eight major urban centres that experienced a decline in vacancy rate in 2003. However, Metro's rental market vacancy rate remains in the middle of the pack (13th) among the 28 largest urban areas in Canada.

National Apartment Vacancy Rate Rises for the Second Year in a Row, to 2.2 Per Cent

For the second consecutive year, the national rental apartment vacancy rate climbed across Canada. This rise in the overall average vacancy rate is due in part to historically low mortgage rates luring tenants into homeownership, declining immigration levels and strong rental and condominium construction adding to the supply of available housing.

The average rental apartment vacancy rate in Canada's 28 metropolitan areas¹ rose to 2.2 per cent in October 2003 from 1.7 per cent a year ago. However, it remains below the average of 3.4 per cent over the 1992 to 2002 period. Vacancy rates were higher than one year ago in 20 of Canada's 28 largest metropolitan areas.

Saint John (N.B.), Saguenay, Saskatoon, Calgary and Windsor had the highest vacancy rates, while Québec, Sherbrooke, Victoria, Montréal, and Gatineau were among the cities with the lowest vacancy rates. Vacancy rates were higher in nine of Ontario's 11 metropolitan areas. Rates increased by at least one percentage point in Hamilton, Toronto, Kingston and Ottawa.

In Quebec, four of six metropolitan areas had higher vacancy rates than in 2002. The greatest relative increase occurred in Gatineau (from 0.5 per cent to 1.2 per cent), while Montréal, Québec, and Saguenay vacancy rates rose modestly. Vacancy rates in Sherbrooke and Trois-Rivières declined by more than one percentage point each.

Vacancy rates went up in seven of eight metropolitan areas in the Prairies and British Columbia. The only decline was in Victoria, from 1.5 per cent to 1.1 per cent.

In Atlantic Canada, the vacancy rate in Saint John (N.B.) fell 1.1 percentage points to 5.2 per cent. In spite of this, Saint John and Saguenay had the highest vacancy rate of all Canadian metropolitan areas. Vacancy rates also fell in both Halifax and St. John's (NL).

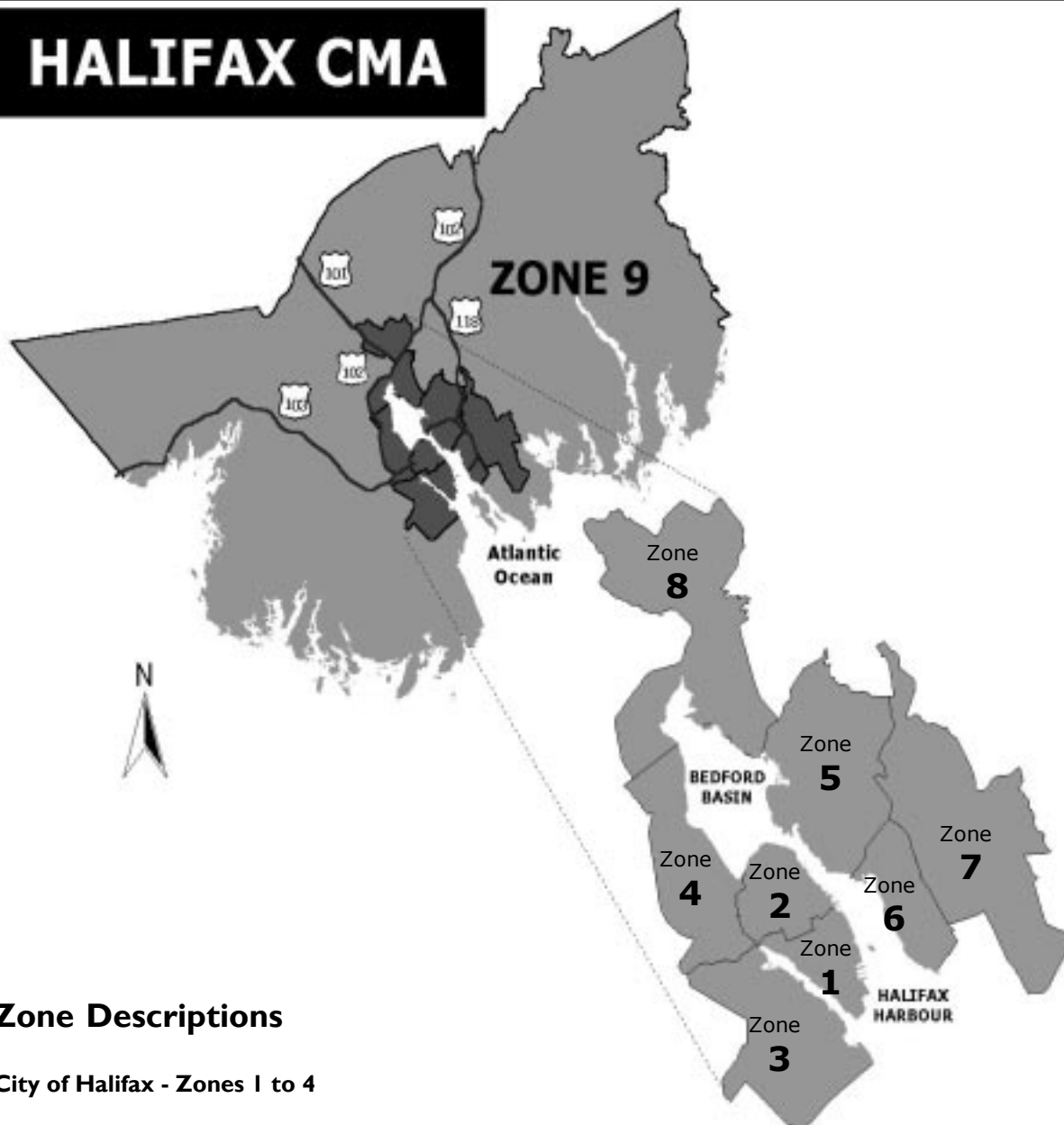
The annual Rental Market Survey also shows that average rents for two-bedroom apartments increased in all metropolitan areas except Toronto and Calgary, where rents were essentially flat (down 0.7 per cent in Toronto, unchanged in Calgary). The greatest increase occurred in Gatineau, where rents were up 6.7 per cent. Kingston posted the second-largest increase at 5.6 per cent. Average rents in London, Winnipeg, Saguenay, and Montréal were all up by about four per cent. Nationally, rent increases (on a percentage basis) were highest at the lower end of the rent spectrum.

The highest average monthly rents for two-bedroom apartments were in Toronto (\$1,040), Vancouver (\$965) and Ottawa (\$932). The lowest average rents were in Trois-Rivières (\$436) and Saguenay (\$457).

¹ Census metropolitan areas as defined by Statistics Canada.

Apartment Vacancy Rates by Canadian Market		
CMA Area	2002	2003
Québec CMA	0.3	0.5
Sherbrooke CMA	1.8	0.7
Montréal CMA	0.7	1.0
Victoria CMA	1.5	1.1
Gatineau CMA	0.5	1.2
Winnipeg CMA	1.2	1.3
Trois-Rivières CMA	3.0	1.5
Kingston CMA	0.9	1.9
St. John's CMA	2.7	2.0
Vancouver CMA	1.4	2.0
London CMA	2	2.1
Regina CMA	1.9	2.1
CANADA	1.7	2.2
Halifax CMA	2.7	2.3
Abbotsford CMA	2	2.5
St. Catharines-Niagara CMA	2.4	2.7
Ottawa CMA	1.9	2.9
Oshawa CMA	2.3	2.9
Hamilton CMA	1.6	3.0
Kitchener CMA	2.3	3.2
Thunder Bay CMA	4.7	3.3
Edmonton CMA	1.7	3.4
Greater Sudbury CMA	5.1	3.6
Toronto CMA	2.5	3.8
Windsor CMA	3.9	4.3
Calgary CMA	2.9	4.4
Saskatoon CMA	3.7	4.5
Saint John CMA	6.3	5.2
Saguenay CMA	4.9	5.2

HALIFAX CMA



Zone Descriptions

City of Halifax - Zones 1 to 4

Zone 1 - Halifax Peninsula South

Begins at Cornwallis Street, then along Cunard to Robie Street. From Robie the boundary runs south to Quinpool Road; along Quinpool to Connaught Avenue; north on Connaught to Chebucto Road to the North West Arm.

Zone 2 - Halifax Peninsula North

is the northern section of the Halifax Peninsula, separated from the mainland by Dutch Village Road and Joseph Howe Avenue.

Zone 3 - Halifax Mainland South

is the mainland area within the city of Halifax south of St. Margaret's Bay Road.

Zone 4 - Halifax Mainland North

is the mainland area of within the city of Halifax north of St. Margaret's Bay Road.

City of Dartmouth - Zones 5 to 7

Zone 5 - Dartmouth North

is the part of Dartmouth north of Ochterlony Street, Lake Banook and Micmac Lake

Zone 6 - Dartmouth South

is south of Ochterlony Street and Lake Banook and west of (outside) the Circumferential Highway, including Woodside as far as CFB Shearwater.

Zone 7 - Dartmouth East

Is the area bounded by Micmac Lake and Lake Charles to the west, Highway 111, Halifax Harbour to Hartlen Point to the south, Cow Bay and Cole Harbour to the east and Ross Road, Lake Major Road, Lake Major and Spider Lake to the north.

Surrounding Areas - Zones 8 and 9

Zone 8 - Bedford and Sackville

is the area bounded by Highway 102, the Sackville River and Webber Lake to the west, the Beaverbank-Windsor Junction Crossroad to the north, the no.7 Highway and Akerley Boulevard to the east and a straight line connecting Kearney Lake with Fernleigh Subdivision to the south.

Zone 9 - Remainder of CMA

is the remaining portion of HRM east of Ross Road and Lake Major Road, north of Wilson Lake Drive and Beaverbank-Windsor Junction Crossroad, west of Kearney Lake and Birch Cove Lakes and south of Long Lake and the community of Herring Cove.

Further Tightening Across Most of the Metro Halifax Rental Submarkets in 2003

Peninsula South (Zone 1)

With the overall loss of 7 units since the last rental market survey (a 0.1 per cent decrease due in part to the loss of a building from a fire on South Street and the demolition of some older units in the Zone for new development), there are now 7,819 apartment units in the South End and downtown area of Halifax. Only 71 units were vacant this October, resulting in the lowest vacancy rate among all of the region's nine submarkets, at 0.9 per cent. This rate was up slightly (for the second year in a row) from last year's vacancy rate of 0.7 per cent. Apartment units in Peninsula South continue to obtain the highest rents in the city. In fact, average two-bedroom rents eclipsed the \$1,000 mark in the South-end of Halifax for the first time, with a typical two-bedroom unit renting for \$1,040 (up over 6 per cent from last year).

Demand pressure continues (and is expected) to remain strong in Peninsula South with a steady stream of post-secondary students seeking accommodation close to two of the

province's largest universities. The supply of new rental apartments in the Peninsula South is expected to remain low, with only about 125 new rental apartment units coming to completion before next year's survey. Based on the indications of developer intentions, there appears to be renewed interest in rental apartment construction in the downtown and Spring Garden areas, albeit at the high end of the market.

Peninsula North (Zone 2)

The north end of the Halifax Peninsula experienced another increase in its vacancy rate this year, climbing from 1.3 per cent to 1.6 per cent. With rising vacancy rates, landlords were limited in the amount they could raise rents this year with the Zone posting an average rent hike of only 2.2 per cent (below the city-wide average).

Apartment hunters seeking a place to live in the North End continue to face a limited choice in rental

accommodations, with only 83 of 5,220 apartments available for rent. Nevertheless, compared with last year, the rental apartment inventory increased by close to 1 per cent or 48 new units. Additions to supply of new rental units in the North End should continue over the next few years with a handful of new high-rise rental projects proposed or currently under construction in the area.

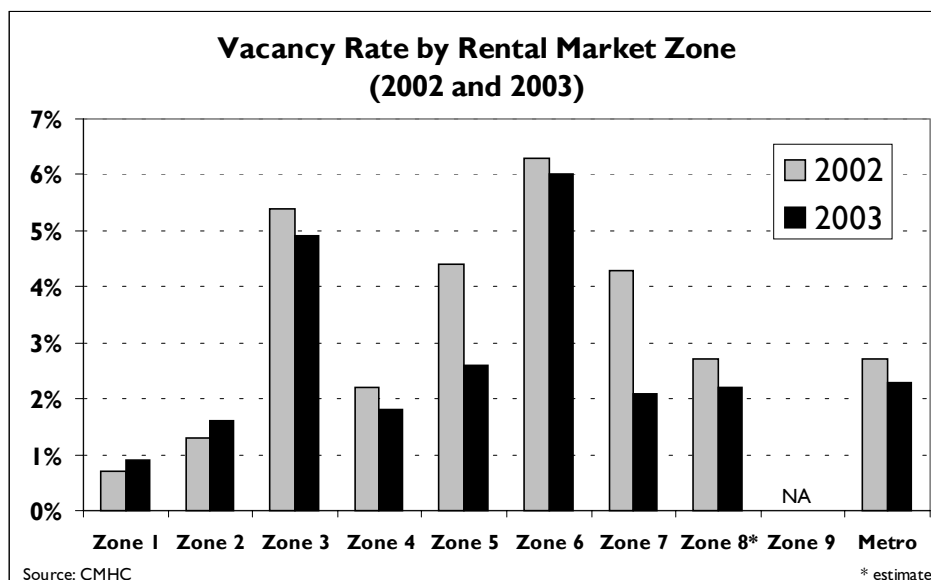
Mainland South (Zone 3)

Rental market conditions continued to tighten in Mainland South with the vacancy rate dropping from 5.4 per cent last year to 4.9 per cent this October. However, the vacancy rate in Mainland South is by far the highest on the Halifax side of the harbour. With a decline of 40 rental units, the overall universe for this submarket fell to 2,327.

As would be expected with higher vacancy rates, the Mainland South offers some of the most affordable rental accommodation in the former city of Halifax. The average rent for a typical two-bedroom apartment in this year's survey was \$621. This represents a modest 1.6 per cent increase over last year's rate, which is well below the average rate of increase for the region as a whole.

Mainland North (Zone 4)

With 9,211 rental apartment units (an increase of over 150 units from last year), Mainland North is Metro's largest rental market by a

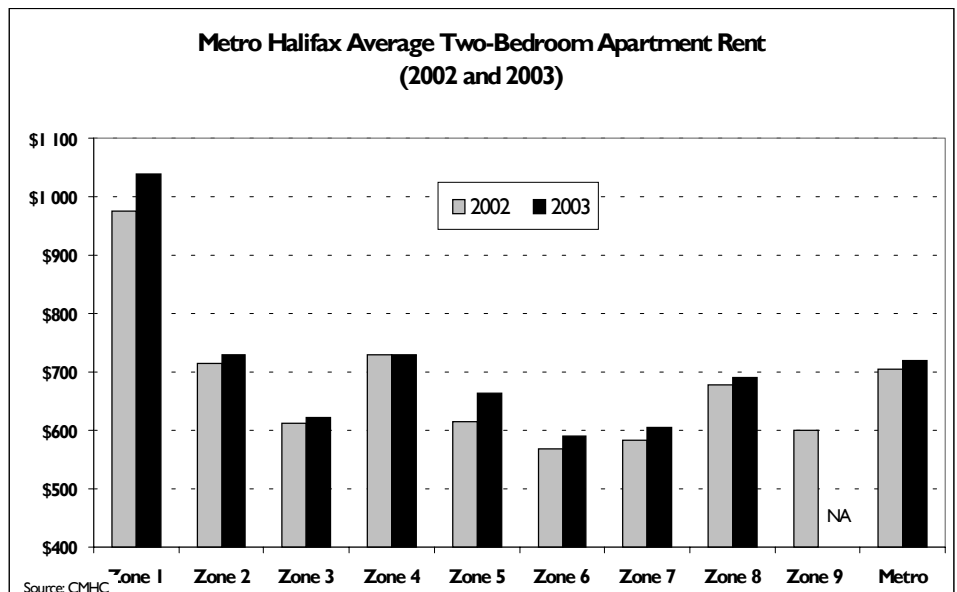


wide margin. Even with the increased supply, the number of vacant units dropped, pushing the vacancy rate in Zone 4 down from 2.2 per cent last year to 1.8 per cent this October. It appears that the large number of newer apartment units, proximity to the shops and services in Bayer's Lake and easy access to major transportation routes are attracting many renters to this area. However, with very little land available for new development in the Clayton Park West – Glenbourne neighbourhoods, the rate of new rental construction in this zone is expected to continue to slow in the coming years.

Although rental market conditions tightened in this submarket, average rents for a two-bedroom apartment remained unchanged from the \$730 reported last year. However, the relatively newer stock and larger structure size in Mainland North helped maintain rents that were slightly above the Metro-wide average.

Dartmouth North (Zone 5)

Vacancy rate conditions in Dartmouth North, the largest rental market on the Dartmouth side of the harbour, improved substantially again this year with 111 fewer vacant units pushing the vacancy rate down from 2002's level of 4.4 per cent to 2.6 per cent this year. In fact, the vacancy rate in Dartmouth North has dropped 4.6 percentage points over the past three years. Hand-in-hand with declining vacancy rates, the average rent for a two-bedroom apartment climbed by 8.0 percent to \$663. Not only is Dartmouth North home to the highest monthly rent for all of the Dartmouth submarkets, it also posted the strongest rental rate growth in all of Metro.



Dartmouth South (Zone 6)

Dartmouth South reversed last year's vacancy rate increase by declining to 6.0 per cent from 6.3 per cent in 2002. The vacancy rate decline was somewhat fostered by a slight decline in the total number of rental apartment units (down by 2 units from 2,215 in 2002 to 2,213 this year). The average rent for a two-bedroom apartment climbed \$22 this year to \$590 (a 3.9 per cent increase and faster than the rate of price growth in overall Metro) due in part to recent renovations to several large structures in this area.

Dartmouth East (Zone 7)

The Dartmouth East rental market posted the greatest vacancy rate decline in Metro, falling from 4.3 per cent in 2002 to 2.1 per cent this year (a far cry from the 20 per cent plus vacancy rates of the late 90s). With vacant apartments harder to find, rental rates responded accordingly with the average two-bedroom monthly rent climbing 4.0 per cent to \$605. The number of apartments in Dartmouth East remained relatively unchanged from last year's

survey. For a closer look at the rental market characteristics of this neighbourhood, see the article entitled "Focus on Zone 7" on page 8.

Bedford and Sackville (Zone 8)

The suburban rental market of Bedford and Sackville tightened in 2003, posting a decline in the vacancy rate from 2.7 per cent to an estimated rate of 2.2 per cent. The total number of apartment units in the zone declined slightly this year, while the average two-bedroom rent climbed by \$12 or only 1.8 per cent (below the overall Metro rate of increase).

Remainder of Metro (Zone 9)

With the creation of the Bedford and Sackville rental market zone in 2002, the Remainder of Metro submarket was significantly reduced to encompass mostly outlying areas. Due to the small sample size in Zone 9, we are unable to report vacancy and rental rate information this year.

Demographic Highlights - Halifax Rental Market

According to Statistics Canada's 2001 Census results, here are some interesting facts about the Halifax rental market:

Population

The rental submarket in Metro Halifax with the largest population (representing 27 per cent of the city's residents) is Zone 9 (Remainder of Metro) with a population of just over 97,200 people. However, due to its suburban geography, it is also home to the fewest surveyed rental units in Metro. Mainland South, on the other hand, is the least populated rental submarket, with a population count of just over 20,000, but with over 2,300 surveyed rental units.

Between 1996 and 2001, the Metro Halifax population increased 4.7 per cent. The population increased in each of the rental market zones as well, with the exception of Mainland South, which declined marginally. With the flurry of new development in Clayton Park West, Mainland North saw the strongest population growth, climbing 11 per cent over this time frame.

Tenure (Owning vs Renting)

Overall in Halifax, there are slightly more than 55,000 renter households, comprising about 38 per cent of all living arrangements in Metro. In fact, Halifax has a larger share of total households in tenancy than other large urban areas in Atlantic Canada, such as St. John's, Moncton, Fredericton, Saint John and Charlottetown.

Renter households make up the majority of residents in Dartmouth North at 69 per cent, while at 10 per cent, the outlying areas in the Remainder of Metro have the lowest ratio of renters-to-owners in the Metro region. In absolute terms, Mainland North has the largest amount of tenant households accounting for 60 per cent of all households in that submarket.

Income

In 2000, median household income in Halifax was \$46,941. As one might expect, at \$70,470, average income for owner-households was considerably higher than average income for renter households at \$33,802. Interestingly, the zone with

the highest average income- Peninsula South- and the zone with the lowest average income- Dartmouth North- both have approximately the same proportion of tenant households at 67 per cent.

Housing Affordability

Just over 38 per cent of renter households in Metro Halifax spend 30 per cent or more of their income on their monthly lease.¹ Among the Metro Halifax rental submarkets, this figure is lowest in the Remainder of Metro and it is highest in Peninsula South. Across the largest urban areas of Atlantic Canada, comparable shelter-to-income ratios range from a low of 32 per cent in Fredericton to a high of 39.9 per cent in St. John's, Newfoundland.

¹ Does not include households in publicly-initiated housing whose shelter cost-to-household income ratio may be less than 30% or those whose shelter-to-income ratio (STIR) is over 100 per cent.

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Condos Catching On... but at Rentals' Expense???

Over the past few years, there has been growing interest in the low-maintenance lifestyle offered by apartment living. During this time, historically low mortgage rates have lured many renters into homeownership, which has fostered excellent appreciation of local residential real estate. This has encouraged more apartment hunters to consider *owning* an apartment (that is, a condominium) rather than *renting* one. As a result, real estate developers have responded to this shift in demand by producing fewer new rental buildings and more new condo projects instead. In fact, the market share of rental unit starts as a percentage of total apartment starts has declined from 100 per cent in 1999 to only 50 per cent as 2003 draws to a close.

This shift has culminated in a sharp decline in the supply of new rental apartments in Metro over the past year. In fact, there have been only 222 new rental units introduced to the local market over the past year after averaging over 600 per year between 1999 and 2002. Furthermore, so far in 2003 rental apartment starts are lagging the previous three-year average by almost 35 per cent, while condominium starts are poised to post one of the best years on record with 422 starts through the end of November 2003. This shift in tenure type of apartment product is one of the key factors that has contributed to Metro's declining vacancy rate over the past 12 months.

Focus on Zone 7

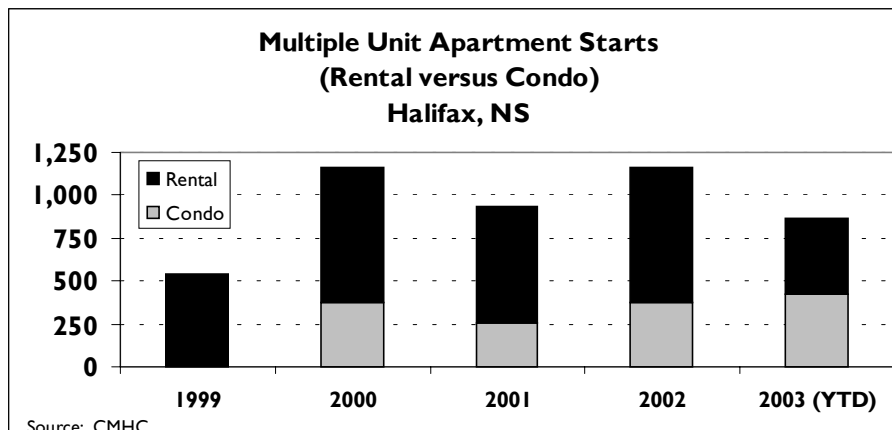
Zone 7 – Dartmouth East

What a difference a decade makes....

With only 1,534 units, Dartmouth East is the smallest rental market zone in Metro Halifax (aside from the Remainder of Metro). There were 32 vacant units reported this year, resulting in a vacancy rate of 2.1 per cent (significantly down from last October's reported vacancy rate of 4.3 per cent). Last year the boundaries for the Dartmouth East rental market were expanded to include the suburban area of Cole Harbour, adding over 400 units to the submarket. The specific boundaries of this zone are described by the map and area description of page 4 of this report.

The decline in the vacancy rate in this zone is partly due to an increase in new, young renter households making the move out their parents' homes in the suburban areas of Dartmouth (e.g., Colby Village, Portland Estates and Forest Hills), in conjunction with renters seeking the more affordable units offered in this zone. In fact, rental rates in Dartmouth East are the second lowest in Metro, with the average two-bedroom apartment renting for \$605 a month (\$115 less than the overall city wide average). Although average rents are amongst the lowest in the region, they are on the rise. With declining vacancy rates, landlords were able to increase overall rents by 5.8 per cent in Dartmouth East this year, which is over twice the rate of 2.6 per cent experienced Metro-wide.

The Dartmouth East rental market zone has witnessed a remarkable turnaround since the late 90s. Reported vacancy rates reached a high of 21.3 per cent in 1997, and they have declined steadily since. In fact, the area has moved from being one of the weakest rental markets in Metro to one of the tightest while maintaining relatively affordable rents. The future of the Dartmouth East rental market looks promising, in light of its attractive rents and falling vacancy rates. In addition, with the availability of vacant serviced land (unlike many other fully developed neighbourhoods in Metro), good locations near major transportation routes, shops and services, and natural lake settings, there is a significant potential for new rental development in this zone.



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Rental Market Outlook: Vacancy rates forecast to rise in 2004

After seven consecutive years of falling vacancy rates in the Metro Halifax rental market, an increase in vacancies is forecast for 2004. While the combination of a reduced flow of new rental supply and resilient rental demand coalesced to cause a half percentage point decrease in vacancy rate in 2003, a rebound in new rental apartment completions and tepid rental demand are expected to result in an increase in vacancy rate over the next 12 months. Although there will be little market condition-related upward pressure on rents, the addition of a substantive number of new apartments will stimulate a modest increase in average rent next year.

While the vacancy rate decline in the Metro Halifax rental market this year can be attributed to both supply and demand factors, it has been the supply-related factors that have exerted the greatest influence on the tightening market conditions. Most telling has been the fact that a mere 222 new rental apartments were released onto the market this year compared with an average of over 600 units in each of the preceding three survey years. The impact of an unexpectedly long period of exceptionally low mortgage rates on first-time homebuyer demand, as well as the very weak job market in 2001-2002, caused many multiple unit developers to take a breather on new rental construction projects over the

past 18 months, and look at alternative options such as condominium development.

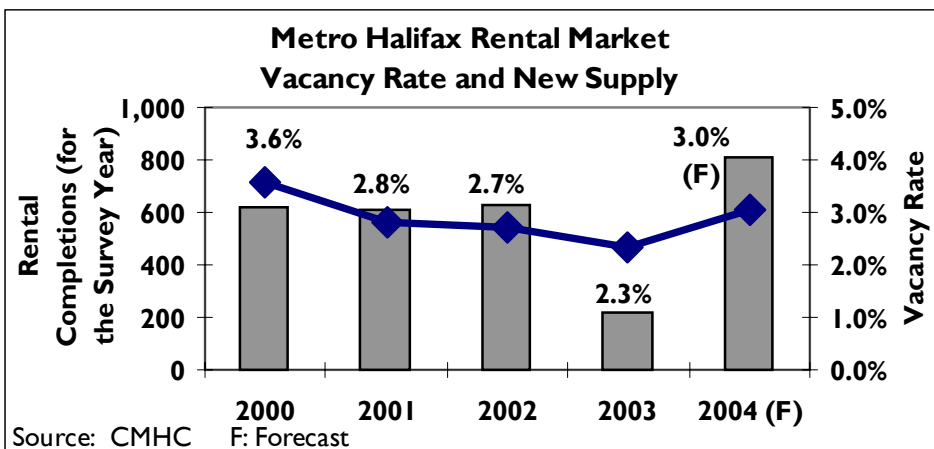
On the demand side, although demand for rental housing was bolstered by an influx of post-secondary students and young households moving into their first apartment, first-time homebuying activity tempered overall demand for rental accommodation in Halifax this year. The local economy and job market are expected to exhibit tepid growth once again next year, with few signs pointing to an imminent rebound. Although post-hurricane clean up and repair efforts and increasing non-residential construction activity will provide a modest boost, there has been little positive news emerging from the fledgling offshore energy industry to spark a forthcoming surge in local economic activity in 2004.

With a high likelihood of fiscal belt-tightening at all levels of government in a local economy with a strong public sector presence, there is limited capacity for government-related stimulus next year. These demand factors are expected to have a mixed impact on the rental market, with rental demand bolstered by fewer tenants making the move to homeownership, but hampered by fewer people migrating to Metro.

Furthermore, with mortgage rates forecast to rise in 2004, home ownership carrying costs will climb across Metro pricing more potential first time homebuyers out of the market, keeping more renter households in tenancy in 2004. However, increased rental demand from the influx of post secondary students will be partially satisfied with the opening of more residence space at Dalhousie University. In short, the aforementioned effects of economic and housing market factors are expected to lead to a mixed impact on rental demand on Metro next year.

As the lack of supply of new rental units was the key to this year's declining vacancy rate, a surge in supply will be the story behind the forecast for rising vacancy rates next year (especially with demand influences looking mixed). With 540 rental units currently under construction in Metro (as of Dec. 4, 2003), it is expected that over 800 new purpose-built rental units will be added to the market in time for next year's survey.

In summary, local rental demand is forecast to remain lacklustre in 2004. Modest growth from younger households, university students, and those of more modest incomes who will find it more difficult to afford homeownership will not be enough to offset the increase in new rental unit supply that is expected next year. As a result, the Metro Halifax vacancy rate is expected to climb to 3 per cent over the next 12 months. While this softening in local rental conditions will provide little or no market-related incentive for landlords to increase rents, the addition of over 800 new (generally higher-priced apartments in preferred areas of Metro) will allow average rent growth to match the rate of inflation in 2004.



Apartment Vacancy Rates by Zone and Bedroom Type Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Peninsula South (1)	0.7	0.3	0.6	0.8	0.9	1.3	1.3	2.3	0.7	0.9
Peninsula North (2)	NA	0.9	1.0	1.6	1.4	1.8	NA	NA	1.3	1.6
Mainland South (3)	NA	NA	5.6	3.2	5.6	6.0	4.0	6.0	5.4	4.9
Mainland North (4)	NA	NA	1.4	2.1	2.4	1.3	3.6	4.4	2.2	1.8
City of Halifax Subtotal	1.1	0.4	1.4	1.6	2.3	1.9	2.6	3.4	1.8	1.8
Dartmouth North (5)	NA	NA	4.5	2.9	3.9	1.6	NA	NA	4.4	2.6
Dartmouth South (6)	NA	NA	4.6	4.6	8.2	6.4	6.0	6.2	6.3	6.0
Dartmouth East (7)	0.0	0.0	3.1	1.0	5.3	2.2	0.7	4.5	4.3	2.1
City of Dartmouth	0.9	9.8	4.4	3.1	5.1	2.7	6.5	4.7	4.8	3.3
Bedford and Sackville (8)	NA	NA	0.3	1.8	3.1	2.1*	3.9	NA	2.7	2.2*
Remainder of Metro (9)	NA	NA	NA	NA	4.0	NA	NA	NA	3.5	NA
Halifax CMA	1.1	2.1	2.3	2.0	3.2	2.4	3.5	4.0	2.7	2.3

Source: CMHC
* estimate

Apartment Average Rents by Zone and Bedroom Type Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Peninsula South (1)	\$565	\$583	\$709	\$747	\$976	\$1,040	\$1,378	\$1,509	\$796	\$826
Peninsula North (2)	NA	\$482	\$552	\$599	\$715	\$729	NA	NA	\$643	\$657
Mainland South (3)	NA	NA	\$450	\$459	\$611	\$621	\$702	\$739	\$553	\$565
Mainland North (4)	NA	NA	\$562	\$580	\$730	\$730	\$927	\$944	\$693	\$698
City of Halifax Subtotal	\$537	\$550	\$608	\$633	\$760	\$769	\$1,015	\$1,035	\$702	\$715
Dartmouth North (5)	NA	NA	\$487	\$513	\$614	\$663	NA	NA	\$551	\$590
Dartmouth South (6)	NA	NA	\$523	\$537	\$568	\$590	\$674	\$685	\$558	\$576
Dartmouth East (7)	\$402	\$417	\$482	\$499	\$582	\$605	\$663	\$651	\$562	\$583
City of Dartmouth	\$396	\$455	\$494	\$517	\$599	\$638	\$666	\$691	\$554	\$586
Bedford and Sackville (8)	NA	NA	\$562	\$571	\$679	\$691	\$805	NA	\$664	\$674
Remainder of Metro (9)	NA	NA	NA	NA	\$601	NA	NA	NA	\$580	NA
Halifax CMA	\$524	\$537	\$572	\$596	\$704	\$720	\$937	\$955	\$658	\$675

Source: CMHC

Apartment Vacancy Rates by Structure Year of Completion and Bedroom Type Halifax CMA

Structure Year of Completion	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Pre 1940	2.6	1.1	3.1	5.2	0.5	4.7	NA	NA	1.8	4.0
1940 - 1959	NA	NA	6.5	5.8	6.1	2.8	NA	NA	6.1	3.9
1960 - 1974	0.4	3.4	3.0	2.3	4.5	3.0	6.3	6.5	3.9	3.0
1975 - 1984	0.4	1.4	1.8	1.8	2.7	2.7	1.5	5.4	2.0	2.3
1985 - 1994	0.4	1.1	0.8	0.6	1.7	1.1	1.7	1.3	1.3	0.9
After 1995	0.9	0.0	0.7	0.4	2.5	1.3	1.6	2.5	1.8	1.2
Total	1.1	2.1	2.3	2.0	3.2	2.4	3.5	4.0	2.7	2.3

Source: CMHC

Number of Apartment Units - Vacant and Total (Universe) Halifax CMA										
Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Peninsula South (1)	4	1,582	32	3,820	25	1,983	10	434	71	7,819
Peninsula North (2)	5	540	31	1,918	43	2,371	NA	NA	83	5,220
Mainland South (3)	NA	NA	28	881	72	1,201	12	208	113	2,327
Mainland North (4)	NA	NA	58	2,808	67	5,198	40	912	165	9,211
City of Halifax Sub-Total	10	2,452	150	9,428	207	10,753	66	1,945	433	24,577
Dartmouth North (5)	NA	NA	86	2,948	50	3,017	NA	NA	170	6,406
Dartmouth South (6)	NA	NA	41	881	64	997	17	270	133	2,213
Dartmouth East (7)	0	35	3	319	23	1,038	6	143	32	1,534
City of Dartmouth	43	440	130	4,148	137	5,052	24	512	335	10,153
Bedford and Sackville (8)	NA	NA	7	372	NA	1,086	NA	NA	NA	1,605
Remainder of Metro (9)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Halifax CMA	61	2,916	288	14,038	404	17,083	104	2,588	858	36,624

Source: CMHC

Apartment Vacancy Rates by Structure Size and Bedroom Type Halifax CMA										
Structure Size	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
3 - 5 Units	NA	NA	4.3	4.0	1.8	4.2	0.0	1.1	2.9	3.3
6 - 19 Units	0.0	0.3	4.6	2.0	6.3	4.2	5.8	4.4	5.2	3.1
20 - 49 Units	0.4	6.6	2.2	4.8	3.4	2.7	6.5	9.1	3.1	4.2
50 - 99 Units	0.5	1.3	1.3	0.6	1.8	1.4	2.4	1.8	1.6	1.1
100+ Units	0.3	0.1	0.9	0.4	2.5	1.1	1.8	3.2	1.5	0.8
Total	1.1	2.1	2.3	2.0	3.2	2.4	3.5	4.0	2.7	2.3

Source: CMHC

Average Apartment Rents by Structure Size and Bedroom Type Halifax CMA										
Structure Size	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
3 - 5 Units	NA	NA	\$492	\$573	\$616	\$626	\$1,025	\$936	\$637	\$648
6 - 19 Units	\$442	\$478	\$486	\$500	\$599	\$630	\$686	\$734	\$549	\$578
20 - 49 Units	\$480	\$542	\$533	\$564	\$677	\$687	\$831	\$867	\$625	\$639
50 - 99 Units	\$517	\$519	\$592	\$604	\$742	\$758	\$927	\$950	\$685	\$699
100+ Units	\$591	\$601	\$681	\$707	\$808	\$856	\$1,191	\$1,253	\$756	\$790
Total	\$524	\$537	\$572	\$596	\$704	\$720	\$937	\$955	\$658	\$675

Source: CMHC

Apartment Vacancy Rates by Rent Range and Bedroom Type Halifax CMA

Rent Range	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		All Units	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
\$350 - \$399	NA	NA	7.9	3.5	NA	NA	NA	NA	6.5	4.4
\$400 - \$449	0.9	7.7	5.0	6.8	NA	NA	NA	NA	4.7	6.9
\$450 - \$499	0.7	2.2	2.9	4.7	8.7	6.7	NA	NA	4.4	4.8
\$500 - \$549	NA	1.4	2.8	1.5	9.4	6.2	NA	NA	4.8	2.9
\$550 - \$599	NA	NA	1.0	1.1	4.3	4.6	NA	NA	2.3	2.7
\$600 - \$649	NA	NA	1.6	2.1	2.7	1.8	NA	NA	2.3	1.9
\$650 - \$699	NA	NA	0.2	0.5	2.0	1.5	11.0	2.2	2.3	1.1
\$700 - \$749	NA	NA	1.0	0.4	2.3	1.2	NA	NA	1.8	1.1
\$750 - \$799	NA	NA	NA	0.1	1.1	1.0	NA	NA	2.4	0.7
\$800 - \$849	NA	NA	NA	NA	0.8	NA	NA	NA	0.5	1.9
\$850 +	NA	NA	NA	NA	2.2	1.4	0.9	2.1	1.8	1.6

NA = Data not available.

Source: CMHC

METHODOLOGY

Canada Mortgage and Housing Corporation conducts the Rental Market Survey every year in October to determine the number of vacancies and the rents charged in rental structures. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. Only structures which have been on the market for at least three months are included. While this publication is mainly about privately initiated apartments with three units and more, the CMHC Rental Market Survey also examines row houses and publicly initiated rental and co-op housing conditions.

The survey is conducted by telephone or site visit, and rent information is obtained from the owner, manager or building superintendent. The survey is conducted in the first two weeks of October and these results reflect market conditions at that time.

Definitions

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

Rent: The rent data refers to the actual amount tenants pay for their unit. Amenities and services such as heat, light, parking, hot water and laundry facilities may or may not be included in the monthly rent reported in individual cases. The average rent

figures reported in this publication represent the average of different units in the market area, some of which may have some or all of these services included in the rent figure.

Rental apartment structure: Any building containing three or more rental dwellings which are not ground-oriented.

Rental row house structure: Any building with three or more ground-oriented rental dwellings.

Acknowledgment

The CMHC Rental Market Survey could not have been completed without the cooperation of the many property owners and managers throughout Canada. We gratefully acknowledge their hard work and assistance in providing timely and accurate information for the survey. We hope that the results provide a benefit to our clients and serve to inform the entire housing industry.

Rental Market Report is published once a year for the Halifax market. Priced at \$40 plus applicable taxes. For more information, contact Cynthia Way at the Atlantic Business Centre (902) 426-4708. Order # NSRME.

Ce document est disponible en français. Veuillez communiquer avec Cynthia Way au Centre d'affaires de l'Atlantique au (902) 426-4708.

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