



# RENTAL MARKET

## REPORT

HALIFAX

Canada Mortgage and Housing Corporation

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### Metro Rental Market Eases, Reversing a Six Year Tightening Trend

After a six year tightening trend, rental market conditions eased in Metro Halifax in 2004. The rental apartment vacancy rate climbed to 2.9 per cent from 2.3 per cent in 2003, with 1,073 of the 37,198 apartments across the city vacant in early October. Of the nine rental submarkets in Metro, eight posted higher vacancy rates this year with only Dartmouth South posting a decline in vacancy rate. Vacancy rates for bachelor and two bedroom units increased while the vacancy rate for three plus bedroom apartments declined, and the one bedroom apartment vacancy rate remained unchanged.

Despite the rise in the Metro vacancy rate, average rent increased 4.4 per cent. Average rents rose in

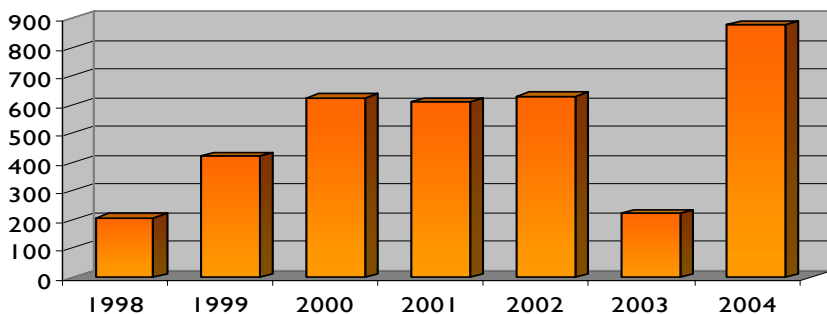
all of the nine Metro submarkets with the most significant growth occurring in the Peninsula North and Bedford & Sackville submarkets. Average rents increased for each apartment bedroom type, with the three plus bedroom apartment average rent cresting the \$1,000 mark for the first time.

Without question one of the most significant factors influencing the rise in vacancies in Metro over the past year has been the substantial number of new rental apartments introduced to the market. New rental structures must be completed before July 1<sup>st</sup> to be included in the annual CMHC Rental Market Survey that is conducted in the first week of October. Between July 1<sup>st</sup> 2003 and June 30<sup>th</sup> 2004, 877 new

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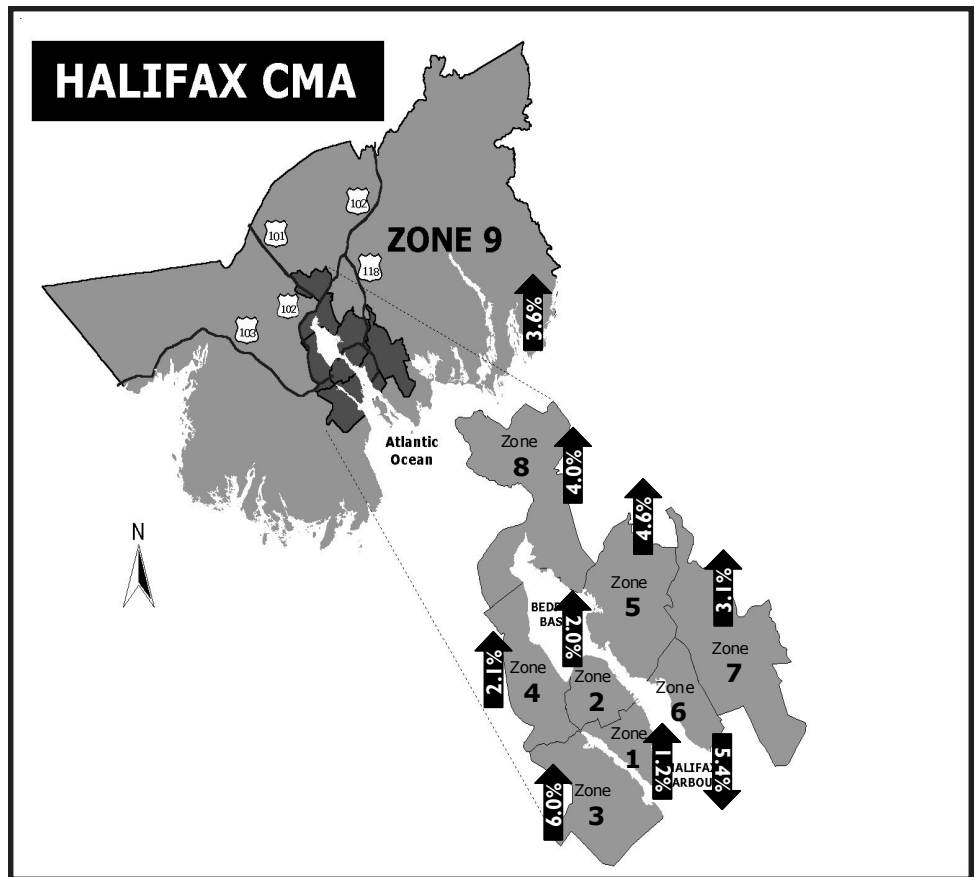
**Strong Growth In Rental Supply in 2004**  
Rental Completions by Survey Year, Halifax CMA



rental units were completed in Metro Halifax. This is a tremendous rebound from the preceding year when only 222 rental units were completed.

From a slightly different supply perspective, high levels of condominium construction over the past 18 months have provided expanded choice in a different housing option for those who prefer the low maintenance lifestyle offered by apartment living. The option of owning an apartment rather than renting one in Metro has tilted in favour of ownership for many households in an environment of annual double-digit condo appreciation and comparatively lacklustre return on investment from other investment vehicles.

Nevertheless, rental demand has remained quite resilient despite challenges on several fronts. Mortgage rates reached historically low levels in the first half of 2004, stimulating home ownership demand including significant interest from rate sensitive first-time homebuyers. Exceptionally strong employment growth of 4 per cent this year has been instrumental in boosting home ownership demand, allowing many rental households to meet the financial requirements of home ownership. Renters of relatively high priced apartments, those in relatively larger units, as well as those in small buildings (which are more likely to have characteristics similar to single-detached homes) are among the most obvious candidates for movement to home ownership when suitable financial conditions materialize. Results from this year's survey substantiate this theory, particularly the change in conditions for three plus bedroom apartments in rental buildings with only 3 to 5 units. A 20 per cent increase in average rent for apartments with these characteristics



lifted average rent to \$1,119 per month from \$936. This would provide significant incentive for many tenants in these units to consider purchasing a home, particularly given the fact that this rent level is comparable with the monthly home ownership carrying costs of a \$150,000 home.

However, strong employment gains have also provided a stimulus to rental demand in Metro. With employment growth exceeding labour force growth in Metro while job markets in other areas of the province weakened, more migrants have likely been drawn to Metro over the past year. Three-quarters of net migration to Metro Halifax consists of people under the age of 24, a critical source of rental demand with over 90% of households in this age group in Metro renting their dwelling. Through October, employment growth for people between the ages of 15 and 24 in Metro has grown 7 per cent with three quarters of these jobs of the

full-time variety. Not only is this a boon for intraprovincial migration, it also encourages household formation in younger age groups as youth living at home become employed and move out of their parents' home. As a result, strong youth employment growth in Metro this year has been instrumental in mitigating declining rental demand related to very attractive home ownership conditions.

Although rental market conditions eased in Metro over the past year, average rent increased 4.4 per cent as landlords accounted for higher heating costs and water costs. In addition, the wave of renovation activity that has swept the home ownership market this year has also rolled into the rental market as landlords improve the quality of the existing stock to compete with high quality and higher priced new rental apartments. These are the reasons behind the surprisingly healthy increase in rents in a softening Metro rental market.

# National Apartment Vacancy Rate Rises for the Third Consecutive Year

The average rental apartment vacancy rate in Canada's 28 major centres rose to 2.7 per cent in October 2004 from 2.2 per cent a year ago. This is the third consecutive annual increase in the vacancy rate, but it remains below the 3.3 per cent average vacancy rate over the 1992 to 2003 period.

The rising vacancy rate over the past year is due to various factors. Low mortgage rates have kept mortgage carrying costs low and lessened demand for rental housing by bringing home ownership within the reach of many renter households. Continued high levels of condominium completions have also created competition for the rental market and have contributed to rising vacancy rates.

Condominiums are a relatively inexpensive form of housing that are often purchased by renter households switching to home ownership. Condos also supplement the rental market because, in some cases, they are purchased by investors who in turn rent them out. Vacancy rates have also risen because rental apartment completions have added new rental supply in some centres.

Despite the higher vacancy rates in many centres, there are many households that pay more than 30 per cent of their income for rent. These households either need less expensive units or require some help in order to make their monthly shelter costs more affordable. In some cases, however, there are not enough vacant units

to meet the needs of all households in core housing need; for example households living in crowded conditions. Therefore, additional affordable housing units continue to be required.

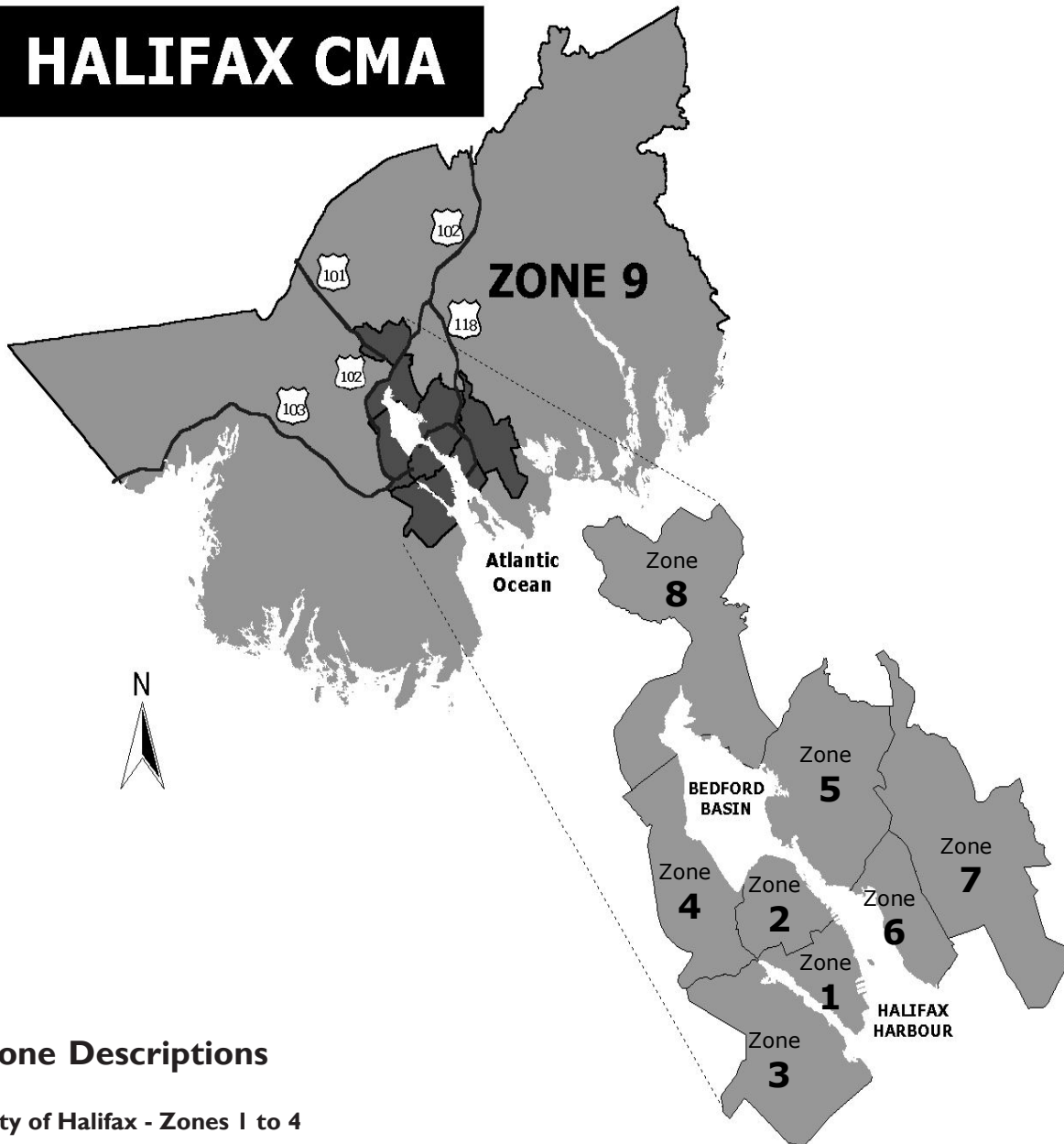
Vacancy rates were higher than one year ago in 21 of Canada's 28 major centres. Windsor (8.8 per cent), Saskatoon, Saint John (NB), Edmonton, Saguenay, and Thunder Bay had the highest vacancy rates, while Victoria (0.6 per cent), Sherbrooke, Québec, Winnipeg, Trois-Rivières, and Vancouver were among the cities with the lowest vacancy rates.

Average rents for two-bedroom apartments increased in all major centres, except Windsor where rents were unchanged. The greatest increase occurred in both Sherbrooke and Québec where rents were up 5.1 per cent, and in Trois-Rivières where rents were up 4.8 per cent. Average rents in Trois-Rivières, Halifax, Gatineau, Montréal, Saint John (NB), and London were all up by three per cent or more. The highest average monthly rents for two-bedroom apartments were in Toronto (\$1,052), Vancouver (\$984), and Ottawa (\$940). The lowest average rents were in Trois-Rivières (\$457) and Saguenay (\$459).

A new measure called the availability rate has been introduced on a pilot basis this year in all 28 major centres across Canada. The average rental apartment availability rate in Canada's 28 major centres was 3.9 per cent in October 2004.

Apartment Vacancy Rates By Census Metropolitan Area (CMA)		
CMA	2003	2004
Victoria CMA	1.1%	0.6%
Sherbrooke CMA	0.7%	0.9%
Quebec CMA	0.5%	1.1%
Winnipeg CMA	1.3%	1.1%
Trois-Rivieres CMA	1.5%	1.2%
Vancouver CMA	2.0%	1.3%
Montreal CMA	1.0%	1.5%
Gatineau CMA	1.2%	2.1%
Kingston CMA	1.9%	2.4%
Greater Sudbury CMA	3.6%	2.6%
St. Catharines-Niagara CMA	2.7%	2.6%
Regina CMA	2.1%	2.7%
CANADA	2.2%	2.7%
Abbotsford CMA	2.5%	2.8%
Halifax CMA	2.3%	2.9%
St. John's CMA	2.0%	3.1%
Hamilton CMA	3.0%	3.4%
Oshawa CMA	2.9%	3.4%
Kitchener CMA	3.2%	3.5%
London CMA	2.1%	3.7%
Ottawa CMA	2.9%	3.9%
Charlottetown CA	3.5%	4.2%
Calgary CMA	4.4%	4.3%
Toronto CMA	3.8%	4.3%
Thunder Bay CMA	3.3%	5.0%
Saguenay CMA	5.2%	5.3%
Edmonton CMA	3.4%	5.3%
Saint John CMA	5.2%	5.8%
Saskatoon CMA	4.5%	6.3%
Windsor CMA	4.3%	8.8%

# 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 within the city of Halifax boundaries 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 Ochterloney Street, Lake Banook and Micmac Lake

#### Zone 6 - Dartmouth South

is south of Ochterloney 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.

# Higher Vacancy Rates and Higher Rents Widespread Among Metro Submarkets

A review of the 2004 rental data reveals that increases in vacancy and average rent were widespread across Metro Halifax neighborhoods. While there are a variety of factors that influenced trends in vacancy and rent depending on the specific area of the city in question, home ownership affordability, condominium market growth and very strong labour market conditions were among the key variables that influenced rental market trends across Metro over the past year.

## Bachelor apartments

The bachelor rental apartment universe shrunk this year (10 per cent), but the vacancy rate still increased to 3.4 per cent. Over 70 per cent of bachelor apartments in Metro are found on the Halifax Peninsula and over the past year fires, building closures due to building code violations and demolitions have contributed to the contraction in the bachelor rental stock in this area. Average rent growth among bachelor units was on par with overall market growth of 4 per cent in Metro.

## One Bedroom Apartments

The average vacancy rate for one bedroom apartments in Metro remained unchanged over the past

year, holding steady at 2.0 per cent. One bedroom apartment vacancies increased in four submarkets, decreased in four and remained unchanged in one. Despite overall market conditions for this apartment size category remaining relatively tight, at 2.7 per cent, average rent growth was still slightly below the overall market average.

## Two Bedroom Apartments

The two bedroom rental apartment universe grew by over 500 units, which accounts for a large share of the overall expansion in the apartment stock, but only a small proportion of the more than 17,000 two bedroom apartments across Metro. The vacancy rate for two bedroom units climbed a full percentage point from 2.4 per cent to 3.4 per cent, accounting for more than 600 of the almost 1,100 vacant units in Metro. While average rent growth was on par with the overall market average, growth in two bedroom average rent for apartments in buildings built before 1940 was particularly high at 8 per cent.

## Three Plus Bedroom Units

Despite experiencing the most significant expansion in total rental stock (a 17 per cent increase, or almost 450 units), the three plus bedroom apartment category

experienced tightening market conditions as the vacancy rate fell to 3.2 per cent from 4.0 per cent. A combination of tightening market conditions and the substantial addition of new stock (generally well above market average price) were the driving forces behind the strong 6 per cent growth in average rent for three plus bedroom apartments in Metro- which surpassed the \$1,000 per month mark this year for the first time.

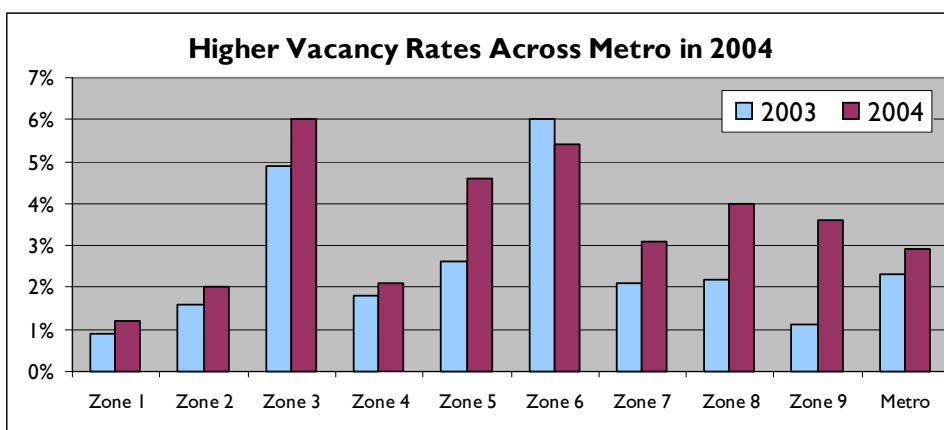
## Peninsula South

The Peninsula South vacancy rate rose to 1.2 per cent from 0.9 per cent- the first time it has been above 1 per cent in nine years. This increase is entirely attributable to a jump in bachelor apartment vacancies as all other bedroom types experienced a decrease in vacancy rate. Despite a slight easing in Metro's tightest submarket, average rent growth in Peninsula South was still above market average, as the landlords enjoyed the capacity to be selective about tenants and to raise rents in light of their advantage in this market.

## Peninsula North

The vacancy rate in Peninsula North rose to 2.0 per cent from 1.6 per cent- which while indicating relaxing market conditions, is still a relatively low vacancy rate. With average rents more than \$165 per month lower than in Peninsula South, property owners have been able to raise rents, explaining the 8 per cent increase in average rent in Peninsula North, which was the largest increase among the nine rental submarkets.

There is evidence to suggest that bachelor unit renters on the Halifax





peninsula may have moved into more spacious one bedroom apartments in the same area over the past year. While the vacancy rates for bachelor apartments on the peninsula increased, one bedroom apartment vacancy rates declined slightly. These trends are particularly clear in reviewing the bachelor and one bedroom vacancy rates for rental buildings built before 1960- many of which are located on the Peninsula. In addition, while rent increases for bachelor units on the peninsula over the past year were above the overall market average, rent growth for one bedroom units in this area were well below average.

Very strong employment growth in Metro may have been instrumental in providing an opportunity for some bachelor unit renters on the Peninsula to move up to a one bedroom apartment, particularly with a narrowing spread between bachelor and one bedroom rents. In addition, the construction of new university residences and the renovation of existing ones have provided more on-campus housing for the significant student population on the peninsula, also dampening demand for the relatively inexpensive bachelor apartment option in this area of Metro.

### **Mainland South**

The vacancy rate in Mainland South increased to 6.0 per cent in 2004 from 4.9 per cent last year. Higher vacancies across apartments of all sizes- but particularly in the three and two bedroom categories- were instrumental in generating what is the highest average vacancy rate of the nine submarkets. With Spryfield offering one of the most affordable home ownership neighborhoods in Metro, some renters in this area were likely enticed into home ownership by historically low mortgage rates and a healthy supply

of modestly priced housing options in the Spryfield area.

### **Mainland North**

Mainland North, Metro's largest rental submarket, grew by 546 units in 2004. The vacancy rate in Fairview-Clayton Park increased to 2.1 per cent, still the lowest vacancy rate in Metro areas outside the Halifax Peninsula. The increase in vacancy rate in this area is entirely attributable to an increase in the two bedroom vacancy rate (from 1.3% to 2.3%) as there were fewer vacant apartments in one and three bedroom categories. An expanding choice of condominiums in Clayton Park, Glenbourne and Rockingham/Prince's Lodge and a good selection of relatively affordable condos within the financial reach of many renters in this area was likely the key factor in the increase in two bedroom vacancy rate, as well as a key reason for the below average rent growth in what remains one of the tightest rental areas in Metro.

### **Dartmouth North**

After dipping to its lowest level since 1986 last year at 2.6 per cent, the vacancy rate in Dartmouth North increased two percentage points to 4.6 per cent this year. As another area of Metro that offers relatively affordable home ownership, some tenants were likely lost to home ownership while others may have moved to other parts of the City of Lakes- a flexibility afforded by the fact that monthly rent levels across Dartmouth fall within a very narrow range.

Competition with other parts of Dartmouth, with the first time home ownership option, and the related softening in market conditions in Dartmouth North were instrumental in holding average rents steady at \$590 per month.

### **Dartmouth South**

Dartmouth South was the only area among the nine rental submarkets

to post a decline in vacant apartments, with the vacancy rate falling slightly to 5.4 per cent from 6.0 per cent last year. An almost three percentage point drop in the average vacancy rate for three plus bedroom apartments in this area was responsible for the overall decline in vacancy rate. Although the Dartmouth South market tightened slightly, the vacancy rate remains relatively high and this condition kept annual rent growth below the overall market average.

### **Dartmouth East**

Moderate growth in vacancy rates for apartments of all sizes resulted in an increase in overall vacancy rate in Dartmouth East this year. The vacancy rate in this area rose to 3.1 per cent from 2.1 per cent last year. Average rent growth in Dartmouth East was below the overall Metro average, falling just short of the \$600 mark this year.

### **Bedford & Sackville**

The vacancy rate in Bedford & Sackville climbed to 4.0 per cent from an estimated 2.2 per cent last year. Despite relaxing market conditions, average rent growth in this area was the highest in Metro at 7 per cent. Consequently, it is likely that many renters found the move to home ownership a relatively attractive option, particularly given the relative affordability of the Sackville area and the abundance of condo choices in Bedford for those who prefer the apartment lifestyle.

### **Remainder of Metro**

In the remaining areas of Metro, the vacancy rate increased to 3.6 per cent while average rent reached \$573. Since this area has so few rental units, it is difficult to identify a reason for the increase in vacancy rate, but it is plausible that tenants may have left these outlying areas for neighborhoods closer to the urban core as rental apartments were easier to find in almost every area of Metro over the past year.

# Availability Rates Generally Within a Percentage Point of Vacancy Rates

In addition to the vacancy and rent data that we collect each year as part of the annual Rental Market Survey, this year we also asked landlords and property managers about rental unit *availability*. What is the difference between vacancy and availability? The **Methodology** section on page 12 of this report provides specific definitions for these two terms, but simply put, an available apartment is one that is available for rent whether it is occupied or not. Apartments for which a tenant has given notice but for which a new tenant has not yet been signed to a lease are added to physically vacant units to determine availability. As a result, availability rates are by definition higher than vacancy rates.

The apartment availability rate in Metro Halifax this year is 3.9 per cent, exactly one percentage point higher than the apartment vacancy rate. Comparing vacancy rates with availability rates across the nine Metro submarkets and by the various bedroom types reveals that,

for the most part, availability rates are within one percentage point of vacancy rates. Notable exceptions include the three plus bedroom apartment category as well as the Dartmouth South and Bedford & Sackville submarkets.

Without any historical availability rate data upon which to analyze the relationship between this indicator and other potential market variables, it is difficult to determine the reason for the relatively large gap between the vacancy rate and availability rate among three plus bedroom apartments, and in Dartmouth South and in Bedford & Sackville. However, one strong possibility is that attractive home ownership conditions (both affordability and appreciation) influenced more of the tenants in these areas and in larger apartments to “give their notice” this year. With average three plus bedroom apartment rents cresting the \$1,000 per month mark, more tenants may have found that they could afford to purchase a home rather than rent a

large apartment. In relatively affordable home ownership areas such as Dartmouth South and Sackville, very low mortgage rates may have brought home ownership within the financial reach of more renter households.

Finally, for those households who have chosen the apartment lifestyle in Bedford a significantly expanded choice of condominiums as a result of substantial new construction activity along the Bedford Highway may have lured some of these renters into apartment ownership, especially given the attractive rate of condo appreciation in recent years. The fact that average rents in Bedford & Sackville and in the three plus bedroom apartment category posted above average increases of 7 and 6 per cent respectively may lend further support to hypothesis that attractive home ownership conditions are a significant variable in determining the spread between vacancy and availability rates.

**2004 Apartment Availability & Vacancy Rates by Zone & Bedroom Type- Halifax CMA**

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	Availability	Vacancy	Availability	Vacancy	Availability	Vacancy	Availability	Vacancy	Availability	Vacancy
Peninsula South (Zone 1)	4.4%	3.2%	1.3%	0.5%	1.1%	0.7%	3.7%	1.7%	2.0%	1.2%
Peninsula North (Zone 2)	2.6%	2.2%	2.6%	1.6%	2.6%	2.0%	3.7%	3.7%	2.7%	2.0%
Mainland South (Zone 3)	na	na	4.8%	3.4%	9.0%	7.8%	9.0%	9.0%	7.1%	6.0%
Mainland North (Zone 4)	1.6%	1.6%	2.1%	1.4%	3.7%	2.3%	4.1%	2.6%	3.2%	2.1%
City of Halifax (Zones 1 through 4)	3.7%	2.8%	2.2%	1.3%	3.5%	2.5%	4.4%	3.1%	3.1%	2.1%
Dartmouth North (Zone 5)	8.6%	7.5%	4.4%	3.8%	6.0%	5.1%	na	na	5.3%	4.6%
Dartmouth South (Zone 6)	na	na	4.8%	3.5%	9.3%	7.5%	6.0%	3.4%	7.1%	5.4%
Dartmouth East (Zone 7)	0.0%	0.0%	2.3%	2.3%	3.8%	3.2%	9.0%	5.5%	3.9%	3.1%
City of Dartmouth (Zones 5 through 7)	7.7%	6.8%	4.3%	3.6%	6.2%	5.2%	5.8%	3.4%	5.5%	4.5%
Bedford & Sackville (Zone 8)	na	na	3.7%	1.3%	6.3%	5.0%	9.6%	4.0%	6.0%	4.0%
Remainder of Metro (Zone 9)	na	na	3.5%	3.5%	3.0%	3.0%	na	na	3.6%	3.6%
<b>Total- Halifax CMA</b>	<b>4.2%</b>	<b>3.4%</b>	<b>2.8%</b>	<b>2.0%</b>	<b>4.4%</b>	<b>3.4%</b>	<b>4.9%</b>	<b>3.2%</b>	<b>3.9%</b>	<b>2.9%</b>

# Rental Market Outlook:

## Tightening phase expected to begin in 2005

Looking ahead to 2005, growth in rental demand is forecast to outpace growth in new supply, pulling down the apartment vacancy rate to 2.7 per cent. However, average rent is expected to rise approximately 3 per cent as landlords pass through higher heating costs and recoup recent investments in upgrades of units.

In the second half of 2004 there have been 199 rental completions, and approximately 385 additional apartments- currently under construction- are expected to reach completion before July 1<sup>st</sup>, 2004. This total addition of 584 new apartments to the rental stock will be only very slightly offset by what is expected to be almost no demolition of existing rental stock. Over the past two years, demolition of older rental stock has begun to occur as underdeveloped sites in prime locations are redeveloped with new condominium or rental projects. However, several of the large rental and condo projects scheduled to start over the next six to eight months have either already cleared their sites of existing structures, or are building on clear sites. As a result, after very little net increase in the rental stock in 2003

and a substantial increase in 2004, new rental supply will return to a more typical level of approximately 575 units in 2005.

Mortgage rates have finally begun to climb after dropping to record low levels early this year and this trend is expected to continue in 2005. In combination with rising heating costs and property tax assessments, the monthly home ownership carrying costs in Metro Halifax for someone purchasing a new home at the average MLS<sup>®</sup> price is expected to be 14 per cent higher in December 2005 than 12 months earlier. This decline in home ownership affordability conditions will be tempered to some extent by rising real disposable income which is expected to be delivered to Metro households courtesy of a combination of low inflation and tightening labour market conditions in Halifax in 2004 which are expected to continue through 2005.

However, *FIRM Residential Mortgage Survey* results for Atlantic Canada from June 2004 suggest the potential for a substantial increase in first-time homebuyer activity in 2005. Fourteen per cent of Atlantic Cana-

dian renters indicated their intent to buy their first home in the next year, up 9 percentage points from only 5 per cent in June 2003. The extent to which these intentions are realized will be a critical factor in overall rental demand again in 2005.

Even if the aforementioned first-time homebuyer intentions largely materialize, expanding university and college enrolments as well as continued healthy job creation in Metro- particularly growth in employment in the under 30 age group- will remain magnets that draw youth to Metro. Accordingly, overall effective rental demand is forecast to increase modestly in 2005, slightly exceeding new rental supply. This will result in a slight tightening of rental market conditions as the vacancy rate slips from 2.9 per cent to 2.7 per cent.

With tightening rental market conditions, rising heating costs and accelerating home ownership carrying costs, landlords will have the latitude to raise rents accordingly. As a result, average rent in Metro is expected to rise approximately 3.5 per cent from \$705 per month to \$730 per month.

### Did you know? *Interesting facts about the Metro rental market*

- Buildings of less than 5 storeys account for 75% of apartments, but 89% of vacant units.
- Over the years, rental construction has shifted away from mostly bachelor and one bedroom apartments toward a preponderance of two and three bedroom apartments.
- Older rental structures experienced more significant average rent growth rates this year.
- Five to nine storey buildings have the lowest vacancy rates and showed above average rent growth in 2004.
- While the average vacancy rate for apartments with rents under \$500 per month declined, and the average vacancy rate for apartments with rents over \$800 per month also declined, the average vacancy rate for apartments with rents between \$500 and \$800 per month increased.



## Apartment Rental Universe & Vacant Units by Area & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Peninsula South (Zone 1)	46	1,459	20	3,600	15	2,141	9	528	90	7,728
Peninsula North (Zone 2)	9	437	29	1,870	50	2,487	16	439	105	5,233
Mainland South (Zone 3)	na	na	33	981	87	1,111	17	194	139	2,319
Mainland North (Zone 4)	5	310	40	2,931	127	5,407	28	1,108	200	9,757
<i>City of Halifax (Zones 1 through 4)</i>	62	2,240	123	9,382	278	11,146	71	2,269	535	25,037
Dartmouth North (Zone 5)	20	270	108	2,833	157	3,082	na	na	289	6,350
Dartmouth South (Zone 6)	na	na	32	914	76	1,011	10	285	121	2,259
Dartmouth East (Zone 7)	0	35	7	318	33	1,044	8	140	48	1,537
<i>City of Dartmouth (Zones 5 through 7)</i>	24	355	147	4,065	267	5,137	20	589	459	10,146
Bedford & Sackville (Zone 8)	na	na	4	338	55	1,098	7	171	66	1,628
Remainder of Metro (Zone 9)	na	na	4	116	7	234	na	na	14	388
<b>Total- Halifax CMA</b>	90	2,647	278	13,900	607	17,615	98	3,036	1,073	37,198

## Apartment Vacancy Rates by Zone & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Peninsula South (Zone 1)	0.3%	3.2%	0.8%	0.5%	1.3%	0.7%	2.3%	1.7%	0.9%	1.2%
Peninsula North (Zone 2)	0.9%	2.2%	1.6%	1.6%	1.8%	2.0%	na	3.7%	1.6%	2.0%
Mainland South (Zone 3)	na	na	3.2%	3.4%	6.0%	7.8%	6.0%	9.0%	4.9%	6.0%
Mainland North (Zone 4)	na	1.6%	2.1%	1.4%	1.3%	2.3%	4.4%	2.6%	1.8%	2.1%
<i>City of Halifax (Zones 1 through 4)</i>	0.4%	2.8%	1.6%	1.3%	1.9%	2.5%	3.4%	3.1%	1.8%	2.1%
Dartmouth North (Zone 5)	na	7.5%	2.9%	3.8%	1.6%	5.1%	na	na	2.6%	4.6%
Dartmouth South (Zone 6)	na	na	4.6%	3.5%	6.4%	7.5%	6.2%	3.4%	6.0%	5.4%
Dartmouth East (Zone 7)	0.0%	0.0%	1.0%	2.3%	2.2%	3.2%	4.5%	5.5%	2.1%	3.1%
<i>City of Dartmouth (Zones 5 through 7)</i>	9.8%	6.8%	3.1%	3.6%	2.7%	5.2%	4.7%	3.4%	3.3%	4.5%
Bedford & Sackville (Zone 8)	na	na	1.8%	1.3%	2.1%*	5.0%	na	4.0%	2.2%*	4.0%
Remainder of Metro (Zone 9)	na	na	na	3.5%	na	3.0%	na	na	1.1%	3.6%
<b>Total- Halifax CMA</b>	2.1%	3.4%	2.0%	2.0%	2.4%	3.4%	4.0%	3.2%	2.3%	2.9%

## Apartment Average Rents by Zone & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Peninsula South (Zone 1)	\$583	\$604	\$747	\$757	\$1 040	\$1 056	\$1 509	\$1 567	\$826	\$868
Peninsula North (Zone 2)	\$482	\$510	\$599	\$607	\$729	\$769	na	na	\$657	\$712
Mainland South (Zone 3)	na	na	\$459	\$473	\$621	\$649	\$739	na	\$565	\$586
Mainland North (Zone 4)	na	\$537	\$580	\$597	\$730	\$751	\$944	\$956	\$698	\$721
<i>City of Halifax (Zones 1 through 4)</i>	\$550	\$574	\$633	\$648	\$769	\$803	\$1 035	\$1 104	\$715	\$752
Dartmouth North (Zone 5)	na	\$495	\$513	\$528	\$663	\$647	na	na	\$590	\$591
Dartmouth South (Zone 6)	na	na	\$537	\$539	\$590	\$611	\$685	\$703	\$576	\$589
Dartmouth East (Zone 7)	na	na	\$499	\$508	\$605	\$620	\$651	na	\$583	\$598
<i>City of Dartmouth (Zones 5 through 7)</i>	\$455	\$481	\$517	\$529	\$638	\$635	\$691	\$697	\$586	\$592
Bedford & Sackville (Zone 8)	na	na	\$571	\$603	\$691	\$733	na	na	\$674	\$719
Remainder of Metro (Zone 9)	na	na	na	\$534	na	\$615	na	na	na	\$573
<b>Total- Halifax CMA</b>	\$537	\$560	\$596	\$612	\$720	\$747	\$955	\$1 014	\$675	\$705

### Apartment Vacancy Rates by Zone & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Under \$400	na	0.8%	3.0%	2.0%	na	na	na	na	3.1%	1.6%
\$400 to \$449	7.7%	2.9%	6.8%	2.9%	na	na	na	na	6.9%	2.9%
\$450 to \$499	2.2%	6.6%	4.7%	3.5%	6.7%	3.9%	na	na	4.8%	4.0%
\$500 to \$549	1.4%	9.1%	1.5%	4.1%	6.2%	6.6%	na	na	2.9%	5.2%
\$550 to \$599	na	0.0%	1.1%	1.9%	4.6%	8.7%	na	na	2.7%	5.1%
\$600 to \$649	na	2.7%	2.1%	1.6%	1.8%	3.2%	na	na	1.9%	2.7%
\$650 to \$699	na	na	0.5%	1.9%	1.5%	5.0%	2.2%	2.3%	1.1%	3.8%
\$700 to \$749	na	na	0.4%	0.9%	1.2%	2.0%	na	4.0%	1.1%	1.8%
\$750 to \$799	na	na	0.1%	0.4%	1.0%	3.1%	na	na	0.7%	2.0%
\$800 to \$899	na	na	na	0.1%	1.4%	2.4%	na	2.4%	1.9%	1.8%
\$900 to \$999	na	na	na	na	0.7%	0.9%	2.3%	1.3%	1.0%	0.8%
\$1,000 to \$1,099	na	na	na	na	na	0.2%	1.2%	1.2%	0.5%	0.8%
\$1,100 to \$1,299	na	na	na	na	na	0.1%	na	6.3%	2.6%	2.0%
\$1,300 and up	na	na	na	na	na	na	na	1.8%	3.0%	2.4%
<b>Total- Halifax CMA</b>	2.1%	3.4%	2.0%	2.0%	2.4%	3.4%	4.0%	3.2%	2.3%	2.9%

### Apartment Vacancy Rates by Structure Year of Completion & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Before 1940	1.1%	8.4%	5.2%	1.1%	4.7%	5.3%	na	2.4%	4.0%	3.9%
1940 - 1959	na	na	5.8%	1.9%	2.8%	4.7%	na	1.8%	3.9%	3.7%
1960 - 1974	3.4%	4.3%	2.3%	2.5%	3.0%	4.3%	6.5%	5.9%	3.0%	3.6%
1975 - 1984	1.4%	0.2%	1.8%	2.3%	2.7%	3.7%	5.4%	2.3%	2.3%	2.7%
1985 - 1994	1.1%	1.8%	0.6%	1.8%	1.1%	2.4%	1.3%	0.9%	0.9%	2.1%
After 1995	0.0%	1.2%	0.4%	0.5%	1.3%	1.7%	2.5%	2.6%	1.2%	1.5%
<b>Total- Halifax CMA</b>	2.1%	3.4%	2.0%	2.0%	2.4%	3.4%	4.0%	3.2%	2.3%	2.9%



## MHC'S HOUSING OUTLOOK CONFERENCE

### MARK YOUR CALENDAR!

CMHC is pleased to announce its annual Halifax Housing Outlook Conference:

### “Surveying the Landscape: Prospects for Growth”

Thursday, February 3<sup>rd</sup>, 2005

Casino Nova Scotia Hotel, Halifax

Featuring guest speaker Anthony Downs, Senior Fellow, Brookings Institution (Washington, D.C.), a world renowned expert on the relationship between urban growth management and housing markets.

**Register Now! Space is limited.**

For registration and additional event information please call:

**1-800-668-2642**

### Apartment Average Rents by Structure Year of Completion & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Before 1940	\$533	\$521	\$570	\$568	\$649	\$702	na	\$1,100	\$629	\$676
1940 - 1959	na	na	\$567	\$549	\$647	\$642	na	\$835	\$609	\$623
1960 - 1974	\$533	\$537	\$549	\$574	\$636	\$683	\$830	\$857	\$606	\$639
1975 - 1984	\$583	\$596	\$625	\$644	\$732	\$733	\$899	\$922	\$679	\$693
1985 - 1994	\$502	\$536	\$583	\$597	\$721	\$728	\$876	\$935	\$663	\$682
After 1995	\$660	\$637	\$796	\$802	\$1,005	\$991	\$1,185	\$1,255	\$967	\$978
<b>Total- Halifax CMA</b>	\$537	\$560	\$596	\$612	\$720	\$747	\$955	\$1,014	\$675	\$705

### Apartment Vacancy Rates by Structure Size & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 to 5 units	na	na	4.0%	0.2%	4.2%	3.4%	1.1%	2.7%	3.3%	3.2%
6 to 19 units	0.3%	3.0%	2.0%	3.7%	4.2%	6.6%	4.4%	2.5%	3.1%	5.1%
20 to 49 units	6.6%	6.7%	4.8%	3.4%	2.7%	3.5%	9.1%	5.3%	4.2%	3.8%
50 to 99 units	1.3%	1.3%	0.6%	1.1%	1.4%	2.1%	1.8%	2.9%	1.1%	1.8%
100 + units	0.1%	0.0%	0.4%	0.9%	1.1%	2.0%	3.2%	2.8%	0.8%	1.3%
<b>Total- Halifax CMA</b>	2.1%	3.4%	2.0%	2.0%	2.4%	3.4%	4.0%	3.2%	2.3%	2.9%

### Apartment Average Rents by Structure Size & Bedroom Type- Halifax CMA

Area (Zone)	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 to 5 units	na	na	\$573	\$552	\$626	\$677	\$936	\$1,119	\$648	\$740
6 to 19 units	\$478	\$512	\$500	\$515	\$630	\$636	\$734	\$765	\$578	\$598
20 to 49 units	\$542	\$531	\$564	\$572	\$687	\$706	\$867	\$842	\$639	\$652
50 to 99 units	\$519	\$556	\$604	\$621	\$758	\$796	\$950	\$1,013	\$699	\$732
100 + units	\$601	\$613	\$707	\$719	\$856	\$867	\$1,253	\$1,250	\$790	\$804
<b>Total- Halifax CMA</b>	\$537	\$560	\$596	\$612	\$720	\$747	\$955	\$1,014	\$675	\$705

na: data not available for reasons of insufficient reliability or failure to meet confidentiality standards

\* : estimate

Note: data is based on Statistics Canada's 2001 Census of Canada geographic area boundaries

For more information please contact:

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**CMHC Atlantic Region Market Analysis Centre**

**(902) 426-4708**

## METHODOLOGY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey (RMS)** every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only structures with at least three rental units, which have been on the market for at least three months. The data collected for a structure depends on its initiation type (public or private), and whether it is an apartment or a row structure. The survey collects vacant unit data for all sampled structures. The market rent data are collected for only privately initiated structures. The available unit data are obtained only for privately initiated apartments. Most data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

### *Definitions*

**Availability:** A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; OR the unit is vacant (see definition of vacancy below).

**Rent:** The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the rent being asked for by the owner for the unit.

**Rental Apartment Structure:** Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

**Rental Row Structure:** Any building containing three or more rental units, all of which are ground oriented. Owner-occupied units are not included in the rental building unit count.

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

### **Acknowledgement**

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

### **Market Zones**

The survey zones reported in this publication are described on page 4.