

R

ENTAL MARKET

REPORT

Montréal

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Canada Mortgage and Housing Corporation

OCTOBER 2002 SURVEY

Finding a Rental Dwelling Remains Just as Difficult in the Montréal Area

In 2002, finding a rental dwelling remained difficult in the Montréal census metropolitan area (CMA). While the vacancy rate in privately initiated buildings with three or more housing units reached an all-time low of 0.6 per cent in 2001, the results of the latest annual CMHC Rental Market Survey revealed that the market was just as tight in October

2002 as it was last year. The vacancy rate now stands at 0.7 per cent.

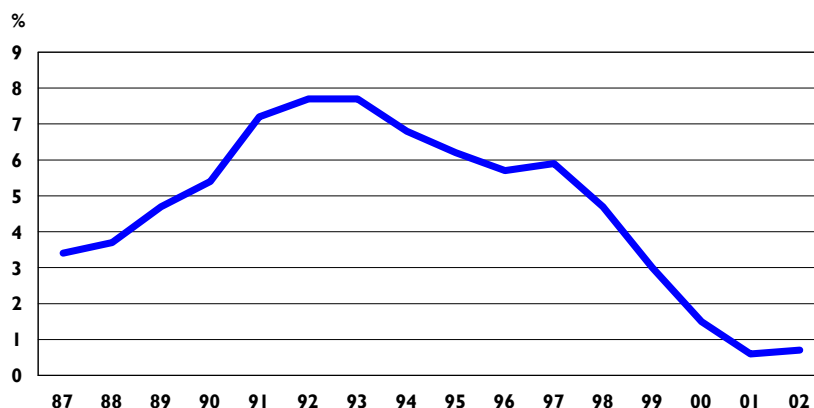
Elsewhere across Quebec, market conditions remained very tight in the Québec and Gatineau areas. The vacancy rate in the Québec area continued to fall, and this market is now the tightest in the country, as its percentage of unoccupied units went

IN THIS ISSUE

Analysis

- 1 Finding a Rental Dwelling Remains Just as Difficult in the Montréal Area
- 2 Rental Housing Demand is Very Strong
- 3 Rental Housing Construction Is Picking Up Somewhat
- 4 Regardless of the Sector, it Is Still Hard to Find a Dwelling in Montréal
- 5 Scarcity Sets the Price
- 5 How Many Units Are Missing?
- 6 Montréal: a market with particular dynamics
- 7 Transactions on the Rental Market in 2002
- 8 About Renter Households in Quebec
- 9 Methodology
- 10 Delimitation of Survey Zones
- 11-16 Statistical Tables

Vacancy Rate
(privately initiated buildings with three or more units)
Montréal CMA



Source: CMHC



HOME TO CANADIANS
Canada

from 0.8 per cent down to 0.3 per cent. The Gatineau area, for its part, posts a vacancy rate of 0.5 per cent, compared to 0.6 per cent in 2001. In Sherbrooke, the proportion of vacant units went from 2.3 per cent down to 1.8 per cent. While the greatest vacancy rate decrease was observed in the Trois-Rivières CMA, rental market conditions are still less tight in this area (3.0 per cent). In the Chicoutimi-Jonquière area, the vacancy rate of 4.9 per cent is slightly higher than the level recorded last year.

Rental Housing Demand Is Very Strong

If the Montréal area rental market has remained tight, it is because this segment is facing a very strong demand, while the supply has adjusted to other products. The rental housing demand is being heavily stimulated by significant increases in employment and migration levels in the Montréal area.

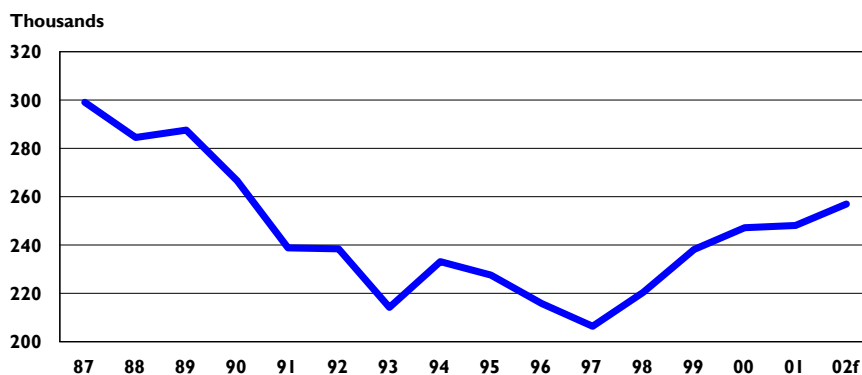
With regard to employment, some 50,000 jobs have been created for young people aged 15 to 24 years in the Montréal area since 1998. It should be pointed out that, before 1998, la-

bour market conditions were not very encouraging for young people. Employment was steadily declining, and it was only as of 1998 that the labour market started growing again. It was in fact during that same year that the surplus of rental units began to decrease, rapidly giving way to a shortage.

Net migration is another factor that has a non-negligible impact on the rental housing demand. Since 1996, just over 70,000 people have migrated to the Montréal area, with slightly more than a third of them (25,000) having done so in 2000-2001. Migration creates upward pressure on the rental housing demand, and this pressure is all the greater since close to 33,000 immigrants are aged between 18 and 24 years. In the case of older people, that is, those aged 45 years or over, the Montréal area shows a negative net migration level. Since 1996, 18,000 people aged 45 years or older have left the Montréal area, including some 15,000 aged from 45 to 64 years and nearly 3,000 aged 65 years or older.

It should be noted that, had it not been for the dynamic conditions on

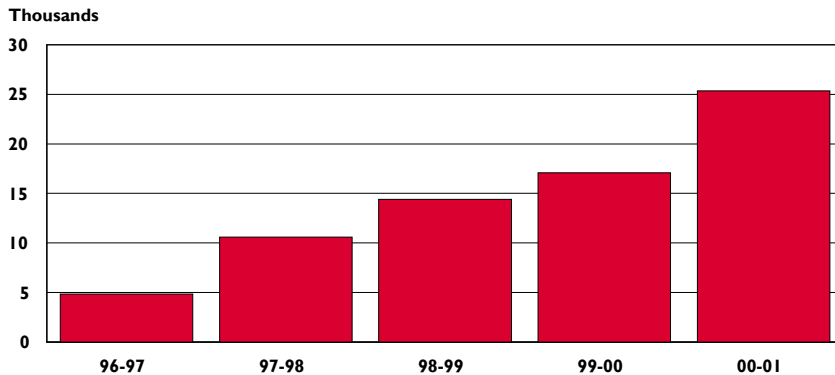
Employment (15 to 24 years) Montréal CMA



Source: Statistics Canada
f: CMHC forecast

Apartment Vacancy Rates		
Canada	2001	2002
Metropolitan Areas		
Abbotsford	2.4	2.0
Calgary	1.2	2.9
Charlottetown	1.8	2.2
Chicoutimi-Jonquière	4.4	4.9
Edmonton	0.9	1.7
Halifax	2.8	2.7
Hamilton	1.3	1.6
Gatineau	0.6	0.5
Kitchener	0.9	2.3
London	1.6	2.0
Montréal	0.6	0.7
Oshawa	1.3	2.3
Ottawa	0.8	1.9
Québec	0.8	0.3
Regina	2.1	1.9
Saint John	5.6	6.3
Saskatoon	2.9	3.7
Sherbrooke	2.3	1.8
St. Catharines-Niagara	1.9	2.4
St. John's	2.5	2.7
Sudbury	5.7	5.1
Thunder Bay	5.8	4.7
Toronto	0.9	2.5
Trois-Rivières	4.7	3.0
Vancouver	1.0	1.4
Victoria	0.5	1.5
Windsor	2.9	3.9
Winnipeg	1.4	1.2
Total Canada	1.2	1.7
Québec Province		
Urban Areas from 50,000 to 99,999 inhabitants		
Drummondville	1.8	2.2
Granby	2.5	2.5
Shawinigan	7.7	8.5
St-Jean-sur-Richelieu	1.2	0.6
Rimouski*	3.9	2.6
St-Hyacinthe	1.3	0.7
Sub-Total 50,000-99,999 inhabitants	2.6	2.6
Urban Areas from 10,000 to 49,999 inhabitants		
Alma	4.4	5.0
Amos	14.2	13.0
Baie-Comeau	16.2	11.1
Cowansville	6.0	3.5
Dolbeau-Mistassini	3.9	4.7
Gaspé	9.2	6.5
Joliette	2.2	0.9
La Tuque	13.0	16.7
Lachute	5.5	1.0
Magog	1.1	1.4
Matane	11.4	10.8
Montmagny	1.3	1.4
Rivière-du-Loup	3.4	1.6
Roberval	4.1	3.7
Rouyn-Noranda	15.5	10.0
Salaberry-de-Valleyfield	3.7	2.2
Sept-Îles	7.7	9.2
Sorel-Tracy	8.4	5.8
St-Georges	2.7	2.3
Ste-Marie	2.8	3.1
Thetford-Mines	11.5	7.9
Val d'Or	11.4	11.7
Victoriaville	2.0	1.8
Sub-Total 10,000-49,999 inhabitants	6.2	5.5
Total Province of Québec	1.3	1.2

Net Migration Montréal CMA



Source: Statistics Canada

the resale market and in the residential construction sector, the rental market could have been even tighter. The low mortgage rates and the difficulty in finding a dwelling prompted many renter households to take the plunge into homeownership, which brought some respite to the rental housing demand. Some housing units were thereby vacated, which enabled other households to enter the rental market.

Rental Housing Construction Is Picking Up Somewhat

For the past ten years, with the annual level of rental housing starts averaging at 1,500 units, the supply of such dwellings has remained very low. Since there was a surplus of rental housing units, it was natural for construction to slow down. However, for the past two years, this is no longer the case. If construction is slow in adjusting in this market segment, it is for reasons of profitability, except in two niches that command higher rents, namely, retirement homes and upscale housing. Apart from these two niches, developers most often prefer

to build condominiums, again for reasons of profitability. In fact, since 1995, at least twice many condominium units as rental dwellings have been built in the Montréal metropolitan area.

Today, it costs between \$80 and \$100 per square foot to build a standard concrete structure (excluding luxury housing projects), not including the land. A unit measuring 1,000 square feet therefore costs \$80,000 and

\$100,000 to build, in addition to the land. For a wood and brick structure (also excluding luxury housing projects), the costs range from \$50 to \$70 per square foot, again excluding the land.

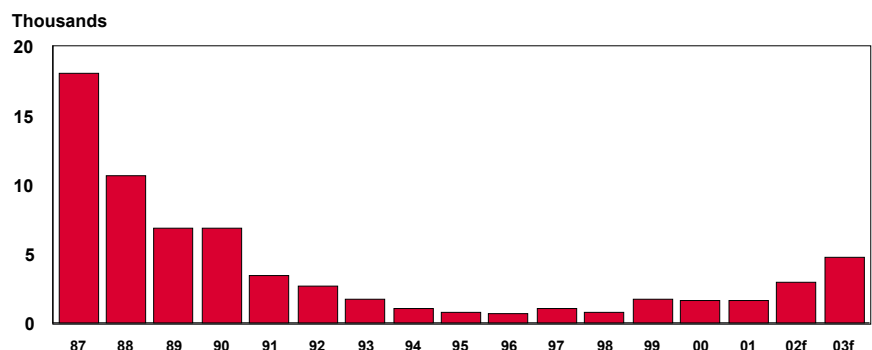
Still, rental housing construction is picking up somewhat. In 2002, such starts will have gone up by 80 per cent, reaching 3,000 units, and this growth will continue in 2003. CMHC forecasts that 4,800 rental units will be started over the coming year, for an increase of 60 per cent. In 2003, demand will remain strong and, even with arrival of new rental housing units, market conditions will stay tight, with a vacancy rate of 1 per cent.

Did you know that...

According to an INRS study*, the prospect of a long-term investment was the reason most frequently cited by landlords to acquire a rental building. Only landlords living in their properties stated that housing themselves was just as important.

*: For reference to the study, see the box on page 8

Rental Housing Starts Montréal CMA

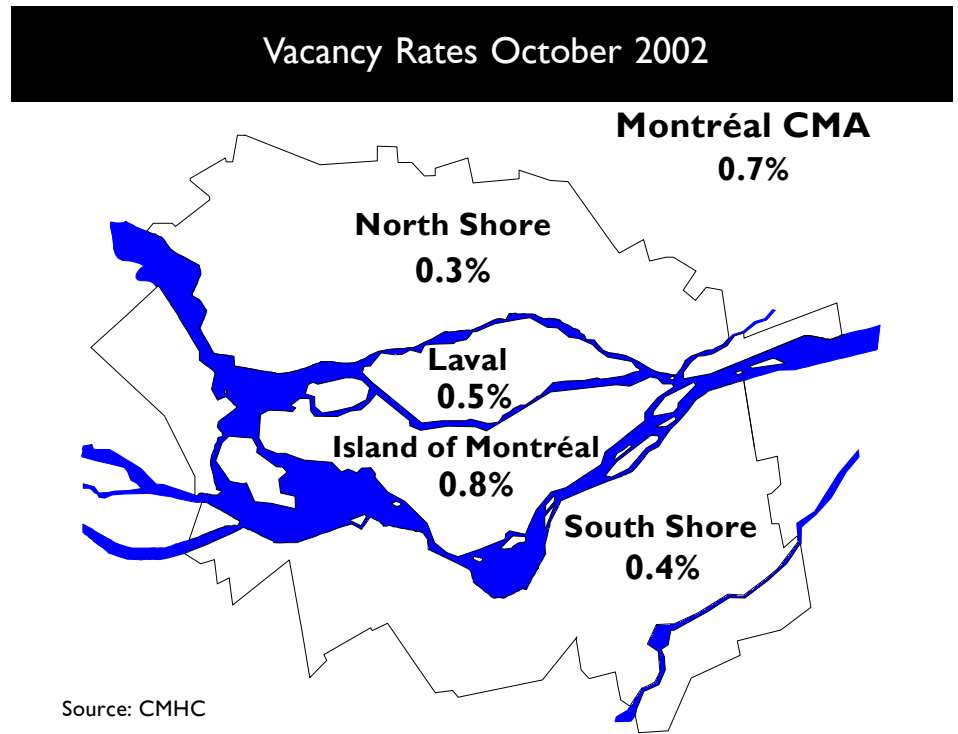


Source: CMHC
f: CMHC forecast

Regardless of the Sector, it Is Still Hard to Find a Dwelling in Montréal

Regardless of the sector, finding a dwelling is still difficult in the Montréal metropolitan area. The vacancy rate remained stable in the northern suburbs and continued to fall in the southern suburbs. On the Island of Montréal, the rate rose slightly, as it went up from 0.6 per cent to 0.8 per cent. The same went for the Saint-Jérôme sector, where the vacancy rate reached 1.2 per cent in October 2002, compared to 0.9 per cent last year.

While there may be few vacant units on the Island of Montréal, the sectors with vacancy rates slightly above 1 per cent are still either those where the rents are the most expensive, namely, Downtown Montréal (zone 1) and Notre-Dame-de-Grâce, Côte-Saint-Luc, Hampstead, Westmount, Montréal-West (zone 4), or those where the housing stock is older and the population is less privileged, that is, Southwest Montréal, Verdun (zone 2) and Hochelaga-Maisonneuve (zone 7). Dorval, Lachine (zone 12) is the only other sector where the vacancy



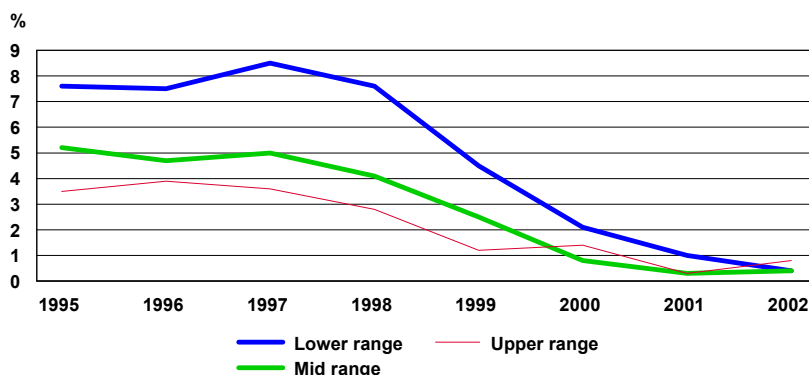
rate exceeds 1 per cent; however, at 1.2 per cent in 2002, it is essentially the same as it was in 2001 (1.0 per cent).

As for vacancy rates by unit size, the situation remains similar to that which prevailed last year. In the case of units with three or more bedrooms, though, the vacancy rate went up slightly, from 0.4 per cent to 1.1 per cent. It should

be pointed out that this phenomenon only happened on the Island of Montréal. It could be that the small difference between monthly mortgage payments and average rents prompted more households who lived in larger dwellings to access homeownership. In fact, for a rental dwelling with three or more bedrooms, one has to pay an average of \$711 per month on the Island of Montréal, that is, \$120 less than the monthly mortgage payment* for an existing single-family property in the suburbs, for which the average price is \$131,000⁽¹⁾.

While the vacancy rate for two-bedroom units in the upper range (\$600 or more per month) always used to be lower, this percentage has now increased slightly over last year, as it went from 0.3 per cent up to 0.8 per cent in 2002. In the case of mid-range dwellings (\$450 to \$600 per

Vacancy Rates by Price Range (two-bedroom units) Montréal CMA



* Mortgage financed at 90%, amortized over 25 years, for a 5-year term, at 7.1%
(1) Average price from January to September 2002 for a single-family property in the Laval, North Shore and South Shore sectors.

month), the situation remained stable, with a vacancy rate of 0.4 per cent, compared to 0.3 per cent in 2001. As for units renting for less than \$450 per month, market conditions continued to tighten, with the vacancy rate for such dwellings having now reached 0.4 per cent, in comparison with 1.0 per cent in October 2001.

Once again, these results suggest that those renters who are better off financially likely took the plunge into homeownership in order to take advantage of the very favourable mortgage rates. What's more, according to the survey results, 42 per cent of vacant two-bedroom units rent for \$600 or over per month, compared to 16 per cent in 2001.

Scarcity Sets the Price

The theory of supply and demand has it that "scarcity sets the price." In fact, when supply is low in relation to demand, this results in an increase in market prices. This principle rather well reflects the current dynamics on the Montréal area rental market. Since rental housing units are scarce, the average rental hike is bound to be higher—even greater than the cost of living increase. Compared to 2001, for privately initiated buildings in the Montréal area, rents went up by an average of 5.5 per cent, while the inflation rate is just under 2 per cent. Given that the market will remain tight in 2003, the rental increase should be about 5 per cent. Also, while rental market conditions may be favouring landlords, increasingly easier access to homeownership is limiting any inordinate rental hikes.

According to the survey results, the average rents are \$423 per month for a bachelor apartment, \$505 for a one-bedroom unit, \$552 for a two-bedroom unit and \$687 for a dwelling with three or more bedrooms. When comparing these average rents to those charged in

Did you know that...

According to an INRS study*, in Quebec, average annual expenditures per unit, on renovation and maintenance, stand at \$980 and \$705, respectively. However, it should be noted that, for 65 per cent of rental units, no renovation expenditures were mentioned, and, when such spending was reported, the amounts were around \$2,800. In the Montréal area, average expenditures per unit came to \$860 for renovation and \$727 for maintenance.

*: For reference to the study, see the box on page 8

other major Canadian cities, it can be seen that the Montréal area rental market is much more affordable, as are its existing and new home markets, as well.

How Many Units Are Missing?

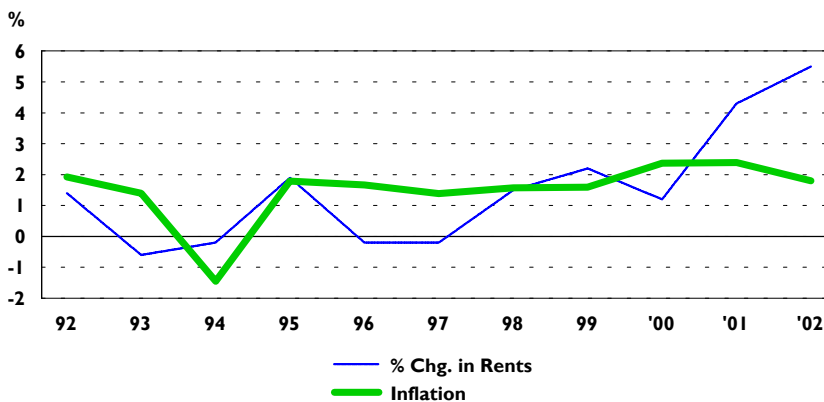
Recently, several figures have been advanced to quantify the shortage of units on the rental market, which, once met, would allow the market to better function. The answer to this question is not simple. It should first be recalled that the supply of units is

slow in adjusting, while the housing demand changes with factors that are more variable in the short term. Given these dynamics, there is no obvious match from the outset.

But, over and above the "lack" of housing, price and the capacity to pay of households must also be considered. Developers can build rental housing, which, technically, should help the market, and then end up with a surplus if the rents they charge are too high. In addition, they should not lose sight of the demographic outlook. Barring some spectacular increases in migration levels, the number of households in the younger age groups is bound to decrease over the coming decade. And, these households make up a significant share of tenants. Building without taking these short- and long-term factors into account could result in a surplus of rental units.

It is clear that, in Greater Montréal, the rental housing market is very tight, but it must be noted that demand is strong in the other market segments (homeowner and condominium), as well. In this regard, the total housing starts forecasts for the Montréal area

Rental Increase Montréal CMA



Source: CMHC

are significantly on the rise in relation to previous years and also higher than the annual household formation levels. There should be 20,500 housing starts in 2002 and 22,500 in 2003. But the solution to the current problem does not only reside in the construction of rental housing. The market can also adjust with the construction of single-family homes and condominiums. Indeed, a renter household who accesses homeownership vacates a rental dwelling, which allows another household to enter the rental market.

In this regard, a CMHC study conducted among households who bought a home in the last two years revealed that 40 per cent of them purchased their property earlier than planned on account of the low mortgage rates, and 20 per cent, because of the scarcity of rental housing. Similarly, let's take look at the Toronto metropolitan area. Rental housing had been scarce in Toronto since 1997. The vacancy rate, which stood at 0.9 per cent in 2001, climbed to 2.5 per cent in 2002. A considerable decline in the rental housing demand was observed as a result of the strong homeownership trend and the deterioration of the youth employment situation in this part of Ontario.

Did you know that...

According to an INRS study, the Quebec rental market is supported by small landlords. The study estimates that there are 277,100 landlords, and 88 per cent of them own five units or less. These numerous small landlords share 43 per cent of the rental housing stock, while 800 landlords, each owning 100 or more units, have 16 per cent of the rental housing stock. In Montréal, small landlords share 39 per cent of the rental housing stock, and landlords of buildings comprising 50 or units own 30 per cent of the Montréal area rental housing stock.*

*: For reference to the study, see the box on page 8

Montréal: a market with particular dynamics

While rental housing construction is being maintained at low levels in comparison with previous years, activity in the Montréal area is still more dynamic than in Toronto or Vancouver, in terms of units. In fact, from 1997 to October 2002, 9,576 rental housing starts were enumerated in the Montréal CMA, compared to 2,937 in Toronto and 7,588 in Vancouver.

The reality of high construction costs is not unique to the Montréal area market, and the condominium segment did not fail to raise interest among developers. In Montréal, from 1997 to October 2002, twice as many condominium units as rental units were built. On the Toronto and Vancouver markets, this phenomenon is even more significant. In Toronto, there are 20 condominium starts for every rental housing start. It should be noted, however, that many condominium units in this area are put up for rent, which provides additional choice to dwelling seekers who, for many years, were faced with very tight rental market conditions. In Vancouver, there are 4.4 condominium starts for every rental start, and local developers are striving to take up the challenge of affordability by marketing starter condominiums.

However, the construction of rental and condominium housing units per 1,000 inhabitants provides a totally different story. In fact, the Vancouver market is more active than the Montréal or Toronto markets. In Vancouver, between 1997 and 2001, 3 rental units were built for every 1,000 inhabitants, compared to 2 in Montréal and 0.4 in Toronto. As for condominiums, 14 units per 1,000 inhabitants were built in Vancouver, 10 in Toronto and 4.5 in Montréal.

It should be pointed out that, between 1996 and 2001, population growth was clearly more significant in Toronto (+9.8 per cent) and Vancouver (+8.5 per cent) than in Montréal (+3.0 per cent). Also, while the Greater Montréal area continues to be the most affordable of the three largest urban areas in Canada, it is still the place where, despite all, homeownership rates remain the lowest and progressed the least. Between 1991 and 2001, the proportion of homeowner households rose by 3.2 percentage points in Montréal, as it went up from 47.0 per cent to 50.2 per cent. Over the same period, this rate increased by 4 percentage points in the Vancouver CMA (57.0 per cent to 61.0 per cent) and by 5.2 percentage points in the Toronto metropolitan area (58.0 per cent to 63.2 per cent).

THE RETIREMENT HOME MARKET STUDY

The Canada Mortgage and Housing Corporation's Market Analysis Center publishes reports on the Retirement Homes for six Metropolitan Areas in Québec (Chicoutimi-Jonquière, Gatineau, Montréal, Québec, Sherbrooke and Trois-Rivières).

These are the most comprehensive tools for developers and investors interested in this promising real estate segment and are based on the latest CMHC's data available in 2002.

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Transactions on the Rental Market in 2002

Most intense activity since the late 1980s

With the Montréal real estate market booming, it is no surprise that the number of existing rental building sales has risen significantly in the last two years. Over the 12-month period from September 1, 2001, to August 31, 2002, the volume of transactions¹ reached \$781 million². By comparison, in 2000, this volume was \$474 million.

Rising market values attracting new investors

At the same time, rental property market values are on the rise. Several factors account for this increase, notably the low interest rates, the very low vacancy rates, the favourable economic conditions and the collapse of the stock market. Also, in Quebec, investments have become more profitable, which is naturally attracting investors. A notable fact on this market was the arrival of Boardwalk Equities, a public real estate company from Calgary, which owns the largest housing portfolio in the country. Absent from the Montréal area market until just recently, this company has now acquired a stock of 3,100 housing units on Nuns' Island. This transaction for \$177 million was probably the largest ever closed in Quebec, in the residential sector.

As well, the El-Ad group, which is owned by an Israeli conglomerate, pursued its expansion in Quebec, by purchasing concrete structures and retirement homes. Finally, one last investor drew attention on the real estate market in 2002. Maestro, created by CADIM (a subsidiary of the Caisse de dépôt et placement du Québec), launched a retirement home investment fund in 2001, which enabled it to acquire eight retirement homes, with a total of over 2,000 units.

Capitalization rates seem to have bottomed out

The most common technique for establishing the market value of a revenue-producing property is the income approach. This approach consists in capitalizing the stabilized annual net income of a property using a rate, commonly known as the overall capitalization rate (OCR). With all other things being equal, an increase in property market values can often result in lower capitalization rates.

Since 1997, capitalization rates for concrete structures in the Greater Montréal area have been on a downward trend. They decreased from 10.8 per cent³ in 1997 to 9.0 per cent in 2000, their lowest level in ten years, and have since stabilized. These are, of course, averages. There are transactions at rates varying from 8 per cent to 9 per cent, mainly for properties located downtown. Also, some properties aged under 25 years are sold at rates below 9 per cent while, conversely, buildings aged over 25 years tend to be sold at OCRs above 9 per cent.

A decrease in capitalization rates reflects an increase in property values. And, this is what is happening with average unit prices, that is, selling prices per dwelling in concrete structures. After having fallen below the \$40,000 mark during the 1990s, the average value of housing units in concrete buildings, for transactions effected during the first few months of 2002, was close to \$54,000. A review of the results for the last ten years indicates that concrete rental structures have never been so expensive as they are now in Montréal.

As for wood and brick structures, the market followed a similar trend. After having reached almost 11 per cent during the second half of the 1990s, capitalization rates recently fell below the 10-per-cent mark. Once again, these are averages. Properties that are well situated and in good condition are sold at rates averaging at 9.5 per cent.

¹Excluding sales of retirement homes and buildings with fewer than six housing units (plexes)

²Source: Teela; compilation: CMHC

³Source: CMHC

About Renter Households in Quebec

The following information was drawn from a study entitled *Les logements privés au Québec : la composition du parc de logements, les propriétaires bailleurs et les résidents* [private housing in Quebec: the composition of the housing stock, landlords and residents], prepared by Francine Dansereau and Mark Choko, with the collaboration of Gérard Divay, from the INRS-Urbanisation, Culture et Société, for the Société d'habitation du Québec, Canada Mortgage and Housing Corporation, the Régie du logement and the Régie du bâtiment du Québec¹. This study results from a survey conducted from October 5, 2000, to February 12, 2001, among some 10,000 Quebec households.

Families in smaller buildings, single and older people in larger structures

First of all, the researchers noted a close relation between the size of buildings and the type of renter households living in them. In fact, the majority of couples with children (69 per cent) and without children (55 per cent), as well as single-parent families (54 per cent), lived in smaller buildings (5 units or less). This phenomenon is not extraneous to the fact that households composed of several people need larger dwellings, which are concentrated in smaller structures. As well, more single people than other household types lived in buildings with 20 or more units. As for seniors aged 65 years or older and retirees, around one quarter of them lived in large structures (50 or more units), although these buildings account for only 9 per cent of the rental housing stock.

Modest incomes

In the fall of 2000, for Quebec overall, the annual median income of renter households was \$25,048, while that of homeowners (living in their own single-family house or structure with several units—in this last case, either as landlords or co-owners) stood at \$45,276. Renter households living in buildings with 1 to 3 units had the highest incomes (\$27,711), while those who lived in structures with 20 to 49 units had the lowest incomes (\$19,450). The low level of these incomes is due to the fact that single people and single-parent families represent a large share (59 per cent) of renter households.

Great mobility

Half of the renter households had lived in their dwellings for three years or less, while 15 per cent had lived in their units for over 10 years. This length of occupancy did not vary much from one area to another, but it was shorter in larger buildings, where smaller units are concentrated. As this market is more volatile (the renters in such dwellings are less stable than those in larger units and more vulnerable to the ups and downs of the economy), it can be seen that just over a third of renter households who lived in units with 1 or 2 rooms had moved into them less than a year before.

Satisfaction with their dwellings

Two thirds of the renter households deemed that their dwelling required only regular maintenance, and this proportion reached 75 per cent of those who lived in large buildings. Major repairs were necessary for 9 per cent of rental units, and this percentage was higher in structures with 1 to 3 units (10 per cent), as these needs increased with the size of the units (14 per cent for dwellings with 6 or more rooms).

Just over 40 per cent of the renter households stated that they were very satisfied with regard to the noise inside and outside their buildings. The level of satisfaction was higher in buildings with 1 to 3 units and in large structures with 50 or more units. Conversely, it was lower in buildings with 10 to 19 units.

¹ INRS (Institut national de recherche scientifique)-Urbanisation, Culture et Société [Quebec national scientific research institute-urbanization, culture and society]
Régie du logement [Quebec rental board]
Régie du bâtiment du Québec [Quebec construction board]

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 the 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 survey also examines row houses and publicly initiated rental and co-op housing.

The survey is conducted by telephone or site visit, and information is obtained from the owner, manager or building superintendent. The survey is usually 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 any 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.

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

Acknowledgement

The Rental Market Survey could not have been conducted without the co-operation of the many property owners and managers throughout Canada. We greatly acknowledge their hard work and assistance in providing timely and accurate information. We sincerely hope that the results of this work will provide a benefit to these clients and to the entire housing industry.

Market Zones

The survey zones reported in this publication are described on page 10.

For further information about this publication or any other question on the Montréal Housing Market, please contact our:

Customer Service Department

at 1 866 855-5711

or by Email: cam_qc@cmhc.ca

Limits of Survey Zones		
Zone	Municipalities and Districts of Montréal and Laval	Limits of Montréal Districts
1	Montréal Downtown	St-Lawrence River (South), Camilien Houde Road and Duluth (North), Amherst (East), Westmount limits (West)
2	South-West of Montréal, Verdun (including Nuns Island)	St-Lawrence River (South), canal Lachine and Westmount limits (North), Guy and Bonaventure Highway (East), LaSalle limith (West)
3	LaSalle	
4	NDG (Mtl), Côte Saint-Luc, Hampstead, Westmount, Montréal-Ouest	Canal Lachine (South), Côte Saint-Luc and Hampstead (North), Décarie Blvd and Westmount limits (East), Montréal-Ouest and Saint-Pierre (West)
5	Côte-des-Neiges (Mtl), Mont-Royal, Outremont	Westmount limits and Camilien Houde (South), Mont-Royal City limits (North), Outremont limits (East), Décarie Blvd (West)
6	Plateau Mont-Royal (Mtl), Villeray (Mtl)	Duluth and Rachel (South), Métropolitain Blvd (North), d'Iberville (East), Outremont limits (West)
7	Hochelaga-Maisonneuve (Mtl)	St-Lawrence River (South), Sherbrooke and Saint-Joseph/Rosemont Blvd (North), Viau (East), Amherst (West)
8	Rosemont (Mtl)	Saint-Joseph and Rosemont Blvd (South), Jarry and Saint-Léonard limits (North), Saint-Léonard limith and l'Assomption Blvd (East), d'Iberville (West)
9	Anjou, Saint-Léonard	
10	Ahuntsic (Mtl), Montréal-Nord	Métropolitain Blvd and Jarry (South), Rivière-des-Prairies (North), Montréal-Nord and Saint-Léonard limits (East), Railway (West)
11	Cartierville (Mtl), Saint-Laurent	Saint-Laurent Limits (South), Rivière-des-Prairies (North), Railway (East), Pierrefonds limits (West)
12	Dorval, Lachine, Saint-Pierre	
13	Baie-d'Urfé, Beaconsfield, Kirkland, Pointe-Claire, Senneville, Sainte-Anne-de-Bellevue, MRC de Vaudreuil-Soulanges	
14	DDO, Ile Bizard, Pierrefonds, Roxboro, Sainte-Geneviève	
15	Mercier (Mtl)	St-Lawrence River (South), St-Léonard and Anjou limits (North), Montréal-Est limits (East), l'Assomption and Viau Blvd, Railway (West)
16	Pointe-aux-Trembles (Mtl), Rivière-des-Prairies (Mtl), Montréal-Est	St-Lawrence River (South), Rivière-des-Prairies (North), Bout-de-l'Île (East), Montréal-Nord and Montréal East limits (West)
17	Chomedey, Sainte-Dorothée (Laval)	
18	Laval-des-Rapides (Laval)	
19	Pont-Viau (Laval)	
20	Saint-François, Saint-Vincent, Duvernay (Laval)	
21	Vimont, Auteuil (Laval)	
22	Laval-Ouest, Fabreville, Sainte-Rose (Laval)	
23	Deux-Montagnes, Oka, Pointe-Calumet, Sainte-Marthe-sur-le-Lac, Saint-Eustache, Saint-Joseph-du-lac, Saint-Placide, Mirabel	
24	Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Sainte-Anne-des-Plaines, Sainte-Thérèse	
25	Lachenaie, La Plaine, Mascouche, Terrebonne	
26	Charlemagne, L'Assomption, Le Gardeur, L'Épiphanie, Repentigny, Saint-Gérard-Majella, Saint-Sulpice	
27	Longueuil	
28	Boucherville, Brossard, Greenfield-Park, Lemoyne, Saint-Hubert, Saint-Lambert	
29	Beauharnois, Candiac, Châteauguay, Delson, Laprairie, Léry, Maple Grove, Melocheville, Mercier, Sainte-Catherine, Saint-Constant, Saint-Isidore, Saint-Mathieu, Saint-Philippe	
30	Beloeil, McMasterville, Saint-Amable, Saint-Basile le Grand, Saint-Bruno de Montarville, Sainte-Julie, Saint-Mathieu de Beloeil, Varennes	
31	Carignan, Chambly, Mont-Saint-Hilaire, Notre-Dame du Bon Secours, Otterburn Park, Richelieu, Saint-Mathias	
32	Bellefeuille, Lafontaine, Saint-Antoine, Saint-Jérôme	

Note:
in the tables that follows, the “***” refers to zones where the sample is too small to disclose the results.

* It should be noted that the average rents cannot provide an accurate measurement of the changes in apartment prices between two years, given that the results are based on a sample of buildings that can differ from one year to the next. The average rents reported in this publication rather give an indication of the amounts paid by unit size geographical sector and included services (heating, electricity and hot water).

**I. Apartment Vacancy Rates (%)
By Zone and Bedroom Type
Montréal Metropolitan Area**

Survey Zone		Bachelor		1-Bedroom		2-Bedroom		3-Bedroom		Total	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Montréal Island	1	0.9	1.3	0.5	0.8	1.7	1.7	0.2	1.6	0.8	1.2
	2	2.4	1.4	0.1	2.3	0.5	1.5	1.5	0.3	0.7	1.5
	3	6.5	0.1	0.6	0.4	0.9	0.1	0.0	0.0	1.0	0.2
	4	1.2	0.9	1.1	1.0	0.9	1.1	0.4	1.9	1.0	1.1
	5	0.5	0.7	0.1	0.5	0.1	0.2	0.0	0.1	0.1	0.4
	6	0.6	1.2	0.2	0.3	0.0	0.1	0.0	1.7	0.2	0.7
	7	4.7	2.5	0.5	1.3	1.1	0.8	1.2	3.1	1.3	1.6
	8	1.3	0.9	0.2	0.1	0.0	0.2	***	0.0	0.2	0.3
	9	4.8	5.7	0.8	0.1	0.4	0.1	0.1	0.7	0.6	0.4
	10	0.9	1.0	1.1	0.7	0.9	0.4	0.4	0.0	0.9	0.5
	11	0.4	1.1	0.4	0.3	0.1	0.4	0.1	0.2	0.3	0.4
	12	5.9	3.4	1.2	1.2	0.6	0.8	0.0	1.0	1.0	1.2
	13	1.3	1.3	0.5	1.4	0.5	0.7	0.2	0.7	0.5	0.9
	14	1.3	0.2	1.4	0.8	0.2	1.1	0.0	0.5	0.6	0.9
	15	0.0	0.5	0.4	0.1	0.3	0.0	0.0	4.9	0.3	0.7
	16	1.6	0.6	1.2	0.3	2.5	0.2	1.2	2.8	2.1	0.6
Montréal Island		1.4	1.2	0.5	0.7	0.6	0.5	0.4	1.3	0.6	0.8
Laval	17	***	0.2	0.9	0.3	0.5	0.3	0.7	0.5	0.7	0.3
	18	0.0	0.0	1.1	0.1	0.0	0.1	1.3	1.3	0.3	0.2
	19	***	***	***	***	1.2	0.0	0.0	0.8	0.7	0.9
	20	***	***	1.8	1.8	0.1	1.0	***	***	0.5	1.1
	21	***	***	0.2	0.0	0.1	1.0	0.0	0.0	0.2	0.7
	22	***	***	1.4	0.3	0.0	0.2	***	***	0.4	0.3
Laval		1.2	0.8	0.9	0.5	0.3	0.4	0.5	0.7	0.5	0.5
North-Shore	23	***	***	0.6	0.3	0.0	0.1	0.0	1.1	0.1	0.3
	24	***	***	1.5	0.1	0.5	0.3	0.0	0.0	0.5	0.2
	25	***	***	0.6	0.0	0.2	0.2	1.0	1.7	0.5	0.4
	26	***	***	0.2	0.8	0.1	0.0	0.0	0.0	0.1	0.2
North-Shore		1.3	1.3	0.7	0.3	0.3	0.2	0.1	0.4	0.3	0.3
Laval and North-Shore		1.2	1.0	0.9	0.4	0.3	0.3	0.3	0.5	0.4	0.4
South-Shore	27	4.7	1.6	1.0	0.4	0.7	0.4	0.4	0.3	0.9	0.4
	28	0.0	3.5	0.6	0.2	0.6	0.2	0.2	0.2	0.5	0.4
	29	***	***	1.4	0.5	0.3	0.4	0.8	0.4	0.6	0.4
	30	***	***	0.0	0.0	0.6	0.8	1.1	0.0	0.8	0.5
	31	***	***	1.9	0.6	0.0	0.0	0.0	0.0	1.3	0.1
South-Shore		2.8	2.2	0.9	0.3	0.6	0.4	0.5	0.2	0.7	0.4
St-Jérôme	32	***	***	1.3	1.0	0.6	1.2	1.4	1.5	0.9	1.2
Metropolitan Area		1.5	1.3	0.6	0.7	0.5	0.5	0.4	1.1	0.6	0.7

**2. Apartment Average Rents (\$)
By Zone and Bedroom Type
Montréal Metropolitan Area**

Survey Zone		Bachelor		1-Bedroom		2-Bedroom		3-Bedroom	
		2001	2002	2001	2002	2001	2002	2001	2002
Montréal Island	1	482	549	696	757	885	1,006	1,233	1,354
	2	424	439	432	459	476	482	509	548
	3	370	361	453	448	550	566	717	710
	4	415	432	572	610	754	803	1,161	1,320
	5	407	416	514	553	644	665	742	852
	6	359	375	402	431	457	488	649	691
	7	368	376	398	398	463	480	552	565
	8	349	335	377	395	450	461	***	599
	9	372	369	452	469	508	531	581	641
	10	350	366	399	423	457	474	529	562
	11	379	396	503	529	601	624	621	625
	12	355	389	445	476	537	543	604	649
	13	438	478	623	620	679	755	802	764
	14	442	435	521	537	603	652	655	671
	15	454	403	459	466	525	521	634	645
	16	375	371	392	396	456	470	584	543
Montréal Island		407	428	481	510	535	562	674	711
Laval	17	***	440	538	596	596	618	793	842
	18	377	376	417	453	501	517	579	569
	19	***	***	***	***	450	479	477	504
	20	***	***	458	487	480	486	***	***
	21	***	***	412	430	494	530	619	598
	22	***	***	415	414	494	512	***	***
Laval		385	395	474	510	525	546	645	658
North-Shore	23	***	***	408	463	494	501	538	588
	24	***	***	408	427	488	495	581	596
	25	***	***	436	445	515	511	586	599
	26	***	***	416	437	468	484	554	553
North-Shore		377	359	419	443	490	497	570	586
Laval et North-Shore		381	384	455	485	510	524	607	621
South-Shore	27	352	365	465	493	514	532	576	613
	28	349	346	470	480	547	555	609	640
	29	***	***	444	447	500	531	539	575
	30	***	***	500	492	561	559	628	629
	31	***	***	411	418	495	494	575	578
South-Shore		359	359	465	483	527	540	588	614
St-Jérôme	32	***	***	386	421	437	441	531	539
Total Metropolitan Area		404	423	476	505	529	552	650	687

**3. Apartment Vacancy Rates (%)
By Zone and Structure Size
Montréal Metropolitan Area**

		3 - 5		6 - 19		20 - 49		50 - 99		100 - 199		200 +		Total	
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Montréal Island	1	***	***	0.9	2.2	2.1	1.9	0.4	0.9	0.9	1.2	0.2	0.4	0.8	1.2
	2	0.6	0.4	0.7	2.6	0.8	0.6	0.2	0.6	***	***	0.2	0.5	0.7	1.5
	3	***	***	***	***	1.2	0.7	0.7	0.1	0.2	0.4	n.a.	n.a.	1.0	0.2
	4	***	***	1.1	1.3	0.9	0.9	0.9	1.5	1.6	1.0	0.3	0.8	1.0	1.1
	5	***	***	***	0.2	0.3	0.7	0.1	0.6	0.1	0.1	***	0.2	0.1	0.4
	6	***	0.7	***	0.3	1.0	1.6	1.0	1.8	0.6	0.4	0.0	***	0.2	0.7
	7	***	***	***	***	0.9	1.1	0.0	1.3	1.1	8.1	n.a.	n.a.	1.3	1.6
	8	***	***	***	0.3	0.9	0.4	5.5	0.0	***	***	n.a.	n.a.	0.2	0.3
	9	0.5	***	0.3	0.5	0.6	0.2	1.3	0.4	4.0	6.3	n.a.	n.a.	0.6	0.4
	10	***	***	1.4	0.8	0.5	0.3	0.6	0.7	0.8	0.5	***	***	0.9	0.5
	11	***	***	0.1	0.2	0.4	0.4	0.3	0.8	0.4	0.5	0.1	0.7	0.3	0.4
	12	***	***	0.4	***	0.6	0.5	0.5	1.5	***	***	n.a.	n.a.	1.0	1.2
	13	***	***	0.4	0.2	0.8	0.6	***	1.8	0.6	1.8	n.a.	n.a.	0.5	0.9
	14	0.7	***	***	***	0.3	1.3	0.6	0.7	0.3	0.8	***	***	0.6	0.9
	15	***	***	0.6	***	0.0	0.4	0.0	0.0	n.a.	n.a.	0.1	0.2	0.3	0.7
	16	***	0.5	***	0.7	1.5	0.8	1.3	0.3	0.0	***	n.a.	n.a.	2.1	0.6
Montréal Island		0.4	0.7	0.8	0.8	0.7	0.8	0.6	0.9	1.0	1.1	0.3	0.5	0.6	0.8
Laval	17	***	***	0.7	0.3	0.6	0.2	0.2	0.2	1.0	0.7	0.5	0.4	0.7	0.3
	18	***	***	0.3	0.1	0.1	0.2	n.a.	n.a.	***	***	n.a.	n.a.	0.3	0.2
	19	***	***	0.7	0.6	***	***	***	1.1	***	***	***	***	0.7	0.9
	20	***	***	0.5	0.6	1.1	3.1	***	***	***	***	***	***	0.5	1.1
	21	***	***	0.0	***	1.6	2.2	***	***	n.a.	n.a.	***	***	0.2	0.7
	22	***	***	0.3	0.2	0.8	0.8	***	***	***	***	n.a.	n.a.	0.4	0.3
Laval		0.6	0.4	0.4	0.3	0.6	0.8	0.3	0.5	0.9	1.0	0.6	0.5	0.5	0.5
North-Shore	23	***	***	***	0.2	1.0	1.4	n.a.	***	n.a.	n.a.	n.a.	n.a.	0.1	0.3
	24	0.3	***	0.5	0.3	1.3	0.5	0.5	0.0	***	***	n.a.	n.a.	0.5	0.2
	25	0.5	0.5	0.4	0.4	0.8	0.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.5	0.4
	26	***	***	0.1	***	0.1	0.2	0.9	1.3	n.a.	n.a.	n.a.	n.a.	0.1	0.2
North-Shore		0.2	0.2	0.3	0.2	0.6	0.5	0.7	0.5	***	0.0	n.a.	n.a.	0.3	0.3
Laval and North-Shore		0.4	0.3	0.3	0.3	0.6	0.7	0.4	0.5	0.9	0.8	0.6	0.5	0.4	0.4
South-Shore	27	0.3	0.3	1.1	0.4	0.5	0.2	1.0	1.1	1.2	0.8	0.7	0.8	0.9	0.4
	28	***	***	0.1	0.7	0.8	0.3	0.4	0.4	0.0	0.2	0.6	0.9	0.5	0.4
	29	***	***	0.4	0.5	1.8	0.4	***	***	***	***	n.a.	n.a.	0.6	0.4
	30	***	***	0.3	0.5	2.2	0.0	0.5	0.0	***	***	n.a.	n.a.	0.8	0.5
	31	***	***	0.3	0.3	0.4	0.0	***	***	***	***	n.a.	n.a.	1.3	0.1
South-Shore		1.0	0.2	0.7	0.5	0.9	0.2	0.5	0.6	0.7	0.4	0.7	0.9	0.7	0.4
St-Jérôme	32	***	***	0.5	0.9	1.8	1.7	0.0	0.0	***	***	n.a.	n.a.	0.9	1.2
Metropolitan Area		0.4	0.7	0.7	0.7	0.7	0.7	0.6	0.8	1.0	1.0	0.3	0.5	0.6	0.7

**4. Apartment Vacancy Rates (%)
By Structure Size and Bedroom Type
Montréal Metropolitan Area**

Survey Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Montréal Island										
3 - 5 units	3.2	1.8	0.1	0.3	0.4	0.4	0.3	1.5	0.4	0.7
6 - 19 units	2.0	1.0	0.6	1.0	0.8	0.6	0.6	1.4	0.8	0.8
20 - 49 units	1.3	1.6	0.7	0.6	0.5	0.5	0.2	0.6	0.7	0.8
50 - 99 units	0.8	1.0	0.6	0.9	0.5	0.7	0.4	1.0	0.6	0.9
100 and more	1.1	1.1	0.6	0.7	0.4	0.8	0.5	0.9	0.7	0.8
Montréal Island	1.4	1.2	0.5	0.7	0.6	0.5	0.4	1.3	0.6	0.8
Laval and North-Shore										
3 - 5 units	***	0.0	1.2	0.8	0.4	0.5	0.6	0.8	0.6	0.6
6 - 19 units	0.0	0.8	1.0	0.2	0.2	0.3	0.3	0.4	0.4	0.3
20 - 49 units	1.2	2.0	1.1	0.8	0.4	0.7	0.2	0.6	0.7	0.8
50 - 99 units	0.8	0.6	0.5	0.8	0.3	0.0	0.0	0.8	0.4	0.5
100 and more	2.1	1.4	0.5	0.5	0.2	0.3	0.6	0.6	0.7	0.6
Laval and North-Shore*	1.1	1.2	1.0	0.5	0.3	0.4	0.4	0.6	0.5	0.5
South-Shore										
3 - 5 units	***	0.0	0.3	0.0	0.9	0.5	0.3	0.0	1.0	0.2
6 - 19 units	2.3	4.6	1.4	0.7	0.5	0.4	0.5	0.2	0.7	0.5
20 - 49 units	1.0	1.2	1.1	0.1	0.7	0.2	0.8	0.6	0.9	0.2
50 - 99 units	0.6	1.1	0.5	0.7	0.5	0.2	0.3	0.7	0.5	0.6
100 and more	1.8	2.2	0.5	0.3	0.4	0.4	0.7	0.6	0.7	0.6
South-Shore	2.8	2.2	0.9	0.3	0.6	0.4	0.5	0.2	0.7	0.4
Metropolitan Area										
3 - 5 units	3.9	1.5	0.3	0.3	0.4	0.4	0.3	1.3	0.4	0.7
6 - 19 units	1.8	1.1	0.7	0.9	0.6	0.5	0.5	1.1	0.7	0.7
20 - 49 units	1.3	1.6	0.8	0.5	0.5	0.5	0.3	0.6	0.7	0.7
50 - 99 units	0.8	1.0	0.6	0.9	0.5	0.6	0.4	1.0	0.6	0.8
100 and more	1.3	1.2	0.6	0.6	0.4	0.7	0.6	0.8	0.7	0.8
Metropolitan Area	1.5	1.3	0.6	0.7	0.5	0.5	0.4	1.1	0.6	0.7

* St-Jérôme agglomeration included

**5. Apartment Average Rents (\$)
By Structure Size and Bedroom Type
Montréal Metropolitan Area**

Survey Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Montréal Island										
3 - 5 units	385	314	378	384	469	477	610	643	478	492
6 - 19 units	342	352	407	432	478	499	605	663	466	501
20 - 49 units	358	377	460	487	581	624	836	875	494	524
50 - 99 units	410	431	558	582	724	762	1,015	1,134	590	619
100 and more	518	588	690	733	906	957	1,507	1,540	746	799
Montréal Island	407	428	481	510	535	562	674	711	519	551
Laval and North-Shore										
3 - 5 units	***	311	372	391	483	484	581	603	485	504
6 - 19 units	327	325	407	441	480	492	533	530	472	483
20 - 49 units	368	363	436	461	504	529	559	571	473	496
50 - 99 units	376	402	481	504	524	550	619	629	512	534
100 and more	542	560	698	735	770	799	1,029	1,086	783	816
Laval and North-Shore*	364	363	442	473	502	516	598	613	500	517
South-Shore										
3 - 5 units	***	342	379	384	488	493	613	627	502	500
6 - 19 units	318	332	401	406	487	502	526	554	478	494
20 - 49 units	351	355	449	480	531	554	578	588	497	520
50 - 99 units	414	379	532	558	598	614	709	698	572	584
100 and more	495	485	634	644	731	735	875	941	704	718
South-Shore	359	358	465	483	527	540	588	614	517	532
Metropolitain Area										
3 - 5 units	369	317	378	385	471	479	606	636	480	494
6 - 19 units	339	349	406	431	480	498	575	635	469	498
20 - 49 units	358	376	457	484	557	600	719	779	493	521
50 - 99 units	410	429	553	577	683	727	902	995	586	612
100 and more	518	587	686	725	853	906	1,232	1,327	745	792
Metropolitan Area	404	423	476	505	529	552	650	687	517	545

* St-Jérôme agglomeration included

**6. Number of Apartment Units (Universe-October 2002)
By Zone and Bedroom Type
Montréal Metropolitan Area**

		Bachelor	1-Bedroom	2-Bedroom	3-Bedroom +	Total
Montréal Island	1	9,799	11,327	5,267	2,187	28,580
	2	1,449	7,364	13,854	6,157	28,824
	3	742	3,251	2,848	2,364	9,206
	4	3,903	12,166	11,396	2,326	29,792
	5	3,437	14,430	12,386	3,616	33,870
	6	8,442	13,796	24,106	12,161	58,505
	7	3,068	7,554	12,456	6,717	29,796
	8	2,946	8,728	9,777	1,178	22,629
	9	508	3,235	8,582	3,519	15,845
	10	3,112	9,757	19,479	3,416	35,763
	11	2,527	8,983	8,863	2,584	22,956
	12	681	3,272	4,181	937	9,071
	13	235	1,465	2,636	760	5,095
	14	659	2,090	4,409	683	7,841
	15	1,194	3,921	7,717	1,844	14,676
	16	496	1,855	6,880	1,451	10,682
Montréal Island		43,196	113,196	154,838	51,899	363,129
Laval	17	495	2,477	4,471	1,076	8,519
	18	276	1,832	4,967	779	7,853
	19	***	***	991	872	2,961
	20	***	607	1,744	***	2,627
	21	***	677	1,728	295	2,776
	22	***	600	1,284	***	2,269
Laval		1,435	6,882	15,184	3,504	27,005
North-Shore	23	***	623	2,827	579	4,097
	24	***	990	4,802	2,003	7,988
	25	***	987	2,006	511	3,573
	26	***	821	2,636	804	4,414
North-Shore		483	3,422	12,270	3,897	20,072
Laval and North-Shore		1,918	10,304	27,454	7,400	47,077
South-Shore	27	816	5,687	10,907	3,600	21,010
	28	954	3,493	7,817	1,935	14,199
	29	***	1,056	3,526	792	5,464
	30	***	546	2,471	949	4,139
	31	***	469	976	687	2,247
South-Shore		2,147	11,252	25,697	7,963	47,058
St-Jérôme	32	***	2,291	3,548	954	7,281
Metropolitan Area		47,749	137,043	211,537	68,216	464,545

*** Sample too small to disclose results