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Northern Vancouver Island/Sunshine Coast

2002 RENTAL MARKET REPORT

NOVEMBER 26, 2002

Canada Mortgage and Housing Corporation

Rental Vacancies Continue High

- **Apartment and rowhouse vacancy rates remain above 8%** in all North Vancouver Island/Sunshine Coast communities except Squamish this October.
- **Squamish saw the fewest vacancies this fall** with 3.3% of suites empty and available for rent.
- **Port Hardy has the highest vacancy rate**, with more than two out of every five suites vacant at October 2002.
- Markets with more diverse economies, such as **Squamish and Courtenay-Comox**, have lower vacancy rates than markets with resource-based economies.

Average Rents Edge Down

- **Average rents for two bedroom apartments slipped from last year's levels** in all North Island/Sunshine Coast markets except Campbell River and Squamish. Significantly reduced vacancies allowed rents to rise in these two markets.
- **Powell River and Port Hardy recorded the largest average apartment rent declines**, reflecting high vacancies. Rents slipped a little in Courtenay-Comox where vacancies also saw a small reduction.
- **Decreasing rents** (in real dollar terms) **reflect high vacancy rates** and the North Vancouver Island/Sunshine Coast's slow pace of economic growth.

Row and Apartment Vacancy Rates	Oct. 2001	Oct. 2002
Campbell River	17.4%	11.5%
Courtenay/Comox	10.3%	8.5%
Port Hardy	35.4%	43.0%
Powell River	22.7%	28.3%
Squamish	6.3%	3.3%

Average 2-Bedroom Apartment Rents	Oct. 2001	Oct. 2002
Campbell River	\$508	\$515
Courtenay/Comox	\$541	\$549
Port Hardy	\$482	\$455
Powell River	\$477	\$464
Squamish	\$613	\$615

Row and Apartment Units (Oct. 2002)	Units Vacant	Total Units
Campbell River	164	1,426
Courtenay/Comox	179	2,112
Port Hardy	271	630
Powell River	180	635
Squamish	13	405

Note: All data is for privately initiated apartment buildings with 3 units or more.

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CMHC Victoria - Market Analysis
Website: www.cmhc.ca
 Also available: **Metro Victoria** and **Mid Vancouver Island FastFaxes**



Canada

CAMPBELL RIVER HIGHLIGHTS

Fewer Rental Vacancies

- **Rowhouse vacancies were halved, at 10.8%** in October 2002 from 23.7% last year. **Apartments also saw fewer vacancies, at 11.7%** compared with 15.9% in 2001.
- **Two bedroom rowhouses** had the highest vacancy rates, while **suites with three or more bedrooms** recorded the fewest vacancies this fall.
- **Fewer vacancies were recorded in every bedroom category** as compared with last year., as rental demand improved.

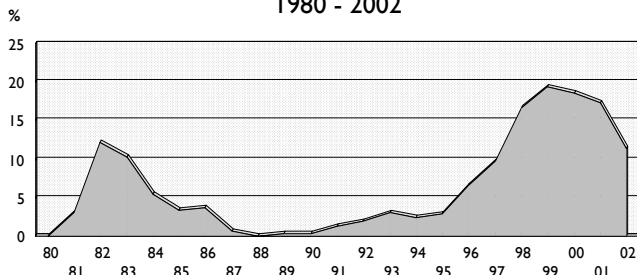
Rents Rise

- **Average rents rose for all apartments** and for three bedroom rowhouses this year, as vacancies decreased.
- **Average apartment rents increased 1.8% in 2002** after six consecutive years of rent declines. Rowhouse rents edged up 0.4% after a 1.2% increase in 2001.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Campbell River

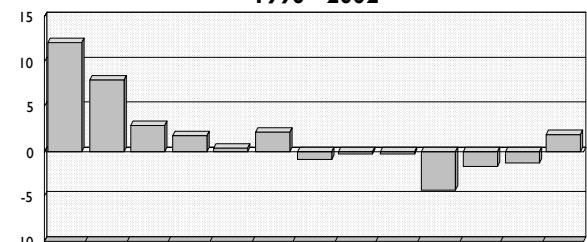
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	4.1	N/A	15.7	35.8	0.0	23.3	10.8
Apartments	18.8	10.9	12.2	12.7	17.8	11.7	16.7	4.3	15.9	11.7
Row Housing & Apartments	17.6	10.2	13.1	11.7	18.2	12.5	27.8	2.3	17.4	11.5

CAMPBELL RIVER VACANCY RATE
1980 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

CAMPBELL RIVER
Average Apartment Rents - Annual Percent Change
1990 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

2. Average Rents by Dwelling Type and Bedroom Type: Campbell River

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	\$434	N/A	\$519	\$569	\$595	\$513	\$515
Apartments	\$361	\$374	\$432	\$443	\$508	\$515	\$603	\$606	\$480	\$489

COURTENAY-COMOX HIGHLIGHTS

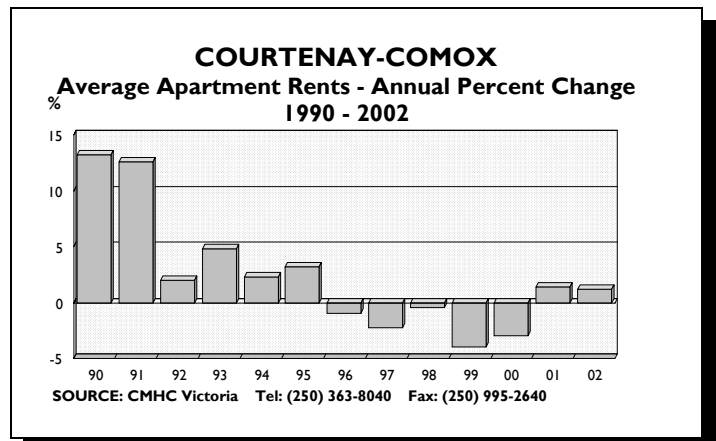
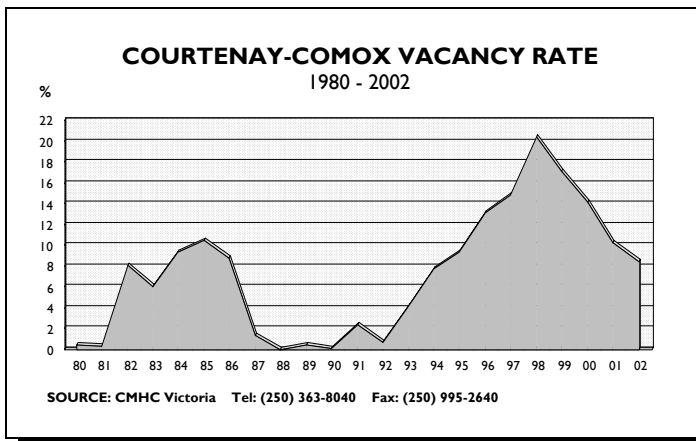
Rental Vacancy Rate Downtrend Continues

- **Apartment vacancies edged down to 8.1%** from 8.6% last year. **Rowhouse vacancies reduced to 10.0%** in October 2002 from 17.2% one year earlier.
- **One bedroom rowhouses** had the highest vacancy rates again in 2002, while **three bedroom rowhouses** recorded the fewest vacancies. Bachelor suites, and apartments with three or more bedrooms, saw vacancies increase.
- **The three bedroom rowhouse market recorded the largest decrease**, to 1.4% from 4.1% vacant in 2001. Vacancies continued high in **most other types of rental housing** again this year in Courtenay-Comox.

Apartment Rents Rise

- **Average apartment rents rose 1.9%** in October 2002, while average **rowhouse rents edged down 0.8%**. Last year, rents rose 1.4% for apartments and 0.4% for rowhouses.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Courtenay-Comox										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	58.8	43.8	21.6	13.0	4.1	1.4	17.4	10.0
Apartments	4.0	13.5	6.4	5.3	10.6	9.4	2.3	5.6	8.6	8.1
Row Housing & Apartments	7.3	12.3	7.9	6.4	12.8	10.1	3.4	2.8	10.3	8.5



2. Average Rents by Dwelling Type and Bedroom Type: Courtenay-Comox										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	\$411	\$397	\$494	\$493	\$659	\$661	\$549	\$545
Apartments	\$348	\$350	\$451	\$458	\$541	\$549	\$604	\$608	\$507	\$513

PORT HARDY HIGHLIGHTS

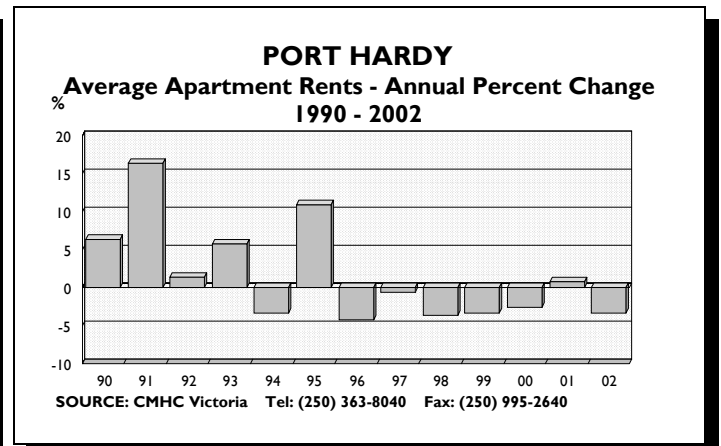
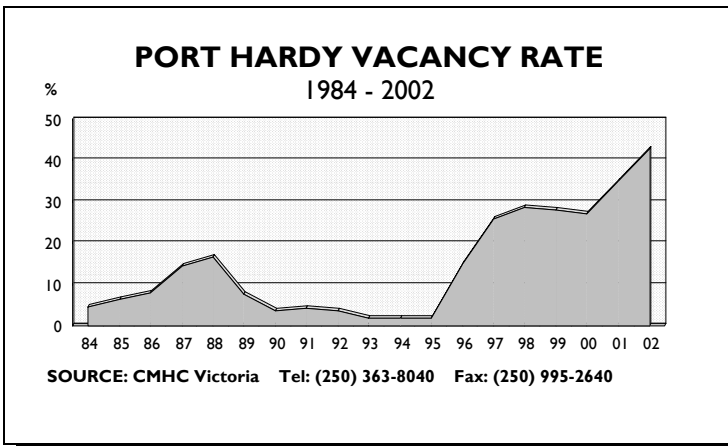
Rental Vacancies Exceed 40%

- **Apartment vacancies jumped to 42.2%** in October 2002 from 33.3% in 2001 while **rowhouse vacancies edged up to 46.8%**.
- **One bedroom suites** had the highest vacancy rates again this year, while **two bedroom suites** recorded the fewest vacancies.
- **The Port Hardy rental market has seen high vacancies since 1996**, reflecting local economic decline.

Rents Slide

- **Average rents slipped for most rental housing types** in October 2002.
- **Average apartment rents declined 3.2%** while **rowhouse rents slid 2.0%**. Last year, apartments rents rose 0.9% and rowhouses were up 3.1%.

1. Vacancy Rates by Dwelling Type and Bedroom Type: Port Hardy										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	41.2	51.0	50.0	43.1	45.9	46.8
Apartments	23.0	38.1	44.6	53.3	27.8	33.0	23.3	44.7	33.3	42.2
Row Housing & Apartments	23.0	38.1	44.6	53.3	30.2	36.4	38.6	43.8	35.4	43.0



2. Average Rents by Dwelling Type and Bedroom Type: Port Hardy										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	\$514	\$505	\$585	\$572	\$552	\$541
Apartments	\$326	\$324	\$396	\$397	\$482	\$455	\$599	\$598	\$441	\$428

POWELL RIVER HIGHLIGHTS

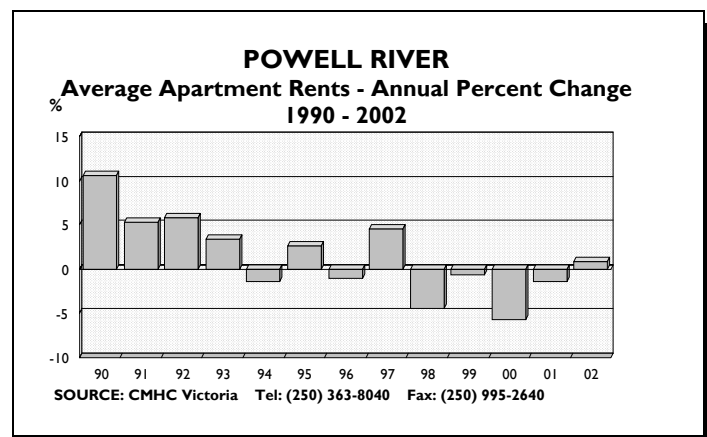
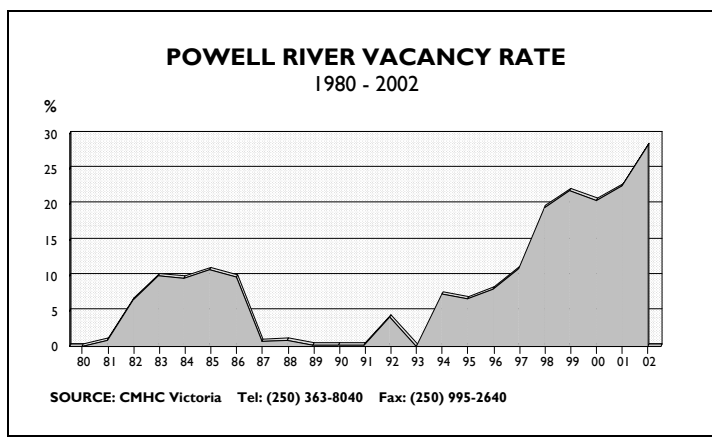
Rental Market Sees More Suites Vacant in 2002

- Overall vacancies increased to 28.3% in October 2002 from 22.7% last year. Apartment vacancies were 28.3%.
- Suites with three or more bedrooms had the highest vacancy rates again this year, while two bedrooms recorded the fewest vacancies. Vacancy rates for one bedrooms increased the most in 2002.
- Powell River's rental market has seen high vacancies since 1993, reflecting local economic decline.

Rowhouse Rents Dip

- Average rowhouse rents trended down 2.8% in October 2002 while apartment rents edged up 0.9%.
- Average rents saw the largest decreases in two bedroom apartments.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Powell River										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	N/A	14.3	N/A	50.0	14.8	29.6
Apartments	23.1	25.0	20.5	30.6	21.4	23.3	50.0	46.2	23.0	28.3
Row Housing & Apartments	21.4	23.1	20.5	30.6	20.7	22.9	44.2	47.1	22.7	28.3



2. Average Rents by Dwelling Type and Bedroom Type: Powell River										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	N/A	\$436	N/A	\$575	\$503	\$489
Apartments	\$332	\$335	\$409	\$437	\$477	\$464	\$551	\$558	\$451	\$455

SQUAMISH HIGHLIGHTS

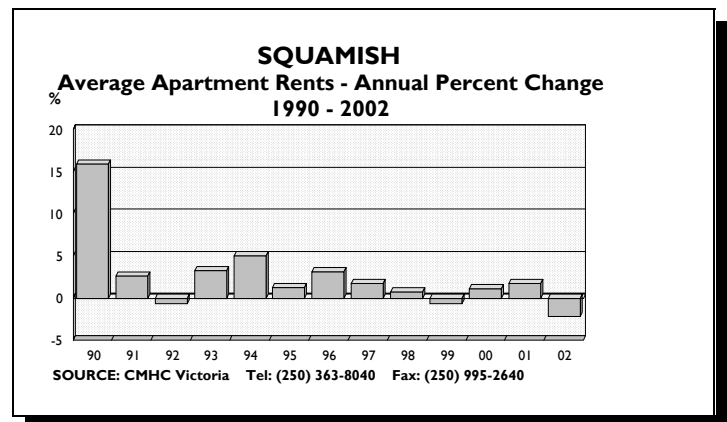
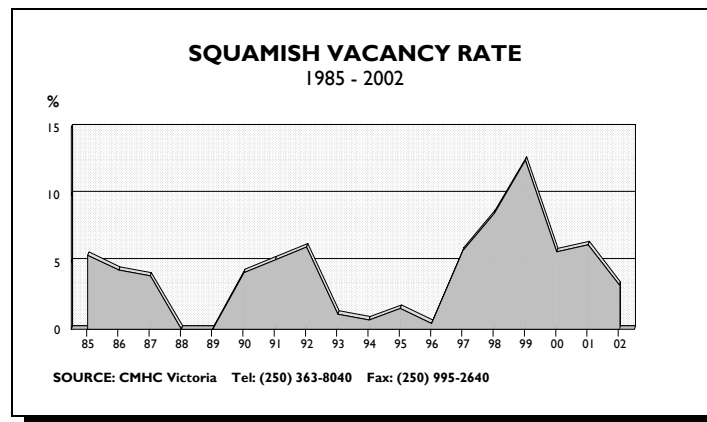
Fewer Rental Market Vacancies

- Overall vacancies dipped to 3.3% in October 2002 from 6.3% last year. Apartment vacancies decreased to 2.4%.
- Two bedroom rowhouses had the highest vacancy rates, while there were no vacant one bedroom apartments. Most vacancies occurred in larger suites, and the selection of small vacant suites was constrained.
- Squamish's diversifying economy is pushing employment growth, improving demand for rental housing.

Average Rents Down

- Average apartment rents slipped 2.1% this October compared after two years of small increases.
- Squamish's rents are poised to increase, following several years of limited growth, as rental demand improves.

I. Vacancy Rates by Dwelling Type and Bedroom Type: Squamish										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	N/A	16.7	N/A	4.2	N/A	7.6
Apartment	34.8	1.6	3.3	0.0	0.7	2.4	4.9	7.9	6.9	2.4
Row Housing & Apartment	34.8	1.6	3.3	0.0	1.3	4.3	3.8	6.0	6.3	3.3



2. Average Rents by Dwelling Type and Bedroom Type: Squamish										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	N/A	\$633	N/A	\$684	N/A	\$670
Apartment	\$431	\$406	\$525	\$532	\$613	\$615	\$679	\$691	\$576	\$565

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