



AST FAX

RENTAL MARKET REPORT *Calgary*

Canada Mortgage and Housing Corporation

Apartment Vacancies Increase in 2002, Little Change in Rents

novembEr 26TH, 2002

Residents in the Calgary Census Metropolitan Area (CMA) will have an easier time finding rental accommodations, according to results released today from Canada Mortgage and Housing Corporation's annual Rental Market Survey.

Apartment vacancy rates increased to 2.9 per cent this October, up from 1.2 per cent one year earlier. The CMHC survey found 1,233 vacant privately-owned apartments in the Calgary CMA, more than double the 526 vacant units reported in October of 2001. Two factors are responsible for the jump in vacancies this year. First, historically low mortgage rates have prompted tenants to move out of rental in favour of homeownership. Other forces come via an indirect increase in the rental supply, as investors are purchasing condominiums to rent out. Low mortgage rates and prolonged weakness in the stock market has increasingly turned investors' attention to the housing market as an alternative investment channel.

The higher number of vacant units helped ease rental rate increases this year. Following a six per cent jump in 2001, average apartment rents increased by less than two per cent in 2002, reaching \$716 per month. In the face of rising vacancies and continued low mortgage rates, property owners are removing any incentive for their tenants to consider home ownership.

The continuing trend of condominium conversions contributed to a 1,390 unit decline in the apartment rental universe this year. Since October 2001, 547 apartment units were converted to condominiums, while an additional 135 units were removed in favour of a congregate care home. The October 2002 survey universe in the Calgary CMA consisted of 43,167 apartments.

Canada Mortgage and Housing Corporation conducts the Rental Market Survey annually in October in all census metropolitan areas and urban centres of 10,000 population or over. To get a more complete picture of the local rental market including sub-market detail and a discussion of emerging trends, subscribe to CMHC's annual *Calgary Rental Market Survey Report* by calling Ricarda Bligh at 1-877-722-2642.

ā Canada Mortgage and Housing Corporation

Richard Corriveau (403) 515-3005
CMHC - Market Analysis, Prairies and NWT
rccorrive@cmhc-schl.gc.ca

Apartment Vacancy Rates (%)	2001	2002
Bachelor	1.5	2.9
1 Bedroom	1.0	2.6
2 Bedroom	1.3	3.2
3 Bedroom and +	1.8	2.3
Total	1.2	2.9

Average Apartment Rents (\$)	2001	2002
Bachelor	492	513
1 Bedroom	649	657
2 Bedroom	783	804
3 Bedroom and +	751	777
Total	702	716

Apartment Units (2002)	Vacant	Total
Bachelor	58	1,961
1 Bedroom	567	21,620
2 Bedroom	566	17,697
3 Bedroom and +	43	1,889
Total	1,233	43,167



Canada

1. Apartment Vacancy Rates

Apartment Vacancy Rates by Zone and Bedroom Type Calgary CMA

Area	Bachelor		One Bedroom		Two Bedroom		Three Bedroom +		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Zone 1 – Downtown	**	**	1.8	2.7	1.6	2.5	**	**	1.7	2.7
Zone 2 – Beltline	1.1	2.9	0.9	2.9	1.0	2.4	**	**	0.9	2.7
Zone 3 – North Hill	**	**	0.4	1.4	1.3	3.3	**	**	0.8	2.0
Zone 4 – Southwest	**	4.9	1.1	3.6	0.8	3.4	2.4	3.9	1.1	3.6
Zone 5 – Southeast	**	**	1.5	1.4	2.7	1.8	3.5	1.9	2.5	1.6
Zone 6 – Northwest	**	**	1.1	1.5	1.5	3.5	1.7	1.4	1.4	2.4
Zone 7 – Northeast	**	**	0.2	**	1.9	4.3	**	**	1.2	3.0
Zone 8 – Chinook	**	**	0.5	4.6	0.8	3.0	**	**	0.6	3.9
Zone 9 – Fish Creek	**	**	1.8	1.7	1.3	4.4	**	**	1.5	3.4
Zone 10 – Other Centres	0.0	**	0.0	1.8	1.9	2.8	1.9	4.2	1.3	3.0
Calgary Metropolitan Area	1.5	2.9	1.0	2.6	1.3	3.2	1.8	2.3	1.2	2.9

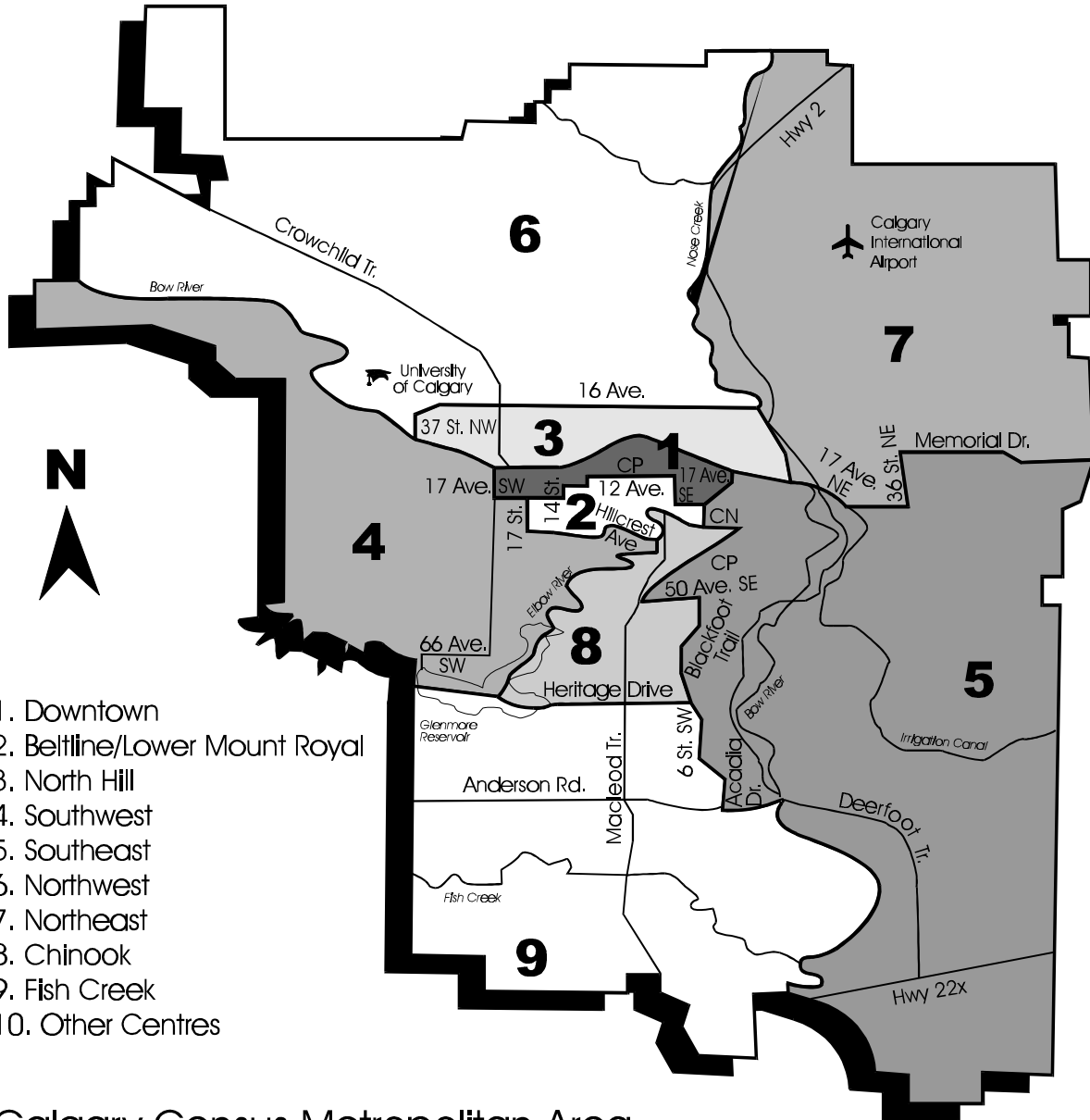
2. Average Apartment Rents

Average Apartment Rents by Zone and Bedroom Type Calgary CMA

Area	Bachelor		One Bedroom		Two Bedroom		Three Bedroom +		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Zone 1 – Downtown	**	**	\$ 689	\$ 673	\$ 822	\$ 820	**	**	\$ 723	\$ 707
Zone 2 – Beltline	\$ 470	\$ 529	\$ 637	\$ 645	\$ 817	\$ 832	**	**	\$ 685	\$ 702
Zone 3 – North Hill	**	**	\$ 602	\$ 635	\$ 709	\$ 730	**	**	\$ 643	\$ 668
Zone 4 – Southwest	**	\$ 462	\$ 624	\$ 650	\$ 763	\$ 804	\$ 691	\$ 703	\$ 694	\$ 721
Zone 5 – Southeast	**	**	\$ 589	\$ 583	\$ 658	\$ 657	\$ 661	\$ 689	\$ 629	\$ 629
Zone 6 – Northwest	**	**	\$ 659	\$ 657	\$ 787	\$ 790	\$ 774	\$ 757	\$ 726	\$ 726
Zone 7 – Northeast	**	**	\$ 634	**	\$ 733	\$ 765	**	**	\$ 699	\$ 722
Zone 8 – Chinook	**	**	\$ 658	\$ 666	\$ 773	\$ 794	**	**	\$ 710	\$ 726
Zone 9 – Fish Creek	**	**	\$ 738	\$ 747	\$ 846	\$ 868	**	**	\$ 801	\$ 822
Zone 10 – Other Centres	\$ 450	**	\$ 625	\$ 607	\$ 739	\$ 713	\$ 677	\$ 711	\$ 687	\$ 671
Calgary Metropolitan Area	\$ 492	\$ 513	\$ 649	\$ 657	\$ 783	\$ 804	\$ 751	\$ 777	\$ 702	\$ 716

** Data suppressed

Calgary Metropolitan Area - Vacancy Survey Zones



Calgary Census Metropolitan Area

