



AST FAX

Fort McMurray

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

November 26th, 2002

Rising Apartment Vacancies Cool Rent Increases In Fort McMurray

Apartment vacancies in Fort McMurray have increased this year, largely in response to rising rental unit construction levels. According to results released today from Canada Mortgage and Housing Corporation's (CMHC) annual Rental Market Survey, the apartment vacancy rate in Fort McMurray increased to 4.7 per cent in October from 0.5 per cent in October 2001.

Strong multi-unit construction in the past two years has bolstered the supply of vacant apartments available for rent in Fort McMurray. Since many of these apartments were targeted for the ownership (condominium) market, they did not become part of CMHC's rental apartment universe. However, numerous condominium apartments are, in fact, investor-owned and rented, so they have contributed to the increased rental supply nonetheless. As well, forty-year low mortgage rates and persistently rising rental costs have also encouraged many renters to look into home ownership

One-bedroom apartments experienced the largest increases in vacancies, up by 6.1 percentage points to 7.0 per cent. This increase in the supply of one-beds prompted landlords to reduce rents. The average rent for a one-bedroom apartment fell by 1.6 per cent or \$15/month to \$943. Among two-bedroom units, vacancies increased by 3.1 percentage point to 3.5 per cent. This up-tick in vacancies caused landlords to hold the line on rents for two-bedroom units at \$1,086. Overall rent levels for all apartment types fell by an average of six dollars or 0.6 per cent.

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 more. To obtain information on other Alberta communities, please call 1-877-722-CMHC.

ã Canada Mortgage and Housing Corporation

Note: Data are on 2001 census area definitions

** - Not Available, N/A - Not Applicable, N/U - Not in Universe

Apartment Vacancy Rates (%)	2001	2002
Bachelor	0.0	**
1 Bedroom	0.9	7.0
2 Bedroom	0.4	3.5
3 Bedroom and +	0.0	4.7
Total	0.5	4.7

Apartment Average Rents (\$)	2001	2002
Bachelor	790	**
1 Bedroom	958	943
2 Bedroom	1,085	1,086
3 Bedroom and +	1,199	1,204
Total	1,062	1,056

Apartment Units (2002)	Vacant	Total
Bachelor	**	**
1 Bedroom	63	913
2 Bedroom	54	1,548
3 Bedroom and +	22	470
Total	141	2,981

Richard Goatcher (780) 423-8729
CMHC - Market Analysis, Prairie, Nunavut and NWT
rgoatche@cmhc-schl.gc.ca



Canada