



AST FAX

Grande Prairie

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Rental Apartment Vacancies Climb in Grande Prairie

November 26th, 2002

Increased apartment construction and a slower growing economy have combined to boost apartment vacancies in Grande Prairie this year. According to results released today from Canada Mortgage and Housing Corporation's (CMHC) annual Rental Market Survey, the apartment vacancy rate in Grande Prairie increased to 3.1 per cent in October from 0.4 per cent in October 2001.

Increased multi-unit construction in the past two years has bolstered the supply of new apartments available in Grande Prairie. This would include both apartments targeted for the rental market and also condominium apartments that have been purchased by investors and rented out. On the demand side, weakness in the oil-field service sector associated with low natural gas prices has reduced seasonal migration into Grande Prairie this year. As well, forty-year low mortgage rates and persistently rising rental costs have also encouraged many renters to look into home ownership.

Bachelor units experienced the largest increase in vacancies, up by four percentage points to 4.8 per cent. Vacancies remained the lowest in the largest (3+) suite types.

Despite the rise in vacancies, rent levels continued to climb in Grande Prairie, although the rate of increase was generally well below those recorded in our 2001 survey. Rent levels for all apartment types increased on average by \$24/month or 3.7 per cent. Rents increased for all unit types except the larger suites with three-or-more bedrooms - which fell by four per cent.

Following an 8.8 per cent increase last year, average rents for bachelor units rose by 3.7 per cent to \$501, representing a typical increase of \$18/month. Rent increases for one- and two-bedroom units averaged close to four per cent, representing a typical gain of \$24 and \$28/month respectively.

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.

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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	0.8	4.8
1 Bedroom	0.5	2.8
2 Bedroom	0.4	3.2
3 Bedroom and +	0.0	2.2
Total	0.4	3.1

Apartment Vacancy Rates (\$)	2001	2002
Bachelor	483	501
1 Bedroom	585	609
2 Bedroom	694	722
3 Bedroom and +	792	760
Total	651	675

Apartment Units (2002)	Vacant	Total
Bachelor	6	127
1 Bedroom	24	874
2 Bedroom	46	1,459
3 Bedroom and +	3	139
Total	80	2,599



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