



RENTAL MARKET

REPORT

Newfoundland and Labrador Highlights

Canada Mortgage and Housing Corporation

www.cmhc.ca

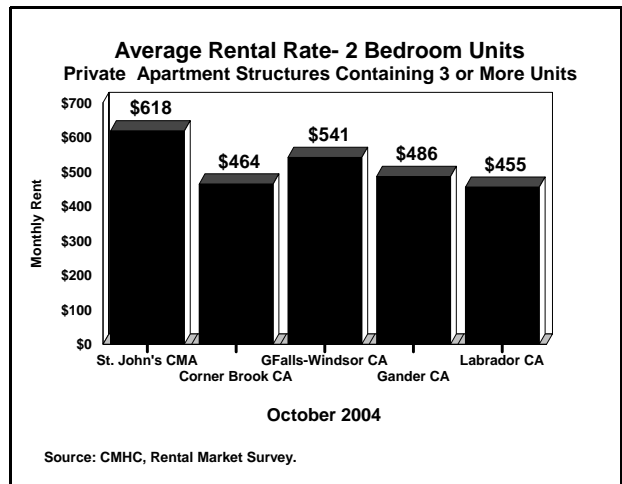
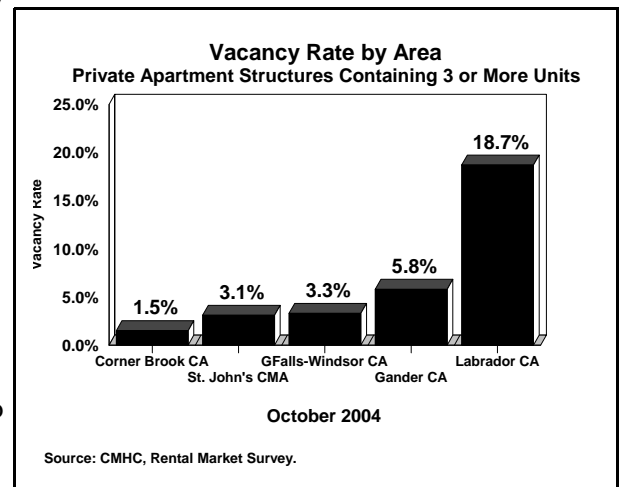
Vacancy Rates Higher in Most Markets

October 2004

With the exception of the Gander area, where the apartment vacancy rate declined to 5.8 per cent in October, rental markets in all other provincial urban centres posted higher vacancy rates in 2004. With incomes continuing to rise and interest rates remaining quite favourable, more renter households were able to purchase homes. This is particularly the case in the St. John's region where MLS® sales are on pace to hit record levels for the sixth consecutive year and housing starts should post their strongest performance since 1973. Within the St. John's region, the vacancy rate for private apartment structures containing three or more units stood at 3.1 per cent in October, up from 2.0 per cent a year earlier. Strikes in the local mining industry were largely responsible for further weakening in the Labrador City-Wabush rental market which saw its vacancy rate climb to 18.7 per cent in October, up from 16.3 per cent last year. The Corner Brook area's rental market remained the tightest in the province with the vacancy rate inching up to 1.5 per cent from 1.3 per cent in October of 2003. Recent additions to the supply of rental stock and layoffs in the local information technology industry were major factors behind a softening rental market within the Grand Falls-Windsor area which saw its vacancy rate increase to 3.3 per cent this year from 2.7 per cent a year earlier.

Despite the mixed performance, average rents for two bedroom apartments increased in all markets. Gains in two bedroom rents over the past twelve months ranged from a low of 1.1 per cent in Grand Falls-Windsor to a high of 4.8 per cent in Labrador West. Average rents for two bedroom apartments advanced 3.1 per cent in the Corner Brook region, 1.5 per cent in the Gander area and 1.8 per cent in St. John's.

For more information contact: Brian Martin
Senior Market Analyst - Newfoundland and Labrador
CMHC - Market Analysis Centre
(709)772-4034 or email: bmartin@cmhc.ca



I. Vacancy Rates

Apartment Vacancy Rates by Bedroom Type (%) - Newfoundland & Labrador

Area	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom		Total	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
St. John's CMA	3.1	3.8	1.5	3.0	1.7	2.9	4.2	3.7	2.0	3.1
Gander CA	**	**	11.1	7.8	7.6	5.1	10.3	7.7	8.5	5.8
Grand Falls-Windsor CA	**	18.8	**	4.6	2.0	2.9	2.5	2.2	2.7	3.3
Corner Brook CA	**	0.0	1.5	1.2	0.7	0.9	**	**	1.3	1.5
Labrador CA	**	**	31.8	31.0	**	16.2	**	8.4	16.3	18.7

2. Average Rents

Apartment Average Rents by Bedroom Type (\$) - Newfoundland & Labrador

Area	Bachelor		One Bedroom		Two Bedroom		Three + Bedroom	
	2003	2004	2003	2004	2003	2004	2003	2004
St. John's CMA	\$467	\$453	\$520	\$521	\$607	\$618	\$620	\$624
Gander CA	**	**	\$405	\$397	\$479	\$486	\$503	\$501
Grand Falls-Windsor CA	**	\$291	**	\$423	\$535	\$541	\$478	\$490
Corner Brook CA	\$366	\$380	\$387	\$391	\$450	\$464	\$507	**
Labrador CA	**	**	\$379	\$396	**	\$455	\$434	\$456

** Sample size not large enough to publish reliable results

Note: Data are based on 2001 census area definitions.

© 2004 Canada Mortgage and Housing Corporation. All rights reserved. No portion of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, mechanical, electronic, photocopying, recording or otherwise without the prior written permission of Canada Mortgage and Housing Corporation. Without limiting the generality of the foregoing, no portion of this publication may be translated from English into any other language without the prior written permission of Canada Mortgage and Housing Corporation. The information, analyses and opinions contained in this publication are based on various sources believed reliable, but their accuracy cannot be guaranteed. The information analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibilities.