



# RENTAL MARKET

## REPORT

Northern Ontario  
Canada Mortgage and Housing Corporation

www.cmhc.ca

### Greater Sudbury and Thunder Bay Vacancy Rates Take Different Paths

October 2004 Survey

After having charted similar courses for the last several years, the vacancy rates for Greater Sudbury and Thunder Bay have parted ways according to CMHC's annual survey of residential rental structures with at least three units. Greater Sudbury's vacancy rate continued its decline for the fifth consecutive year to 2.6 per cent while Thunder Bay's rate rose to 5.0 per cent. The pattern in Greater Sudbury ran counter to the national trend of increasing vacancy rates in CMA's. Thunder Bay's move to a higher vacancy rate was the case in more than 75 per cent of centres over 100,000 in the country surveyed by CMHC during the first two weeks of October.

Strong employment growth and improved migration drove the vacancy rate down further in Greater Sudbury while the absence of employment growth in Thunder Bay prevented another dip in vacancy rates there. Sudbury's strong resale market, which includes near record sales, is not hampering the Greater Sudbury rental market. Meanwhile, in Thunder Bay, good home buying conditions for first time buyers combined with lower renter household formation drove

vacancies higher. Elsewhere in Ontario, of the eleven CMA's, all nine outside Northern Ontario saw their vacancy rates rise except for St. Catherines-Niagara where the vacancy rate dipped only slightly from 2.7 to 2.6 per cent.(see Table 1 on Page 3)

### Sudbury Summary

Greater Sudbury's vacancy rate for rental structures with at least three units fell again this year to 2.6 per cent, down from 3.6 per cent in October 2003;

The rate decline marks the fifth consecutive year the vacancy rate has fallen in Sudbury coming off the 1999 peak of 11.1 per cent. Lower vacancies have occurred despite very good conditions for homebuying over the past year;

College and University students, including those double cohort students now in their second year of school, are still creating demand for off-campus rental housing;

Net migration figures released by Statistics Canada in September show an improvement in Greater Sudbury which signifies potential increased rental demand. Out-migration, which was highly

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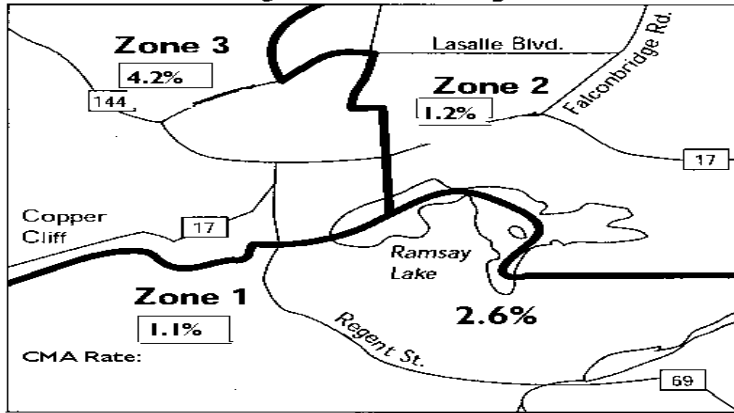
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negative with 2900 leaving in 1998-99, has improved resulting in 326 in-migrants between 2002-2003;

Employment highlights for the year all bode well for demand of all types of housing but especially rental. Young worker age group employment has been improving,

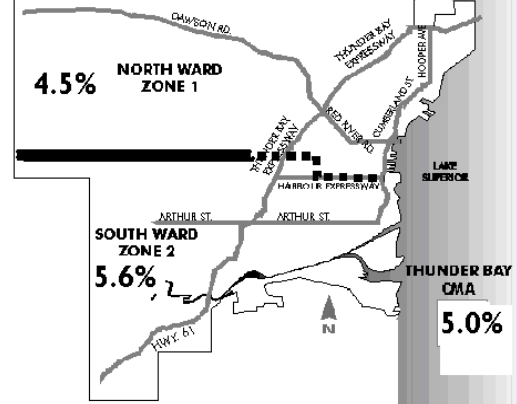
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### Sudbury CMA Vacancy Rates



**Zone 4:** Valley East, Rayside Balfour, Nickel Centre, Walden & Onaping Falls **2.7%**

### Thunder Bay Survey Zones



full-time job growth is solid and Sudbury's service centre role continues to take hold;

After having the second highest vacancy rate in the country in 2002, Greater Sudbury sits ninth lowest now tied with St. Catherines-Niagara at 2.6 per cent.

Zone specific vacancy rate trends in Greater Sudbury remain constant as Zone 1 - Lockerby continues to have the lowest vacancy rate in Greater Sudbury. Lockerby's vacancy rate of 1.1 per cent, 0.1 per cent lower than Zone 2 - New Sudbury. Once again, all four zones of the Greater Sudbury CMA are experiencing a lower vacancy rate than one year ago according to survey data;

Despite the falling vacancy rate, rent increases were modest with one bedroom units rising 2.1 per cent to \$552 this October from \$532 last year. Two bedroom rents rose 0.6 % to \$651 per month from \$647;

The highest rents in Greater Sudbury were found again in Zone 1 and 2 respectively, areas with the lowest vacancy rates.

### Thunder Bay Summary

The vacancy rate rose for the first since 1997-98 to 5.0 per cent in October 2004 up from 3.3 per cent last year according to

results from Canada Mortgage and Housing Corporation's (CMHC) Rental Market Survey;

Job losses have occurred with the closure of the RMH Call Centre and are a primary reason for the increase in the vacancy rate. Thunder Bay's employment correction was most evident in the 25-44 age category, an age group occupied to some degree by current and potential renters. The other primary factor would be renters buying homes, taking advantage of the terrific mortgage rate environment;

North ward vacancies are below the market average and obviously below the South ward. The vacancy rate in the north ward rose markedly to 4.5 per cent from 3.0 per cent in 2004 while south ward vacancies climbed to 5.6 per cent from 3.7 per cent in 2003;

Vacancies by bedroom type rose in three of four bedroom types compared to one year ago in Thunder Bay with only three bedroom rates remaining constant;

Despite the increase in the overall vacancy rate, two bedroom rents increased, albeit modestly, while all other rents fell year-over-year. Two bedroom rents increased 1.0 per cent to \$679 per month while one bedroom rents fell 0.4 per cent to \$550. Only 5 CMA's

(centres with populations over 100,000) in Canada have higher vacancy rates;

Net-migration turned positive between 2002-03 but did not counteract lower net rental demand. **National Apartment Vacancy Rate Rises**

The average rental apartment vacancy rate in Canada's 28 major centres rose to 2.7 per cent in October 2004 from 2.2 per cent a year ago. This is the third consecutive annual increase in the vacancy rate, but it remains below the 3.3 per cent average vacancy rate over the 1992 to 2003 period.

The rising vacancy rate over the past year is due to various factors. Low mortgage rates have kept mortgage carrying costs low and lessened demand for rental housing by bringing home ownership within the reach of many renter households. Continued high levels of condominium completions have also created competition for the rental market and have contributed to rising vacancy rates. Condominiums are a relatively inexpensive form of housing that are often purchased by renter households switching to home ownership. Condos also supplement the rental market because, in some cases, they are purchased by investors who in turn rent them out. Vacancy rates have also risen because rental apartment completions have

**TABLE 1: VACANCY RATES IN PRIVATE APT STRUCTURES OF 3 UNITS AND OVER  
1998-2004**

METROPOLITAN AREA	1998 October	1999 October	2000 October	2001 October	2002 October	2003 October	2004 October
ABBOTSFORD	**	**	**	**	2.0	2.5	2.8
CALGARY	0.6	2.8	1.3	1.2	2.9	4.4	4.3
EDMONTON	1.9	2.2	1.4	0.9	1.7	3.4	5.3
GREATER SUDBURY	9.4	11.1	7.7	5.7	5.1	3.6	2.6
HALIFAX	5.5	3.6	3.6	2.8	2.7	2.3	2.9
HAMILTON	3.2	1.9	1.7	1.3	1.6	3.0	3.4
KINGSTON	**	**	**	**	0.9	1.9	2.4
KITCHENER	1.5	1.0	0.7	0.9	2.3	3.2	3.5
LONDON	4.5	3.5	2.2	1.6	2.0	2.1	3.7
MONTRÉAL	4.7	3.0	1.5	0.6	0.7	1.0	1.5
OSHAWA	2.0	1.7	1.7	1.3	2.3	2.9	3.4
GATINEAU	6.7	4.4	1.4	0.6	0.5	1.2	2.1
OTTAWA	2.1	0.7	0.2	0.8	1.9	2.9	3.9
QUÉBEC	5.2	3.3	1.6	0.8	0.3	0.5	1.1
REGINA	1.7	1.4	1.4	2.1	1.9	2.1	2.7
SAGUENAY	4.8	4.9	4.4	4.4	4.9	5.2	5.3
ST. CATHARINES - NIAGARA	4.6	3.2	2.6	1.9	2.4	2.7	2.6
SAINT JOHN	7.3	5.2	3.4	5.6	6.3	5.2	5.8
ST. JOHN'S	15.4	9.2	3.8	2.5	2.7	2.0	3.1
SASKATOON	0.8	0.9	1.7	2.9	3.7	4.5	6.3
SHERBROOKE	7.3	7.6	4.7	2.3	1.8	0.7	0.9
THUNDER BAY	9.3	7.5	5.8	5.8	4.7	3.3	5
TORONTO	0.8	0.9	0.6	0.9	2.5	3.8	4.3
TROIS-RIVIÈRES	8.5	7.9	6.8	4.7	3.0	1.5	1.2
VANCOUVER	2.7	2.7	1.4	1.0	1.4	2.0	1.3
VICTORIA	3.8	3.6	1.8	0.5	1.5	1.1	0.6
WINDSOR	4.3	2.7	1.9	2.9	3.9	4.3	8.8
WINNIPEG	4.0	3.0	2.0	1.4	1.2	1.3	1.1
TOTAL (I)	3.4	2.6	1.6	1.1	1.7	2.2	2.7

**Table 2: Average rent of private apartments (in structures of 3 units and over)  
October 2004  
Number of bedrooms**

Area	Bach	1	2	3 +
Abbotsford	442	546	684	**
Calgary	515	655	806	766
Edmonton	504	597	730	804
Gatineau	483	557	663	769
Greater Sudbury	393	529	655	734
Halifax	560	612	747	1,014
Hamilton	509	641	789	967
Kingston	505	646	785	946
Kitchener	541	651	765	990
London	471	602	758	945
Montréal	459	539	594	727
Oshawa	611	750	852	973
Ottawa	623	771	940	1,156
Québec	419	523	596	706
Regina	361	503	602	711
Saguenay	316	377	459	493
Saint John	366	432	520	556
Saskatoon	372	472	580	628
Sherbrooke	328	392	495	591
St. Catharines-Niagara	454	611	722	829
St. John's	453	521	618	624
Thunder Bay	414	550	679	808
Toronto	727	886	1,052	1,235
Trois-Rivières	316	389	457	499
Vancouver	668	774	984	1,153
Victoria	516	630	799	918
Windsor	488	650	776	903
Winnipeg	388	519	664	785

added new rental supply in some centres.

Despite the higher vacancy rates in many centres, there are many households that pay more than 30 per cent of their income for rent. These households either need less expensive units or require some help in order to make their monthly shelter costs more affordable. In some cases, however, there are not enough vacant units to meet the needs of all households in core housing need; for example households living in crowded conditions. Therefore, additional affordable housing units continue to be required.

Vacancy rates were higher than one year ago in 21 of Canada's 28 major centres. Windsor (8.8 per cent), Saskatoon, Saint John (NB), Edmonton, Saguenay, and Thunder Bay had the highest vacancy rates, while Victoria (0.6 per cent), Sherbrooke, Québec, Winnipeg, Trois-Rivières, and Vancouver were among the cities with the lowest vacancy rates.

Average rents for two-bedroom apartments increased in all major centres, except Windsor where rents were unchanged. The greatest increase occurred in both Sherbrooke and Québec where rents were up 5.1 per cent, and in Trois-Rivières where rents were up 4.8 per cent. Average rents in Trois-Rivières, Halifax, Gatineau, Montréal, Saint John (NB), and London were all up by three per cent or more. The highest average monthly rents for two-bedroom apartments were in Toronto (\$1,052), Vancouver (\$984), and Ottawa (\$940). The lowest average rents were in Trois-Rivières (\$457) and Saguenay (\$459).

A new measure called the availability rate has been introduced on a pilot basis this year in all 28 major centres across Canada. The average rental apartment

availability rate in Canada's 28 major centres was 3.9 per cent in October 2004.

## **Demographics the Key to Future Demand**

Homeownership affordability is still forecast to be good in 2005 even with a slight increase in mortgage rates. Migration numbers for 2002-03 suggest that there is in-migration coming from districts near Thunder Bay and Greater Sudbury. With a more highly populated catchment area and stronger economy presently, Greater Sudbury's rental market will benefit more from this latter trend since the first form of tenure typically chosen by many newcomers, especially young jobseekers, is rental. On balance, Sudbury's rate will fall further to 2.3 per cent. Thunder Bay's average vacancy rate will increase to 5.5 per cent in 2005 given the relatively weaker employment outlook.

Rents are forecast to rise in Greater Sudbury on the strength of relatively low vacancies. Sudbury rents will rise 1.5 percent in 2005 to \$665 per month. Thunder Bay rents will fall 1.0 per cent in 2005 to \$672 per month due to a weakening market.

## **Sudbury and Thunder Bay Highlights**

Newer buildings with lower vacancy rates are clearly the case in Greater Sudbury. This is the third year where this trend has been evident. Structures completed between 1985 and 1994 for example have a vacancy rate of 1.3 per cent. Newer structures are in

demand and they command higher rents. In Greater Sudbury, two bedroom rents in structures completed after 1975 average over \$715 according to the October survey. (see Tables 5 & 6)

In Thunder Bay, the relationship of age of structure to demand is not as clear cut. Unit vacancies in structures built between 1940 and 1984 are fairly consistent hovering around the market average of 5.0 per cent. Meanwhile, rents in Thunder Bay's newer rental stock tend to be more expensive than older structures, following the pattern generally seen elsewhere. (see Tables 5a & 6a)

Like structure age data, the predictability of the Sudbury market with respect to structure size is borne out again in 2004. As building size increases, vacancies fall as is evidence when examining information found in Table 7 with rents being generally higher (see Table 8) in larger projects in both Greater Sudbury and Thunder Bay. Structures between 6 and 19 units are experiencing the brunt of vacancies in Thunder Bay. The vacancy rate doubled in this category of building in Thunder Bay going from 4.7 per cent in 2003 to 9.4 per cent in 2004.

Vacancy rates in both Greater Sudbury and Thunder Bay are higher in structures with lower rents and lower in structures with higher rents according to Table 9.

As seen in Table 10, Zone 3 - Old Sudbury has 40 per cent of the rental stock in the CMA and a disproportionately high percentage of the vacancies in the market with 66 per cent of the stock being vacant. Thunder Bay's rental stock is evenly split between North ward and South ward with the South ward continuing to suffer more vacancies.

**Table 3: Apartment Vacancy Rates By Zone and Bedroom Type  
Sudbury CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zone 1	1.6	1.1	8.2	1.1	1.3	1.2	1.3	0.9	2.5	1.9
Zone 2	1.8	1.2	1.3	0	1.8	1.4	1.9	1.3	**	0.7
Zone 3	5.5	4.2	12.8	9	6.9	4.2	3.1	3	0	5.1
Sudbury City 1-3	3.5	2.6	9.5	5.6	4.5	2.8	2.2	1.9	1.1	2.6
Zone 4	4.3	2.7	**	**	5.6	3.9	3.3	2.2	**	1.7
<b>Sudbury CMA</b>	<b>3.6</b>	<b>2.6</b>	<b>9.6</b>	<b>5.6</b>	<b>4.6</b>	<b>2.9</b>	<b>2.4</b>	<b>2</b>	<b>2.1</b>	<b>2.4</b>

**Table 3a: Apartment Vacancy Rates By Zone and Bedroom Type  
Thunder Bay CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
North Ward 1	3	4.5	**	12.5	2.7	4.1	3.1	4.4	**	**
South Ward 2	3.7	5.6	4.5	5.4	3.9	7	3.5	4.5	**	**
<b>Thunder Bay CMA</b>	<b>3.3</b>	<b>5</b>	<b>5.5</b>	<b>7.7</b>	<b>3.3</b>	<b>5.5</b>	<b>3.3</b>	<b>4.5</b>	<b>2.1</b>	<b>2.1</b>

**Table 4: Apartment Average Rents By Zone and Bedroom Type  
Sudbury CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Zone 1	689	703	433	**	609	622	732	747	846	827
Zone 2	648	629	**	423	579	564	685	676	**	**
Zone 3	533	537	366	365	472	481	606	611	702	690
Sudbury City 1-3	604	606	389	394	524	531	667	671	760	755
Zone 4	557	560	**	**	521	508	570	578	**	**
<b>Sudbury CMA</b>	<b>598</b>	<b>599</b>	<b>388</b>	<b>393</b>	<b>524</b>	<b>529</b>	<b>651</b>	<b>655</b>	<b>728</b>	<b>734</b>

**Table 4a: Apartment Average Rents By Zone and Bedroom Type  
Thunder Bay CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
North Ward 1	669	653	**	402	586	575	708	718	**	**
South Ward 2	584	576	429	421	519	524	632	635	**	**
<b>Thunder Bay CMA</b>	<b>627</b>	<b>616</b>	<b>421</b>	<b>414</b>	<b>552</b>	<b>550</b>	<b>672</b>	<b>679</b>	<b>834</b>	<b>808</b>

**Table 5: Apartment Vacancy Rates By Structure Year of Completion and Bedroom Type  
Sudbury CMA**

Year of Completion	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	**	N/A	**	N/U	**	N/A	**	N/A	N/U	N/U
Pre 1940	5.2	4.1	**	7.8	6	4.9	1.5	2.3	**	**
1940 - 1959	6.6	5.3	14.8	11.7	7.5	5.5	3.9	3.6	1.3	3.1
1960 - 1974	3.7	1.9	8.7	3	3.4	1.3	3.3	2	2.3	3.4
1975 - 1984	2.4	1.4	**	**	4.8	2.8	1	0.6	**	**
1985 - 1994	1.6	1.3	1.9	0.7	2.1	1.1	1.6	1.5	**	**
After 1995	**	**	N/U	N/U	**	**	**	**	N/U	N/U
<b>Total</b>	<b>3.6</b>	<b>2.6</b>	<b>9.6</b>	<b>5.6</b>	<b>4.6</b>	<b>2.9</b>	<b>2.4</b>	<b>2</b>	<b>2.1</b>	<b>2.4</b>

**Table 5a: Apartment Vacancy Rates By Structure Year of Completion and Bedroom Type  
Thunder Bay CMA**

Year of Completion	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	**	**	**	**	**	**	**	**	N/U	N/U
Pre 1940	9.7	12.3	**	**	8.2	12.4	11.4	12.3	**	**
1940 - 1959	1.4	4.4	**	**	0.9	2.8	1.6	5.6	**	**
1960 - 1974	2.2	3.3	**	3.9	3.2	3	1.6	3.6	**	**
1975 - 1984	3	4.3	0	**	2.5	4	3.3	4.4	0	**
1985 - 1994	2.9	**	**	**	1.2	**	2.9	**	0	**
After 1995	**	**	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>3.3</b>	<b>5</b>	<b>5.5</b>	<b>7.7</b>	<b>3.3</b>	<b>5.5</b>	<b>3.3</b>	<b>4.5</b>	<b>2.1</b>	<b>2.1</b>

**Table 6: Average Apartment Rents By Year of Completion and Bedroom Type  
Sudbury CMA**

Year of Completion	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	**	N/A	**	N/U	**	N/A	N/A	N/A	N/U	N/U
Pre 1940	476	481	**	342	432	440	530	536	**	**
1940 - 1959	486	497	369	371	443	454	539	570	667	652
1960 - 1974	597	605	396	406	550	556	627	637	733	731
1975 - 1984	711	717	**	**	613	631	765	759	**	**
1985 - 1994	671	675	427	438	589	583	706	715	**	**
After 1995	**	**	N/U	N/U	**	**	**	**	N/U	N/U
<b>Total</b>	<b>598</b>	<b>599</b>	<b>388</b>	<b>393</b>	<b>524</b>	<b>529</b>	<b>651</b>	<b>655</b>	<b>728</b>	<b>734</b>

**Table 6a: Average Apartment Rents By Year of Completion and Bedroom Type  
Thunder Bay CMA**

Year of Completion	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom +	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
No Date Available	**	**	**	**	**	**	**	**	N/U	N/U
Pre 1940	494	491	**	**	466	471	552	555	**	**
1940 - 1959	520	522	**	**	483	493	599	584	**	**
1960 - 1974	630	619	**	439	579	575	674	668	**	**
1975 - 1984	656	689	458	**	592	626	687	725	848	**
1985 - 1994	672	**	**	**	565	**	685	**	843	**
After 1995	**	**	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>627</b>	<b>616</b>	<b>421</b>	<b>414</b>	<b>552</b>	<b>550</b>	<b>672</b>	<b>679</b>	<b>834</b>	<b>808</b>



**Table 7: Apartment Vacancy Rates By Structure Size and Bedroom Type  
Sudbury CMA**

Structure Size	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 - 5 Units	5.8	5	14.1	12.1	7.3	6	3.8	3.1	1.5	2.8
6 - 19 Units	5	3.3	12.3	6	7.2	3.1	3	3	5	5
20 - 49 Units	2.5	1.5	6.6	1.1	3	2.3	2	1	0	2.2
50 - 99 Units	2.6	1.1	4.2	1.9	1.6	0.8	2.8	1	2.6	0.9
100+ Units	0.8	0.9	0	0	1.2	0.7	0.6	1.1	0.9	0.9
<b>Total</b>	<b>3.6</b>	<b>2.6</b>	<b>9.6</b>	<b>5.6</b>	<b>4.6</b>	<b>2.9</b>	<b>2.4</b>	<b>2</b>	<b>2.1</b>	<b>2.4</b>

**Table 7a: Apartment Vacancy Rates By Structure Size and Bedroom Type  
Thunder Bay CMA**

Structure Size	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 - 5 Units	5.7	4.5	**	**	5.9	5	5.9	4.8	**	**
6 - 19 Units	4.7	9.4	**	14.1	4	9.8	4.9	8.4	**	**
20 - 49 Units	1	2.3	**	3.2	1.7	2.6	0.4	2	0	**
50 - 99 Units	2.4	3.1	0	9.1	1.6	2.8	2.9	2.9	**	**
100+ Units	**	**	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>3.3</b>	<b>5</b>	<b>5.5</b>	<b>7.7</b>	<b>3.3</b>	<b>5.5</b>	<b>3.3</b>	<b>4.5</b>	<b>2.1</b>	<b>2.1</b>

**Table 8: Average Apartment Rents By Structure Size and Bedroom Type  
Sudbury CMA**

Structure Size	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 - 5 Units	498	503	350	346	428	439	541	556	681	675
6 - 19 Units	547	539	378	383	461	481	604	589	649	658
20 - 49 Units	620	623	428	420	539	531	677	689	687	736
50 - 99 Units	684	688	415	426	654	653	753	762	861	827
100+ Units	702	711	458	451	637	654	727	731	779	797
<b>Total</b>	<b>598</b>	<b>599</b>	<b>388</b>	<b>393</b>	<b>524</b>	<b>529</b>	<b>651</b>	<b>655</b>	<b>728</b>	<b>734</b>

**Table 8a: Average Apartment Rents By Structure Size and Bedroom Type  
Thunder Bay CMA**

Structure Size	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
3 - 5 Units	539	548	**	**	476	481	583	596	**	**
6 - 19 Units	613	564	**	407	540	523	636	623	**	**
20 - 49 Units	649	640	**	437	568	573	711	708	815	**
50 - 99 Units	704	724	450	479	641	649	737	763	**	**
100+ Units	**	**	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>627</b>	<b>616</b>	<b>421</b>	<b>414</b>	<b>552</b>	<b>550</b>	<b>672</b>	<b>679</b>	<b>834</b>	<b>808</b>

**Table 9: Apartment Vacancy Rates By Rent Range and Bedroom Type  
Sudbury CMA**

Rent Range	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
< \$400	8.2	5.1	10.4	6.9	7	4	**	**	**	**
\$400 - 499	6.3	2.9	6.6	1.6	7.4	3.6	3.7	1.9	**	**
\$500 - 599	4.2	2.6	**	**	4.8	3.2	3.7	2.4	**	**
\$600 - 699	2.9	2.7	**	N/U	1.5	2.5	3.4	2.6	0.7	3.9
\$700 - 799	0.9	1.2	N/U	N/U	**	**	0.8	1.1	1.7	2
\$800 +	0.7	1.5	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>3.7</b>	<b>2.5</b>	<b>8.5</b>	<b>4</b>	<b>5</b>	<b>3.1</b>	<b>2.5</b>	<b>2</b>	<b>1.8</b>	<b>2.7</b>

**Table 9a: Apartment Vacancy Rates By Rent Range and Bedroom Type  
Thunder Bay CMA**

Rent Range	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
< \$400	4.2	15.6	**	16.6	**	**	**	**	N/U	N/U
400-499	3.7	8.4	**	3.5	4.1	9.1	**	**	**	**
500-599	5.9	4.8	**	**	4.7	4.4	7.8	5.6	N/U	**
600-699	2.4	4.4	**	**	1.4	3.3	2.7	4.8	**	**
700-799	1.9	3.2	N/U	N/U	**	**	2.1	3.3	**	**
\$800 +	2	2.1	N/U	N/U	**	**	**	**	**	**
<b>Total</b>	<b>3.3</b>	<b>5.1</b>	<b>3.2</b>	<b>8.1</b>	<b>3.3</b>	<b>5.7</b>	<b>3.4</b>	<b>4.4</b>	<b>2.2</b>	<b>2.3</b>

**Table 10: Number of Apartment Units - Vacant and Total (Universe) By Zone and Bedroom Type  
Sudbury CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1	29	2,708	1	109	10	886	14	1,552	3	160
Zone 2	28	2,338	0	176	10	729	17	1,299	1	134
Zone 3	184	4,394	39	432	77	1,811	61	2,009	7	143
Sudbury City 1-3	241	9,440	40	717	97	3,426	93	4,860	11	437
Zone 4	41	1,503	**	**	14	346	22	984	2	122
<b>Sudbury CMA</b>	<b>281</b>	<b>10,943</b>	<b>43</b>	<b>767</b>	<b>110</b>	<b>3,772</b>	<b>115</b>	<b>5,844</b>	<b>13</b>	<b>559</b>

**Table 10a: Number of Apartment Units - Vacant and Total (Universe) By Zone and Bedroom Type  
Thunder Bay CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
North Ward 1	127	2,834	12	100	48	1,162	66	1,491	**	**
South Ward 2	145	2,595	11	205	75	1,072	58	1,270	**	**
<b>Thunder Bay CMA</b>	<b>273</b>	<b>5,429</b>	<b>23</b>	<b>304</b>	<b>123</b>	<b>2,234</b>	<b>123</b>	<b>2,760</b>	<b>3</b>	<b>130</b>



## Availability Survey Provides Market Insights

Table 11 compares actual vacancy rates in CMA's across to the actual availability of units. A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy on Page 9). Availability rates give a slightly broader indication of the trends in unoccupied supply in the short-term. It is also expected that the gap between the availability rate and the vacancy rate is larger for dwellings with two or more bedrooms. Since these units typically have the highest rents, the gap between the rent and a mortgage payment is narrower than that for small units resulting in more turnover.

## Thunder Bay Availability Rates Points to Higher Vacancies

The spread between the vacancy rate and availability rate reveals an apparent precursor of more vacancies in Thunder Bay. In fact, of all CMA's in Ontario, (see Table 11) the spread between Thunder Bay's availability rate and vacancy rate is highest at 2.9 percentage points compared to the Canadian average of 1.5 percentage points. In an environment of higher vacancies such as in Thunder Bay presently, the availability rate is inevitably higher since some renters have given notice to move to different buildings because vacancies are aplenty. Sudbury's spread is more in keeping with the national average being pegged at 1.8 per cent. Tables 12 a and b provide zone specific availability rates for Greater Sudbury and Thunder Bay respectively. Interestingly, the biggest spread between the vacancy rate and availability rates in both Thunder Bay and Sudbury is in the one bedroom stock. Although Thunder Bay's three bedroom sample is rather thin, the large spread there (11 percentage points) suggests higher vacancies coming in the short term due to the small gap between monthly rental payments and homeownership carrying costs.

**Table 11: Availability Rates in Privately Initiated Apartments with at least 3 Units  
Ontario Census Metropolitan Areas  
October 2004**

	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	Vac Rate	Avail Rate	Vac Rate	Avail Rate	Vac Rate	Avail Rate	Vac Rate	Avail Rate	Vac Rate	Avail Rate
Greater Sudbury	5.6	6.8	2.9	5.3	2	3.6	2.4	3.9	2.6	4.4
Hamilton	3.4	6.5	3.5	5.4	3.4	5.3	3.1	5.4	3.4	5.4
Kingston	0.8	1.7	1.9	3.9	3.1	5.2	1	1.9	2.4	4.3
Kitchener	2.1	4.8	2.6	5.2	4	6.9	4.1	6.3	3.5	6.3
London	2.9	4.6	2.5	4.5	4.7	7	4.1	7.1	3.7	5.9
Oshawa	4.2	6.6	3.1	4.3	3.6	4.4	2.5	3.7	3.4	4.4
Ottawa	3.2	6.3	4	6.6	4	7	3.3	5.6	3.9	6.7
St. Catharines-Niagara	3.7	6.2	3.1	4.7	2.3	4	2.8	4.6	2.6	4.4
Thunder Bay	7.7	9.4	5.5	8.9	4.5	6.7	2.1	13.1	5	7.9
Toronto	4.1	6	4.3	6.2	4.5	6.3	4.1	5.9	4.3	6.2
Windsor	11	13.3	8.2	10	9.2	10.5	8.8	8.8	8.8	10.4
Canada	2.8	4	2.8	4	2.8	3.9	2.2	3.1	2.7	3.9

**Table 12: Apartment Vacancy and Availability Rates By Zone and Bedroom Type  
Sudbury CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate
Zone 1	2.5	1.1	2	1.1	3.2	1.2	2.1	0.9	3.2	1.9
Zone 2	3.8	1.2	2.8	0	4.4	1.4	3.7	1.3	3.1	0.7
Zone 3	5.9	4.2	9.6	9	6.6	4.2	4.4	3	5.1	5.1
Sudbury City 1-3	4.4	2.6	6.8	5.6	5.3	2.8	3.5	1.9	3.8	2.6
Zone 4	4.5	2.7	**	**	5.5	3.9	4.1	2.2	4.2	1.7
<b>Sudbury CMA</b>	<b>4.4</b>	<b>2.6</b>	<b>6.8</b>	<b>5.6</b>	<b>5.3</b>	<b>2.9</b>	<b>3.6</b>	<b>2</b>	<b>3.9</b>	<b>2.4</b>

**Table 12a: Apartment Vacancy and Availability Rates By Zone and Bedroom Type  
Thunder Bay CMA**

Area	All Units		Bachelor		One Bedroom		Two Bedroom		Three Bedroom+	
	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate	Avl Rate	V.Rate
North Ward 1	7.5	4.5	12.5	12.5	8.4	4.1	6.4	4.4	**	**
South Ward 2	8.3	5.6	7.9	5.4	9.5	7	7	4.5	**	**
<b>Thunder Bay CMA</b>	<b>7.9</b>	<b>5</b>	<b>9.4</b>	<b>7.7</b>	<b>8.9</b>	<b>5.5</b>	<b>6.7</b>	<b>4.5</b>	<b>13.1</b>	<b>2.1</b>

## METHODOLOGY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey (RMS)** every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10 000 and more. The survey targets only structures with at least three rental units, which have been on the market for at least three months. The data collected for a structure depends on its initiation type (public or private), and whether it is an apartment or a row structure. The survey collects vacant unit data for all sampled structures. The market rent data are collected for only privately initiated structures. The available unit data are obtained only for privately initiated apartments. Most data contained in this publication refer to privately initiated apartment structures. The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

### Definitions

**Availability:** A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; OR the unit is vacant (see definition of vacancy below).

**Rent:** The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is what the owner is asking for the unit.

**Rental Apartment Structure:** Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

**Rental Row Structure:** Any building containing three or more rental units, all of which are ground oriented. Owner-occupied units are not included in the rental building unit count.

**Vacancy:** A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

### Acknowledgement

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

### Thunder Bay Zones

**Zone 1: Thunder Bay's North Ward:** Thunder Bay Census Metropolitan Area north of a line running roughly along 10th and 11th Avenues to Edward Street; then east of Edward Street to Oliver Road; then north of Oliver Road to the CMA's western boundary.

**Zone 2: Thunder Bay's South Ward:** Thunder Bay Census Metropolitan Area south of a line running roughly along 10th and 11th Avenues to Edward Street; then west of Edward Street to Oliver Road; then south of Oliver Road to the CMA's western boundary.

### Sudbury Zones

**Zone 1: - Lockerby:** includes the entire area south of Ramsey Lake.

**Zone 2: - New Sudbury:** includes New Sudbury and Minnow Lake.

**Zone 3: - Old Sudbury:** includes the West End, Gatchell and Copper Cliff.

**Zone 4: - Remainder Metropolitan Area:** includes Valley East, Rayside-Balfour, Nickel Centre, Walden and Onaping Falls.

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