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# A S T F A X

## Mid Vancouver Island

NOVEMBER 26, 2002

## 2002 RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

### Vacancy Rates Edge Down

- **Vacancy rates were lower in 2002** for all Mid Vancouver Island markets except Port Alberni.
- **Vacancies dropped the most in Parksville/Qualicum** while **Nanaimo** saw little change. **Port Alberni** and **Duncan/North Cowichan** again posted the highest rates.
- **A large number of rental units are still vacant in Port Alberni** and **Duncan/North Cowichan**, despite small reductions to rental stock in the last year.
- Markets with more diverse economies, such as **Nanaimo** and **Parksville-Qualicum**, have lower vacancy rates than markets with resource-based economies.

Row and Apartment Vacancy Rates	Oct 2001	Oct 2002
Duncan/N. Cowichan	14.2%	11.1%
Nanaimo	3.9%	3.3%
Parksville/Qualicum	8.4%	3.3%
Port Alberni	19.2%	19.8%

Average 2-Bedroom Apartment Rents	Oct 2001	Oct 2002
Duncan/N. Cowichan	\$552	\$569
Nanaimo	\$574	\$592
Parksville/Qualicum	\$584	\$592
Port Alberni	\$484	\$489

### Average Rents Edge Up

- **Average rents edged higher from 2001 levels** in Mid Vancouver Island markets this year.
- **Nanaimo experienced the largest rent increases** in 2002. **Rents edged up slightly in other markets**, but increases remained well below the pace of inflation.
- **Decreasing rents** (in real dollar terms) **reflect high vacancy rates** and Vancouver Island's lacklustre economic growth, particularly in resource-dependant markets.

Row and Apartment Units (Oct 2002)	Units Vacant	Total Units
Duncan/N. Cowichan	180	1,624
Nanaimo	129	3,930
Parksville/Qualicum	20	613
Port Alberni	234	1,181

**Note:** All data is for privately initiated apartment buildings with 3 units or more.

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**CMHC Victoria - Market Analysis**

**Website: [www.cmhc.ca](http://www.cmhc.ca)**

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Canada

# DUNCAN-NORTH COWICHAN HIGHLIGHTS

## Vacancies Trend Down

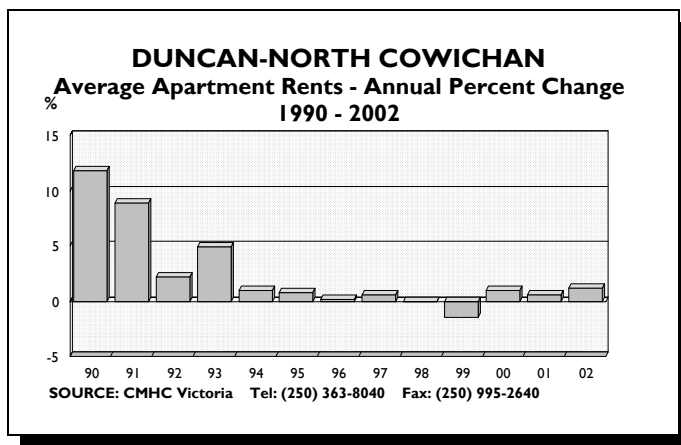
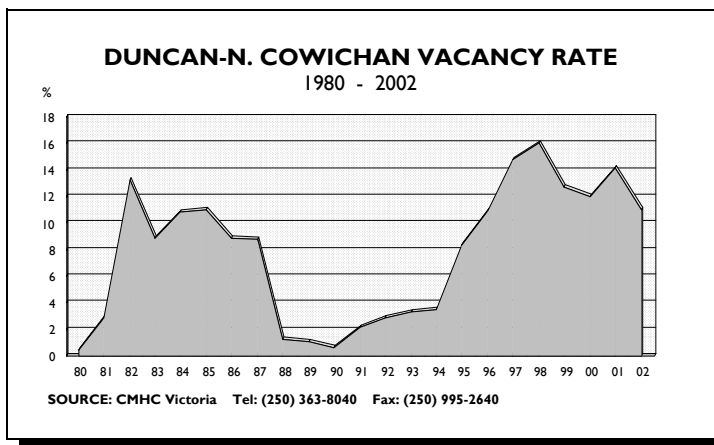
- **Both apartments and rowhouses saw fewer vacancies in 2002** as rental demand increased from 2001.
- **Apartments with three or more bedrooms** again had the highest vacancy rates, while **one bedroom suites** recorded the fewest vacancies this fall.
- **One bedroom apartments had the greatest decrease** in vacancies in October 2002. All categories of rental housing recorded high vacancies again this year in Duncan-North Cowichan.

## Rents Edge Up

- **Average rents rose 1.2% for apartments and 2.4% for rowhouses in 2002**, as slowly rising demand placed a small degree of upward pressure on rents.

### I. Vacancy Rates by Dwelling Type and Bedroom Type: Duncan-North Cowichan

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	11.9	8.6	16.4	13.5	11.3	7.6	13.6	9.4
Apartments	5.9	11.4	13.9	7.2	14.8	15.2	27.8	25.0	14.3	11.3
Row Housing & Apartments	8.5	11.4	13.8	7.3	15.0	15.0	15.8	12.1	14.2	11.1



### 2. Average Rents by Dwelling Type and Bedroom Type: Duncan-N. Cowichan

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	\$482	\$483	\$535	\$550	\$660	\$679	\$575	\$589
Apartments	\$393	\$401	\$457	\$455	\$552	\$569	\$655	\$659	\$502	\$508

# NANAIMO HIGHLIGHTS

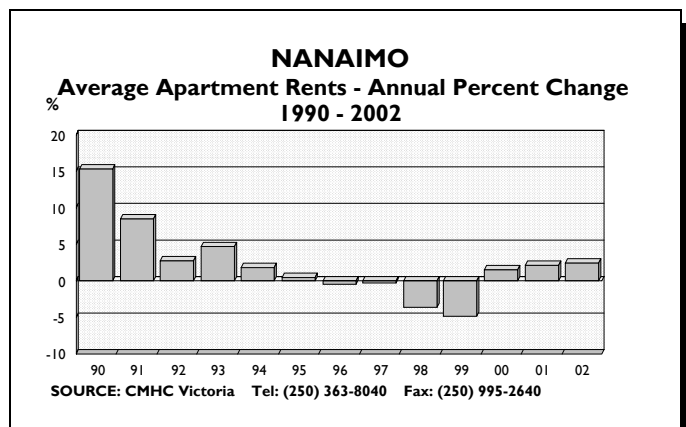
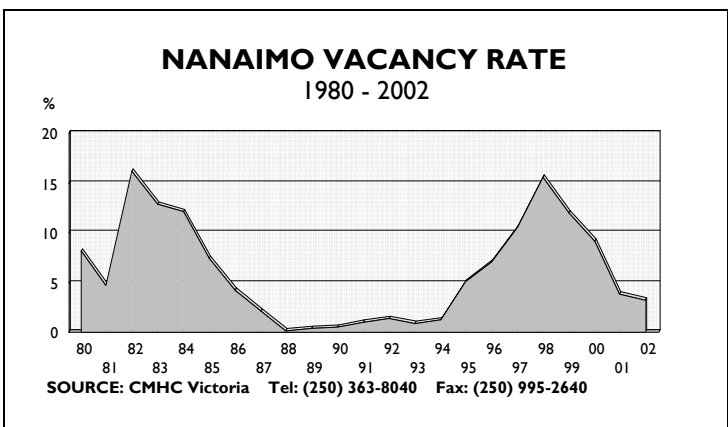
## Vacancies Edge Down

- **Apartment vacancies nudged lower** to 3.4% from 3.8% one year ago, while **rowhouses vacancies slipped to 1.6%**.
- **Bachelor rowhouses** and **rowhouses with three or more bedrooms** had the lowest vacancy rates at 0.0%, while **one bedroom rowhouses** recorded the highest vacancies again this fall.
- **Bachelor and three+ bedroom suites had the greatest drop** in vacancies in October 2002. Despite the decreases, a **fair selection of rental apartments** remain vacant in Nanaimo.

## Average Rents Trend Up

- Average **apartment rents rose 2.5%** while **rowhouse increases averaged 3%** from last year.
- Strengthening demand for rental housing is putting **upward pressure on rents**.

1. Vacancy Rates by Dwelling Type and Bedroom Type: Nanaimo										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	0.0	0.0	10.8	10.8	6.0	0.6	4.0	0.0	5.6	1.6
Apartments	4.7	1.3	2.6	3.8	4.7	3.7	4.9	1.8	3.8	3.4
Row Housing & Apartments	4.5	1.3	2.8	3.9	4.8	3.4	4.5	1.2	3.9	3.3



2. Average Rents by Dwelling Type and Bedroom Type: Nanaimo										
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	\$340	\$343	\$424	\$426	\$567	\$596	\$647	\$672	\$566	\$583
Apartments	\$381	\$388	\$474	\$490	\$574	\$592	\$676	\$695	\$519	\$532

# PARKSVILLE-QUALICUM HIGHLIGHTS

## Fewer Vacancies in 2002

- The **2002 rental market saw a sharp reduction in vacant suites**, with no rowhouse vacancies reported and 3.5% of apartment suites vacant.
- **Three bedroom apartments** had the highest vacancy rate at 10%.
- **Two bedroom suites had the greatest drop** in vacancies in October 2002, **falling to 3.3% from 10.2%** in October 2001. Vacancies increased for bachelor suites and three bedroom suites.

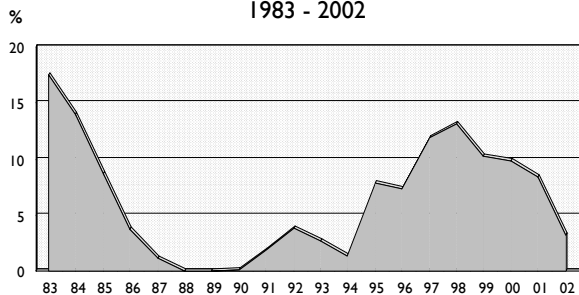
## Rents Edge Up Slightly

- Average **apartment rents edged up 0.2%** from last year, while rowhouse rents remained the same.
- Next year will see upward pressure on rents due to improved demand.

### I. Vacancy Rates by Dwelling Type and Bedroom Type: Parksville-Qualicum

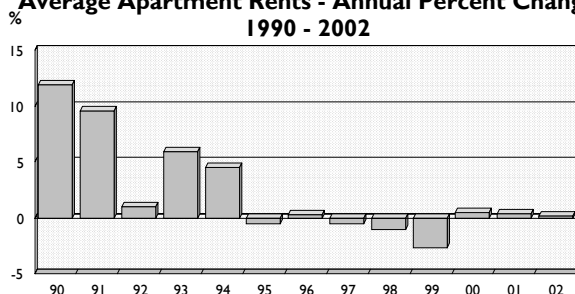
Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	9.5	0.0	15.8	N/A	N/A	N/A	11.6	0.0
Apartments	0.0	5.9	4.6	2.4	9.9	3.4	5.0	10.0	8.2	3.5
Row Housing & Apartments	0.0	5.9	5.2	2.0	10.2	3.3	4.3	8.7	8.4	3.3

**PARKSVILLE-QUALICUM VACANCY RATE**  
1983 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

**PARKSVILLE-QUALICUM**  
Average Apartment Rents - Annual Percent Change  
1990 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

### 2. Average Rents by Dwelling Type and Bedroom Type: Parksville-Qualicum

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	\$484	\$484	\$635	\$635	N/A	N/A	\$571	\$571
Apartments	\$403	\$438	\$513	\$492	\$584	\$592	\$731	\$658	\$566	\$567

# PORT ALBERNI HIGHLIGHTS

## Rental Vacancies Continue High

- Overall, vacancies remained high, at **19.8% in 2002**. Rowhouse vacancies dipped to 13.9% and apartments edged up, to 20.7% from 19.5%. A large number of suites remain vacant.
- **One bedroom apartments** had the highest vacancy rate at 25.3%, while **bachelor suites** recorded the lowest vacancies at 11.6%.
- With close to one-fifth of its rental stock vacant for the fifth consecutive year, **Port Alberni has the highest vacancy rates in Mid Vancouver Island**. However, comparable rates are recorded in **Powell River, Campbell River and Port Hardy**, where patterns of weak economic growth are similar to those of Port Alberni.

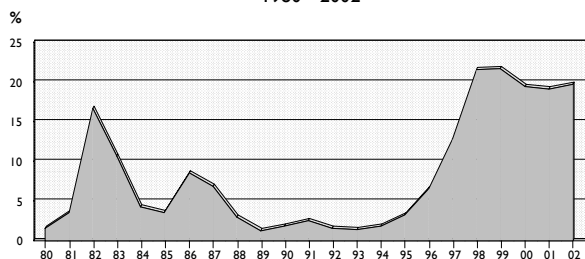
## Average Rowhouse Rents Down

- Average rowhouse rents slipped **4.3%** from 2001 levels, while apartment rents rose **0.7%**, as weak demand put downward pressure on rents again this year.

### I. Vacancy Rates by Dwelling Type and Bedroom Type: Port Alberni

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	N/A	22.4	11.9	10.3	14.4	17.3	13.9
Apartments	8.8	11.6	19.8	25.3	19.6	18.4	28.6	10.4	19.5	20.7
Row Housing & Apartments	8.8	11.6	20.7	25.1	19.9	17.8	16.1	13.1	19.2	19.8

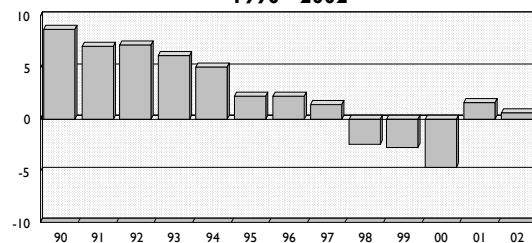
**PORT ALBERNI VACANCY RATE**  
1980 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

**PORT ALBERNI**

**Average Apartment Rents - Annual Percent Change**  
1990 - 2002



SOURCE: CMHC Victoria Tel: (250) 363-8040 Fax: (250) 995-2640

### 2. Average Rents by Dwelling Type and Bedroom Type: Port Alberni

Dwelling Type	Bachelor		One Bedroom		Two Bedroom		Three+ Bedroom		Total	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Row Housing	N/A	N/A	N/A	\$327	\$484	\$467	\$515	\$493	\$493	\$472
Apartments	\$344	\$324	\$370	\$375	\$484	\$489	\$513	\$523	\$424	\$427

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