

### RENTAL MARKET REPORT

#### Rental housing vacancy rate rises slightly in the Québec area

According to the results of the latest rental market survey released by Canada Mortgage and Housing Corporation (CMHC), the vacancy rate is showing its first sign of a turnaround since 1997. After falling steadily for five years, this rate has now reached 0.5 per cent in the Québec census metropolitan area (CMA), compared to 0.3 per cent in 2002. This survey is conducted every year during October in urban centres across Canada.

The small increase in the vacancy rate is attributable to the recovery in rental housing construction since 2002. The production of rental apartments more than doubled in 2002, and the growth has continued in 2003. However, since housing demand has been vigorous, particularly on account of a good performance in the employment sector and an increase in net migration, the vacancy rate has remained below 1 per cent.

Once again this year, rental market conditions are tight throughout the Québec CMA, and for units of all sizes. It can be noted, though, that smaller dwellings, that is, bachelor apartments and one-bedroom units, have slightly more vacancies than larger housing units. Given the scarcity of available apartments on the market, the increase in rents attained 3.4 per cent, which exceeds the inflation rate observed over the same period (3 per cent).

Among the 28 CMAs across the country, Québec has the lowest vacancy rate again this year, closely followed by two other CMAs in the province of Quebec, namely Sherbrooke (0.7 per cent) and Montréal (1.0 per cent). Elsewhere in the province, the vacancy rates are 1.2 per cent in Gatineau and 1.5 per cent in Trois-Rivières. Saguenay, for its part, shows a vacancy rate of 5.2 per cent, the highest among all CMAs in Canada.

Canada Mortgage and Housing Corporation

#### OCTOBER 2003 SURVEY

Apartment Vacancy Rates (%)	2002	2003
Bachelor	0.8	1.0
1-Bedroom	0.6	0.8
2-Bedroom	0.2	0.3
3-Bedroom +	0.2	0.3
Total	0.3	0.5

Average Apartment Rents (\$)	2002	2003
Bachelor	388	405
1-Bedroom	489	506
2-Bedroom	550	567
3-Bedroom +	653	671

Apartment Units (2003)	Vacant	Total
Bachelor	66	6,341
1-Bedroom	182	22,170
2-Bedroom	121	36,891
3-Bedroom +	29	10,643
Total	399	76,045

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**Apartment Vacancy Rates (%)  
by Zone and Bedroom Type  
Québec CMA**

Market Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
1- Lower Town Québec, Vanier	0.3	1.3	0.5	1.9	0.2	0.6	0.5	0.1	0.3	1.0
2- Upper Town Québec	1.6	1.1	0.5	0.8	0.3	0.1	0.1	0.1	0.6	0.5
3- Québec Des Rivières, Anc.-Lorette	0.5	0.5	1.0	1.0	0.1	0.5	0.0	0.2	0.3	0.6
4- Ste-Foy, Sillery, Cap-Rouge, St-August.	0.7	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
5- Val-Bélair, St-Émile, Loretteville, etc.	**	**	0.4	0.2	0.1	0.2	0.7	2.3	0.2	0.7
6- Charlesbourg, Stoneham, etc.	0.7	1.8	1.8	1.4	0.3	0.4	0.1	0.1	0.7	0.7
7- Beauport, Boischatel, Î. O., etc.	1.5	2.2	0.9	0.6	0.3	0.4	0.5	1.9	0.6	0.7
8- Charny, St-Romuald, St-Jean-Ch., etc.	**	**	0.2	0.3	0.0	0.1	0.0	0.0	0.0	0.2
9- Lévis, Pintendre, etc.	0.0	**	0.8	0.0	0.0	0.0	0.0	0.0	0.2	0.0
<b>Total - Québec Metropolitan Area</b>	<b>0.8</b>	<b>1.0</b>	<b>0.6</b>	<b>0.8</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>

**Average Apartment Rents (\$)  
by Zone and Bedroom Type  
Québec CMA**

Market Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +	
	2002	2003	2002	2003	2002	2003	2002	2003
1- Lower Town Québec, Vanier	346	353	411	424	485	491	570	576
2- Upper Town Québec	442	474	646	680	759	769	801	843
3- Québec Des Rivières, Anc.-Lorette	334	357	439	449	542	558	602	609
4- Ste-Foy, Sillery, Cap-Rouge, St-August.	401	409	509	522	615	634	689	706
5- Val-Bélair, St-Émile, Loretteville, etc.	**	**	407	445	517	526	563	605
6- Charlesbourg, Stoneham, etc.	368	397	469	477	574	586	635	658
7- Beauport, Boischatel, Î. O., etc.	339	362	395	405	465	495	526	541
8- Charny, St-Romuald, St-Jean-Ch., etc.	**	**	416	424	518	540	712	727
9- Lévis, Pintendre, etc.	333	**	398	422	499	536	582	608
<b>Total - Québec Metropolitan Area</b>	<b>388</b>	<b>405</b>	<b>489</b>	<b>506</b>	<b>550</b>	<b>567</b>	<b>653</b>	<b>671</b>

\*\* Sample too small to disclose results

## ZONES

### Description of the Québec metropolitan area market zones

Zone 1: Basse-Ville de Québec, Vanier

Zone 2: Haute-Ville de Québec

Zone 3: Ancienne-Lorette, Neufchâtel, Duberger, Les Saules, Lebourgneuf

Zone 4: Ste-Foy, Sillery, Cap-Rouge, St-Augustin

Zone 5: Val-Bélair, St-Émile, Loretteville, Lac St-Charles, Lac Delage, Valcartier, Shannon, Lac St-Joseph, Ste-Catherine-de-la-Jacques-Cartier, Fossambault

Zone 6: Charlesbourg, Lac Beauport, Stoneham-Tewkesbury

Zone 7: Beauport, Ste-Brigitte-de-Laval, Boischâtel, L'Ange-Gardien, Château-Richer, Île d'Orléans

Zone 8: Charny, St-Romuald, St-Jean-Chrysostôme, St-Nicolas, St-Rédempteur, Breakeyville, St-Lambert, St-Étienne

Zone 9: Lévis, Pintendre, St-Joseph de Lévy, Beaumont

### METHODOLOGY

Every year in October, Canada Mortgage and Housing Corporation (CMHC) conducts a Rental Market Survey to determine the number of unoccupied units and the rents charged in rental buildings. The survey is performed through samples in all urban areas with 10,000 or more inhabitants. The results presented in this publication reflect the situation in apartment buildings that have been on the market for at least three months. CMHC contacted the building owners or managers either by telephone or by sending an enumerator to meet with them. The survey took place over the first two weeks of October and the results represent the conditions prevailing on the market during that period.

### DEFINITIONS

Unoccupied unit: A unit is considered to be unoccupied if, at the time of the survey, it is immediately available for rent.

Rent: The rental data corresponds to the actual amounts paid by tenants for their units. Amenities and utilities such as heating, electricity, parking, hot water and laundry facilities may or may not be included in the monthly rent indicated for each unit. The average rents presented in the publication represent the average rental rates for different units in the market sector. These rates may include all or some services.

Apartment building: An apartment building is any structure with three or more rental units without private entrances.

### ACKNOWLEDGEMENTS

The Rental Market Survey was conducted with the cooperation of the owners and managers. We sincerely thank them for their contributions, which enabled us to rapidly obtain accurate information.

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