

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Finding a rental dwelling is becoming difficult in the Sherbrooke area

According to the results of the latest annual rental market survey conducted in October 2003 by Canada Mortgage and Housing Corporation (CMHC), unoccupied dwellings are scarce in the Sherbrooke census metropolitan area (CMA). In fact, the vacancy rate in privately initiated rental buildings with three or more housing units fell for a fourth straight year and now stands at 0.7 per cent.

Several factors are supporting demand for rental housing. The vigorous labour market is benefiting young adults who can thereby afford to leave the family nest. The Sherbrooke CMA population has been increasing thanks to the arrival of international immigrants who, given their precarious situation on the labour market, tend to rent their housing. The arrival of people aged 65 years or older who come to Sherbrooke from the surrounding rural zones put an additional pressure on the demand for rental housing.

Supply is slow in adjusting to this growing demand. While rental housing construction has picked up, it is not sufficient to meet demand. During all of 2002, 389 rental dwellings were started, and the volume should reach 415 units in 2003.

With this scarcity of dwellings available for rent, the average rent for a two-bedroom unit went up by 3.3 per cent, slightly exceeding the average inflation rate for this period (3.1 per cent).

OCTOBER 2003 SURVEY

Apartment Vacancy Rates	2002	2003
Bachelor	2.9%	1.7%
1-Bedroom	2.3%	0.8%
2-Bedroom	1.5%	0.4%
3-Bedroom +	1.1%	0.8%
Total	1.8%	0.7%

Average Apartment Rents	2002	2003
Bachelor	\$309	\$319
1-Bedroom	\$369	\$385
2-Bedroom	\$456	\$471
3-Bedroom +	\$553	\$572

Apartment Units (2003)	Vacant	Total
Bachelor	28	1,708
1-Bedroom	54	6,700
2-Bedroom	53	12,763
3-Bedroom +	31	3,772
Total	166	24,943

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**Apartment Vacancy Rates (%)
by Survey Zone and Bedroom Type
Sherbrooke Metropolitan Area**

Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +		Total	
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Zone 1 - East District	6.2	3.9	3.3	0.8	1.2	0.3	2.5	0.0	2.3	0.6
Zone 2 - Centre District	2.6	**	3.9	0.9	1.0	0.8	0.0	0.0	2.5	0.9
Zone 3 - West District	1.9	1.0	1.2	0.2	1.5	0.2	1.0	2.7	1.4	0.6
Zone 4 - North District	0.2	0.8	1.1	0.8	0.7	0.1	1.5	0.7	0.9	0.5
Former Sherbrooke City	2.8	1.7	2.3	0.7	1.1	0.3	1.5	1.0	1.6	0.6
Zone 5 - Ascot/Lennoxville	6.1	0.0	3.6	1.5	4.5	0.9	0.3	0.3	3.7	1.0
Zone 6 - Rock Forest	**	**	0.0	0.0	0.5	0.7	0.0	0.0	0.3	0.5
Zone 7 - Fleurimont	**	**	**	**	1.1	0.7	0.0	1.3	0.8	0.9
Metropolitan Area	2.9	1.7	2.3	0.8	1.5	0.4	1.1	0.8	1.8	0.7

**Average Apartment Rents (\$)
by Survey Zone and Bedroom Type
Sherbrooke Metropolitan Area**

Zone	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom +	
	2002	2003	2002	2003	2002	2003	2002	2003
Zone 1 - East District	305	303	367	373	454	449	548	547
Zone 2 - Centre District	269	**	330	345	428	401	486	512
Zone 3 - West District	300	309	351	368	429	437	502	539
Zone 4 - North District	340	367	403	432	493	536	605	637
Former Sherbrooke City	308	319	368	387	460	473	558	580
Zone 5 - Ascot/Lennoxville	309	317	370	373	422	435	537	543
Zone 6 - Rock Forest	**	**	382	379	492	520	533	535
Zone 7 - Fleurimont	**	**	**	**	453	471	550	579
Metropolitan Area	309	319	369	385	456	471	553	572

** Sample too small to disclose results

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