



EAST FAX

RENTAL MARKET REPORT

Wood Buffalo

Canada Mortgage and Housing Corporation

Vacancies decline In Wood Buffalo

According to the results released today from Canada Mortgage and Housing Corporation's annual Rental Market Survey, the apartment vacancy rate in Wood Buffalo decreased from 4.7 per cent in October 2002 to 3.5 per cent in October 2003. Higher rental rates in 2002 prompted several tenants to either turn to homeownership or seek shared accommodations, causing a rise in vacant units. In response, property managers of older stock lowered average rents to improve occupancy in 2003.

The 2003 apartment universe did not record a large increase over the previous year, as new stock compensated for the removal of 64 Keyano College units from the survey. One- and two-bedroom suites recorded an increase in their universe size by 51 and 275 units, respectively. Meanwhile, three-bedroom and plus units recorded a decline of 230 apartments. In addition, investor-owned and rented condominiums and houses continued indirectly to contribute to the rental supply. Lower rents for older stock proved effective in reducing vacancies, despite new product additions. In 2003, vacancies for one- and three-bedroom plus units experienced the largest decline moving from vacancy rates of 7.0 and 4.7 per cent to 3.9 and 1.0 per cent, respectively. Two-bedroom units also recorded a decline in the average vacancy rate, moving from 3.5 per cent to 3.3 per cent this year.

Total average rents in Wood Buffalo increased in 2003 as newer product commanding premium rents outweighed rent declines for older stock. Average rents increased for both one- and two-bedroom suites by 3.0 and 5.1 per cent reaching \$971 and \$1,141 in 2003. However, with no new supply commanding higher premiums in the three-bedroom and plus units, the average rent for such units declined by four percent in 2003 to \$1,158. Overall rent levels for all apartment types increase by \$26 dollars per month to \$1,082.

Canada Mortgage and Housing Corporation conducts the Rental Market Survey annually in October in all Census Metropolitan Areas and urban centres of 10,000 population or more. To obtain information on other communities, please call 1-877-722-CMHC.

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Note: Data are on 2001 census area definitions

** - Not Available, N/A - Not Applicable, NIU - Not in Universe

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Apartment Vacancy Rates (%)	2002	2003
Bachelor	**	11.5
1 Bedroom	7.0	3.9
2 Bedroom	3.5	3.3
3 Bedroom and +	4.7	1.0
Total	4.7	3.5

Apartment Average Rents (\$)	2002	2003
Bachelor	**	790
1 Bedroom	943	971
2 Bedroom	1,086	1,141
3 Bedroom and +	1,204	1,158
Total	1,056	1,082

Apartment Units (2003)	Vacant	Total
Bachelor	5	43
1 Bedroom	38	964
2 Bedroom	60	1,791
3 Bedroom and +	2	208
Total	105	3,006



Canada