



EAST FAX

Grande Prairie

RENTAL MARKET REPORT

Canada Mortgage and Housing Corporation

Stable Conditions in Rental Market

November 2003

According to results released today from Canada Mortgage and Housing Corporation's (CMHC) annual Rental Market Survey, the apartment vacancy rate in Grande Prairie decreased from 3.1 per cent to 3.0 per cent in October 2003. Favorable economic conditions put downward pressure on the vacancy rates, but the decline was constrained by the exodus of renters to ownership.

Improved oil and gas drilling activities in 2003 promoted employment gains and positive net migration contributed to the decline in vacancy rates. Bachelor units recorded the largest retreat in vacancy rates from 4.8 per cent in 2002 to 0.8 per cent in 2003. One- and three-bedroom plus units also recorded diminishing vacancies moving from vacancy rates of 2.8 and 2.2 per cent to 2.1 and 1.6 per cent, respectively. However, two bedroom units recorded a rise in the average vacancy rate moving from 3.2 per cent to 3.8 per cent, as low mortgage rates and elevated rental costs have encouraged many renters to look into ownership.

Total average rents in Grande Prairie increased in 2003, as property managers tried to recover increasing operating costs. Average rents increased for both one- and two-bedroom suites by one per cent reaching \$613 and \$730, respectively in 2003. Meanwhile, rental rates for bachelor suites remain unchanged from the previous survey. Overall rent levels for all apartment types increased by \$8 dollars per month to \$683.

The 2003 apartment survey universe consisted of 2,569 suites, a 30 unit decline over the previous year. A decline in rental stock and improved demand compensated for the exodus of renters into ownership, and helped the market remain stable in 2003.

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 Alberta 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

Apartment Vacancy Rates (%)	2002	2003
Bachelor	4.8	0.8
1 Bedroom	2.8	2.1
2 Bedroom	3.2	3.8
3 Bedroom and +	2.2	1.6
Total	3.1	3.0

Average Apartment Rents (\$)	2002	2003
Bachelor	501	500
1 Bedroom	609	613
2 Bedroom	722	730
3 Bedroom and +	760	770
Total	675	683

Apartment Units (2003)	Vacant	Total
Bachelor	1	124
1 Bedroom	18	855
2 Bedroom	56	1,458
3 Bedroom and +	2	131
Total	77	2,569



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