



Canadian
Federation
of Apartment
Associations

Fédération
Canadienne Des
Associations
De Propriétaires
Immobiliers

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News Release

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(For Immediate Release)

Condo rental unit volume by up 73% in Edmonton and 37% in Calgary – rents up 0.4% in Calgary

CMHC's rental survey shows that the Alberta housing markets have responded to the growth in the demand for rental housing with explosive growth in the supply of condominium rentals, which grew by 37% in Calgary between 2006 and 2007 (with an average rent increase of 0.4%.) In Edmonton, condominium rentals grew by 73%, i.e. a total of 2,904 units.

Single family home rentals and duplexes house more rental households in Calgary than purpose-built apartments, namely 49,052 households compared to 38,150, and at lower rents. The average accessory suite rented for \$789, while the average two bedroom single-detached house rented for \$1,043.

In Calgary and Edmonton, rents in purpose-built apartments have risen significantly because of the strong economic growth, and the influx of workers. Rising rents encourage existing renters to share units or to rent smaller units, which has improved the availability of housing for all renters, including people who have recently moved to those cities. "Rents in Edmonton are still well below rents in other major centres such as Vancouver and Toronto," says CFAA President John Dickie.

The availability of rental suites remains at healthy rates, and higher than the vacancy rate in all Census Metropolitan Areas. Even where vacancy rates are low, rental suites are still available because of tenant turnover. For example, in Calgary and Edmonton, the vacancy rate is 1.5%, but the availability rates are 2.9% and 2.4 % respectively. That means that substantial numbers of rental suites were available for rent in Calgary and Edmonton in October 2007, even though the vacancy rate is low as compared with what it becomes at other points in the economic cycle.

Nationally, the average apartment vacancy rate in the primary rental markets across Canada remained unchanged between October 2006 and October 2007, at 2.6%. Excluding Calgary and Edmonton, the weighted average rent increase in existing structures in Canada's six largest cities was 2.3%, which is below the 2.4% increase in the Consumer Price Index for the same period.

Rooming houses, accessory suites and rental homes are the most affordable housing across Canada. However, due to very low incomes, some households cannot afford to rent apartments of the size they need. This is not a housing supply problem, but rather an income problem. CFAA and many housing advocates recommend that the federal government create a national housing allowance program to ensure that housing costs are manageable for all Canadians. CFAA President John Dickie says, "Portable housing allowances are the most cost-effective way to make housing affordable for low-income Canadians. Unlike many other housing programs, they also preserve choice for tenants."

For more information, contact John Dickie, President, CFAA at (613) 235-0101, or (613) 592-5197 after 4:00 pm MST.

The Canadian Federation of Apartment Associations represents the owners and managers of more than one million residential rental suites in Canada, through 17 organizations across Canada. CFAA is the sole national organization representing the interests of Canada's \$37 billion rental housing industry.