

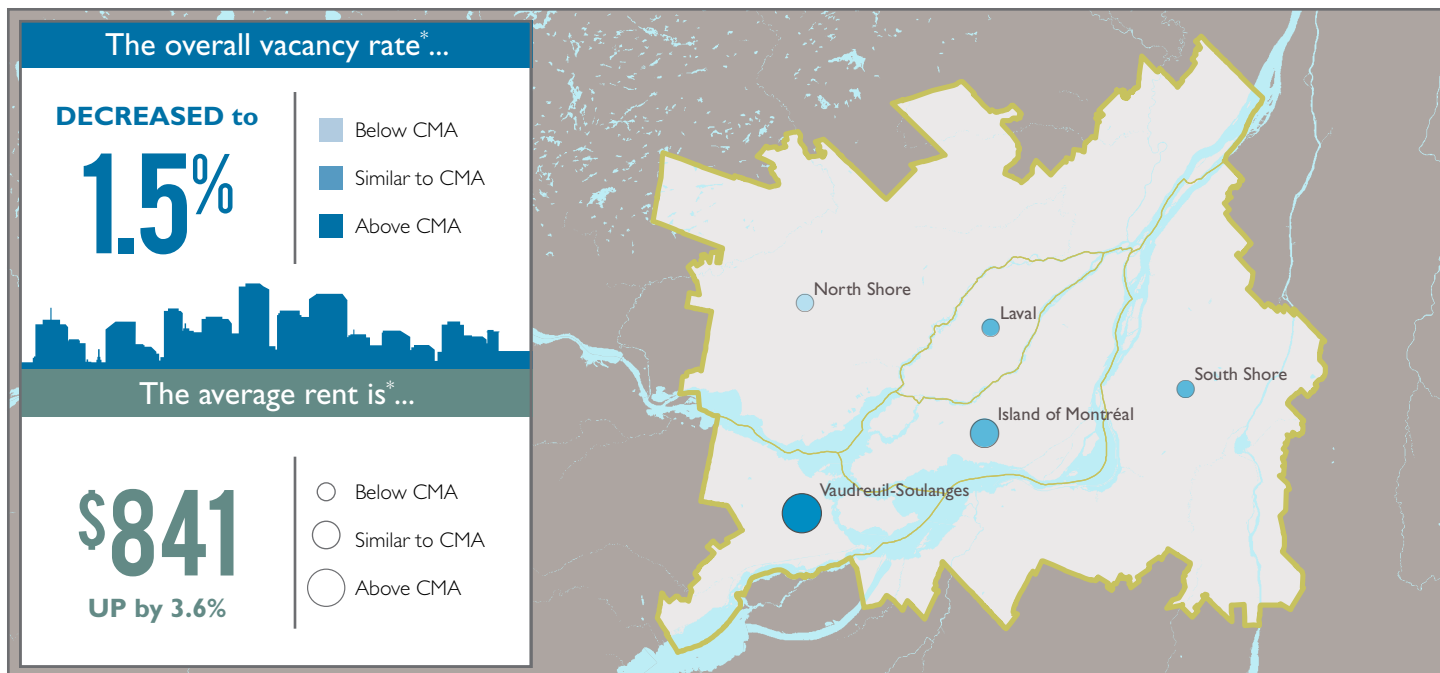
# RENTAL MARKET REPORT

## Montréal CMA



CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: 2020



PRIMARY RENTAL MARKET (by bedroom type)			
Bachelor	One bedroom	Two bedroom	Three or more bedrooms
3.2%	1.6%	1.4%	0.7%
<b>Vacancy Rate</b>	<b>Vacancy Rate</b>	<b>Vacancy Rate</b>	<b>Vacancy Rate</b>
\$655 Avg. Rent	\$754 Avg. Rent	\$855 Avg. Rent	\$1,070 Avg. Rent

“As a result of relatively strong demand, the vacancy rate in the Montréal area decreased in 2019, reaching 1.5%. The change in the average rent, for its part, was 3.6%.”

**Francis Cortellino**  
Economist

\*CMHC collects data on the primary and secondary rental market annually, in the fall. These data refer to the primary rental market, which only includes rental units in privately-initiated apartment structures containing at least three rental units. The secondary rental market covers rental dwellings that were not originally purpose-built for the rental market, including rental condominiums. The primary vacancy rate and rent level is based on all surveyed structures, while the rent increase is based only on structures common to the survey sample in both the current and previous year.

## Highlights

- The vacancy rate decreased in 2019, reaching 1.5%, a 15-year low.
- The vacancy rates have now reached 1.6% on the Island of Montréal and 1.2% in the suburbs.
- The estimated change in average rent in the Montréal CMA was 3.6%, a more pronounced increase than in recent years.
- The average rent for vacant two-bedroom apartments (thus still for rent on the market) in the metropolitan area was about \$1,080, or around 25% more than the average for occupied units.
- The rental condominium vacancy rate reached 1.8%, remaining stable compared to 2018.

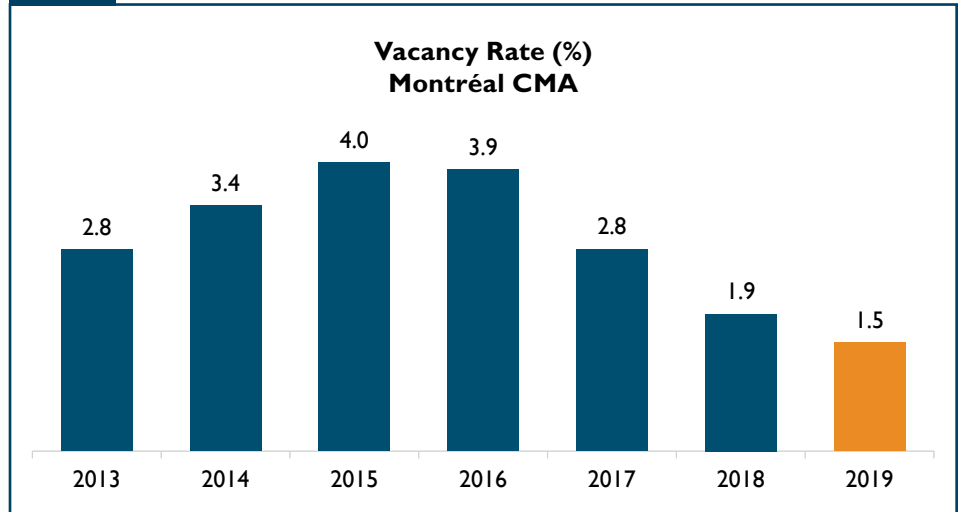
## Vacancy rate at a 15-year low in the Montréal CMA

According to the results of the Canada Mortgage and Housing Corporation (CMHC) Rental Market Survey, the vacancy rate in the Montréal area decreased in 2019, reaching 1.5% (compared to 1.9% in 2018). The rental market has been firming up for three years now in the Montréal area and has not been this tight in 15 years.

The decrease in the proportion of unoccupied units has been attributable to rental housing demand that clearly increased at a faster pace than supply over the period from October 2018 to October 2019.

Demand was sustained mainly by the increase in migration to the metropolitan area. Indeed, net migration reached a new record in 2019, as it did in the last two years.<sup>1</sup>

Figure 1



Source: CMHC

Privately initiated rental apartment structures of three or more units.

In particular, there was a strong rise in net international migration, especially in the non-permanent resident category, and a slight decrease in the interprovincial migration deficit. It is probable that most non-permanent residents, such as foreign students and temporary workers, choose the rental market when they arrive,<sup>2</sup> thereby greatly stimulating rental demand. The arrival of more asylum seekers in the Montréal area over the last few quarters likely also helped support demand.

Demand for rental apartments in 2019 also continued to be influenced by a probable decrease in the movement to homeownership among Montréal households aged under 35.<sup>3</sup> Indeed fact, while the proportion of renters within this group of households had shown a steady decrease between 2001 and 2011, the data from the 2016 Census indicate that this proportion increased. This situation has apparently continued since then, given the pronounced rise in house prices on the Montréal market in recent years.

Lastly, the aging of the population, which can bring about a change of tenure (from owning to renting), also probably supported rental demand.

Supply recorded another significant increase, as around 8,500 new units were added to the rental stock since the last survey.<sup>4</sup> This was around 1,000 more units than last year and was well above the annual average from 2011 to 2014 (about 1,600 units). The addition of a relatively large number of new units to the conventional rental stock over the last few years resulted from, among other things, the new condominium market running out of steam and the interest shown by certain developers in the supply of units geared toward the aging population.

On the other hand, in certain sectors of Greater Montréal, the addition of this new supply to the market may have been counteracted somewhat by the withdrawal of some apartments now used as short-term rentals.

<sup>1</sup> The most recent data on net migration are for the province of Quebec. Nevertheless, the Montréal CMA represents a significant share of this net migration.

<sup>2</sup> According to data from the 2016 Census, 92% of non-permanent residents in the Montréal CMA were renters.

<sup>3</sup> Sources: Statistics Canada, Census, 1996, 2011 and 2016, and National Household Survey, 2011; CMHC calculations.

<sup>4</sup> Conventional rental apartment completions from July 2018 to June 2019. Only the structures that were open in June 2019 were included in the 2019 Survey.

## Low vacancy rates in several sectors of Greater Montréal

In October 2019, the vacancy rate in the suburbs was 1.2%. More specifically, the proportions of vacant units have now reached 1.5% in Laval, 0.8% on the North Shore, 1.3% on the South Shore<sup>5</sup> and 2.1% in Vaudreuil-Soulanges. This last sector was in fact the only one where the vacancy rate increased between 2018 and 2019.

On the Island, the vacancy rate reached 1.6% in October 2019.<sup>6</sup> More specifically, the rates were 3.3% for bachelor units,<sup>7</sup> 1.5% for one-bedroom and two-bedroom apartments and 0.8% for apartments with three or more bedrooms. Given that the Island of Montréal accounts for three quarters of the rental housing stock in the CMA, these figures therefore generally reflect the vacancy rates for the overall Montréal metropolitan area.

However, the results for the Island of Montréal mask realities that varied by sector. The zones of Le Sud-Ouest-Verdun and LaSalle posted vacancy rates hovering around 0.5%, while Saint-Laurent had a rate of around 3.0%.

## Scarcity of apartments: tenants less inclined to move in 2019

According to data from our latest survey, 15.7% of renter households in the Montréal CMA had moved into a new apartment within the past 12 months. This percentage was slightly below last year's figure (17.4%), a sign that Montréal area renters were possibly more reluctant to move this year given the scarcity of available units on the market.

In contrast, the tenant turnover rates<sup>8</sup> remained lower in Toronto (9.5%) and Vancouver (13.6%). These two urban centres also had rather low vacancy rates (1.5% and 1.1%, respectively).

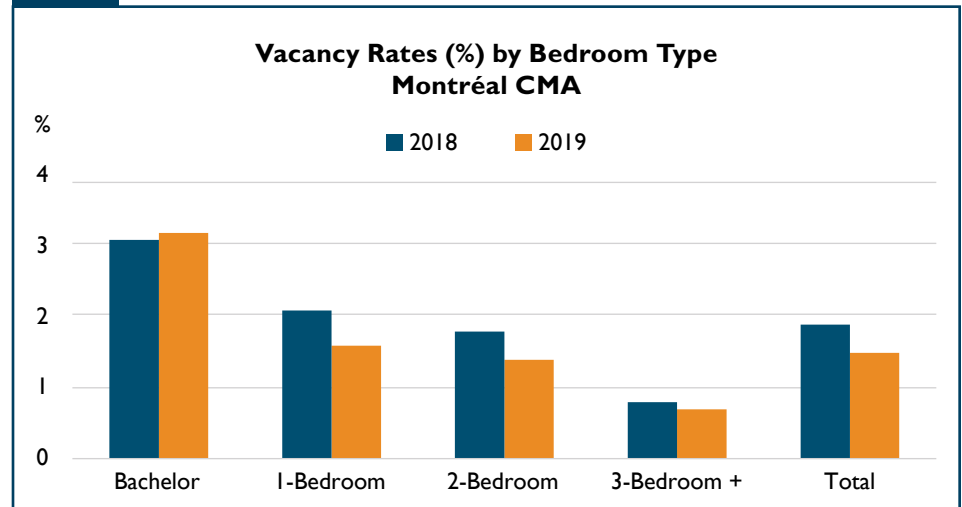
From a geographic standpoint, the turnover rates in Greater Montréal hovered between 14% and 16% in most of the large sectors.<sup>9</sup>

## Montréal CMA rents increase by 3.6% in 2019

Between the last two CMHC rental market surveys (those from 2018 and 2019), the estimated change in the average rent<sup>10</sup> in the Montréal CMA was 3.6%. An increase of this magnitude had also been observed at the beginning of the 2000s,<sup>11</sup> a period when the annual vacancy rate hovered between 0.6% and 1.5%. In Greater Montréal, the changes in the average rents were generally between 3% and 4% in 2019, regardless of bedroom type.

The average rent for two-bedroom apartments in the Montréal area was \$855 in 2019. With an average rent of \$865, the Island of Montréal was the large sector of the CMA where two-bedroom apartments were the most expensive (\$830 in the suburbs).

Figure 2



Source: CMHC  
Privately initiated rental apartment structures of three or more units.

<sup>5</sup> Including Saint-Jean-sur-Richelieu.

<sup>6</sup> The vacancy rate was 2.0% in 2018, but the difference is not statistically significant.

<sup>7</sup> Data should be used with caution, given the low statistical reliability.

<sup>8</sup> A unit is counted as being turned over if a new tenant moved in during the past 12 months. A unit can be counted as being turned over more than once in a 12-month period. This includes tenants who moved into a different unit in the same building during this period.

<sup>9</sup> Montréal, Laval-North Shore, South Shore and Vaudreuil-Soulanges.

<sup>10</sup> When comparing year-over-year average rents, the age of the building must be taken into consideration because rents in newly built structures tend to be higher than in existing buildings. By comparing rents for units that are common to both the 2018 and 2019 fall rental market surveys, we can get a better indication of actual rent increases paid by most tenants.

<sup>11</sup> From 2001 to 2004, the estimated change hovered between 3.4% and 5.3%. In 2010, the estimated change in the average rent was also 3.4%.

It is interesting to note that the average rent for vacant two-bedroom apartments (thus still for rent on the market) in the metropolitan area was about \$1,080, or about 25% more than the average for units already occupied by a household.

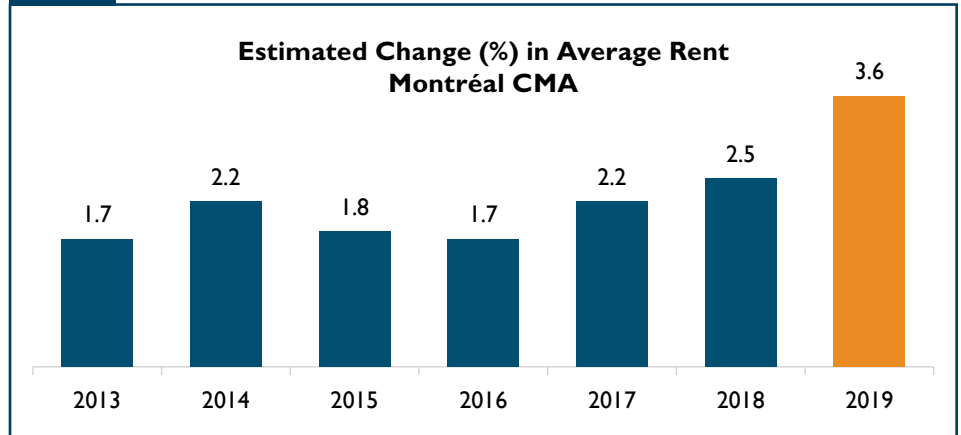
### Stable vacancy rate for condominiums offered for rent

The vacancy rate on the rental condominium market remained relatively stable, settling at 1.8% in 2019. This stability indicated that demand and supply probably evolved at a similar pace over the past year.

On the supply side, the number of rental condominiums rose by 1,150 units, for an increase of 3%.

Like on the conventional rental market, the growth in demand on the rental condominium market stemmed from increased net migration, especially among non-permanent residents. It should also be noted that a greater number of young households are choosing to rent, rather than purchase, housing. A certain proportion of these renters may opt for rental condominiums instead of conventional rental apartments. They are probably attracted to the more recently

Figure 3



Source: CMHC  
Privately initiated rental apartment structures of three or more units.

constructed buildings where various services are offered to residents. These buildings are also sometimes situated in choice locations, close to employment hubs.

In conclusion, a number of factors acting in tandem had a major impact on demand, the growth of which seems to have offset the increase in supply.

The average rent for two-bedroom condominiums in the CMA, at \$1,275, was significantly higher than the average rent for conventional rental apartments with the same number of bedrooms (\$855).

Once again, it was in the Downtown-Île-des-Sœurs sector that the proportion of condominiums offered for rent was highest. Indeed, about 30% of the condominiums were rental units, compared to 18% in the overall CMA. The Downtown-Île-des-Sœurs sector also stood out with one of the lowest vacancy rates among all Greater Montréal sectors,<sup>12</sup> at 0.6%, despite the fact that rents there were much higher (\$2,440 for a two-bedroom condominium) than elsewhere in the metropolitan area.

## RESOURCES

You can find this data – and data for all provinces and census metropolitan areas (CMAs) in Canada – at [cmhc.ca/rental-market-report-data](http://cmhc.ca/rental-market-report-data).

<sup>12</sup> When data were available.



<b>RMS ZONE DESCRIPTIONS - MONTRÉAL CMA</b>	
Zone 1	<b>Downtown Montréal, Île-des-Soeurs</b> - St. Lawrence River (south), Chemin Remembrance, Des Pins Avenue and Sherbrooke Street (north), Amherst Street (east), Guy Street (west) and Île-des-Soeurs.
Zone 2	<b>Le Sud-Ouest (Mtl), Verdun (Mtl)</b> - St. Lawrence River (south), Lachine Canal and limits of Westmount (north), Guy Street and Autoroute Bonaventure (east), limits of LaSalle (west).
Zone 3	<b>LaSalle (Mtl)</b>
Zone 4	<b>Notre-Dame-de-Grâce (Mtl), Côte-Saint-Luc, Hampstead, Westmount, Montréal-Ouest</b> - Lachine Canal (south), limits of Côte-Saint-Luc and Hampstead (north), Décarie Blvd. and limits of Westmount (east), limits of Montréal-Ouest and Saint-Pierre (west).
Zone 5	<b>Côte-des-Neiges (Mtl), Mont-Royal, Outremont (Mtl)</b> - limits of Westmount and Voie Camillien-Houde (south), limits of Mont-Royal (north), limits of Outremont (east), Décarie Blvd. (west).
Zone 6	<b>Plateau Mont-Royal (Mtl)</b> - Sherbrooke Street (south), CP Railway (north), D'Iberville Street (east), limits of Outremont and Du Parc Avenue (west).
Zone 7	<b>Villeray (Mtl), Saint-Michel (Mtl), Parc-Extension (Mtl)</b> - Bélanger Street and Jean-Talon Street (south), Autoroute Métropolitaine and CN Railway (north), 24th Avenue (east), De l'Acadie Blvd. (west).
Zone 8	<b>Hochelaga-Maisonneuve (Mtl)</b> - St. Lawrence River (south), Sherbrooke Street (north), Viau Street (east), Amherst Street (west).
Zone 9	<b>Rosemont (Mtl), La Petite-Patrie (Mtl)</b> - Sherbrooke Street and CP Railway (south), Jean-Talon Street, Bélanger Street and limits of Saint-Léonard (north), Lacordaire Street and Dickson Street (east), Du Parc Avenue (west).
Zone 10	<b>Anjou (Mtl), Saint-Léonard (Mtl)</b> - Métropolitain Blvd. and Jarry Street (south), Rivière des Prairies (river) (north), limits of Montréal-Nord and Saint-Léonard (east), Railway (west).
Zone 11	<b>Montréal-Nord (Mtl)</b>
Zone 12	<b>Ahuntsic (Mtl), Cartierville (Mtl)</b> - Rivière des Prairies (river) (north), Saint-Michel Blvd. (east), limits of the former municipality of Pierrefonds (west).
Zone 13	<b>Saint-Laurent (Mtl)</b>
Zone 14	<b>Dorval, Lachine, Saint-Pierre (Mtl)</b>
Zone 15	<b>Baie-d'Urfé, Beaconsfield, Kirkland, Pointe-Claire, Senneville, Sainte-Anne-de-Bellevue</b>
Zone 16	<b>Dollard-des-Ormeaux, Saint-Raphaël-de-l'Île-Bizard (Mtl), Pierrefonds (Mtl), Roxboro (Mtl), Sainte-Geneviève (Mtl), Senneville (Mtl)</b>
Zone 17	<b>Mercier (Mtl)</b> - St. Lawrence River (south), Bélanger Street (north), limits of the former municipality of Montréal-Est (east), Viau Street and Dickson Street (west).
Zone 18	<b>Pointe-aux-Trembles (Mtl), Rivière-des-Prairies (district) (Mtl), Montréal-Est (Mtl)</b>
<b>Zones 1-18</b>	<b>Island of Montréal</b>
Zone 19	<b>Chomedey, Sainte-Dorothée (Laval)</b>
Zone 20	<b>Laval-des-Rapides (Laval)</b>
Zone 21	<b>Pont-Viau (Laval)</b>
Zone 22	<b>Saint-François, Saint-Vincent, Duvernay (Laval)</b>
Zone 23	<b>Vimont, Auteuil (Laval)</b>
Zone 24	<b>Laval-Ouest, Fabreville, Sainte-Rose (Laval)</b>
<b>Zones 19-24</b>	<b>Laval</b>
Zone 25	<b>Deux-Montagnes, Oka, Pointe-Calumet, Sainte-Marthe-sur-le-Lac, Saint-Eustache, Saint-Joseph-du-Lac, Saint-Placide, Mirabel</b>
Zone 26	<b>Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Sainte-Anne-des-Plaines, Sainte-Thérèse</b>
Zone 28	<b>Charlemagne, L'Assomption, Le Gardeur, L'Épiphanie, Repentigny, Saint-Gérard-Majella, Saint-Sulpice, Lavaltrie</b>
Zone 29	<b>Bellefeuille, Lafontaine, Saint-Antoine, Saint-Jérôme, Gore, Saint-Colomban</b>
Zone 27 & 39	<b>Lachenaie, La Plaine, Mascouche, Terrebonne, Saint-Lin-Laurentides</b>
<b>Zones 25-29, 39</b>	<b>North Shore</b>
<b>Zones 19-29, 39</b>	<b>Laval and North Shore</b>
Zone 30	<b>Longueuil</b>
Zone 31	<b>Boucherville, Brossard, Greenfield-Park, Lemoyne, Saint-Hubert, Saint-Lambert</b>
Zone 32	<b>Beauharnois, Candiac, Châteauguay, Delson, Laprairie, Léry, Maple Grove, Melocheville, Mercier, Sainte-Catherine, Saint-Constant, Saint-Isidore, Saint-Mathieu, Saint-Philippe</b>
Zone 33	<b>Beloil, McMasterville, Saint-Amable, Saint-Basile-le-Grand, Saint-Bruno-de-Montarville, Sainte-Julie, Saint-Mathieu-de-Beloil, Varennes, Verchères</b>

RMS ZONE DESCRIPTIONS - MONTRÉAL CMA	
Zone 34	<b>Carignan, Chambly, Mont-Saint-Hilaire, Notre-Dame-du-Bon-Secours, Otterburn Park, Richelieu, Saint-Mathias</b>
Zone 36-38	<b>St-Jean-sur-Richelieu, Iberville, Saint-Luc</b>
<b>Zones 30-34, 36-38</b>	<b>South Shore</b>
Zone 35	<b>Notre-Dame-de-L'île-Perrot, Pincourt, Pointe-des-Cascades, Vaudreuil-sur-le-Lac, Saint-Lazare, Terrasse-Vaudreuil, Vaudreuil-Dorion, Hudson, Île-Cadieux, Île-Perrot, Les Cèdres, Saint-Zotique, Coteau-du-Lac M, Les Coteaux M.</b>
<b>Zones 19-39</b>	<b>Suburbs</b>
<b>Zones 1-39</b>	<b>Montréal CMA</b>

CONDOMINIUM SUB AREA DESCRIPTIONS - MONTRÉAL CMA	
Sub Area 1	<b>Downtown</b> includes RMS Zone 1: Downtown Montréal, Île-des-Soeurs.
Sub Area 2	<b>Outer Centre</b> includes RMS Zone 2: Le Sud-Ouest (Mtl), Verdun (Mtl); Zone 4: Notre-Dame-de-Grâce (Mtl), Côte-Saint-Luc, Hampstead, Westmount, Montréal-Ouest; Zone 5: Côte-des-Neiges (Mtl), Mont-Royal, Outremont (Mtl); and Zone 6: Plateau Mont-Royal (Mtl).
Sub Area 3	<b>West Part of Island of Montréal</b> includes RMS Zone 3: LaSalle (Mtl); Zone 12: Ahuntsic (Mtl), Cartierville (Mtl); Zone 13: Saint-Laurent (Mtl); Zone 14: Dorval, Lachine (Mtl); Zone 15: Baie-d'Urfé, Beaconsfield, Kirkland, Pointe-Claire, Senneville, Sainte-Anne-de-Bellevue; and Zone 16: Dollard-des-Ormeaux, Saint-Raphaël-de-l'Île-Bizard (Mtl), Pierrefonds (Mtl), Roxboro (Mtl), Sainte-Geneviève (Mtl).
Sub Area 4	<b>East Part of Island of Montréal</b> includes RMS Zone 7: Villeray (Mtl), Saint-Michel (Mtl), Parc-Extension (Mtl); Zone 8: Hochelaga-Maisonneuve (Mtl); Zone 9: Rosemont (Mtl), La Petite-Patrie (Mtl); Zone 10: Anjou (Mtl), Saint-Léonard (Mtl); Zone 11: Montréal-Nord (Mtl); Zone 17: Mercier (Mtl); and Zone 18: Pointe-aux-Trembles (Mtl), Rivière-des-Prairies (Mtl), Montréal-Est (Mtl).
<b>Sub Areas 1-4</b>	<b>Montréal Island</b>
Sub Area 5	<b>Laval</b> includes RMS Zone 19: Chomedey, Sainte-Dorothée (Laval); Zone 20: Laval-des-Rapides (Laval); Zone 21: Pont-Viau (Laval); Zone 22: Saint-François, Saint-Vincent, Duvernay (Laval); Zone 23: Vimont, Auteuil (Laval); Zone 24: Laval-Ouest, Fabreville, Sainte-Rose (Laval).
Sub Area 6	<b>Vaudreuil-Soulanges</b> includes Zone 35: Notre-Dame-de-l'Île-Perrot, Pincourt, Pointe-des-Cascades, Vaudreuil-sur-le-Lac, Saint-Lazare, Terrasse-Vaudreuil, Vaudreuil-Dorion, Hudson, Île-Cadieux, Île-Perrot, Les Cèdres.
Sub Area 7	<b>North Shore</b> includes Zone 25: Deux-Montagnes, Oka, Pointe-Calumet, Sainte-Marthe-sur-le-Lac, Saint-Eustache, Saint-Joseph-du-Lac, Saint-Placide, Mirabel; Zone 26: Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Sainte-Anne-des-Plaines, Sainte-Thérèse; Zone 28: Charlemagne, L'Assomption, Le Gardeur, L'Épiphanie, Repentigny, Saint-Gérard-Majella, Saint-Sulpice, Lavaltrie; Zone 29: Bellefeuille, Lafontaine, Saint-Antoine, Saint-Jérôme, Gore, Saint-Colomban; Zone 27 & 39: Lachenaie, La Plaine, Mascouche, Terrebonne, Saint-Lin-Laurentides.
Sub Area 8	<b>South Shore</b> includes RMS Zone 30: Longueuil; Zone 31: Boucherville, Brossard, Greenfield-Park, Lemoyne, Saint-Hubert, Saint-Lambert; Zone 32: Beauharnois, Candiac, Châteauguay, Delson, Laprairie, Léry, Maple Grove, Melocheville, Mercier, Sainte-Catherine, Saint-Constant, Saint-Isidore, Saint-Mathieu, Saint-Philippe; Zone 33: Beloeil, McMasterville, Saint-Amable, Saint-Basile-le-Grand, Saint-Bruno-de-Montarville, Sainte-Julie, Saint-Mathieu-de-Beloeil, Varennes; Zone 34: Carignan, Chambly, Mont-Saint-Hilaire, Notre-Dame-du-Bon-Secours, Otterburn Park, Richelieu, Saint-Mathias; Zone 36-38: St-Jean-sur-Richelieu, Iberville, Saint-Luc.
<b>Sub Areas 1-8</b>	<b>Montréal CMA</b>

NOTE: Refer to RMS Zone Descriptions page for detailed zone descriptions.

## TECHNICAL NOTE:

*Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):*

**Percentage Change of Average Rents (New and Existing Structures):** The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: \$500 in the previous year vs. \$550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

**Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):** This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.



## METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated rental structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent levels, turnover and vacancy unit data for all sampled structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the month of October, and the results reflect market conditions at that time.

CMHC is constantly reviewing the Universe of rental structures in the rental market Universe to ensure that it is as complete as possible. Every year, any newly completed rental structures with at least 3 rental units are added to the Universe. In addition to this, CMHC undertakes comprehensive reviews by comparing the Universe listing to other sources of data to ensure that the list of structures is as complete as possible.

CMHC's Rental Market Survey provides a snapshot of vacancy and turnover rates and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of percent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports. The rent levels in new and existing structures are also published. While the percent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

## METHODOLOGY FOR CONDOMINIUM APARTMENT SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the Condominium Apartment Survey (CAS) in September to estimate the relative strengths in the condo apartment rental market. The CAS collects the number of units being rented out and the vacancy and rent levels of these units in the following CMAs: Calgary, Edmonton, Gatineau, Halifax, Hamilton, Kelowna, Kitchener, London, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, Victoria and Winnipeg. The CAS is a census of all apartment condos with 3 units and over, with the exception of Montréal, where a sample of structures is surveyed. The CAS is conducted by telephone interviews and information is obtained from the property management company, condominium (strata) board, or building superintendent. If necessary, this data can be supplemented by site visits if no telephone contact is made.

## RENTAL MARKET SURVEY (RMS) AND CONDOMINIUM APARTMENT SURVEY (CAS) DATA RELIABILITY

CMHC does not publish an estimate (e.g. Vacancy Rates and Average Rents) if the reliability of the estimate is too low or the confidentiality rules are violated. The ability to publish an estimate is generally determined by its statistical reliability, which is measured using the coefficient of variation (CV). CV of an estimate is defined as the ratio of the standard deviation to the estimate and CV is generally expressed a percentage. For example, let the average rent for one bedroom apartments in a given CMA be  $\bar{x}$  and its standard deviation be  $\sigma_{\bar{x}}$ . Then the Coefficient of Variation is given by  $CV = \frac{\sigma_{\bar{x}}}{\bar{x}}$ .

### Reliability Codes for Proportions

CMHC uses CV, sampling fraction and universe size to determine the ability to publish proportions such as vacancy rates, availability rates and turnover rates. The following letter codes are used to indicate the level of reliability of proportions:

- a — Excellent
- b — Very good
- c — Good
- d — Fair (Use with Caution)
- \*\* — Poor — Suppressed
- ++ — Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
- No units exist in the universe for this category
- n/a — Not applicable

The following two tables indicate the level of reliability of proportions:

If the proportion is Zero (0) and sampling fraction is less than 100% then the following levels are assigned:

#### Sampling Fraction (%) range

Structures in Universe	(0,20]*	(20,40]	(40,60]	(60,80]	(80,100)
3 – 10	Poor	Poor	Poor	Poor	Poor
11 – 20	Poor	Fair	Fair	Fair	Good
21 – 40	Poor	Fair	Fair	Good	Very Good
41 – 80	Poor	Fair	Good	Good	Very Good
81+	Poor	Good	Good	Very Good	Very Good

\*(0, 20] means sampling fraction is greater than 0% but less than or equal to 20%; others are similar.

Otherwise, the following table is used to determine the reliability level of proportions:

#### Coefficient of Variation (CV) %

Vacancy Rate	0	(0,5]	(5,10]	(10,16.5]	(16.5,33.3]	(33.3,50]	50+
(0,0.75]	Excellent	Excellent	Excellent	Excellent	Excellent	V. Good	V. Good
(0.75,1.5]	Excellent	Excellent	Excellent	Excellent	Excellent	Fair	Poor
(1.5,3]	Excellent	Excellent	Excellent	V. Good	Good	Poor	Poor
(3,6]	Excellent	Excellent	V. Good	Good	Fair	Poor	Poor
(6,10]	Excellent	Excellent	V. Good	Good	Poor	Poor	Poor
(10,15]	Excellent	Excellent	Good	Fair	Poor	Poor	Poor
(15,30]	Excellent	Excellent	Fair	Poor	Poor	Poor	Poor
(30,100]	Excellent	Excellent	Poor	Poor	Poor	Poor	Poor

## Reliability Codes for Averages and Totals

CMHC uses the CV to determine the reliability level of the estimates of average rents and a CV cut-off of 10% for publication of totals and averages. It is felt that this level of reliability best balances the need for high quality data and not publishing unreliable data. CMHC assigns a level of reliability as follows (CV's are given in percentages):

- a — If the CV is greater than 0 and less than or equal to 2.5 then the level of reliability is **Excellent**.
- b — If the CV is greater than 2.5 and less than or equal to 5 then the level of reliability is **Very Good**.
- c — If the CV is greater than 5 and less than or equal to 7.5 then the level of reliability is **Good**.
- d — If the CV is greater than 7.5 and less than or equal to 10 then the level of reliability is **Fair**.
- \*\* — If the CV is greater than 10 then the level of reliability is **Poor**. (Do Not Publish)

## Arrows indicate Statistically Significant Changes

Use caution when comparing statistics from one year to the next. Even if there is a year over year change, it is not necessarily a statistically significant change. When applicable, tables in this report include indicators to help interpret changes:

↑ indicates the year-over-year change is a statistically significant increase.

↓ indicates the year-over-year change is a statistically significant decrease.

– indicates that the effective sample does not allow one to interpret any year-over-year change as being statistically significant.

△ indicates that the change is statistically significant

## DEFINITIONS

**Availability:** A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

**Rent:** The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

**Rental Apartment Structure:** Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

**Rental Row (Townhouse) Structure:** Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

**Vacancy:** A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

**Turnover:** A unit is counted as being turned over if it was occupied by a new tenant moved in during the past 12 months. A unit can be counted as being turned over more than once in a 12 month period.

### Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 50,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

October 2017 and October 2018 data is based on Statistics Canada's 2016 Census area definitions.

## Acknowledgement

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