

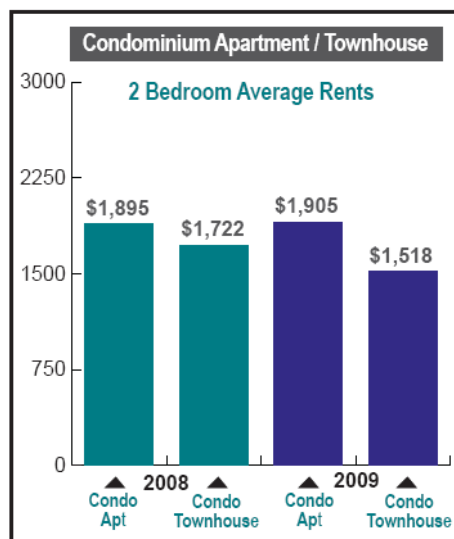
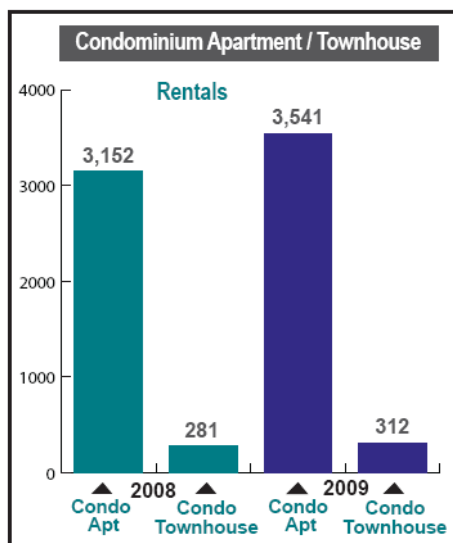
TREB: RENTAL MARKET REPORT

TORONTO, February 3, 2010– From September through December 2009, TREB Members reported 3,859 lease transactions for condominium apartments and townhouses through the Multiple Listing Service (MLS®) – up 12 per cent from the 3,433 recorded during the same time in 2008. Condominium apartment transactions, which accounted for over 90 per cent of the total, were also up by 12 per cent.

The weighted average rent across all apartment types and all TREB districts for the last four months of 2009 was \$1,667 - in line with the 2008 weighted average of \$1,672. This reflected the fact that average rents for the two most popular apartment categories moved in opposite directions, with a one per cent decrease for one-bedroom apartments and a one per cent increase for two bedroom apartments. At the district level, rent changes were quite mixed, in some cases changing at rates above or below the GTA average.

Owners of rental condominium apartments have had to consider changes in the supply and demand sides of the condominium rental market when setting rents over the past year. According to CMHC, the average condominium apartment vacancy rate increased from 0.4 per cent to 0.8 per cent between 2008 and 2009, with the stock of rented condominium apartments increasing by over 6,900 units¹.

While the condominium apartment vacancy rate is still substantially lower than the vacancy rate for purpose built rental apartments. The increase was still indicative of increased supply in some sectors of the rental market. Factors leading to increased vacancies included the strong growth in home ownership demand in the second half of 2009 coupled with strong condominium apartment completions², which would have included investor-held units to be rented out.



¹ Canada Mortgage and Housing Corporation. December 2009. "Rental Market Report, Greater Toronto Area."

² For a breakdown of condominium apartment completions by GTA municipality consult the following publication:
Canada Mortgage and Housing Corporation. January 2010. "Housing Market Tables: Selected South-Central Ontario"

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Central Area

- Central area districts led the way for leased transactions in the last third of 2009, with 2,162 leased condominium apartments reported. Of these 1,251 were one-bedroom apartments, and 774 were two-bedroom units, which leased for an average of \$1,540 and \$2,174 per month respectively. Average one bedroom rents were down one percent; average two bedroom rents were up two per cent.
- There were 70 condominium townhouse rentals in the Central area. Of these, 27 were three-bedroom units, which rented for an average of \$2,725 per month, down five per cent.

East Area

- In TREB's East districts, Members reported a total of 296 condominium apartments rented. The majority of these rentals were one and two bedroom units, with 130 and 146 units rented respectively. One-bedroom apartments rented for an average of \$1,259 per month, up three per cent from the same period last year. Two-bedroom apartments rented for an average of \$1,501 per month, the same as last year.
- There were also 41 town homes leased in TREB's East districts. Over half of these (28) were three-bedroom units, which rented for an average of \$1,392 per month, down one per cent from 2008.

North Area

- The majority of condominium apartments leased within the North area (346 in total) during TREB's last reporting period were one and two-bedroom units. One-bedroom apartments rented for an average of \$1,318 per month, down three per cent from last year. Two-bedroom apartments rented for an average of \$1,703 per month, a two per cent drop from the last four months of 2008.
- During that same reporting period, 45 townhouse units rented in TREB's North districts. The most common were three-bedroom units (31 transactions), which rented for an average of \$1,788 per month, up nine per cent from last year.

West Area

- TREB's West area remained the second most active (after the Central districts) for condominium apartment rentals, with 737 units renting over the past four months. One-bedroom units rented for \$1,296 per month, a three per cent decline from the \$1,332 recorded in 2008. Two bedroom units leased for an average of \$1,640 per month, up two per cent from last year's \$1,611.
- TREB's West area led the GTA in the rental of condominium townhouses, with 162 deals in total. Of these 115 were three-bedroom units, which rented for an average of \$1,563 per month, a one per cent increase over last year.

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**For Media/Public Inquiries:
Mary Gallagher, Manager Media Relations
Toronto Real Estate Board
1400 Don Mills Road
Toronto, ON M3B 3N1
Office: (416) 443-8158
Email: maryg@trebnet.com**

