

The Matt Mysak Report



WINTER 2008

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VACANCIES TIGHTEN UP

The Canada Mortgage and Housing Corporation's (CMHC) recently released their Fall 2008 Rental Market Report for the greater Toronto area. The report suggests uncertainty in home buying which means more people are renting, and that's pushing down the average vacancy rate in purpose-built rental apartments.

According to the report, the average vacancy rate fell to a seven-year low of 2.1%, down from 3.2% in 2007. It adds that steady in-migration, changing demographic trends and a dip in full-time jobs for young people has put pressure on the rental sector.

"The vacancy rate for purpose-built rental housing in 2008 declined as

higher home prices and slower job growth prompted an increased number of households to choose rental rather than ownership."

The reduction in vacancies has also put pressure on rents. According to CMHC, the average fixed sample two-bedroom apartment rent increased by 1.7%. This represented a slightly stronger annual growth rate than experienced in 2007 but was broadly in line with inflation.

Looking ahead to 2009, CMHC suggests that the overall apartment vacancy rate will level off at 2%. CMHC sees the average two-bedroom rent increasing by 2%.

For the Ontario market overall, CMHC reports that vacancy rates moderated to 2.7% in October, 2008, a decline from

3.3% a year earlier. While vacancies in all types of rental property fell, there were notable declines for two and three bedroom units. Ontario rental demand increased and vacancy rates moved lower, particularly in more expensive ownership markets.

At Matt Mysak Inc. we are dedicated to meeting the needs of our clients. We want to ensure that we keep you informed of newly listed Investment Opportunities in your area along with key industry changes. Please take a moment to e-mail us your updated information to info@mysakrealty.com or call us at 416-767-5500.

Thank you for taking the time to help us improve our service!

FOR SALE



TORONTO, 22 units, Great Rental Area. Rarely a vacancy. \$1,249,000.

FOR SALE



WINDSOR, Heritage property. Low Vacancy. Asking \$2,850,000

FOR SALE



HAMILTON, 15 units, potential to increase income. Asking \$519,000

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