



SAINT JOHN

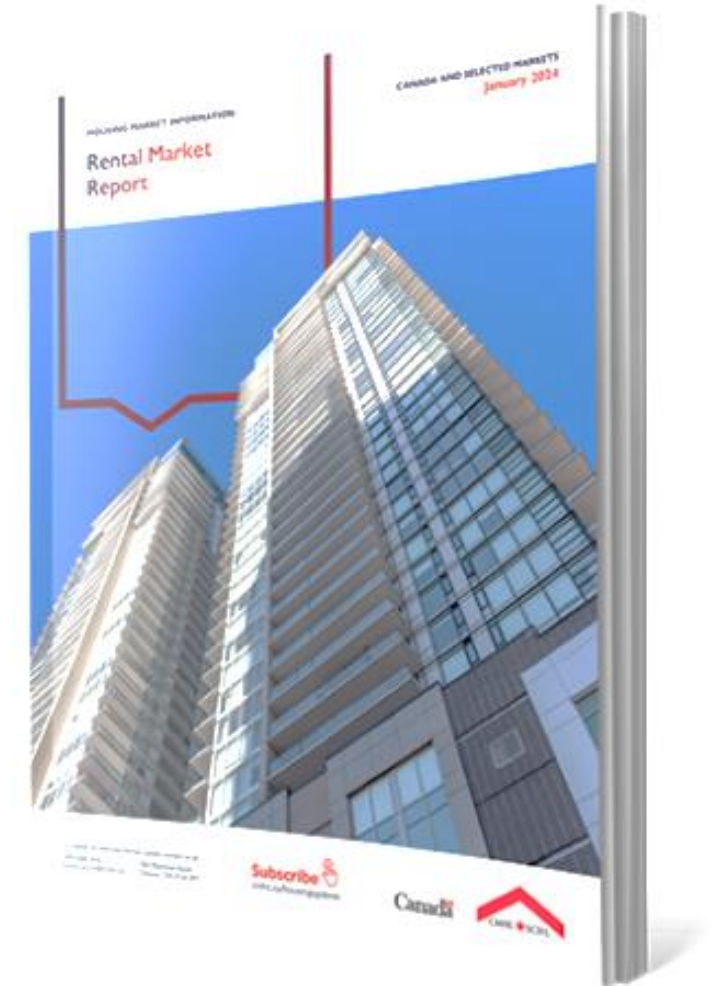
Small City,
Big Heart

CMHC 2023 Rental Market Report

Growth Committee • February 27, 2024

Primary Rental Market

CMHC Survey includes only privately initiated structures with at least 3 rental units, which have been on the market for at least 3 months. CMHC's data tables cover Centres with populations of at least 10,000.





Highlights

- Average rents increased from 2022 to 2023 by **9.8%**, a rate higher than the national average of 8%.
- Vacancy rate is moving toward a healthier level of 2.4%, against trends seen in the other three cities. There appears to be a sustained demand in newer units.
- Affordability in the rental market continues to be a challenge requiring action to address identified housing gaps in the City's Housing Needs Assessment for supportive housing, housing for the most vulnerable households, and affordable rental housing/ownership.
- To continue to grow the population and reach what is considered a healthy vacancy rate (3%), additional market housing is also needed.

RENTAL MARKET UNIVERSE

Number of Private Row (Townhouse) and Apartment Units in the Universe, by Zone and Bedroom Type

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23
Zone 1 - South	254	253	1,083	1,082	1,043	1,066	304	311	2,684	2,712
Zone 2 - West	29	29	312	313	675	669	211	209	1,227	1,220
Zone 3 - North	62	62	745	746	1,876	1,877	722	736	3,405	3,421
Zone 4 - East	46	46	389	397	1,258	1,248	335	381	2,028	2,072
Saint John City (Zones 1-4)	391	390	2,529	2,538	4,852	4,860	1,572	1,637	9,344	9,425
Zone 5 - Outlying Areas	3	3	108	119	924	956	45	46	1,080	1,124
Saint John CMA	394	393	2,637	2,657	5,776	5,816	1,617	1,683	10,424	10,549

Source: Table 3.1.3 Number of Private Row (Townhouse) and Apartment Units in the Universe, by Zone and Bedroom Type - Saint John CMA, CMHC Rental Market Survey

RENTAL MARKET UNIVERSE

Private Row (Townhouse) and Apartment Average Rents (\$), by Zone and Bedroom Type

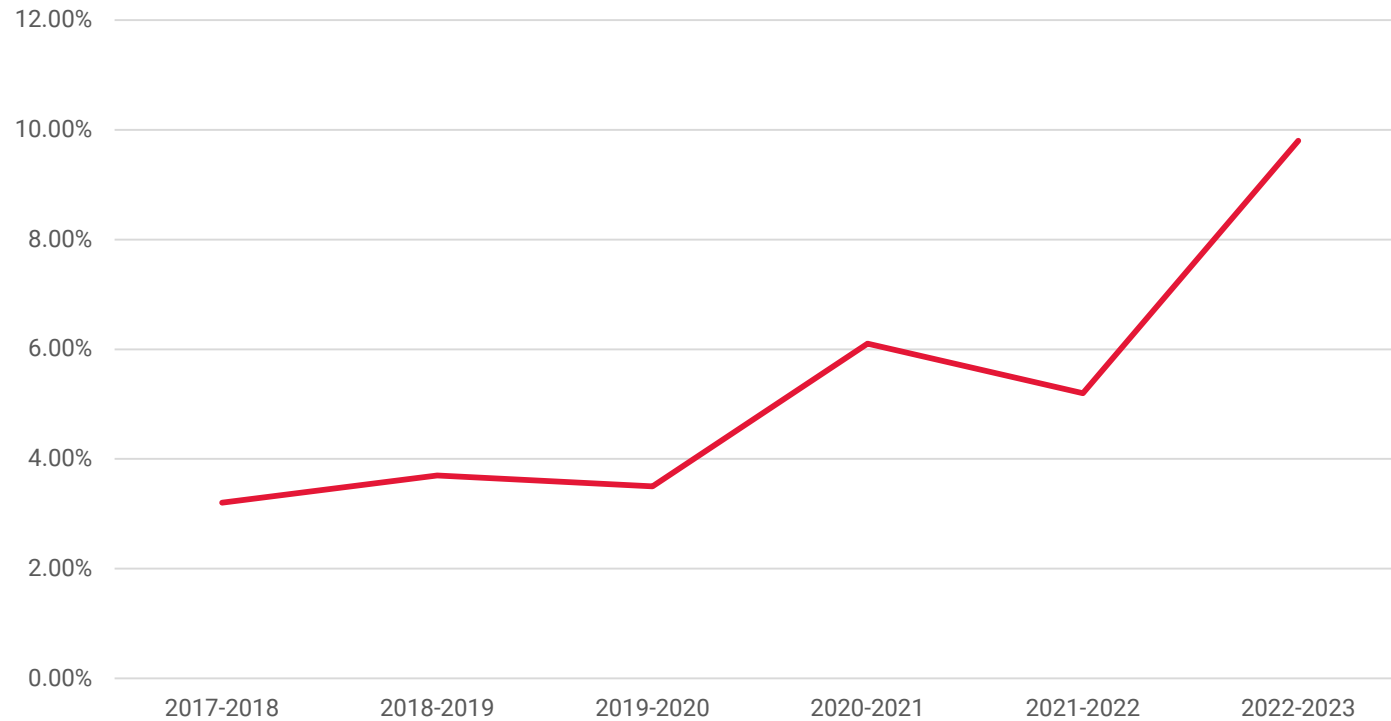
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23	Oct-22	Oct-23
Zone 1 - South	656	723	865	934	1,080	1,155	1,235	1,257	975	1,042
Zone 2 - West	**	**	690	841	874	1,029	969	1,210	833	989
Zone 3 - North	716	781	844	897	1,010	1,050	952	982	960	1,003
Zone 4 - East	694	810	811	951	1,010	1,121	983	1,096	956	1,071
Saint John City (Zones 1-4)	666	756	828	915	1,007	1,090	1,009	1,075	947	1,027
Zone 5 - Outlying Areas	**	**	797	842	1,084	1,107	1,158	**	1,062	1,092
Saint John CMA	666	756	827	912	1,019	1,093	1,013	1,081	959	1,034

Source: Table 3.1.2 Private Row (Townhouse) and Apartment Average Rents (\$), by Zone and Bedroom Type - Saint John CMA, CMHC Rental Market Survey

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AVERAGE RENT TRENDS

Estimate of % Change, Average Rent City of Saint John



Average rents (all units) increased **9.8%** in the past year, exceeding pace of inflation (2.7%).¹

The past year's increase was higher than Fredericton CMA (7%) and Moncton City (7.4%) and exceeded the pace of inflation.

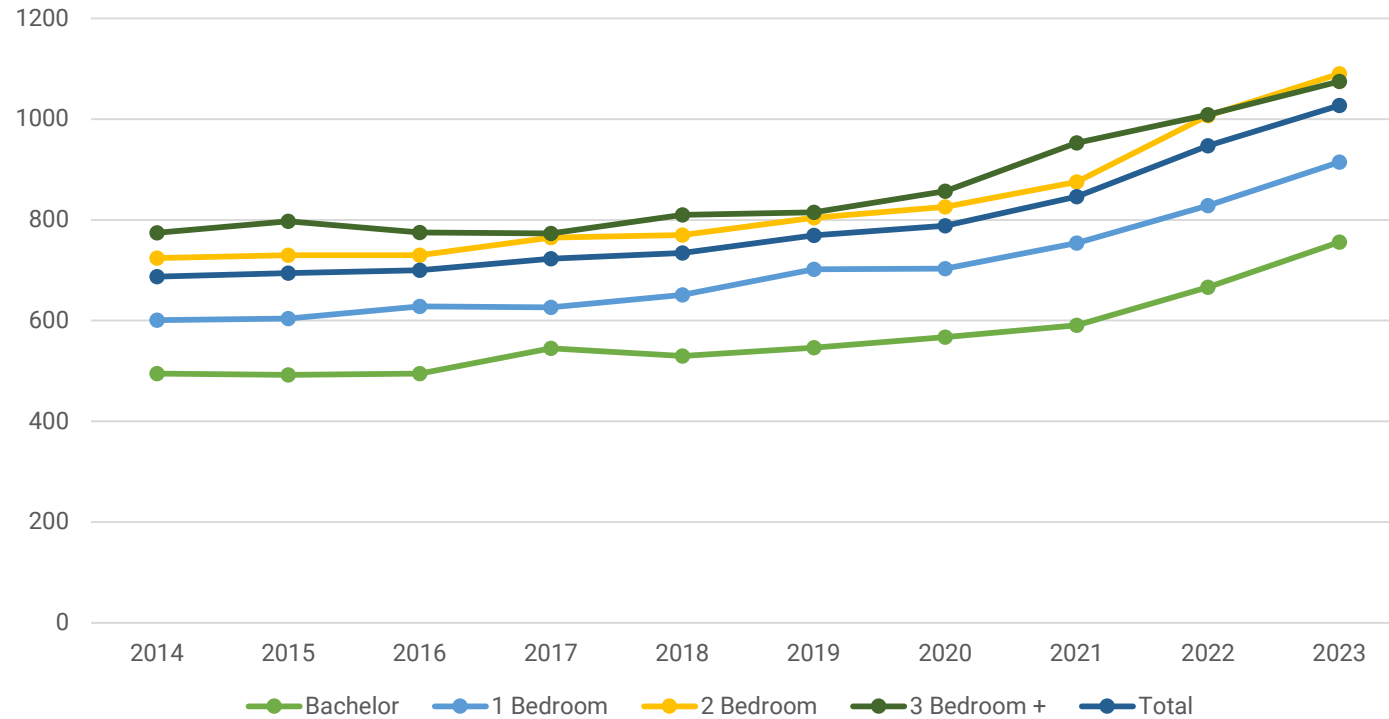
Though other economic factors such as continued decline in unemployment and gains in wages are positive, wages are not keeping pace with increased rent, posing a continued challenge for those in the primary rental market.

Source: Table 2.1.5 Private Row (Townhouse) and Apartment Estimate of Percentage Change (%) of Average Rent, Saint John, CMHC Rental Market Survey, 2018-2023

1 - Statscan Table 18-10-0004-01, Consumer Price Index, monthly, not seasonally adjusted, New Brunswick

AVERAGE RENT TRENDS

Average Rents by Bedroom Type City of Saint John

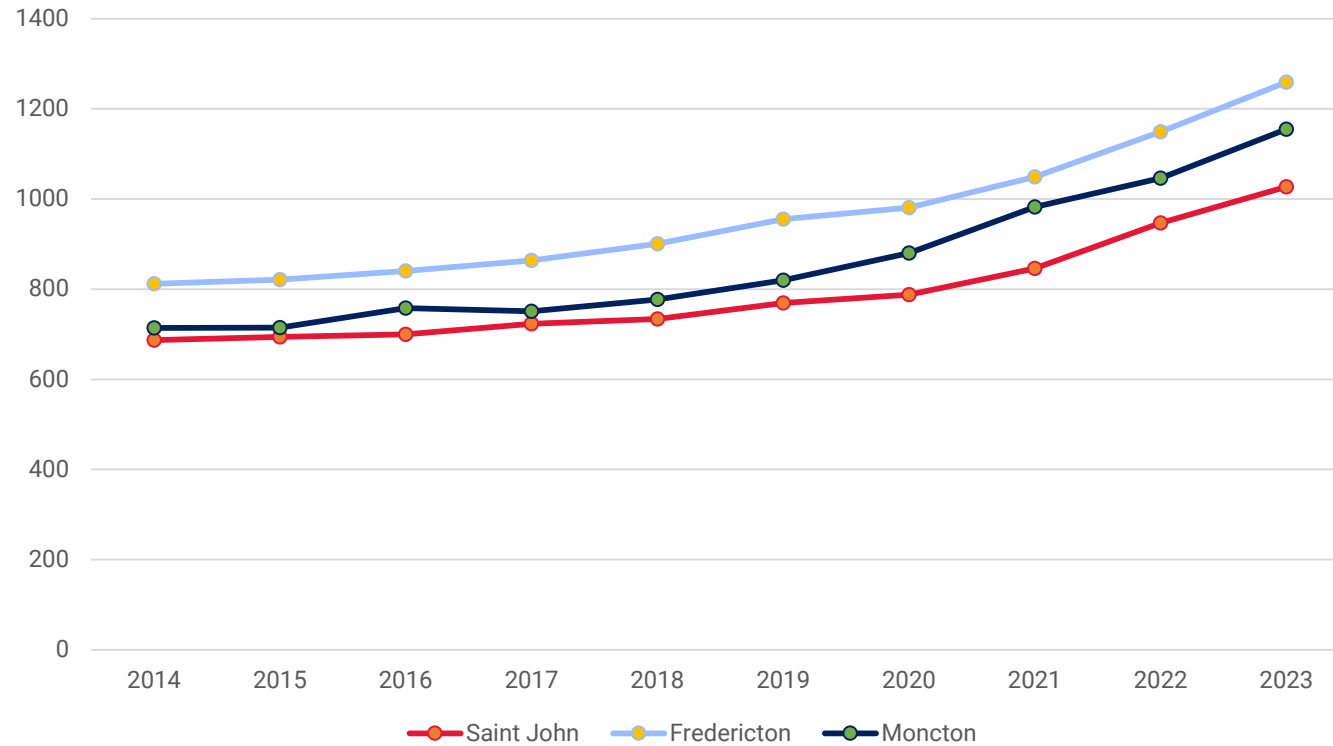


Average rent for a two-bedroom unit in 2023 was **\$1,090**, a 20% increase in the past 3 years.

Source: Historical Average Rents by Bedroom Type, CMHC Housing Market Information Portal

AVERAGE RENT TRENDS

Average Rents (All Units) New Brunswick Municipalities



The primary rental market is continuing to become more unaffordable not only in Saint John but throughout New Brunswick.

The City of Saint John historically has had lower average rents than the Moncton and Fredericton and this trend continues.

In 2023, average rent (total) was \$1,027 in Saint John, \$1,155 in Moncton, and \$1,259 in Fredericton.

Source: *Historical Average Rents by Bedroom Type (Total)*, CMHC Housing Market Information Portal



Profile of New Rental Stock Completed between July 2020 and June 2023

Zone	Bachelor			1 Bedroom			2 Bedroom			3 Bedroom +			Total		
	Universe	Vacancy Rate	Average Rent	Universe	Vacancy Rate	Average Rent	Universe	Vacancy Rate	Average Rent	Universe	Vacancy Rate	Average Rent	Universe	Vacancy Rate	Average Rent
Saint John City	0	**	**	54	0.0	1,382	166	0.0	1,887	19	**	**	239	0.0	1,657
Saint John CMA	0	**	**	67	0.0	1,365	314	**	1,818	31	**	**	412	0.6	1,647
Fredericton CMA	48	**	**	210	0.5	1,301	689	1.0	1,740	100	2.3	2,084	1,047	1.0	1,658
Moncton City (Zones 1-4)	45	**	**	164	1.1	1,320	768	0.8	1,553	7	**	**	984	0.8	1,492
Moncton CMA	47	0.0	991	307	0.5	1,364	1,576	0.7	1,635	25	**	**	1,955	0.6	1,568

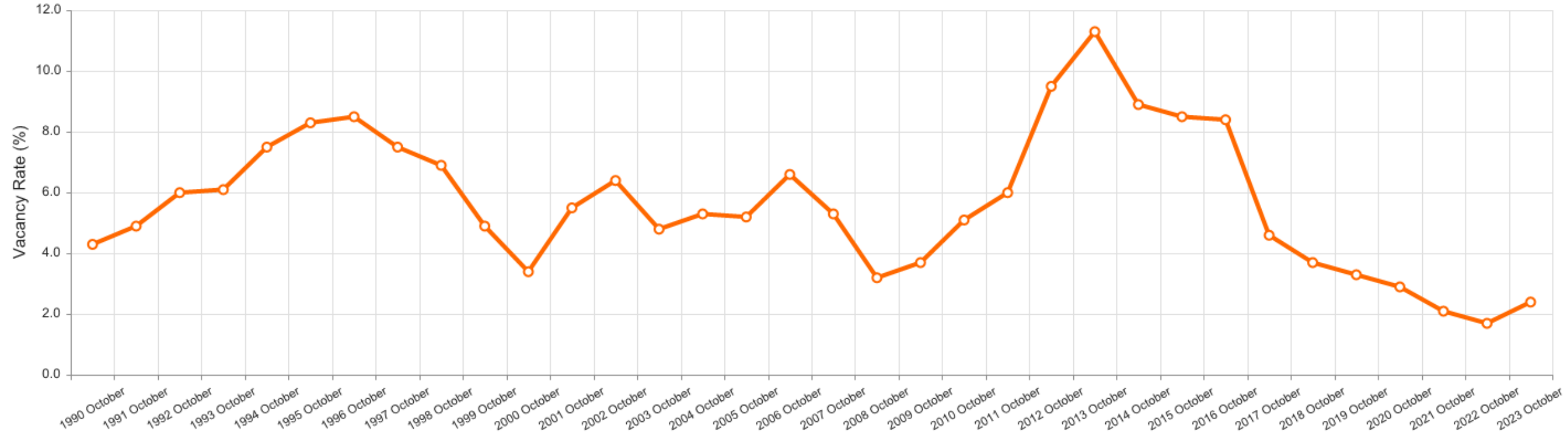
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Source: Table 3.1.7 Profile of New Rental Stock - Private Row (Townhouse) and Apartment Vacancy Rate (%), Average Rent (\$) and Universe by Zone and Bedroom Type - For Structures Completed Between July 2020 and June 2023 - Saint John CMA, CMHC Rental Market Survey

While Saint John may have lower overall average rents in comparison to the other major cities in New Brunswick, average rent for new rental stock in Saint John is on par or higher.

A 0% vacancy rate suggests that demand for new units is not currently being met.

Historical Vacancy Rate, City of Saint John



Source: Historical Vacancy Rate by Bedroom Type (Total), CMHC Housing Market Information Portal

In the past year, the vacancy rate in the City decreased from 1.7% to **2.4%**. A healthy vacancy rate is considered 3%.

units permitted in 2023:

479





AFFORDABLE HOUSING ACTION PLAN & HOUSING NEEDS ASSESSMENT

Increase in permits issued and continued housing starts outpacing completions indicate additional supply is forthcoming.

Continued implementation of the 39 actions of the *Affordable Housing Action* and implementation of the City's *Housing Accelerator Fund Action Plan* will help address gaps in the housing spectrum, in addition to increasing overall supply through market housing.

Regular monitoring of housing trends, such as the primary rental market, will help gain a fuller picture of current challenges in the housing system and inform long-term solutions.





**Small City,
Big Heart.**

**Petite ville,
grand cœur.**

