

# Rental Market Update

Hamilton CMA

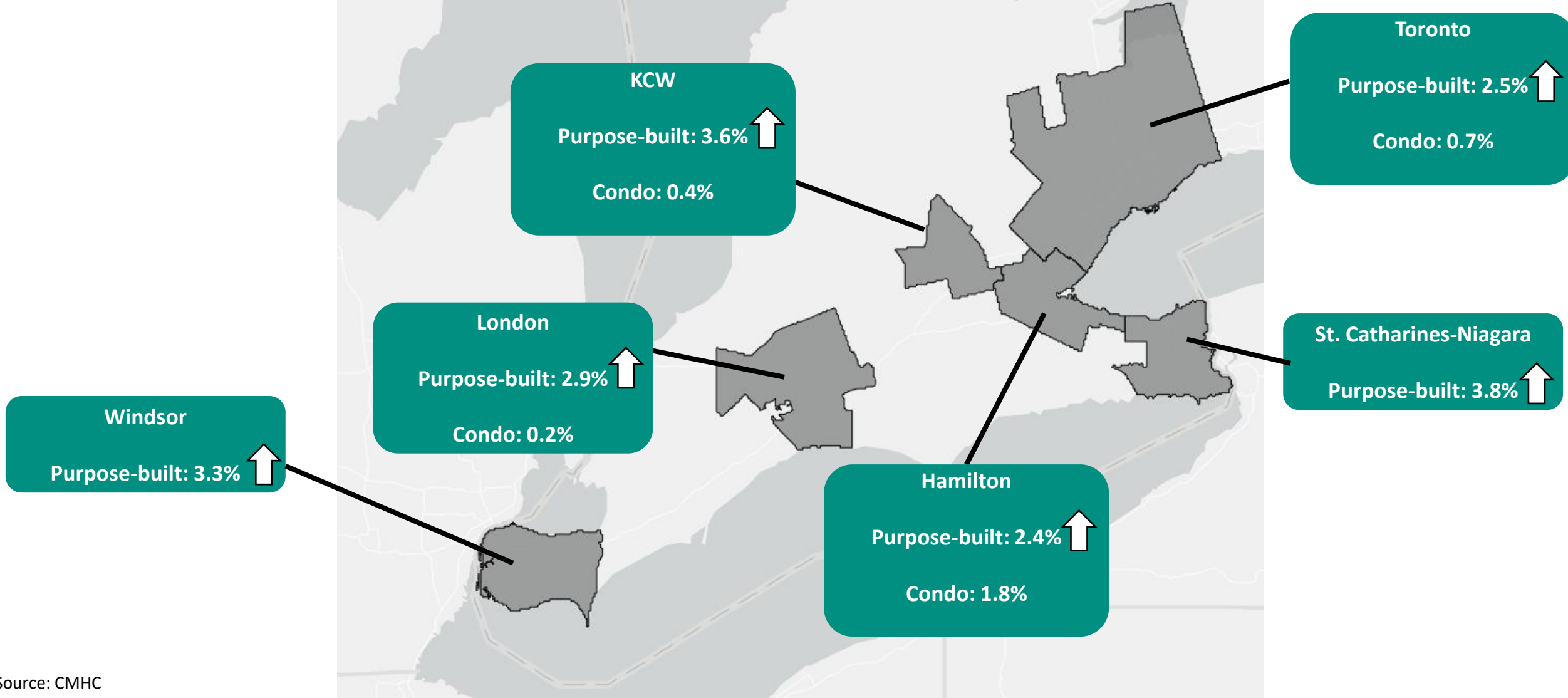
Anthony Passarelli

Lead Economist (Southern Ontario)



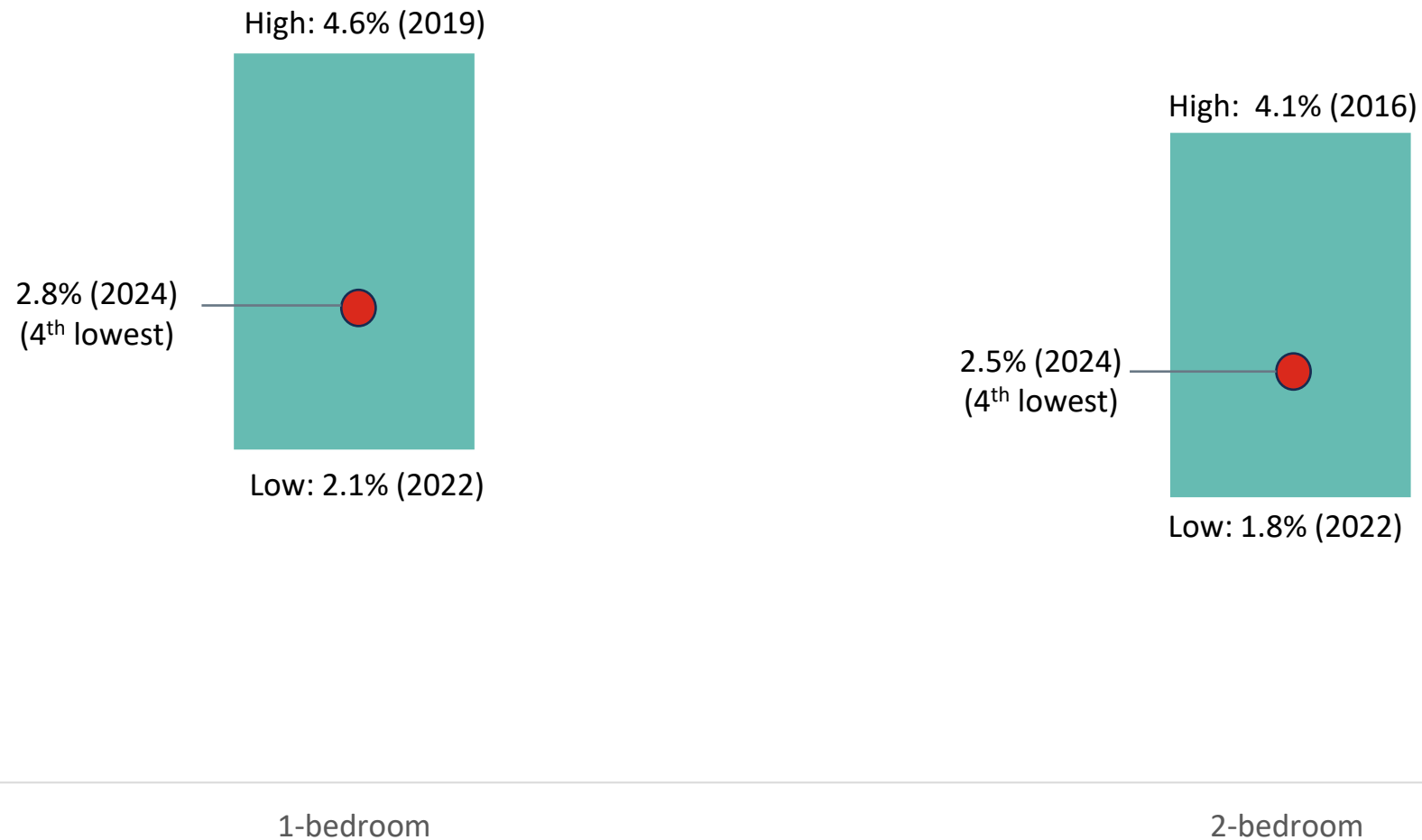
# Higher PBR vacancy rates, while condo vacancies stable

2024 rental apartment vacancy rates and year-over-year change in direction  
(Select Southern Ontario CMAs)



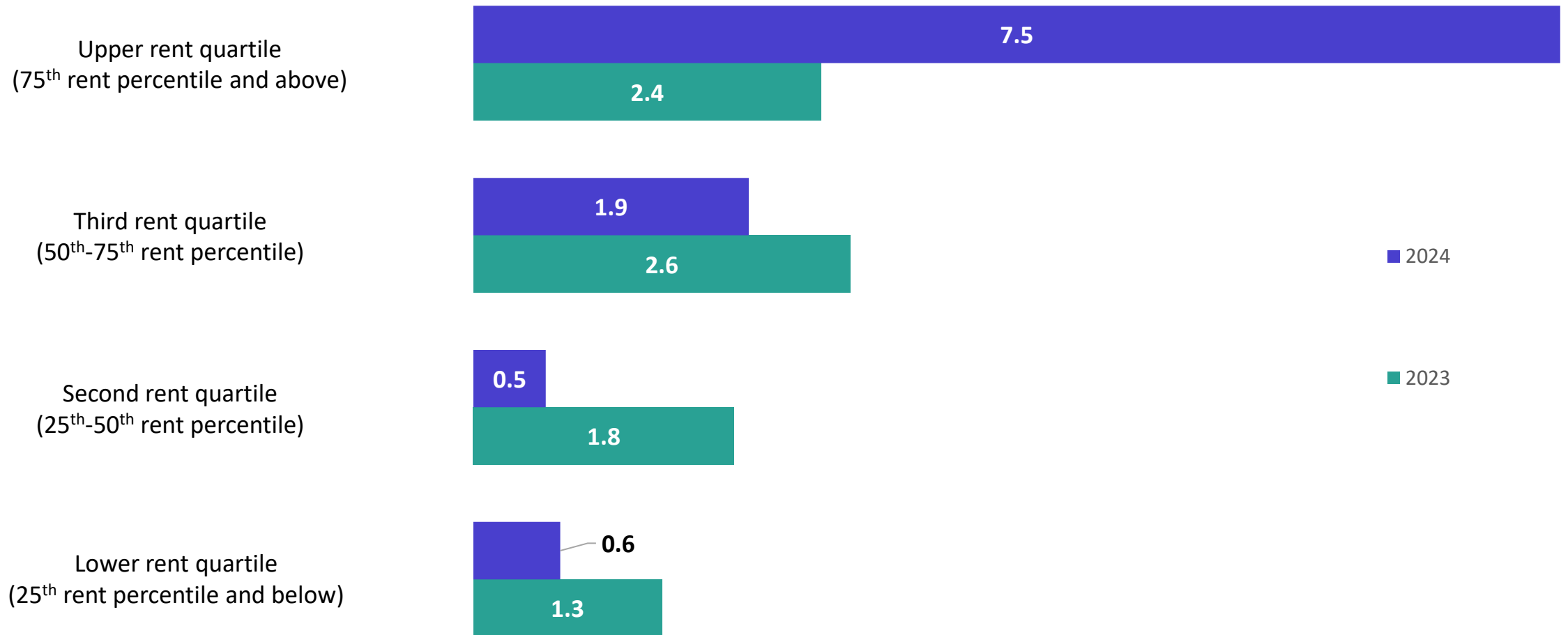
# Hamilton's 1 and 2-bedroom PBR vacancy rates still historically low

Vacancy rates in purpose-built rental apartments (City of Hamilton, 2015-2024)



# Higher PBR vacancy rates due to slow lease-up of most expensive units

Vacancy rate by rent quartile (Purpose-built rental apartments, City of Hamilton)



# Vacancies increased the most in zone surrounding McMaster University

## Hamilton West



### Private Apartment Vacancy Rates (%)

	OCT-21	OCT-22	OCT-23	OCT-24
Bachelor	**	**	**	**
1 Bedroom	3.5 b	2.0 b	2.3 b	4.9 b
2 Bedroom	5.0 c	1.2 a	2.5 a	5.7 b
3 Bedroom +	6.4 b	0.7 a	**	1.4 a
Total	4.1 b	2.0 a	2.2 b	5.0 b

The following letter codes are used to indicate the reliability of the estimates:

a – Excellent, b – Very good, c – Good, d – Poor (Use with Caution)

# Higher vacancy rates for 1-bedroom units in Hamilton Downtown

## Hamilton Downtown



### Private Apartment Vacancy Rates (%)

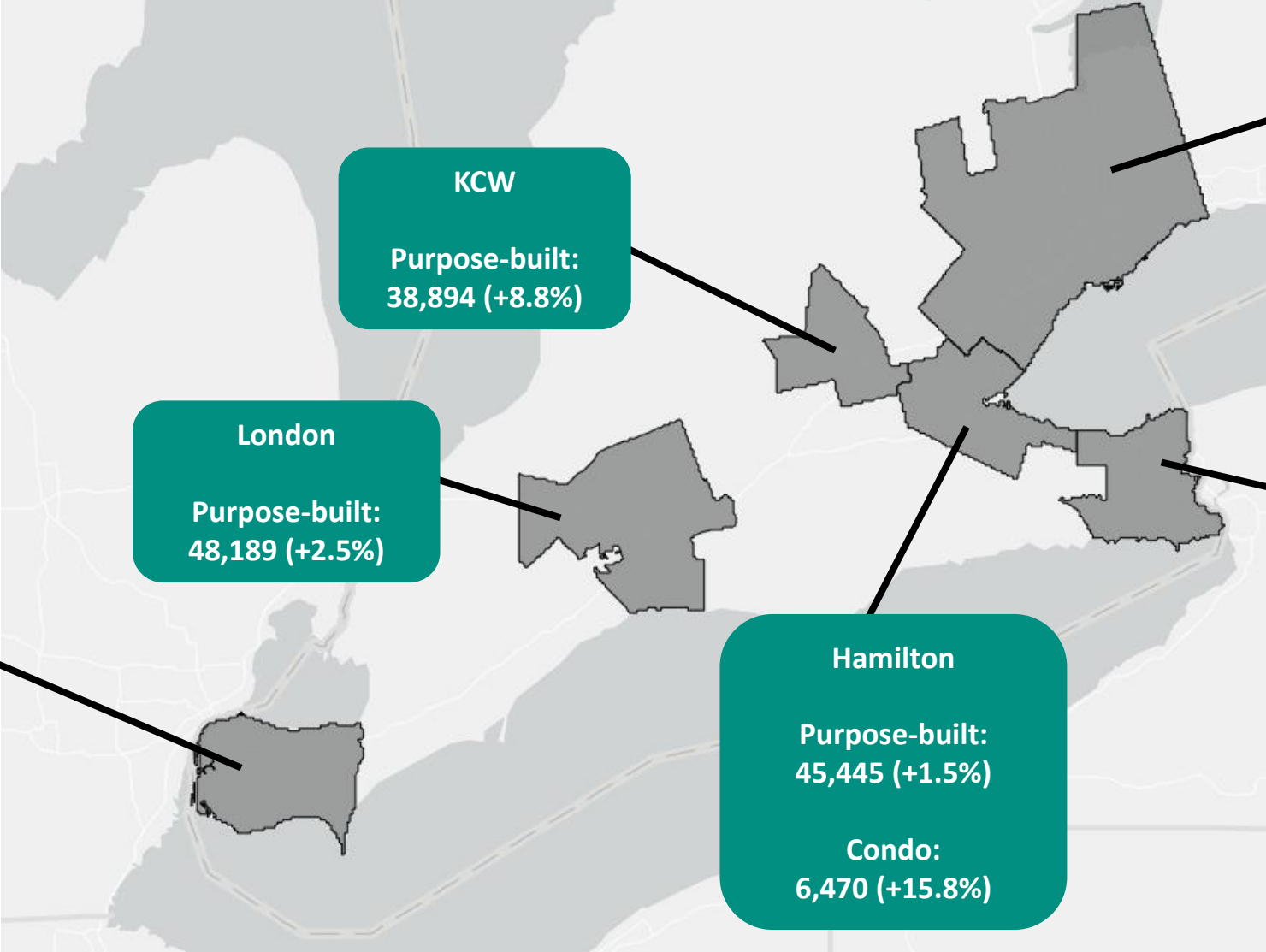
	OCT-21	OCT-22	OCT-23	OCT-24
Bachelor	4.9 d	**	0.7 a	0.8 a
1 Bedroom	4.0 b	2.2 b	2.6 a	3.8 c
2 Bedroom	3.8 c	1.3 a	3.7 b	3.7 c
3 Bedroom +	3.3 d	**	3.1 d	4.9 d
Total	3.9 b	2.1 b	2.7 a	3.5 c

The following letter codes are used to indicate the reliability of the estimates:

a – Excellent, b – Very good, c – Good, d – Poor (Use with Caution)

# Strong rental supply growth in some Southern Ontario regions

2024 rental apartment universe and year-over-year change  
(Select Southern Ontario CMAs)



**Toronto**  
Purpose-built:  
334,748 (+2.8%)  
Condo:  
207,925 (+13.5%)

**KCW**  
Purpose-built:  
38,894 (+8.8%)

**London**  
Purpose-built:  
48,189 (+2.5%)

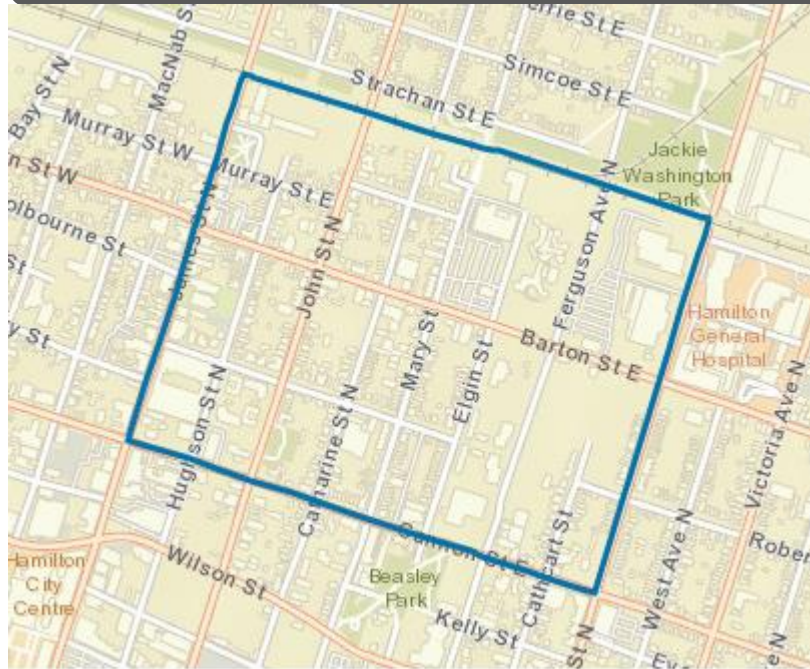
**Windsor**  
Purpose-built:  
18,380 (+5.0%)

**Hamilton**  
Purpose-built:  
45,445 (+1.5%)  
Condo:  
6,470 (+15.8%)

**St. Catharines-Niagara**  
Purpose-built:  
15,838 (+3.3%)

# Hamilton's PBR supply increase concentrated in Beasley and Battlefield

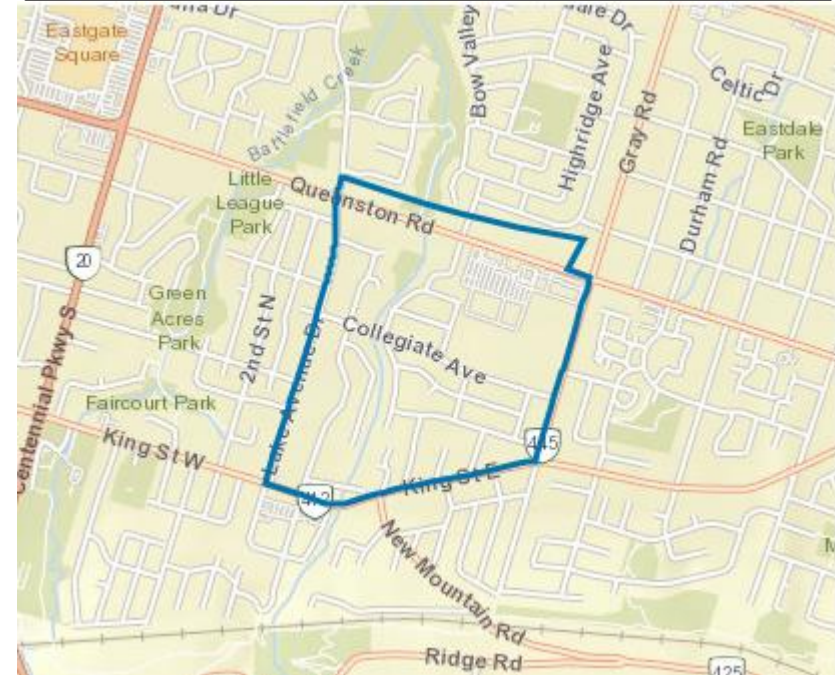
Hamilton Centre (census tract 0063.00)



Number of Private Apartment Units

	OCT-21	OCT-22	OCT-23	OCT-24
Bachelor	5	5	15	23
1 Bedroom	149	149	210	306
2 Bedroom	175	175	176	230
3 Bedroom +	132	132	37	36
Total	461	461	438	595

Stoney Creek (census tract 0083.00)



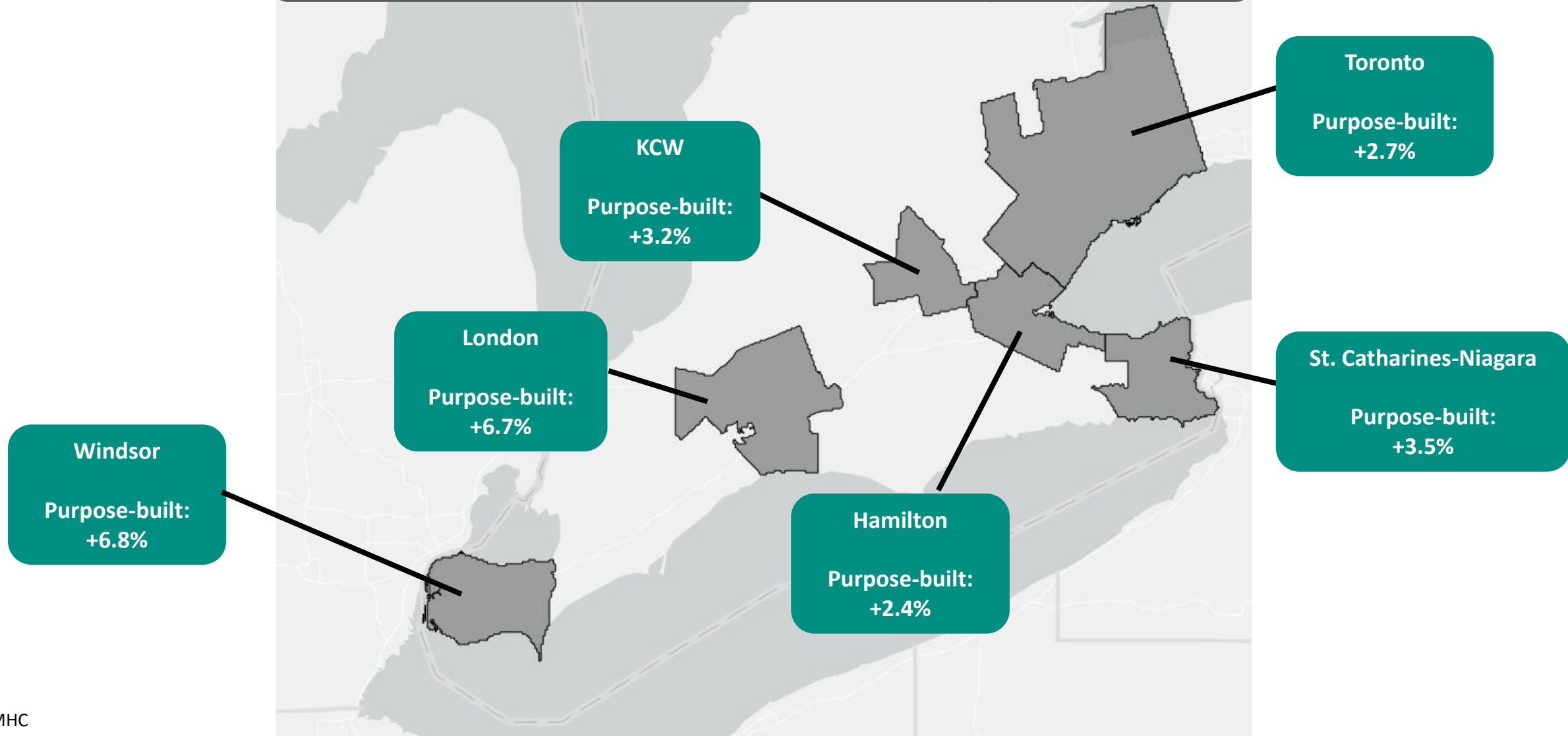
Number of Private Apartment Units

	OCT-21	OCT-22	OCT-23	OCT-24
Bachelor	3	3	3	3
1 Bedroom	109	109	109	303
2 Bedroom	323	323	323	454
3 Bedroom +	13	13	13	47
Total	448	448	448	807



# Slower PBR rent growth in many Southern Ontario regions

Percentage change of average rent  
(Select Southern Ontario CMAs, 2023 to 2024)



# Hamilton's vacant PBR units unaffordable to many renters

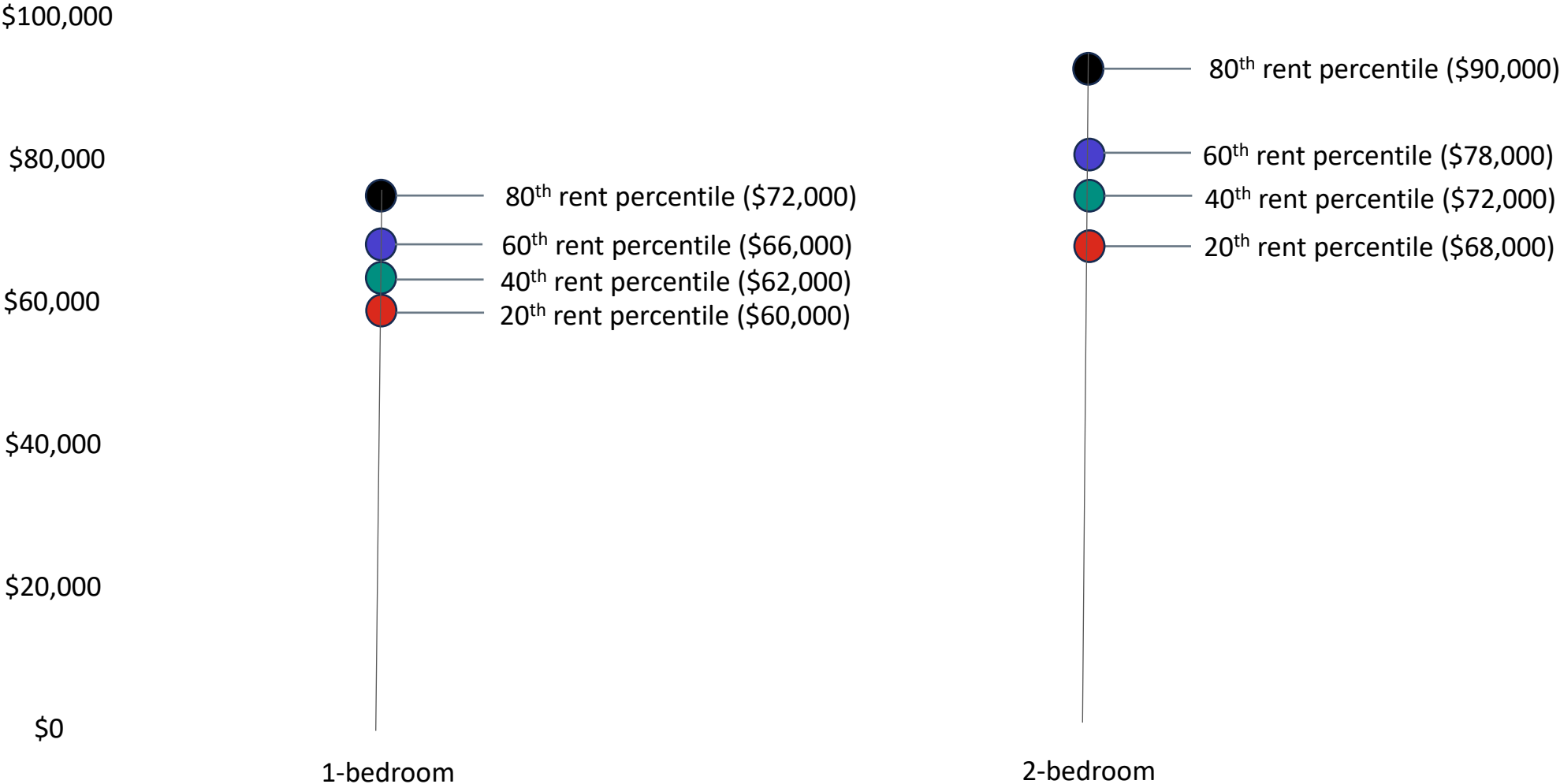
Vacant unit asking rent quintiles (City of Hamilton, 2024)

■ 1-bedroom ■ 2-bedroom



# Hamilton's vacant PBR units unaffordable to many renters

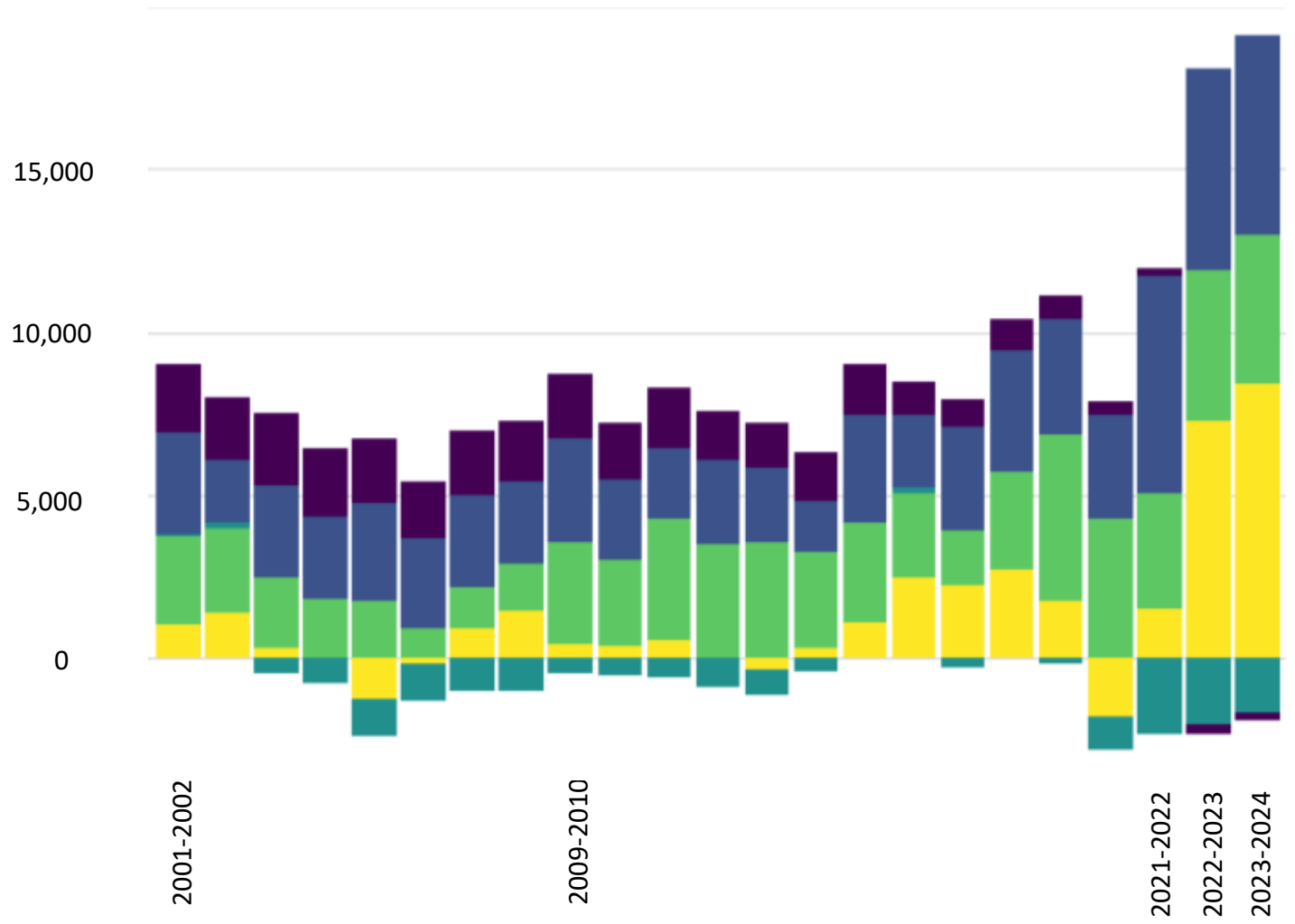
Income affordability thresholds for vacant purpose-built rental units (City of Hamilton, 2024)



Source: CMHC

# Hamilton's 2021-2023 population surge largely from international migration

Components of annual population change  
(Hamilton CMA, reference year July 1- June 30)

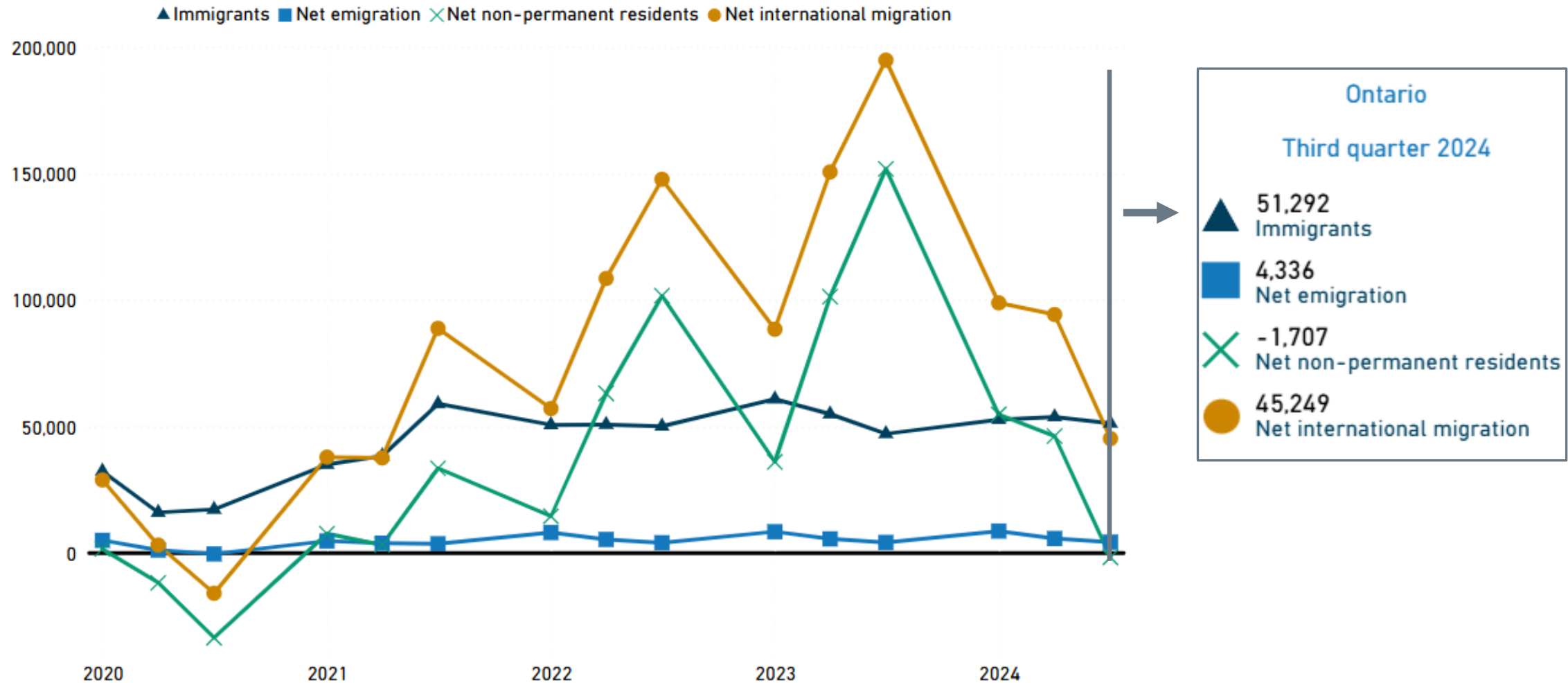


Legend: Natural (dark purple), Net immigration (blue), Net province-to-province (teal), Net within-province (green), Net non-permanent residents (yellow)

Source: Statistics Canada

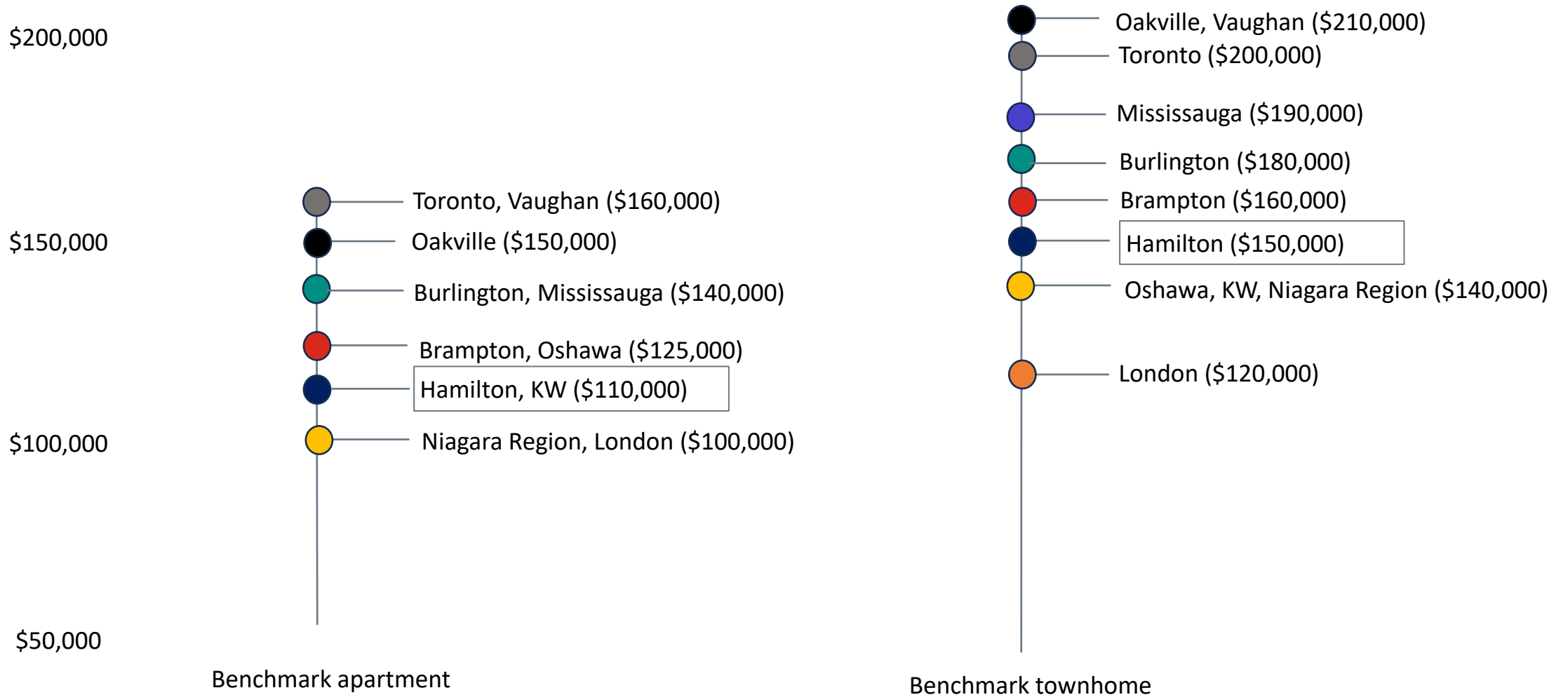
# Ontario net international migration slowed significantly in 2024 Q3

International migration components (Ontario, quarterly)



# Few renters in Southern Ontario can buy a starter home

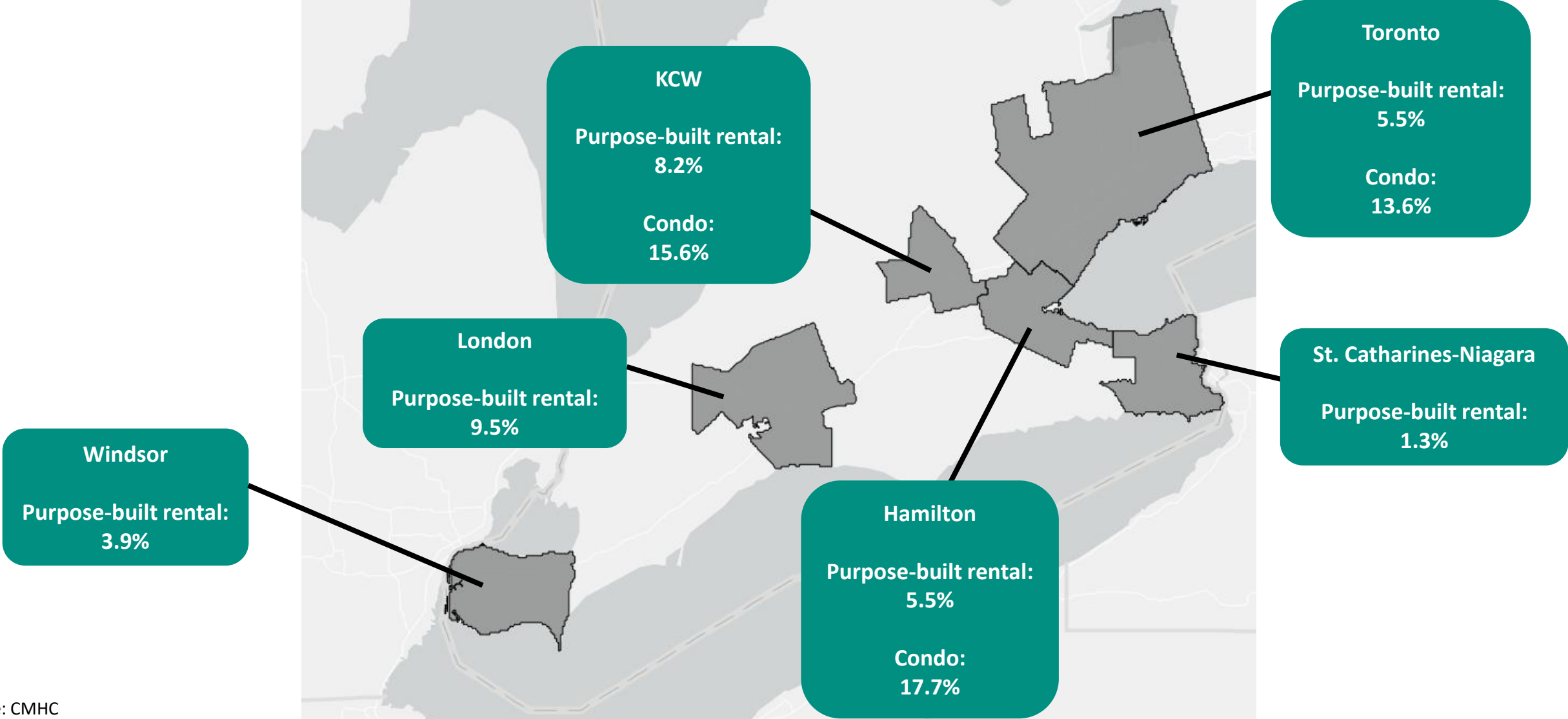
Estimated income qualification thresholds for benchmark homes with minimum downpayment  
(December 2024)



Mortgage payments based on benchmark prices, lowest mortgage stress test rate, 30-year amortization  
Source: CREA, TRREB, Ratehub, calculations by CMHC.

# Expect significant rental supply growth in Southern Ontario this year

Apartments under construction at end of 2024 as a percentage of current universe  
(Select Southern Ontario CMAs)



Source: CMHC

# Hamilton's PBR under construction concentrated in Centremount and Riverdale

Hamilton Mountain (census tract 0019.00):  
260 units



Hamilton East (census tract 0072.04):  
244 units





# Rental vacancy rate to continue trending up in 2025



## Forecast Summary — Hamilton CMA

	2022	2023	2024	2025(F)
<b>Rental Market</b>				
Vacancy Rate (%)	1.9	2.1	2.4	2.8

# Rental Market Report

## Rental Market Report

Fall 2024



- In depth analysis of rental market trends
- Focuses on purpose-built and condominium apartment rental segments
- Regional snapshots of 18 Metropolitan Areas in Canada, including Toronto, Hamilton, St. Catharines-Niagara, Kitchener-Cambridge-Waterloo, London and Windsor.

# Housing Market Information Portal

**FULL VIEW**

Hamilton (C)

**NEW HOUSING CONSTRUCTION** +

**PRIMARY RENTAL MARKET** -

- [Vacancy Rate \(%\)](#)
- [Availability Rate \(%\)](#)
- [Average Rent \(\\$\)](#)
- [% Change of Average Rent](#)
- [Median Rent \(\\$\)](#)
- [Rental Universe](#)
- [Summary Statistics](#)

**POPULATION, HOUSEHOLDS AND HOUSING STOCK** +

**CORE HOUSING NEED** +

Select location using the dropdown or the interactive map below

Canada ▾ Ontario ▾ Hamilton ▾ Hamilton (C)

**Change submarket boundary** ?

- Census Subdivision (CSD)
- Zone
- Neighbourhood
- Census Tract

+  
-

# Thank you!

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