

Document under Separate Cover
Refer to LPS57-19



2018

State of Housing



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Housing in Halton

Overview

The *State of Housing Report* has been prepared annually since 2006. It provides a review of housing supply and demand in Halton Region and monitors how well the Region is implementing its vision for managed and sustainable growth, as set out in Halton's Regional Official Plan and the Provincial Growth Plan.

Halton's vision includes advancing the supply of an adequate mix and variety of housing to meet differing physical, social and economic needs.

The 2018 Report provides the following information:

- Housing supply and demand in Halton for the various housing segments of the housing continuum.
- Income and housing cost thresholds for assisted and affordable housing.
- Achievement of the Regional Official Plan targets related to density and affordability.
- 2018 housing sales (new and resale) by Local Municipality, type and affordability.
- Rental housing market characteristics.
- Assisted housing activities and initiatives by Halton Region.

Using Halton's Housing Model, the Report assesses the Region's success in achieving its Regional Official Plan housing targets (section 86(6)), which call for:

- at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings; and
- at least 30 per cent of new housing units produced annually in Halton to be affordable or assisted housing.

Refer to sections 86(6), 86(6.1), 86(7), 214, 218 and 256.1 of Halton's Regional Official Plan for further detail.

The Housing Continuum

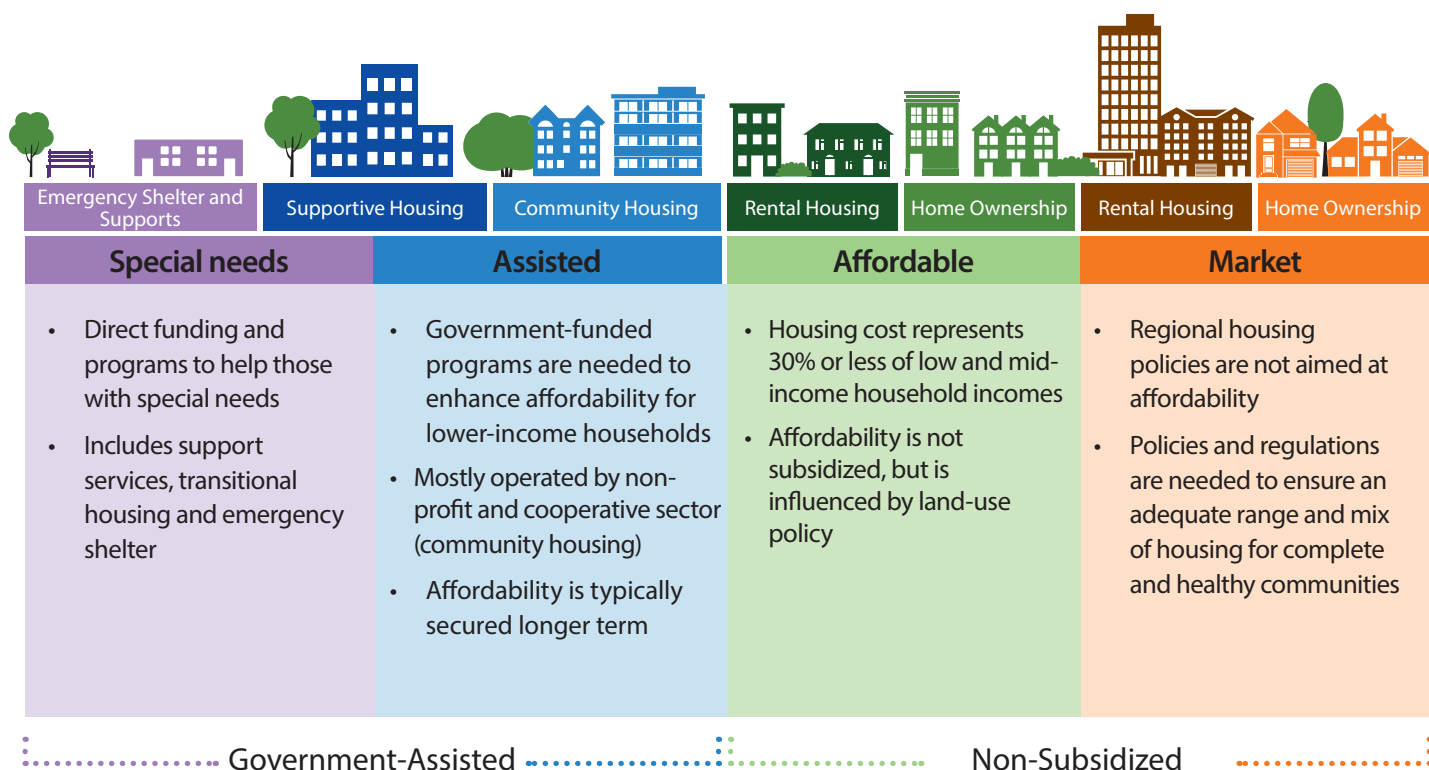
Housing plays an important role in the lives of Halton's residents. Individuals and families move back and forth across the housing continuum depicted below, depending on changes that affect their personal circumstances. The continuum is based on the following observations:

- A range of housing types is required to meet the needs of residents throughout the various stages of their lives and at any level of income;
- Private and non-profit sectors play an essential role in providing housing across the continuum; and
- Governments have various tools and programs available to provide a range and mix of appropriate housing and supports.

Assisted housing is housing that is affordable for *low and moderate income households* for rent or purchase where part of the housing cost is subsidized through a government program.

Affordable housing is housing with a market price (for purchase) or rent that is affordable to households of low and moderate income, spending no more than 30 per cent of their gross household income on housing, without government assistance. Affordable rental housing should meet the demand of renter households where they would be able to afford at least three out of ten rental units on the market. Affordable ownership housing should meet the demand of households at the high end and have sufficient income left, after housing expenses, to sustain a basic standard of living.

Household income thresholds for assisted and affordable housing, and the supply and demand for affordable housing are generated annually through analysis conducted in Halton's Housing Model (see page 3 for more info).



Halton's Housing Model

Halton's Housing Model gathers various information, including household income, household spending, housing costs and average rents in the region from a variety of data sources. Using this data, analysis is conducted through the Housing Model that generates thresholds based on household income and housing cost. This calculation is undertaken for both the assisted and affordable (non-assisted) segments of the continuum. With these thresholds, the Model also generates a snapshot of housing needs of Halton's residents and those looking to live in Halton at a moment in time. These model outcomes may be influenced by the pace of growth or the health of the economy and updates/changes to the inputs or assumptions.

2018 Income and Housing Costs

The tables below provide an overview of the upper limit household incomes in Halton Region for 2018 and corresponding housing cost thresholds, calculated through the Halton Housing Model. The maximum purchase price or monthly rent represents what a household with that income could afford, based on Official Plan definitions on housing costs for assisted and affordable housing. Households with

an income below the **Assisted Income Threshold** (\$52,800) typically require some form of government assistance to meet their housing needs, as the private sector in Halton typically does not provide many opportunities to buy or rent below the associated housing cost thresholds (few opportunities exist in the open market to purchase below \$194,100 or rent below \$1,321).

Households with an income between the **Assisted** and **Affordable Income Threshold** (\$52,800 - \$104,450) have options to purchase a house priced below the affordable housing cost threshold (\$380,800) or rent with monthly costs between \$1,321 and \$1,966. The rental rate of \$1,966 is the mid-point of the affordable housing cost range, based on section 214(a) of the Regional Official Plan.

In 2018, the affordable (non-assisted) threshold increased from \$362,950 in 2017 to \$380,800. The income threshold increased slightly from \$103,700 in 2017 to \$104,450 (up 0.7 per cent).

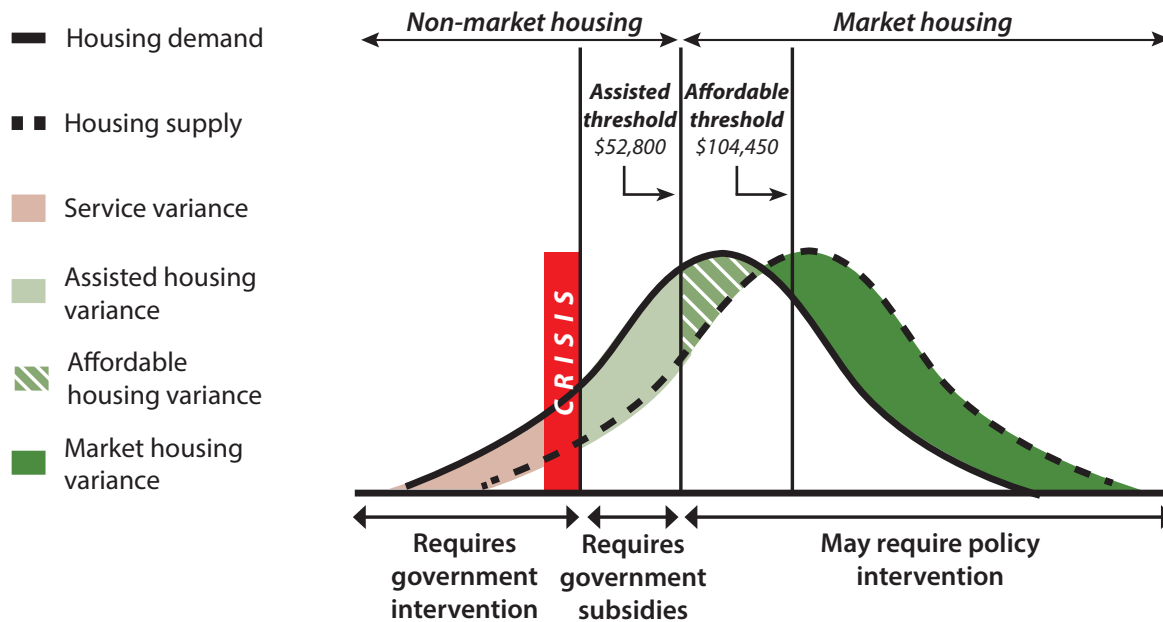
The average affordable threshold of \$380,800 is used as the index to measure the Regional Official Plan target that 30 per cent of new housing units produced annually are affordable or assisted.

Assisted	All households (average - 2.8 people)	Small households (1 or 2 people)	Large households (3 or more people)
Income threshold	\$52,800	\$50,300	\$56,200
Maximum purchase price	\$194,100	\$184,900	\$206,500
Maximum monthly rent	\$1,321	\$1,257	\$1,405

Affordable (non-assisted)	All households (average - 2.8 people)	Small households (1 or 2 people)	Large households (3 or more people)
Income threshold	\$104,450	\$72,030	\$140,060
Maximum purchase price	\$380,800	\$263,900	\$508,600
Maximum monthly ownership cost	\$2,611	\$1,801	\$3,501
Maximum monthly rent *	\$1,966	\$1,529	\$2,453

* The mid-point between assisted and affordable monthly ownership costs, based on Halton's definition of Affordable Housing.

Supply and Demand Model

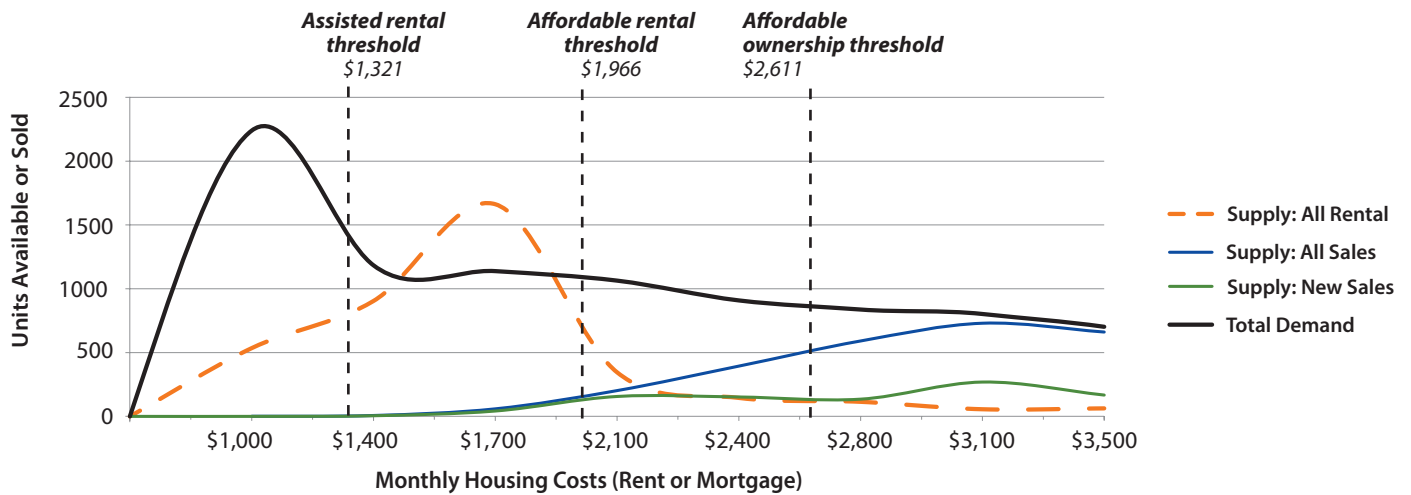


Based on analysis of household income profiles, housing cost thresholds, unit sales, re-sales and rental turnovers, the model generates a snapshot of supply-demand variances across the housing continuum.

The figure above visualizes this analysis. It shows the distribution of new sales, re-sales and rental turnovers by price point across the continuum (i.e. the actual housing supply) and compares it with the income distribution of Halton-based households (the modelled housing demand). Differences between the two are used to quantify potential supply-demand variances by housing segment (typically indicating shortfalls in the assisted and affordable segments).

It should be noted that this diagram is a snapshot in time of the assisted and affordable housing gap, and is influenced by market trends, pace of economic growth and the health of the economy.

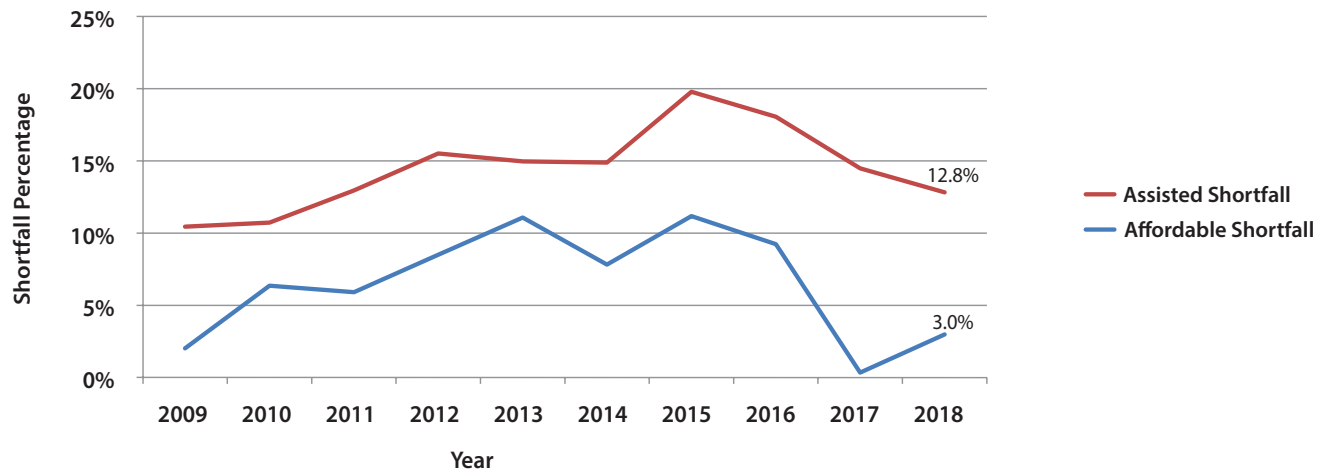
Affordable Housing Cost Distribution, 2018



The figure above shows the distribution of ownership and rental supply in 2018 by price point near the assisted and affordable thresholds. It illustrates that the demand exceeds

supply and that most of the available rental housing is in the affordable (non-assisted) segment. The graph includes only a small portion of ownership sales, as 91.3 per cent of sales were above the affordable ownership threshold.

Supply – Demand Shortfall, 2018



The graph above provides a multi-year indication of the shortfall of assisted and affordable housing as a percentage of the total supply in the year. Key factors influencing these trend lines:

- 2016 Census data indicates that household incomes were higher than previously assumed, resulting in a reduction in the gaps.
- Resale home prices outpaced household income.
- Growth management policy resulted in a steady increase of higher density housing completions and sales, generally improving affordability (as explained in more detail in the next sections of this report).
- Associated with this, the supply of moderately affordable condominium rental housing has increased.

- Almost no new purpose built rental housing has been built in recent years.

While the Region does not have the ability to directly influence the resale dynamics in the market place, the affordable trend line shows a generally improving trend since 2015, with a noticeable drop last year due to the large number of affordable stacked townhouse sales in 2017. This may be an indication that Regional growth management policies designed to spur higher density housing are working.

Ongoing Regional initiatives to increase the number of assisted housing opportunities are significant, and investments from senior levels of government are providing an opportunity to curb the trend line more structurally.

The State of Housing report reviews housing completions on an annual basis. The report provides an overview of the types of housing being supplied in the regional and local municipal housing markets.

The Region's **Housing Mix Target** in the Regional Official Plan calls for at least 50 per cent of new housing units produced annually in Halton to be in the form of townhouses or multi-storey buildings (higher density housing).

In 2018, townhouse and apartment units accounted for 61.2 per cent of housing completions.

Housing Mix Target

61.2% Achieved



61.2 per cent of new units completed in Halton were townhouse and multi-storey housing. The 50 per cent Housing Mix Target was achieved in 2018, for the seventh consecutive year.

Highlights

Housing completions (2018)	4,492
Housing completions 1999 - 2003:	22,727
Proportion of higher density housing:	34.7%
Housing completions 2004 - 2008:	24,888
Proportion of higher density housing:	34.6%
Housing completions 2009 - 2013:	17,236
Proportion of higher density housing:	47.7%
Housing completions 2014 - 2018:	18,018
Proportion of higher density housing:	63.0%

For more information, please see page 7 and 8.

Source: CMHC Starts and Completions Survey 1999-2018

New Housing Development

Housing Completions

The Region's **Housing Mix Target** recognizes that the Region's best opportunity to encourage more affordable housing is through the provision of higher density housing, such as townhouse and apartment units.

Number of housing completions by type & municipality, 2018

	Total Completions	Halton Region	Burlington	Halton Hills	Milton	Oakville
Apartment	1,186	26.4%	62.4%	0.0%	5.2%	34.3%
Townhouse	1,562	34.8%	0.0%	0.0%	53.1%	32.3%
Semi	304	6.8%	0.0%	0.0%	15.1%	3.5%
Single	1,440	32.1%	37.6%	100%	26.6%	29.9%
Total units	4,492		423	160	1,441	2,468
Local share of completions			9.4%	3.6%	32.1%	54.9%
50% Target achievement	61.2%		62.4%	0.0%	58.3%	66.6%

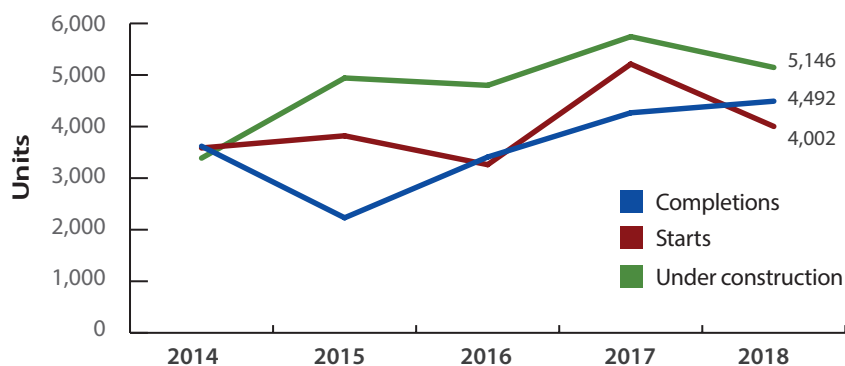
Source: CMHC Starts and Completions Survey 2018

In 2018, there were 4,492 housing completions, a 5.3 per cent increase compared to 2017. Of these, 32.1 per cent were single detached and 6.8 per cent were semi-detached dwellings. Townhouse dwellings and apartments represented 34.8 percent and 26.4 per cent, respectively. Combined, these higher density unit types represent 61.2 per cent of housing completions in Halton.

At the local level, the highest number of housing completions were in Oakville at 54.9 per cent, followed by Milton at 32.1 per cent. Burlington accounted for 9.4 per cent of completions, while Halton Hills accounted for 3.6 per cent.

Halton Housing Construction Activity, 2014-2018

Number of completions, starts and under construction units, 2014-2018



Source: CMHC Starts and Completions Survey 2014-2018

All housing construction activities in Halton Region increased from 2016, though starts and units under construction have dropped from their all-time high in 2017. Housing completions increased by 5.3 per cent, housing starts decreased by 23.2 per cent, and the number of units under construction decreased by 10.4 per cent. Of the 5,146 units under construction, 52.9 per cent are apartments and 17.0 per cent are townhouses (69.9 per cent combined).

Halton Housing Completions by Type, 2014-2018

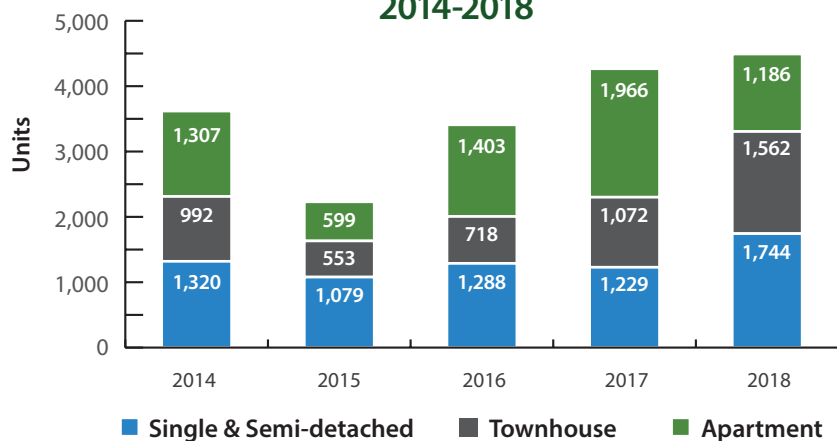
Percentage of annual housing completions by type, 2014-2018

	2014	2015	2016	2017	2018
Apartment	1,307 36.1%	599 26.8%	1,403 41.2%	1,966 46.1%	1,186 26.4%
Townhouse	992 27.4%	553 24.8%	718 21.1%	1,072 25.1%	1,562 34.8%
Single & Semi	1,320 36.5%	1,079 48.4%	1,288 37.8%	1,229 28.8%	1,744 38.8%

Key trends

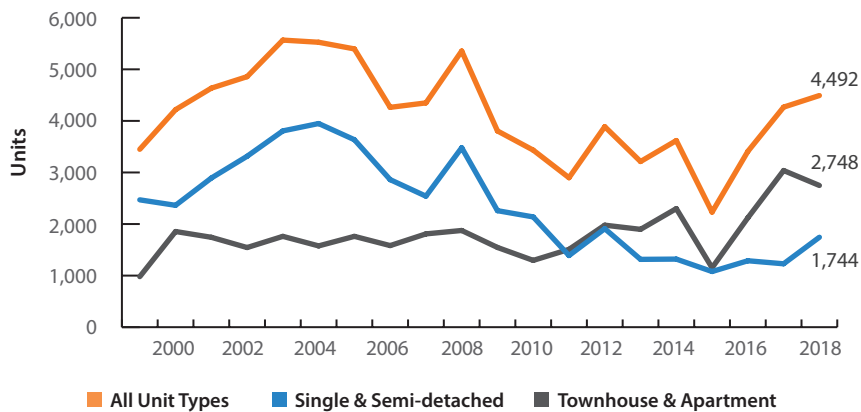
- During the past five years there were 18,018 housing completions in Halton.
- 4,492 units were completed in 2018, an increase of 225 units year over year.
- Apartment unit completions decreased by 39.7 per cent with many units remaining under construction.
- Completion of townhouse units in 2018 increased by 45.7 per cent from 2017.
- Completion of single and semi-detached dwelling units increased by 41.9 per cent from 2017.

Number of annual housing completions by type, 2014-2018



Source: CMHC Starts and Completions Survey 2014-2018

Halton Housing Completions by Type, 1999-2018

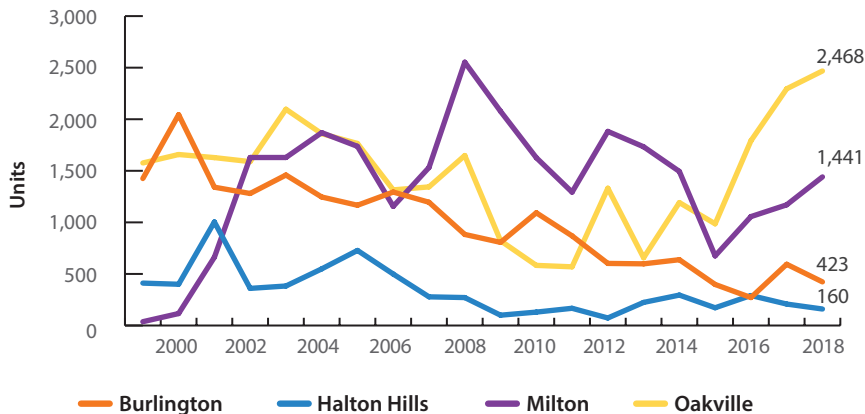


Source: CMHC Starts and Completions Survey 1998-2018

Long-term trends: Unit type

- Over the most recent 20-year period, there were 82,869 housing completions in Halton.
- With the trend towards more and larger apartment projects, individual projects can cause significant changes in the annual data as seen by the drop in 2015 and spike in 2017.
- The 5-year rolling average of apartment and townhouse completions exceeded the 50 per cent target in 2014, and achieved 62 per cent in 2018.

Housing Completions Over Time, 1999-2018



Source: CMHC Starts and Completions Survey 1998-2018

Long-term trends: Local Municipalities

- Over the 20-year period, Oakville accounted for the highest share of housing completions (35.2 per cent), followed by Milton (33.0 per cent).
- Beginning in 2015, Oakville experienced the highest number of completions in Halton Region.

Under Construction Units by Local Municipality, 2018

2018	Total	Single & Semi	Townhouse	Apartment
Burlington	1,481	10.2%	1.6%	88.3%
Halton Hills	199	90.5%	9.5%	0.0%
Milton	2,006	35.6%	24.1%	40.3%
Oakville	1,460	34.7%	24.0%	41.4%
Halton Total	5,146	30.1%	17.0%	52.9%

Key trends:

- 69.9 per cent of the unit types under construction at the end of 2018 were higher density
- Milton had the highest number of units under construction at the end of 2018, followed by Burlington (67.8 per cent combined).
- Though the total number of units under construction is down from 2017, there was a higher percentage of apartment and townhouses at the end of 2018.

Housing Completions by Local Municipality

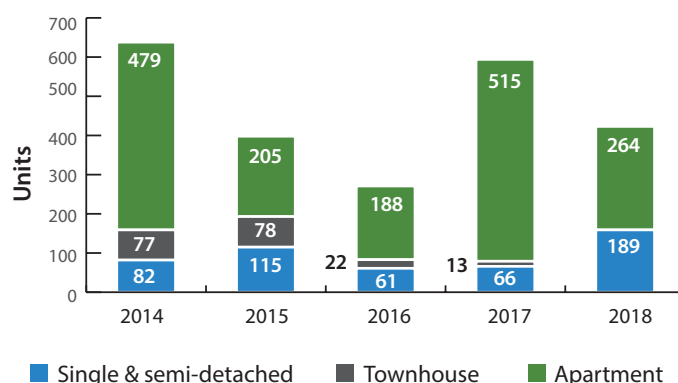
City of Burlington, 2014-2018

Percentage of annual housing completions by type, 2014-2018

	2014	2015	2016	2017	2018	5 Year Average
Apartment	479	205	188	515	264	330
	75.1%	51.5%	69.4%	86.7%	62.4%	71.0%
Townhouse	77	78	22	13	0	38
	12.1%	19.6%	8.1%	2.2%	0.0%	8.2%
Single & Semi	82	115	61	66	159	97
	12.9%	28.9%	22.5%	11.1%	37.6%	20.8%

Key trends:

- There were 2,324 completions from 2014 to 2018 (12.9 per cent of all completions in the Region).
- 62.4 per cent of the 2018 completions (264) were townhouse and apartment units (Regional target is 50 per cent).
- There were no townhouse unit completions in 2018.



Source: CMHC Starts and Completions Survey 2014-2018

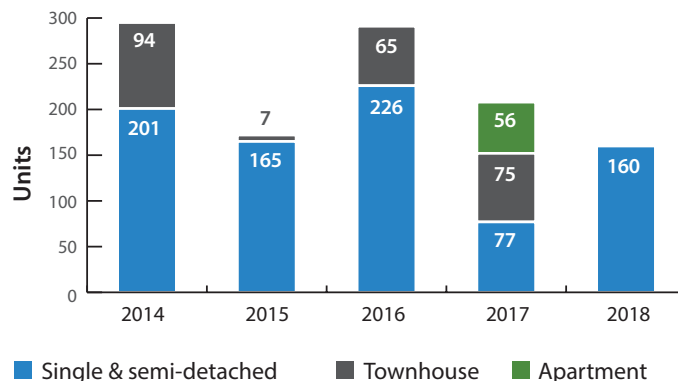
Town of Halton Hills, 2014-2018

Percentage of annual housing completions by type, 2014-2018

	2014	2014	2016	2017	2018	5 Year Average
Apartment	0	0	0	56	0	11
	0.0%	0.0%	0.0%	26.9%	0.0%	5.0%
Townhouse	94	7	65	75	0	48
	31.9%	4.4%	22.3%	36.1%	0.0%	21.4%
Single & Semi	201	165	226	77	160	166
	68.1%	95.9%	77.7%	37.0%	100.0%	73.6%

Key trends:

- Halton Hills accounted for 6.3 per cent of regional housing completions from 2014-2018 (1,126 completions).
- In 2018, 160 units were completed, a decrease from 2017.
- Single and semi-detached housing continues to dominate the Halton Hills housing market with 100 per cent of completions in 2018.



Source: CMHC Starts and Completions Survey 2014-2018

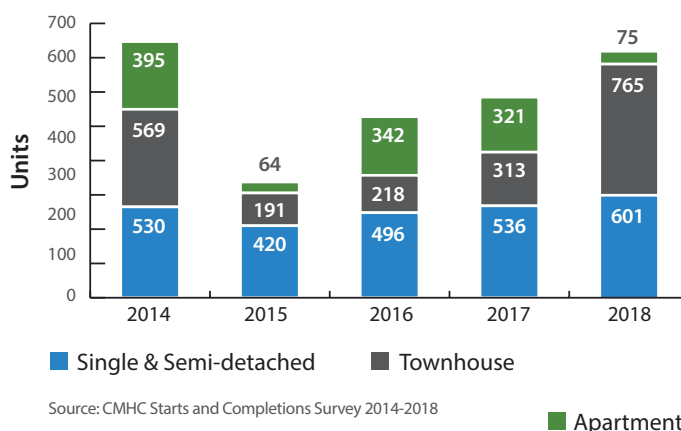
Town of Milton, 2014-2018

Percentage of annual housing completions by type, 2014-2018

	2014	2015	2016	2017	2018	5 Year Average
Apartment	395	64	342	321	75	239
	26.4%	9.5%	32.4%	27.4%	5.2%	20.5%
Townhouse	569	191	218	313	765	411
	38.1%	28.3%	20.6%	26.8%	53.1%	35.2%
Single & Semi	530	420	496	536	601	517
	35.5%	62.2%	47.0%	45.8%	41.7%	44.3%

Key trends:

- Milton had a total of 5,836 completions between 2014 and 2018 (32.4 per cent of completions in the Region during this time)
- 55.7 per cent of these completions were townhouse and apartment units
- 1,441 units were completed in 2018, an increase of 23.2 per cent from 2017.



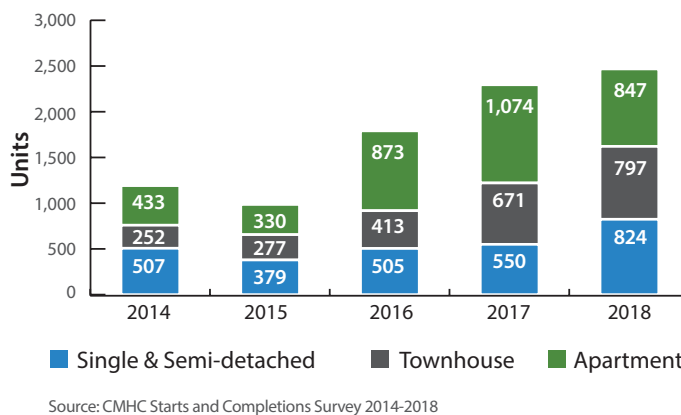
Town of Oakville, 2014-2018

Percentage of annual housing completions by type, 2014-2018

	2014	2015	2016	2017	2018	5 Year Average
Apartment	433	330	873	1,074	847	711
	36.3%	33.5%	48.7%	46.8%	34.3%	40.7%
Townhouse	252	277	413	671	797	482
	21.1%	28.1%	23.1%	29.2%	32.3%	27.6%
Single & Semi	507	379	505	550	824	553
	42.5%	38.4%	28.2%	24.0%	33.4%	31.7%

Key trends:

- There were 8,732 completions in Oakville between 2014 and 2018 (48.5 per cent of completions in the Region during this period)
- 68.3 per cent of these completions during this time period were townhouse and apartment units.
- 2,468 units were completed in 2018, an increase of 7.5 per cent from 2017.
- 66.6 percent of the unit completions were apartments and townhouses in 2018 (Regional target is 50 per cent).



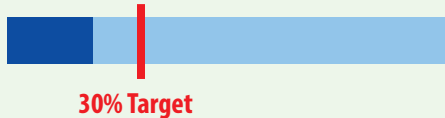
Housing Costs & Affordability

The *State of Housing* report reviews new and resale house sales to assess how well the market is meeting the housing needs of Halton residents and those looking to live in the region.

Halton Region's **Housing Affordability Target** calls for at least 30 per cent of new housing units produced annually in Halton to be at or below the affordable threshold.

Housing Affordability Target

19.4% Achieved



19.4 per cent of new house sales and assisted units fell within Halton's affordability target.

Highlights - Halton Region

	2017	2018	Change
New Sales	2,157	2,296	6.4%
Resale	10,717	9,126	-14.8%
All Sales	12,874	11,422	-11.3%
Affordable New Sales¹	1,059	407	-61.5%
New Assisted Program Units²	35	45	28.6%

¹ This data is based on the closing date, when ownership of the property is transferred to the buyer.

² New assisted program units are captured at the time of funding commitment.

Source: Calculated from MPAC sales data, 2018

Housing Sales, 2018

In 2018, there were 11,422 new and resale houses sold in Halton. This represents a 11.3 per cent decrease compared to 2017. The following table shows the distribution of new and resale units by dwelling type:

Housing sales in Halton Region, 2018

	New		Resale		Total
Apartment	587	25.6%	1,306	14.0%	1,893
Townhouse	684	29.8%	2,450	27.0%	3,134
Semi-detached	219	9.5%	561	6.0%	780
Single	805	35.1%	4,811	53.0%	5,616
Total Sales	2,295		9,128		11,423
Sales percentage	20.1%		79.9%		100%

Source: Calculated from MPAC sales data, 2018

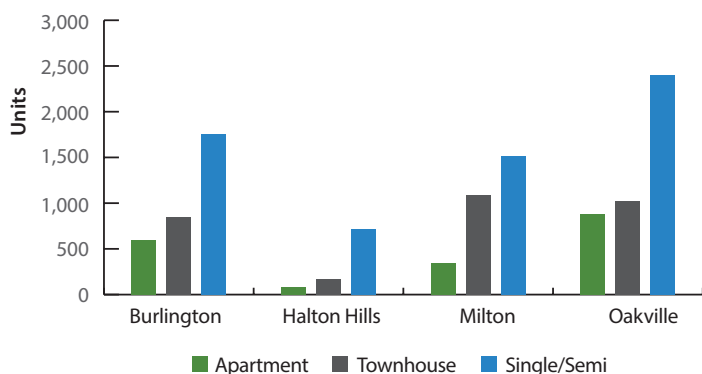
New sales (2,295 units) were up 6.4 per cent compared to 2017.

Apartment and townhouse units accounted for 55.4 per cent of new sales. This was 69.4 per cent in 2017. The steady increase of higher density housing in the market place, coupled with a drop in new apartment absorptions resulted in more affordable resales than new sales in 2018.

As virtually all new units below the affordability threshold in Halton Region are in higher density developments, target achievement fluctuations may occur, associated with the year these units are completed and brought to market.

The affordability target achievement in 2017 was well over 30 per cent and was almost entirely due to a large number of stacked townhouse sales below the threshold. When target achievements are reviewed over a three-year period, these fluctuations are mitigated (33.0 per cent for 2014 to 2018).

Total unit sales (new and resale) by dwelling type and municipality



	Burlington	Halton Hills	Milton	Oakville
Total Sales	3,204	971	2,951	4,296
Apartment	593	79	345	876
Townhouse	851	172	1,093	1,018
Single/Semi	1,760	720	1,513	2,402

Oakville and Burlington continue to record the largest proportion of sales. Most municipalities experienced a decrease in the number of resale units compared to 2017 (-14.8 per cent Region-wide).

Compared to 2017, the number of new sales increased in Oakville (up 42 units) and Milton (up 140 units) and decreased in Halton Hills (down 5 units) and Burlington (down 38 units). This resulted in a region-wide increase of 6.4 per cent (2,295 in total).

Resale units accounted for 79.9 per cent of sales in Halton Region, of which 58.8 per cent pertained to single and semi-detached units. This housing represents the bulk of Halton's existing housing stock, which is reflected in the resale data for these dwelling types (98 per cent in Burlington; 89 per cent in Halton Hills; 67 per cent in Milton and 74 per cent in Oakville).

New & Resale Average House Prices

- The average price of all house sales in 2018 was \$802,931 (down 1.6 per cent compared to 2017).
- The average price of all new house sales (2,295 dwellings) was \$709,991 (up 47.6 per cent), reflecting the one-year spike of affordable new stacked townhouses in 2017.

New & resale housing prices 2018 (Thousands of \$)



Source: Calculated from MPAC Sales Data, 2018

- Oakville saw the largest number of transactions and a 10.1 per cent decrease in average resale price since 2017, which remains 7.1 per cent above the 2016 average price.
- Townhouses and apartments (new and resale combined) sold for \$540,436 on average (up 5.4 per cent).
- Single and semi-detached houses (new and resale combined) sold for an average of \$1,009,275 (down 3.1 per cent) and represented 65.7 per cent of all sales in Halton Region. As such, this category continues to have a significant impact on the average house prices in Halton.

Average resale price by municipality:

Resale	# Units	2017 Average Prices	2018 Average Prices	Price Change
Burlington	3,127	\$750,603	\$721,395	-3.9%
Halton Hills	864	\$715,331	\$732,645	2.4%
Milton	1,969	\$722,678	\$699,132	-3.3%
Oakville	3,166	\$1,150,504	\$1,034,604	-10.1%
Total	9,126	\$883,787	\$826,302	-6.5%

New Affordable Housing by Dwelling Type & Municipality

An adequate supply of new affordable housing units is an important element in Halton's vision for sustainable growth, as set out in the Regional Official Plan. In 2018, there were

2,295 new units sold in Halton. The following tables show the distribution of the new housing units by dwelling type, affordability and municipality.

Halton Region

New housing sales by dwelling type, 2018

	≤ \$380,800		> \$380,800	
	Count	%	Count	%
Apartment	332	81.6%	255	13.5%
Townhouse	75	18.4%	609	32.3%
Semi-detached	0	0.0%	219	11.6%
Single	0	0.0%	805	42.6%
	407 units		1,888 units	

Key trends:

- All **affordable** new sales in Halton Region are comprised of townhouses and apartments, demonstrating the link between higher density housing and affordability.
- The number of new three bedroom apartment or stacked townhouse units grew from approximately 1 per cent to more than 10 per cent over the last year. This increase suggests more housing options for families are emerging in multi-residential development, which would support the objective to create complete communities in higher density neighbourhoods.
- In Halton Region 17.7 per cent of new sales were below the affordable threshold (407 of 2,295), and 45 new assisted units were created, bringing the total of new affordable units to 19.4 per cent. The Regional affordability target is 30 per cent.
- The average price of the 407 units sold below the affordable threshold was \$297,528.

Town of Oakville

New housing sales by dwelling type, 2018

	≤ \$380,800		> \$380,800	
	Count	%	Count	%
Apartment	192	85.7%	187	20.6%
Townhouse	32	14.3%	165	18.2%
Semi-detached	0	0.0%	73	8.1%
Single	0	0.0%	481	53.1%
	224 units		906 units	

Key trends:

- 19.8 per cent of new sales in Oakville were below the affordable threshold (224 of 1,130).
- 49.2 per cent of Halton's new sales were in Oakville (1,130 of 2,295).
- 55 per cent of Halton's affordable new sales were in Oakville (224 of 407).

City of Burlington

New housing sales by dwelling type, 2018

	≤ \$380,800		> \$380,800	
	Count	%	Count	%
Apartment	6	28.6%	3	5.4%
Townhouse	15	71.4%	29	51.8%
Semi-detached	0	0.0%	0	0.0%
Single	0	0.0%	24	42.9%
	21 units		56 units	

Key trends:

- 27.3 per cent of new sales in Burlington were below the affordable threshold (21 of 77).
- 3.4 per cent of Halton's new sales were in Burlington (77 of 2,295).
- 5.2 per cent of Halton's affordable new sales were in Burlington (21 of 407).

Town of Milton

New housing sales by dwelling type, 2018

	≤ \$380,800		> \$380,800	
	Count	%	Count	%
Apartment	134	82.7%	9	1.1%
Townhouse	28	17.3%	412	50.3%
Semi-detached	0	0.0%	145	17.7%
Single	0	0.0%	253	30.9%
	162 units		819 units	

Key trends:

- 16.5 per cent of new sales in Milton were below the affordable threshold (162 of 981).
- 42.7 per cent of Halton's new sales were in Milton (981 of 2,295).
- 39.8 per cent of Halton's affordable new sales were in Milton (162 of 407).

Town of Halton Hills

New housing sales by dwelling type, 2018

	≤ \$380,800		> \$380,800	
	Count	%	Count	%
Apartment	0	0.0%	56	52.3%
Townhouse	0	0.0%	3	2.8%
Semi-detached	0	0.0%	1	0.9%
Single	0	0.0%	47	43.9%
	-		107 units	

Key trends:

- No new sales in Halton Hills were below the affordable threshold.
- 4.7 per cent of Halton's new sales were in Halton Hills (107 of 2,295).

It is important to reiterate that resale price increases have outpaced household income increases over time. As a consequence, units that are captured as affordable new sales (based on the Halton Housing Model) may be resold beyond the affordable threshold in later years, as these transactions take place in the open market. Halton Region and the Local Municipalities do not have the ability to influence market resale prices.

Rental housing is an important form of affordable housing for many of Halton's residents.

Highlights - Halton Region

	2017	2018	Change
Average Rent (private townhouse and apartment)	\$1,356	\$1,392	+2.7%
Bachelor	\$916	\$1,179	+28.7%
1 Bedroom	\$1,222	\$1,268	+3.8%
2 Bedroom	\$1,374	\$1,416	+3.1%
3+ Bedroom	\$1,612	\$1,585	-1.7%
Total # of Units (private townhouse and apartment)	16,292	16,260	-0.2%
Bachelor	301	298	+1.0%
1 Bedroom	4,891	4,884	-0.1%
2 Bedroom	8,891	8,861	-0.3%
3+ Bedroom	2,209	2,217	+0.4%

Source: CMHC Rental Market Report, 2015-2018

The 2016 Census Profile indicates that there were 36,810 renter households in Halton (19.1 per cent of all households). About 44.3 per cent of renter households were living in purpose-built rental apartments and townhouse units, as captured in the table above.

The remainder of renter households would reside in condominium rental apartments, social housing, single and semi-detached units (including secondary suites) and other rental arrangements.

Data in this section only relates to purpose-built rental apartments and townhouse units, identified in the table above. The average rents of the growing number of secondary market rental units (estimated at 3,500 in 2017) is modeled at \$2,268 in 2018, which is 62.9 per cent above Average Market Rent (AMR).

Rental Housing

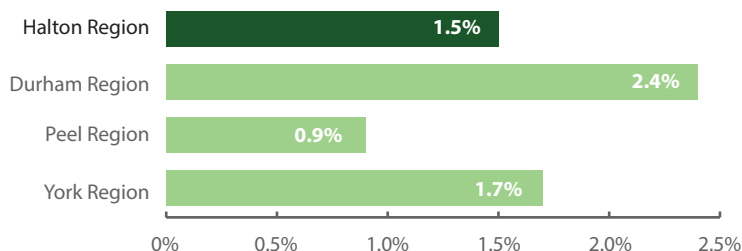
Vacancy Rates & Monthly Rent

Vacancy rates are an important measure to assess the health of the rental market. According to Canada Mortgage Housing Corporation (CMHC), a vacancy rate of at least three per cent (three for every one hundred units) is considered necessary for adequate competition and housing options.

To protect the rental housing stock in Halton, the Regional Official Plan policies require that Local Municipalities use a rental housing vacancy rate of three per cent as the minimum threshold to consider permission for the conversion of existing rental housing to ownership tenure, to other uses, or for the demolition of rental housing.

Halton Region's overall vacancy rate for private apartments and townhouses was 1.5 per cent in 2018 up from 1.1 per cent in 2017. The low vacancy rate may make it difficult for households searching for rental housing to find a suitable unit.

Rental market vacancy rates, 2018

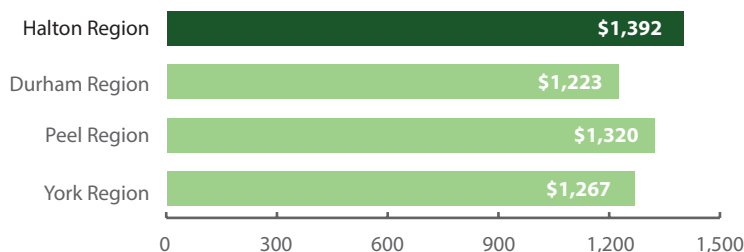


Source: CMHC Rental Market Report, 2018

Rental housing costs, 2018

Average monthly rent (AMR) is another means to measure the health of the rental market.

The average monthly rent of private townhouse and apartments increased to \$1,392 in 2018 from \$1,356 in 2017. When compared to other Regional Municipalities in the Greater Toronto Area, Halton's average monthly rent continues to rank the highest.



Source: CMHC Rental Market Report, 2018

Vacancy rate by unit size in Halton for private townhouses & apartments, 2014-2018

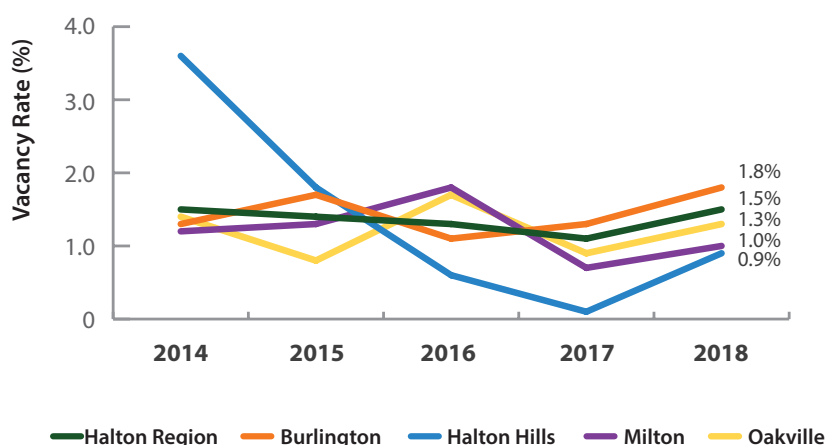
Unit Type	2014	2015	2016	2017	2018
Bachelor	3.2%	2.0%	1.4%	1.5%	2.8%
1 Bedroom	2.0%	1.3%	1.1%	1.0%	1.1%
2 Bedroom	1.4%	1.5%	1.4%	1.3%	1.7%
3+ Bedroom	0.6%	1.3%	1.2%	0.7%	1.4%
Overall rate	1.5%	1.4%	1.3%	1.1%	1.5%

Source: CMHC Rental Market Report, 2014 to 2018

Key trends:

The vacancy rates for all unit types have increased since 2017. The vacancy rate for 1+ bedrooms was the lowest in 2018 at 1.1 per cent, followed by 3 bedroom units at 1.4 per cent and 2 bedroom units at 1.7 per cent. The overall vacancy rate remains below the 3 per cent threshold, with the vacancy rate for 2018 at 1.5 per cent.

Vacancy rates by Local Municipality for private townhouses & apartments, 2014-2018



Source: CMHC Rental Market Report, 2014 to 2018

Key trends:

The vacancy rates for townhouses and apartments among the Local Municipalities were as follows:

- Burlington: 1.8%
- Halton Hills: 0.9%
- Milton: 1.0%
- Oakville: 1.3%

In 2018, the vacancy rate for townhouses and apartments in Halton Hills was the lowest at 0.9 per cent, an increase of 0.8 per cent from 2017. The vacancy rates for the Town of Milton and Town of Oakville increased to 1.0 per cent and 1.3 per cent, respectively. Burlington's vacancy rate increased by 0.5 per cent to 1.8 per cent, but is still well below the 3 per cent target.

Average rents (townhouse & apartment) & total units by housing type in Halton, 2014-2018

	2014		2015		2016		2017		2018	
	Average Rent	Total Units	Average Rent	Total Units	Average Rent	Total Units	Average Rent	Total Units	Average Rent	Total Units
Bachelor	\$891	298	\$878	296	\$905	296	\$916	301	\$1,179	298
1 Bedroom	\$1,078	4,766	\$1,118	4,854	\$1,158	4,888	\$1,222	4,891	\$1,268	4,884
2 Bedroom	\$1,229	8,705	\$1,281	8,735	\$1,318	8,891	\$1,374	8,891	\$1,416	8,861
3 Bedroom+	\$1,402	2,236	\$1,448	2,232	\$1,515	2,202	\$1,612	2,209	\$1,585	2,217
Total	\$1,201	16,005	\$1,250	16,117	\$1,290	16,122	\$1,356	16,292	\$1,392	16,260

Source: CMHC Rental Market Report, 2014 to 2018

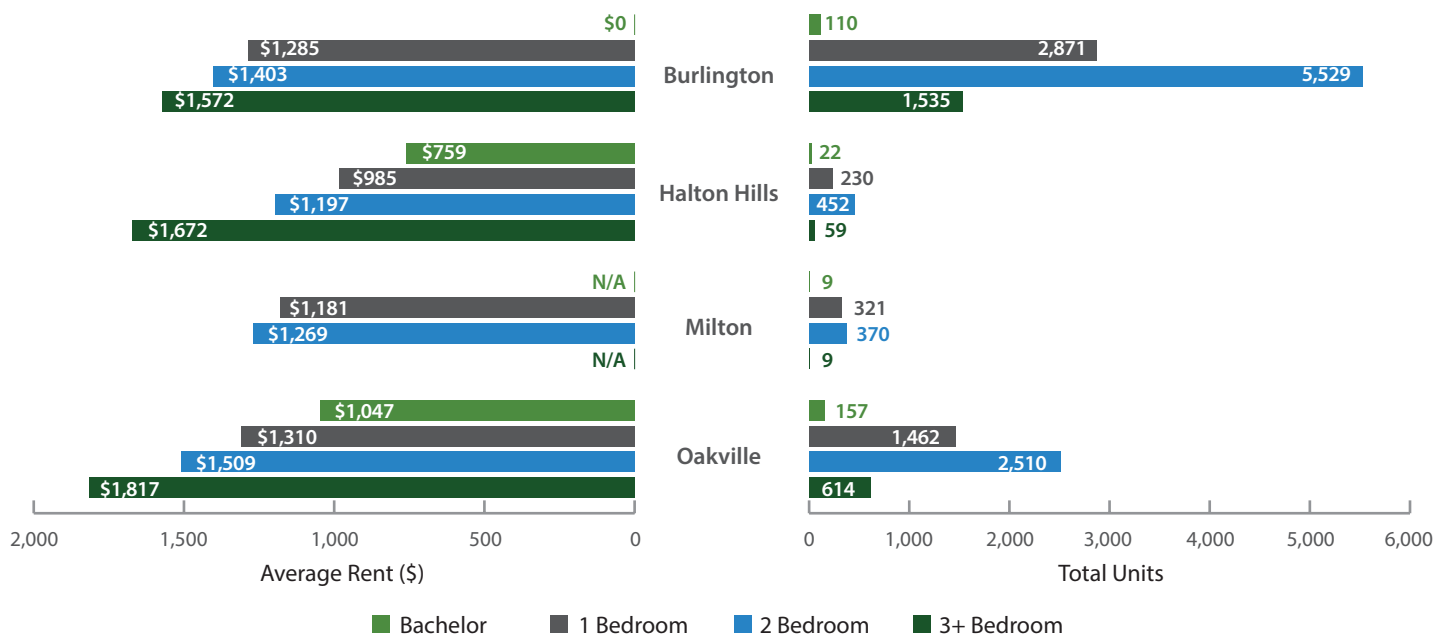
The average townhouse and apartment rent across all unit types has been steadily increasing over the past five years. In 2018, Halton's rent ranged from \$1,268 for 1 bedroom to \$1,585 for 3+ bedroom units (not including the very limited number of bachelor units). Though there are few bachelor units in Halton Region, the average rent increased by 28.7 per cent in 2018 to \$1,179. The rent for 3+ bedroom unit types decreased by 1.7% from 2017 to 2018. The average rent across the Region increased 2.7 per cent, which was higher than the consumer price index (CPI) increase of 2.0 per cent in 2018. As indicated,

these averages do not include condominium rental units or any other rental accommodation that is not purpose-built.

The average market rents for Halton Region continue to be above the assisted rental threshold identified in Halton's Housing Model.

The total number of private townhouse and apartments decreased in 2018 by 32 units. The most frequent unit type in Halton is 2 bedroom, followed by 1 bedroom. Little stock exists in the form of bachelor or 3+ bedrooms.

Average rent (townhouse & apartment) & total units by unit type and Local Municipality, 2018



Source: CMHC Rental Market Report, 2018

Oakville and Burlington have the highest average rent in the Halton Region, similar to previous years. Rent increases in 2018 compared to 2017 were as follows:

- Burlington: +2.7%
- Halton Hills: +4.2%
- Milton: +2.3%
- Oakville: +2.3%

Burlington has the largest number of purpose built rental units among all the Local Municipalities, representing 53.7 per cent, followed by Oakville with 27.4 per cent. Burlington and Oakville saw a loss of 9 and 23 purpose built rental units, respectively, from 2017 to 2018. Milton and Halton Hills experienced no change.

This section focuses on the non-market side of the housing continuum where government-funded programs and services are needed to enhance affordability for Halton's residents (see page 2).

Halton Region plays a direct role in the assisted and special needs housing area, recognizing that people move back and forth across the housing continuum, depending on their personal circumstances.

Assisted Housing

Assisted housing plays an important role in helping low and moderate income individuals and families obtain housing that is stable and secure. Assisted housing mostly relates to rental accommodation operated by non-profit and co-operative housing providers (community housing). The assistance may come in the form of capital programs, operating subsidy to housing providers and rental subsidy to eligible households.

Community Housing Administered by Halton Region

Halton Region administers 3,981 community rental housing units. Most of these units are governed under social housing legislation (3,679 or 93 per cent). The 3,981 units are located in 58 housing communities, owned and operated by 26 non-profit co-operative and private sector housing providers, including Halton Community Housing Corporation (HCHC).

Halton Region provides rent-g geared-to-income (RGI) assistance to 3,171 households living in these communities. RGI recipients are selected from the Halton Access to Community Housing (HATCH) waitlist.

With the expiry of operating agreements for Federal housing providers, the total number of community housing stock in Halton, administered by Halton Region, declined in 2017. The National Housing Strategy announced by the federal government commits to protecting low-income families and preserving the existing community housing stock by providing an investment in a new Canada Community Housing Initiative. A new Federal Community Housing Initiative will also be implemented to assist federal providers with expiring operating agreements. Halton Region continues to monitor and is in regular dialogue with provincial and federal government representatives to ensure that the Region is ready to benefit from this new initiative.

New Assisted Housing Opportunities Since 2008

As reflected in the graph on page 19, Halton Region has created a total of 1,658 new housing opportunities as of year-end 2018, including:

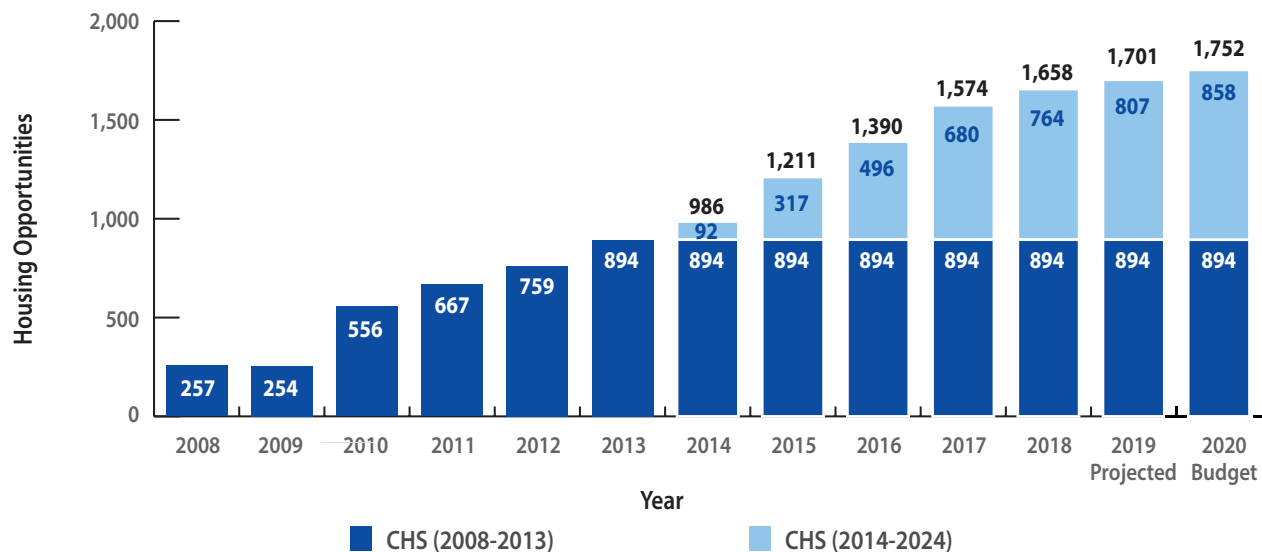
- 466 new bricks and mortar purpose built rental units which includes 44 new community housing 1 and 2 bedroom all age units in Milton.
- more than 950 additional rent supplements and Halton In-situ Program (HIP) portable housing allowances; and,
- various emergency and transitional housing solutions.

Halton Region's Comprehensive Housing Strategy Update – 2014 - 2024 (CHS) sets a 10-year target to create 550 to 900 housing opportunities (new units and rent supplements / housing allowances). More than \$100 million in Regional multi-year funding is projected to enable the creation of 550 housing opportunities, with the understanding that the upper target of 900 can only be achieved with additional funding from federal and provincial governments. Halton Region will update the CHS consistent with provincial legislation requiring a five-year review. Updates to the CHS will be brought before Regional Council for approval in 2019.

Halton Region utilizes the following delivery models for the creation of new housing opportunities under the CHS:

- The creation of new innovative housing programs such as the Halton In-situ Program (HIP). HIP provides income tested housing allowance directly to qualified waitlist applicants.
- The creation of new rent supplements through Halton Region’s Halton Rental Assistance Program (HRAP). HRAP provides funding to Halton landlords to make units available for vulnerable Halton residents.
- Capital investments made in partnership with the federal and provincial governments resulting in new unit acquisitions, property acquisition and third-party funding for new community housing development.

New assisted housing opportunities in Halton
(total cumulative)



Halton In-situ Program (HIP)

The HIP, launched in the fall of 2014, provides an income tested housing allowance (ranging from \$250 to \$850 per month) directly to qualified Halton applicants on the HATCH waitlist. The program is designed as a permanent and portable housing solution. The target is to provide at least 290 allowances by 2019. In 2018, over 290 Halton families were supported with HIP funding.

Rent Supplement

Halton Region operates various rent supplement programs in partnership with private-sector landlords. Under these programs, eligible households are sourced from the HATCH waitlist and receive rental assistance. In 2018, Halton Region acquired an additional 33 rent supplement housing opportunities. Taking into account reductions in time limited provincial funding, the rent supplement total at the end of 2018 was 703, including 258 funded through the Halton Rental Assistance Program (HRAP). This program was created in 2012 and provides Halton Region with additional options to enhance the affordability of new housing initiatives.

Special Needs Housing

Special needs housing includes housing that is accessible for people living with physical disabilities and housing that is tied to the provision of personal supports (supportive housing).

In 2018, Halton Region administered 232 wheelchair accessible units (of which 214 can be accessed through the HATCH wait list).

It is estimated that more than 30,000 Halton residents are living with physical difficulties that could impact their housing needs (Canadian Survey on Disability, 2012).

While changes to the Ontario Building Code (OBC) and the Accessibility for Ontarians with Disabilities Act (AODA) have further enhanced barrier-free building design requirements in Ontario, there is a shortage of statistical data on the specific need for and production of accessible and adaptable housing units in the marketplace. This shortage can make it difficult for a municipality to know whether current policies and frameworks are sufficient to address the need.

Homelessness

The primary causes of homelessness and the need for emergency shelter relate to unaffordable rents, mental health and addiction issues, family breakdown and loss of employment. Halton Region operates and/or administers various support programs to proactively address these situations.

Homelessness initiative	2018 Achievements
Emergency Shelter	906 single clients were served (32 emergency shelter beds for singles supported by Salvation Army and the Canadian Mental Health Association) 92 families were served, an additional 117 were diverted from emergency shelter (Wesley Urban Ministries)
Housing Stability Fund	1,925 housing crisis situations were resolved through outreach and funding, including rental deposits, rental arrears, utility cost arrears, eviction, moving/storage costs and provision of essential furniture/beds
Halton Housing Help	2,124 clients were assisted with finding affordable rental housing in the private marketplace and an additional 273 clients received intensive customized supports
Housing First	23 chronically homeless households were assisted with the provision of permanent housing with individualized support services
Housing with Related Supports	152 subsidized beds across Halton were made available by the Region, operated by housing providers who provide supports to residents at risk of homelessness

