

Calgary

## A landlord's dream: Why prices are increasing in Calgary's rental market

Data from RentFaster says average rental price increased 14% over the past year

[Natalie Valleau](#) · CBC News · Posted: Sep 03, 2021 2:27 PM MT | Last Updated: September 3



A unit is listed as "For Rent" on this street in Forest Lawn. Rental rates for all types of housing in Calgary have gone up 14 per cent compared with a year ago, says a rental listing company. (Elise Stolte/CBC)

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High prices, bidding wars and absolutely zero incentives for tenants in Calgary's rental market is making it a landlord's world.

As the province climbs out of the economic impacts of the COVID-19 pandemic, many are looking for new places to live, which is driving up prices and lowering supply.

[Data from RentFaster](#), the biggest rental listing website in Calgary, compared rental prices from July 2021 with July 2020.

Over that year, a report from Rental.ca, an Eastern Canada rental website partnered with RentFaster, indicated the average price increased by 14 per cent for all types of rentals — basement suites, apartment condos and townhouses.

Mark Hawkins, the president of RentFaster, says rent prices had been on a decline in recent years largely due to the economy — and then COVID-19 hit.

In 2016, for example, [a vacancy spike in Calgary](#) was forcing landlords to offer rent reductions as well as incentives such as free parking, free utilities or covering the first month's rent.

"Now we're kind of just starting to climb back up in regards to rental prices. I think what we're seeing more year over year is a bit more confidence. You had people that would have had a roommate, maybe moved back in with their parents," said Hawkins.

"They're kind of returning back to what would be a bit more of a normal life, so they may be moving out on their own."

## Not enough rentals

Hawkins says RentFaster sees around 6,000 to 9,000 new properties listed per month in Calgary, but the demand is affecting how many stay available.

"We've actually seen about year over year ... your typical rental unit is staying on for half the time it did a year ago," he said.

And because of that, it could lead to some bidding wars for rentals, which Christian Lebodina experienced first-hand this year.

After living with his girlfriend in Calgary's Beltline during the pandemic, they were looking for a bigger place to move into, but it wasn't as easy as he thought.

"If [the landlord] had a viewing, they'd be like, 'Well, I know the listing said \$1,500 a month, but this individual said that they'd pay \$1,650,'" he said.

And when there wasn't a price change in rent, Lebodina says units would be snatched up in a matter of minutes.

"I looked literally all over the city for months on end. And like, I was willing to get an extra job in order to find a place that we could afford more," he said.

"The amount of properties that we were seeing was just like out of control for something that's going to cost you under \$1,500, which is expensive."

- [Living in her car: Utility bills pushing some working Calgarians over the edge](#)
- [The price of stuff, finding a job and Canada's debt — some Calgary voters share what's on their minds](#)

And for those that want even more space, the rent is much higher due to the typical price range those properties trade in.

"A 14 per cent increase on an \$800, one-bedroom apartment is very different than a 14 per cent increase on a \$3,500 house. So just need to keep that nuancing in mind," said Hawkins.

Ali Babiak says she recently moved into a duplex in the northwest community of Hillhurst that costs \$3,500 to rent.

She's sharing the place with three roommates all in their mid-20s and originally thought prices would be around \$2,500 per month.

"Just recently looking at all the houses, they were all within the \$4,000 range for like a full house.... It's very expensive. The prices have increased a lot, in my opinion," she said.

She also noticed the lack of rental properties available, and said many landlords wouldn't get back to her after she expressed interest.

**Average Monthly Rent and Annual Change in Rent for Condominium & Rental Apartments, Select Municipalities in Canada, July 2020 & July 2021**



Rental.ca, an Eastern Canada website partnered with RentFaster, put out a quarterly report that looked at the average rent change for Canadian properties. (Rental.ca)

"Essentially, you'd message all the people on RentFaster because there was only three places that were within your price range."

However, she found that landlords were pretty picky about who they were renting to — something she says has been different compared with renting a few years ago.

"Nobody really wants to rent to people our age," she said.

"You're saying to the landlord, 'I have a full-time income and I have references because I've rented from previous places.' And then, you know, it being difficult, that's the change I've noticed."

## Still better nationally

Hawkins says that despite the increase, Calgary still remains pretty cheap for renting.

According to RentFaster's national rent rankings, Calgary was 22nd out of 35 Canadian cities — with Vancouver being the most expensive with an average rent of \$3,000 a month.

"I think you're going to see a lot more individuals move out of the Vancouver region, the Toronto region, relocate to markets like Calgary because of the affordability. So your ability to buy a property, to pay a more affordable rental rate, there's a significant difference," he said.

Housing affordability has emerged as a key issue for voters ahead of the Sept. 20 federal election, since both renters and prospective home buyers are struggling with the market.

Canada's major [federal parties have shared their visions for making housing accessible](#), offering up ideas ranging from restrictions on foreign buyers to building more housing.

**Read more about Canada's housing situation here:**

- [Main federal parties all say they'll make housing more affordable. Here's what we know about their plans](#)
- [Liberals say they'll bring in a rent-to-own program. But what will it do for Toronto's housing crisis?](#)
- [Measures to make housing more affordable wouldn't be popular with voters: economist](#)
- [How affordable is your housing situation right now?](#)

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*With files from Danielle Nerman.*

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