Housing Affordability in Peel Region: What can households afford? (2023)

Housing is generally considered affordable if it costs less than 30% of a household's before-tax income.

Pee region

Affordable housing

Units at below market prices that are affordable to low and moderate income households, including community housing and units with housing subsidies.

Local municipal and Peel housing initiatives focus on supporting low and moderate income households.



The lesser of: Housing that costs less than 30% of before-tax annual household income for low and moderate income households

OR

Housing where the purchase price is at least 10% below average cost of a resale unit in regional Peel Region.

Housing affordability

Refers to a household's ability to secure and afford safe, suitable, and adequate housing. This includes housing that is affordable to low and moderate income households, rented or owned, and units with housing subsidies.

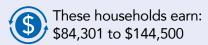
Low income households





Households can afford a sale price of: Up to \$264,100

Moderate income households





Households can afford a sale price of: \$264.101 to \$452.700

High income households



These households earn: \$144,501 to \$261,401+



Households can afford a sale price of: \$452,701 to \$819,201+

Current Prices in Ownership Housing Market



New condo \$683,736 NC: \$201,500 Condo resale \$624,253

NC: \$184,000

New townhouse \$741,571 INC: \$218,500

Townhouse resale \$852,562 INC: \$251,000

New semi-detached \$1,013,992 INC: \$299,000 Semi-detached resale \$1,004,333

INC: \$296,000

\$1,505,594 INC: \$443,500 Detached resale \$1,387,751 INC: \$409,000

New detached

Total new average home price \$1,055,760 INC: \$311,000

Total resale average home price \$1,078,351 INC: \$318,000

INC = Annual before-tax income needed to afford purchase price

- New home prices are for recently built homes that are added to the market for the first time
- Resale home prices are for homes that have been resold to a new owner

New and resale ownership and rental unit prices are currently not affordable to most low and moderate income households.



The lesser of: Rent that is not more than 30% of before-tax annual household income for low and moderate income rental households.

OR

Rent that is at below the Average Market Rent (AMR) in Peel Region.

Affordable rental units include community housing and units with housing subsidies.



Household Income / Renter Household Income Maximum Affordable Home Price or Monthly Rent

AMR Average Market Rent



These households earn: Up to \$54,100



Households can afford rent: Up to \$1,350/mo



These households earn: \$54,101 to \$96,300



Households can afford rent of: \$1,351/mo to \$2,410/mo

Current Prices in Rental Housing Market



Bachelor AMR \$1,163 INC: \$46.500

INC = Annual before-tax income

needed to afford monthly rent.



Vacant Bachelor \$1,569 INC: \$62,750



1-Bedroom AMR \$1.625 INC: \$65,000 Vacant 1-Bedroom AMR \$1,737 INC: \$69,500



2-Bedroom AMR \$1.854 INC: \$74.150 Vacant 2-Bedroom AMR \$1,981 INC: \$79,250



3-Bedroom AMR \$2.013 INC: \$80.500 Vacant 3-Bedroom AMR N/A INC: N/A



Total AMR \$1,781 INC: \$71,250 Total Vacant AMR \$1.833 INC: \$73,300



These households earn: \$96,301 to \$173,101+



Households can afford rent of: \$2,411/mo to \$4,331+/mo

Peel Region Rental Vacancy Rate = 1.8%

- A vacancy rate of 3% is generally considered healthy and represents a market balanced between tenants and owners.
- AMR includes prices of existing occupied units that may follow a rent increase guideline.
- Vacant unit prices reflect the price of units available for occupancy on the market and may
- Ontario has a Rent Increase Guideline that allows for rent increases based on the Ontario Consumer Price Index (CPI) for any units first occupied before November 15, 2018. In 2022 the guideline on rent increases was 2.5%. The Guideline does not apply to social housing
- Rent Increase Guidelines do not apply to vacant units, even if the unit was first occupied before November 15, 2018.

