

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

Peel region

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

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.

VS 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.

Ownership



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.

Rental



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

Low income households

These households earn: Up to \$84,300

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

Moderate income households

These households earn: \$84,301 to \$144,500

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	New townhouse	\$741,571	New semi-detached	\$1,013,992	New detached	\$1,505,594	Total new average home price	\$1,055,760
INC: \$201,500	INC: \$218,500	INC: \$299,000	INC: \$443,500	INC: \$311,000					
Condo resale	\$624,253	Townhouse resale	\$852,562	Semi-detached resale	\$1,004,333	Detached resale	\$1,387,751	Total resale average home price	\$1,078,351
INC: \$184,000	INC: \$251,000	INC: \$296,000	INC: \$409,000	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.

These households earn: Up to \$54,100

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

Current Prices in Rental Housing Market

Bachelor AMR	\$1,163	INC: \$46,500
Vacant Bachelor AMR	\$1,569	INC: \$62,750
2-Bedroom AMR	\$1,854	INC: \$74,150
Vacant 2-Bedroom AMR	\$1,981	INC: \$79,250
1-Bedroom AMR	\$1,625	INC: \$65,000
Vacant 1-Bedroom AMR	\$1,737	INC: \$69,500
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

INC = Annual before-tax income needed to afford monthly rent.

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

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

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 differ from AMR.
- 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 units or long-term care homes.
- Rent Increase Guidelines do not apply to vacant units, even if the unit was first occupied before November 15, 2018.

The definition of ownership and rental affordability is detailed in the [glossary](#) of the [Region of Peel Official Plan \(RPOP\)](#) and is part of Peel's Housing Measuring and Monitoring Program and based on the [Province of Ontario Affordable Residential Units Bulletin](#). Income-based thresholds are based on 2021 Statistics Canada Census data, inflation-adjusted to 2023 values. Income-based purchase price assumes 5% down payment, 25-year amortization, 5-year fixed mortgage rate, 0.125% house value/month property taxes and 4.0% mortgage insurance premium. Rent refers to the actual amount tenants pay for their unit. Utilities such as heating, electricity and hot water may or may not be included in rent. Average market rents and vacancy rates are updated annually by CMHC. Sources: Statistics Canada Census, 2021 and most recent 2023 data from Canada Mortgage and Housing Corporation (CMHC), Toronto Real Estate Board (TREB), Municipal Property Assessment Corporation (MPAC) and Teranet.