INDIGENOUS & NORTHERN HOUSING

HOUSING MARKET INFORMATION

Northern Housing Report

2022

WHITEHORSE

Median rent (2BR): **$1,409**
Vacancy rate: **0.8%**
Core Housing Need (2021 Census): **10.4%**
Total Title Transfers: **664**
Total Housing Starts: **418**

YELLOWKNIFE

Median Rent (2BR): **$1,810**
Vacancy Rate: **1.8%**
Core Housing Need (2021 Census): **10.3%**
Total Title Transfers: **366 units**
Total Housing Starts: **92 units**

IQALUIT

Median Rent (2BR): **$2,843**
Vacancy Rate: **0.8%**
Core Housing Need (2021 Census): **14.5%**
Total Title Transfers: **49**

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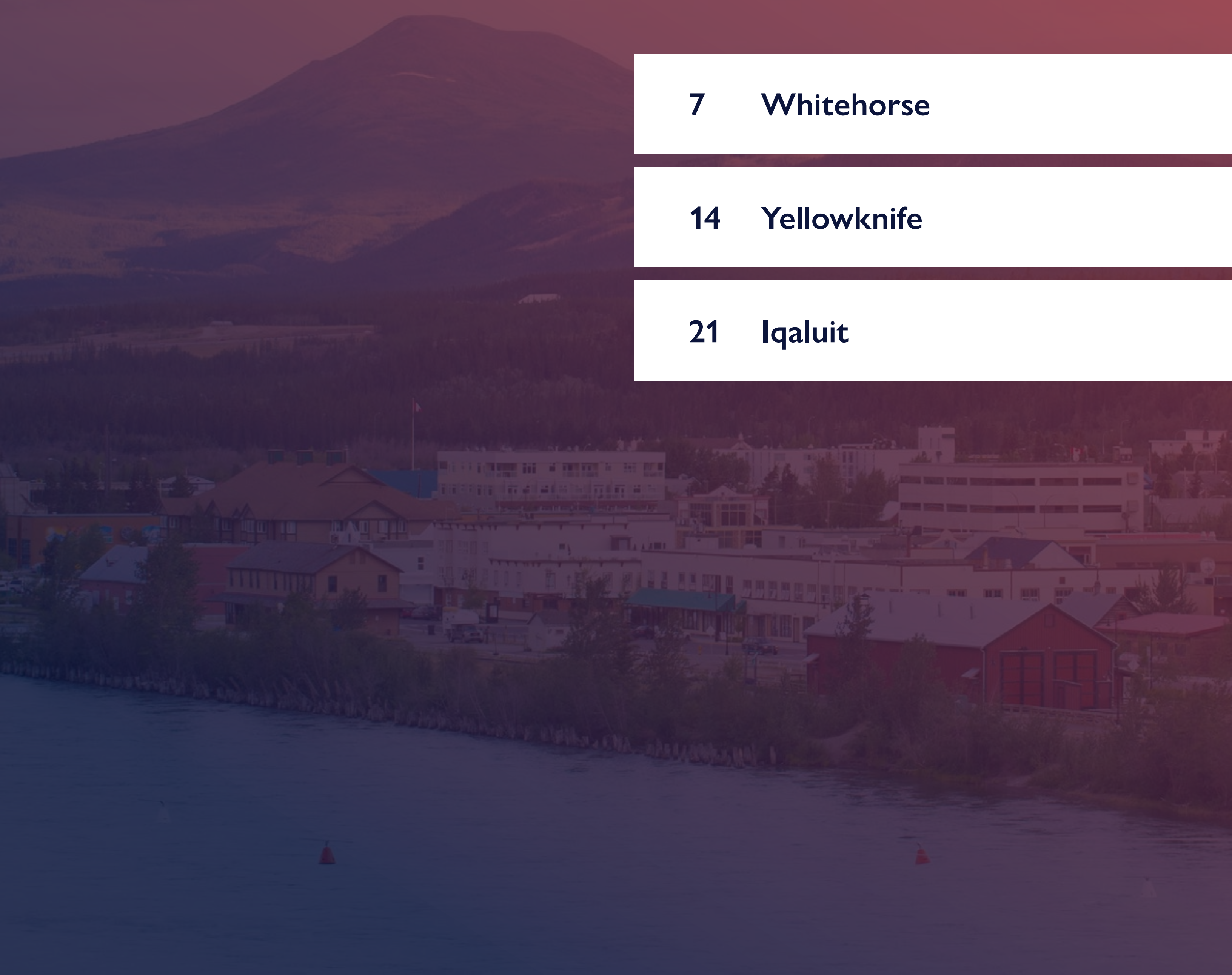

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Northern Housing

Introduction

The CMHC Northern Housing Report focuses on housing market conditions across the three major centres in the Territories:

- Whitehorse
- Yellowknife
- Iqaluit

Housing in the territories is made up of a combination of both traditional market and less traditional nonmarket housing. Compared to the rest of Canada, a significant portion of housing is provided outside of traditional markets through these three providers:

- Yukon Housing Corporation
- Northwest Territories Housing Corporation
- Nunavut Housing Corporation

As Canada and the Northern Territories emerge from the COVID-19 pandemic impacts, economic recovery is evident throughout the north. The release of the 2021 Census showed improvements to some parts of the housing spectrum compared to the 2016 release. However, poor conditions around affordability, adequacy, and suitability persist across all major centres.

An aging population across all three territories worsen housing conditions as existing housing stock may not be appropriate for an increasing senior population.

Labour markets have mostly recovered to pre-pandemic levels. While unemployment has fallen across all territories, labour participation has also fallen. Tightening labour markets and persisting supply chain issues have led to increasing construction costs, as well as higher uncertainty for builders.

These higher costs in risk, time, and prices work to limit housing supply growth in the North.

Affordability remains a key issue in the North

As home prices and costs rose across Canada in 2021, the North was not isolated from this trend. Both ownership and rental markets saw strong demand for housing across the three territories, and prices pushed towards highs. Limited development activity in recent years pressures the supply of market housing.

The affordability standard is defined as housing costs less than 30% of a household's total income.

Compared to the national average of 10.1%, Core Housing Need in the North was:

- 13.1% in Yukon,
- 13.2% in the Northwest Territories, and
- 32.9% in Nunavut.

Beyond home prices, rising mortgage rates have also contributed to increasing shelter costs. In the second quarter of 2022, average monthly mortgage payments were:

- $1,781 in Yukon
- $1,611 in the Northwest Territories
- $1,976 in Nunavut

Compared to the first quarter of 2021, this was an increase of:

- 16% in Yukon
- 1% in the Northwest Territories, and
- 5% in Nunavut.

In Yukon and Nunavut, one would need to work more hours in 2022 at the average hourly earning rate to keep costs below the affordability threshold. This equals to:

- 166 hours in Yukon
- 135 hours in Northwest Territories, and
- 173 hours in Nunavut.

Note that full time work is approximately 150 hours a month.

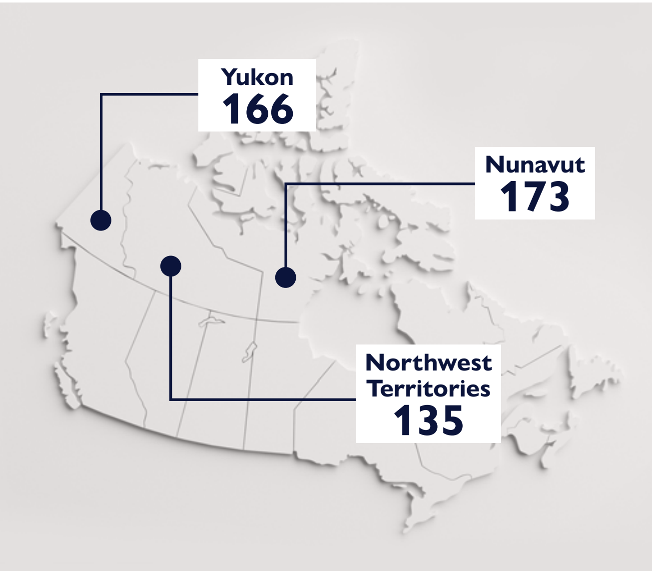
This is a result of both rising prices, mortgage rates, and a slower rise in average earnings in Yukon, while in Nunavut, average wages decreased compared to 2021. The average hourly wage:

- Rose to $36 per hour for Yukon,
- fell to $38 for Nunavut,
- and rose slightly to $40 for the Northwest Territories.

Wages in the Northwest Territories kept up with rising mortgage payments.

These indicators reflect the costs of more traditional types of housing that Canadians experience in the rest of Canada. In the North however, a larger portion of housing is subsidized and provided through non-market avenues. As a result, these figures may not show the complete picture of employment and housing conditions in the Territories..

Figure 1: Hours of work per month to keep mortgage payments below 30% of gross income



Sources: Average monthly mortgage payment on newly-opened mortgages (Equifax) and average hourly earnings (Statistics Canada)

Reference period: Q2 2022.

Mortgage rates rise as monetary policy tightens

The Bank of Canada began to raise interest rates in early 2022 from record lows to combat rising inflation. As a result, the 5-year conventional mortgage rate rose from 4.79% at the beginning of 2022 to 6.14% in October, a level last seen in 2010. Similarly, bond yields also rose as investors gauge current economic fundamentals like inflation, as well as pricing in the potential for an economic slowdown.

Rising mortgage rates have led to a slowdown in real estate activity across Canada. Both sales and prices have come down from highs in most major centres as increased lending costs pressure buying power for homebuyers. This may also lead to slower homebuying activity in the North, and shift housing demand to the rental supply as higher mortgage rates persist.

National Housing Strategy

Announced in November 2017, the National Housing Strategy (NHS), a 10-year $72+ billion plan led by CMHC, will create a new generation of housing that will give more Canadians a place to call home. The goal of this historic strategy is to make sure Canadians across the country can access housing that meets their needs and that they can afford.

Housing in the North is a priority under the National Housing Strategy, where the housing need is higher compared to the rest of the country. Under the Federal, Provincial and Territorial (FPT) Partnership we have a special funding envelope for all three territorial governments to address the unique housing needs in the North. This program is flexible and does not require any cost-matching. This is over and above agreements with provinces, and in addition to other provincial/territorial (PT) funding streams.

As a main initiative under the NHS, all provinces and territories (with the exception of Quebec) endorsed a Federal-Provincial-Territorial Housing Partnership Framework, which sets out, in broad terms, the vision and principles to achieve better housing outcomes for FPT agreements include:

- the Canada Housing Benefit,
- the Canada Community Housing Initiative,
- Provincial/ Territorial Priority Funding, and a flexible non-cost-matched funding envelope for the three territories to reflect their higher costs and Northern housing needs.

The Canada Housing Benefit will provide affordability assistance directly to households to address affordability challenges of the most vulnerable within the territories.

Bilateral agreements have been signed with all provinces and territories to flow federal funding.

Bilateral investments in the territories have reached over $590M in funding as of September 30, 2022. To date, these investments have resulted in support of 8,100 units across the north.

In addition to the bilateral agreements, the territories have also benefited from the National Housing Co-Investment Fund (NHCF) and the Rapid Housing Initiative (RHI) that is directly delivered by CMHC.

The NHS has the NHCF as its flagship program, which supports new construction and revitalization of mixed income, mixed-tenure, mixed-use affordable housing through low-cost loans and contributions. It has two streams, namely, new construction and revitalization.

As of September 30, 2022, the NHCF has provided a federal investment of $248M for 824 units in the territories.

Beyond the NHCF, and launched in December 2020, the RHI initially provided $1 billion in contributions across Canada to quickly create permanent affordable housing for Canadians in severe housing need. For the first phase of the RHI, the territories received $19.2M in funding, leading to a creation of 73 units.

The second round of the RHI launched on June 30, 2021, has provided $76.6M of funding in the territories, creating 249 units as of March 2022.

On November 10, the Government of Canada announced that a third round of the RHI will provide an additional investment of $1.5 billion aiming to create at least 4,500 more affordable housing units for Canadians in severe housing need across the country, with 25% of investments going towards women-focused housing projects.

Since November 2015, the combination of NHS, Social Infrastructure Funding, FPT investments, and legacy programs have totaled over $1 billion in investments for housing in the North, supporting close to 16,900 housing units.

Yukon

As part of the NHS, CMHC and the Yukon Housing Corporation (YHC) signed a 10-year bilateral agreement on March 14, 2019 and later an addendum with the total worth nearly $75.6 million to improve housing conditions in Yukon. This includes a total federal investment of $48.6 million. Of this amount, $21.6M is a part of a specific Northern housing funding envelope and does not need to be cost matched. The bilateral agreement aims to protect, renew and expand social and community housing and support Yukon's priorities related to housing repair, construction and affordability. The addendum to the bilateral agreement for the Yukon–Canada Housing Benefit was added on September 4, 2020. It sets out the parameters for Yukon-administered direct-to-household housing assistance.

As captured in the total amount above, in Yukon, the federal government is investing about $9.1 million in the Yukon – Canada Housing Benefit between 2020–21 and 2027–28, which will be cost-matched by the territory for a total investment of $18.2 million over 8 years. The Canada – Yukon Housing Benefit officially launched in November 2020.

Under the first phase of the bilateral agreement, Yukon plans to expand social housing units by 83 units, repair 90 social housing units, and extend 23 social housing units. Yukon has also been able to gain funding under other NHS initiatives.

There has also been a $40 million carve-out under the NHCF that supports projects in Yukon to help offset high construction costs and building challenges, half of which was allocated directly to Yukon Housing Corporation to build 79 units over five years. These projects will start in Q4 2022.

Northwest Territories

The governments of Canada and the Northwest Territories reached a bilateral agreement under the NHS in November 2018 over 10 years. An addendum to the bilateral agreement was completed with the federal government investing about $9.6 million in the Canada Housing Benefit between 2020–21 and 2027–28, which will be cost-matched by the territory for a total investment of more than $19 million over 8 years. Through the bilateral agreement and addendum, over $159 million will be invested to protect, renew and expand social and community housing and to support the Northwest Territories' priorities related to housing repair, construction and affordability. This includes $93.7 million in federal investments. Of this amount, $36M is a part of a specific Northern housing funding envelope and does not need to be cost matched.

Under the bilateral agreement, NWT will expend $27.6 million in funding from the Governments of Canada and NWT to assist 1,585 households focusing on the following priorities: Maintain increase/existing social housing stock; Repair/replace existing stock; and Homeownership repair programs. There are also other initiatives under the NHS that have benefitted the Northwest Territories.

Under the NHCF, there has been a $60 million carve-out for the NWT, which will support 18 projects for 126 housing units.

Nunavut

As part of the NHS, on August 2, 2019, CMHC and the NHC signed a 10-year bilateral agreement, and later in August 2021 signed an addendum to the agreement for a total investment of $333.2 million, including $274.6 million in federal funds, to improve housing conditions across Nunavut. Of this amount, $216M is a part of a specific Northern housing funding envelope and does not need to be cost matched. The addendum to the bilateral agreement includes that Nunavut and the federal government are investing nearly $9 million in the CHB between 2020–21 and 2027–28, which will be cost-matched by the territory for a total investment of about $18 million over 8 years.

Under the first round of the Rapid Housing Initiative, the Nunavut Housing Corporation received $4.9M for 15 units to address urgent housing needs. Under RHI 2, the Nunavut Housing Corporation received $44.9M for the creation of 101 units. The City of Iqaluit was allocated $5M under the Cities stream and was supplemented by an additional $7M from NHCF for the creation of 18 units. As of September 2022, $16.5M in investments have been made from the NHCF, supporting 104 housing units.

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Whitehorse

Highlights

- Between 2016 and 2021, Yukon experienced the strongest rate of population growth among the country's provinces and territories. Whitehorse accounted for most of this growth.
- Buoyed by an expanding mining sector, Yukon observed the largest relative increase in real GDP in the country in 2021.
- The incidence of core housing need in Yukon and Whitehorse decreased between 2016 and 2021, owing to a decline in the rate of unaffordable housing in the population.
- Vacancies in the private rental market are scarce.
- The single-detached segment is seeing record high resale prices.

Fundamentals

Yukon's population increased at quickest pace in the country[1]

In 2021, Yukon's population expanded by 1.9% relative to the previous year to reach 42,986. Over the same period, the population of the Whitehorse census agglomeration (34,478) grew at a quicker pace of 2.4%, which was in line with the ten-year historical average. Historically, population growth in Whitehorse has outpaced that of the territory, as more migrants usually choose to settle in the urban center.

Migration is the principal driver of population growth and household formation in the region, given an aging population. After easing in 2020 due to pandemic-related travel restrictions, net international migration to Whitehorse improved from 226 people to 328 in 2021.

The number of net migrants from other Canadian provinces or territories to Whitehorse in 2021 fell to 270 people, down from the recent peak of 490 in 2020. In the last few years, a fair share of these individuals have come from the Northwest Territories likely, in part, due to some softness in that region's economy. Other notable sources of within-Canada migration to Whitehorse have been the country's large urban centers of Vancouver, Calgary, Toronto, and Montréal.

Meanwhile, a net total of 70 persons relocated to Whitehorse from other parts of Yukon between 2020 and 2021.

Most migrants to Whitehorse are in the age bands of 15-to-24 and 25-to-44, and likely move in search of employment opportunities. In absolute terms, these two groups accounted for more than half (480 persons) of the growth in the overall population in 2021 (804 persons). In relative terms, the population aged 65 and older increased at the quickest pace (6.5%), followed by those aged 25-to-44 (3.4%), and 15-to-24 (2.9%).

Worth noting is that between the intercensal period of 2016 and 2021, Yukon experienced the strongest relative population growth (12.1%) among the country's provinces and territories. The strength of the local economy, buoyed by the mining sector and a very tight labour market, was a key driver.

1 Data in this sub-section was retrieved from the following Statistics Canada tables: 17-10-0005-01, 17-10-0136-01, 17-10-0135-01, 98-10-0001-01, and 17-10-0009-01.

The latest estimates suggest that Yukon's population continued to grow into 2022, increasing by 416 persons between Q4-2021 and Q3-2022.

Labour market conditions tight amid strong economic growth

Key labour market indicators in Yukon have shown signs of improvement since the onset of the COVID-19 pandemic in 2020 (Table 1). This is owing to:

- The easing of pandemic-related health restrictions
- The rollout of a mass vaccination program across the territory beginning in early 2021
- The general acclimation of consumers and businesses to the pandemic
- General strength in the local economy

On March 17, 2022, the Yukon government ended the State of Emergency that was reinstated in November 2021. Shortly thereafter, most measures associated with containment of the COVID-19 pandemic were lifted.

While the level of overall employment in the territory has improved since 2020, it remained below its pre-pandemic (August 2019) level as of August 2022 owing to lower labour force participation (Table 1). This has generated considerable tightness in the labour market, with the unemployment and job vacancy rates[2] recording a historic low (1.2% as of August 2022) and high (8.9% as of Q2-2022), respectively.

Wages offered by employers have been responding to the mismatch between labour demand and supply. As of Q2-2022, the average hourly offered wage (excluding overtime, tips, commissions, and bonuses), for vacant positions, was up by 10.7% compared to Q2-2021. This increase was higher for industry sectors in the region facing particularly acute labour shortages (i.e., accommodation/food services, professional/scientific/technical services, and finance/insurance).

In terms of job creation, as of August 2022:

- Yukon's broad goods- and services-producing sectors had both created jobs (with 21.9% and 5.8% increases, respectively) as compared to the same time in the previous year
- Those aged 15-to-24 and 25-to-54 accounted for most (94.4%) of the growth in employment since August 2021, with the former growing faster (19.2%) than the latter (8.1%)[3]

In 2021, real GDP in Yukon expanded by 9.1%[4]—the largest growth in the country. The mining sector has been the engine propelling Yukon's economy forward in recent years. Between 2019 and 2021, output in this sector tripled on account of a new mine opening, increased mineral production, higher mineral prices, and, more recently, an increase in exploration activity. Per the Conference Board, economic growth in the region is set to continue over the current decade due to the development of new mines and associated infrastructure investments.[5]

Table 1: Select labour market indicators, Yukon

Month	Labour Force	Employment	Unemployment Rate	Participation Rate	Employment Rate
August 2019	25,200	24,600	2.0%	79.2%	77.4%
August 2020	23,500	21,800	7.2%	72.8%	67.5%
August 2021	23,500	22,300	5.1%	71.6%	68.0%
August 2022	24,400	24,100	1.2%	72.8%	71.9%

Source: Statistics Canada Labour Force Survey (unadjusted data)

2 Sources: Statistics Canada, tables 14-10-0292-01 and 14-10-0326-01.

3 Calculations were derived from data cited in the Yukon Bureau of Statistics' (YBS) August 2021 and August 2022 employment reports. The YBS draws this data from Statistics Canada's Labour Force Survey.

4 Source: Statistics Canada, table 36-10-0402-01.

5 Source: The Conference Board of Canada, 20-Year Territorial Outlook Summary, March 2022.

Affordability

1 in every 8 households in Whitehorse are unable to afford market housing

According to before-tax household income ranges in 2020, 13% of all households in Whitehorse would be unable to secure market housing without assistance.

The annual household income required to afford the rent on a mobile home, bachelor, a one- or two-bedroom apartment ranged from $41,400 to $56,360. Approximately 10% of households in Whitehorse had an income in this range.

To affordably purchase a single-detached home, a household would require a minimum annual income of $141,762. An estimated 37% of all households in Whitehorse could afford this option.

Importantly, the rate of inflation was trending higher in 2021 and through much of 2022. The all-items Consumer Price Index (CPI) in Whitehorse had a year-over-year increase of 7.6% in August 2022, which was above the national average of 7.0%.[6] The higher cost of living can present a challenge for households who may already be struggling to afford housing in the region.

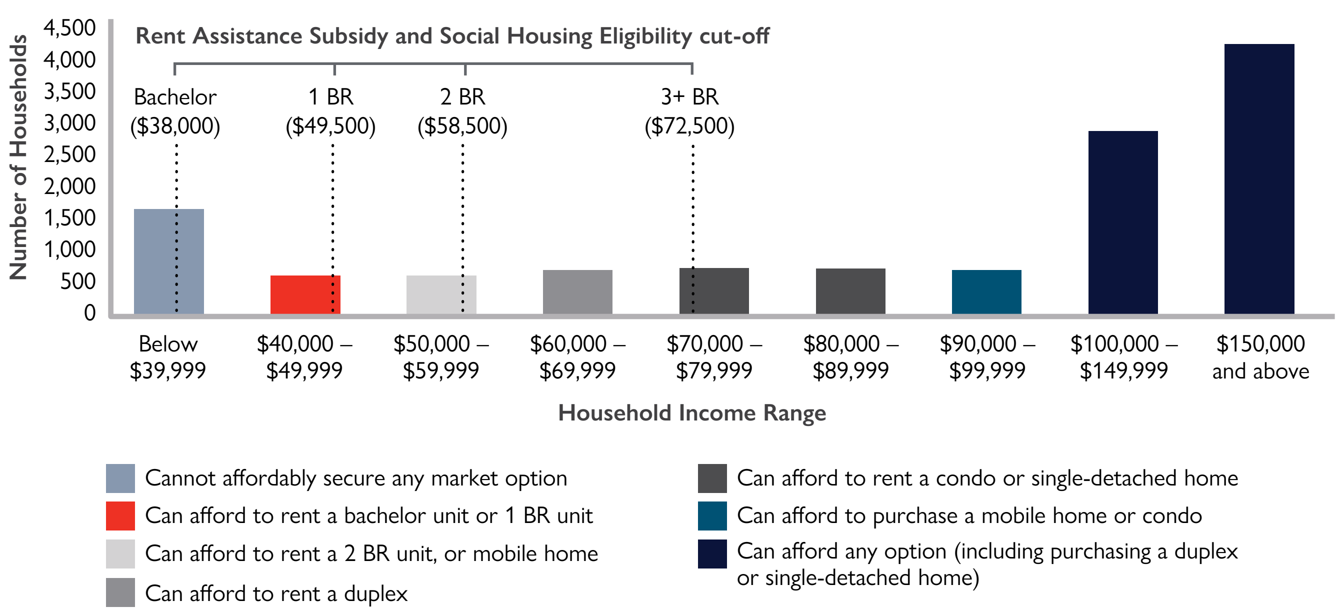
The incidence of core housing need declined in 2021

A household is in core housing need if it does not meet one or more of three standards: adequacy, suitability, or affordability. According to the 2021 Census, the share of the population residing in core housing need stood at:

- 7.7% in Canada, down from 10.6% in 2016
- 9.9% in Yukon, down from 12.1%
- 7.5% in Whitehorse, down from 9.4%

In Yukon and Whitehorse, the decline in core housing need was entirely attributable to a smaller proportion of the population living in unaffordable housing in 2021 as compared to 2016. The share of the population residing in housing that was inadequate (in need of major repairs) or unsuitable (overcrowded), meanwhile, increased in both the territory and the capital.

Figure 1: Market affordability in 2020, Whitehorse



Sources: Statistics Canada, Yukon Housing Corporation, Yukon Bureau of Statistics, Yukon Real Estate Association, and CMHC

Note: The number of households in each before-tax income range was drawn from Census 2021. Affordability assessments were based on the minimum annual income required to meet the 30% affordability criteria and were calculated using the median rent and median mortgage payments in the second quarter of 2022. Mortgage payments were based on the median sale price, a 25-year amortization, the prevailing 5-year fixed discount rate, 5% down, and include mortgage insurance.

[6] Source: Statistics Canada, table 18-10-0004-13.

The decline in the rate of unaffordable housing[7] between 2016 and 2021 was linked to a few factors, some of which were interrelated:

- Incomes rising faster (18.6%) than shelter costs (16.7%)[8]
- Temporary COVID-19 government supports and benefits which supplemented incomes
- The introduction of the Canada-Yukon Housing Benefit, which provides rent relief for low-to-middle income renters (in addition to other targeted investments in affordable housing)
- Increased construction of multi-unit dwellings,[9] which market intelligence suggests are comparatively more affordable than new single-detached homes

While the rate of unaffordable housing improved, intelligence gathered for this report indicated that the incidence of homelessness in Yukon, not captured in core housing need statistics, has been on the rise.

Among different demographics in Yukon, the rate of core housing need in 2021 was highest for:

- The population in lone-parent (25%) and one-person households (23.8%), as compared to other household types
- Renters (19.8%), as compared to owners (5.8%)
- The Indigenous population (18%), as compared to the non-Indigenous (7.9%)
- Those aged 65 and up (13.2%), as compared to those aged 0-to-17 (11.3%) and 18-to-64 (8.8%)

Fewer vacancies in the private rental market

Demand for rentals outstripping supply

Whitehorse's vacancy rate for apartment structures, containing three or more units, fell to a very low 0.8% in April 2022, down from 1.9% in October 2021 (figure 2).[10]

Several factors have contributed to the downward pressure on apartment vacancies.

First, migration to the region has been elevated in recent years. As the population grows, and households form, this increases the demand for rental housing.

Second, the on-going recovery from the pandemic in the harder-hit service sector has resulted in a strong rebound in youth (ages 15-to-24) employment. Per Census data, this is an important demographic for the rental market given their very high propensity to rent. As more youth secure employment, they are in a better position to form rental households. A tight labour market and rising wages enable more people to search for housing—youth or otherwise.

Third, record high prices in the region's resale market, in combination with fast rising borrowing costs, have likely kept some existing renters in their units for longer, while some of those considering purchasing may have opted to rent instead.

Rental apartment universe little changed

On the supply side, the number of units in the rental universe for buildings consisting of three or more units was little changed between October 2021 and April 2022. Demand, as measured by the number of occupied units, outpaced supply, which ultimately moved the vacancy rate lower over this six-month period.

Per CMHC data, new rental apartment completions amounted to 52 units in 2021 and 137 units over the first two quarters of 2022, for a total of 189 units over this 1.5-year stretch.

We can attribute the difference between completions and changes in the rental universe to:

- Units possibly being moved out of the survey sample for conversion to a different use
- Demolition
- Some other temporary reason such as renovation

As of the end of the second quarter of 2022, there were 232 rental apartment units in Whitehorse that were in various stages of construction. This will add to the stock of rental housing in the ensuing months. Bringing more rental units online will be important to address the very low vacancy rate–both for the local populace and new migrants. Anecdotal evidence suggests the shortage of housing has dissuaded some talent from migrating to the region.

7 A household is living in unaffordable housing if their before-tax shelter costs comprise 30% or more of income.

8 Figures referenced were the change in the median income and shelter cost for the Whitehorse census agglomeration between 2015 and 2020 (drawn from Censuses 2016 and 2021, respectively).

9 In reference to semi-detached homes, row homes, and apartments.

10 Source: Yukon Rental Survey, April 2022. Note: The April and October Rental Surveys are comparable.

Consistent with a tight rental market, rents have been rising. The median rent in Whitehorse, for building with 3+ units, was $1,150 in April 2022. This was 4.5% higher than in October 2021, and 7.4% more compared to April 2021 (figure 2).[11]

As of May 15, 2021, the Yukon government tied residential rent increases to inflation.[12] This change is anticipated to remain in effect until January 2023.

Homeownership market faced with rapidly rising mortgage rates

Average single-detached home price hits record high in the resale market

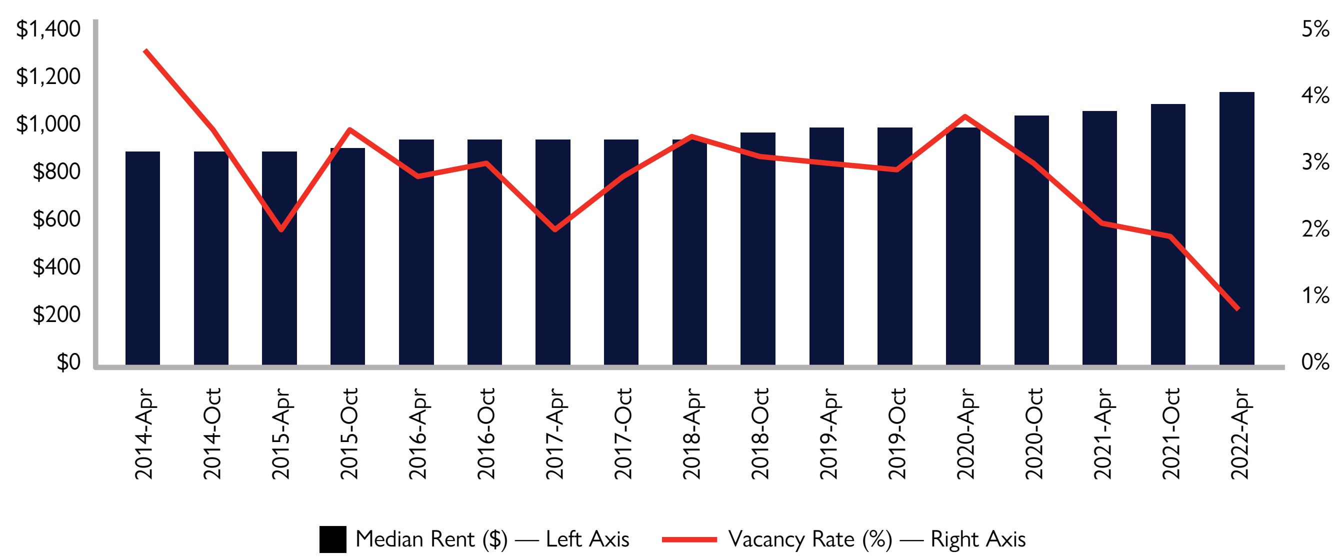
The value of real estate transactions in Whitehorse in 2021 was $386.9 million[13]—up 13.1% from 2020. Historically low interest rates and strong economic and demographic fundamentals contributed to the increase.

The number of units transacted in 2021 was 664, down from 693 in the previous year. The decline was driven by a decrease in condominium sales, which fell by 40% to 181 units from 299 units a year earlier. All other dwelling types—namely, single-detached homes, duplexes, and mobile homes—recorded higher unit sales.[14]

Tight resale market conditions maintained upward pressure on prices in 2021:

- The average price of a single-detached house increased by 14.2% to $645,000 from $564,700 in 2020.
- The average price of a condominium rose by 9.4% to $463,600 from a year earlier.
- Resale prices for duplexes and mobile homes increased by 19.0% and 21.7%, over the same period.[15]

Figure 2: Median rent and vacancy rate, units in buildings with 3+ rental units, Whitehorse



Source: Yukon Rent Survey, April and October, Yukon Bureau of Statistics

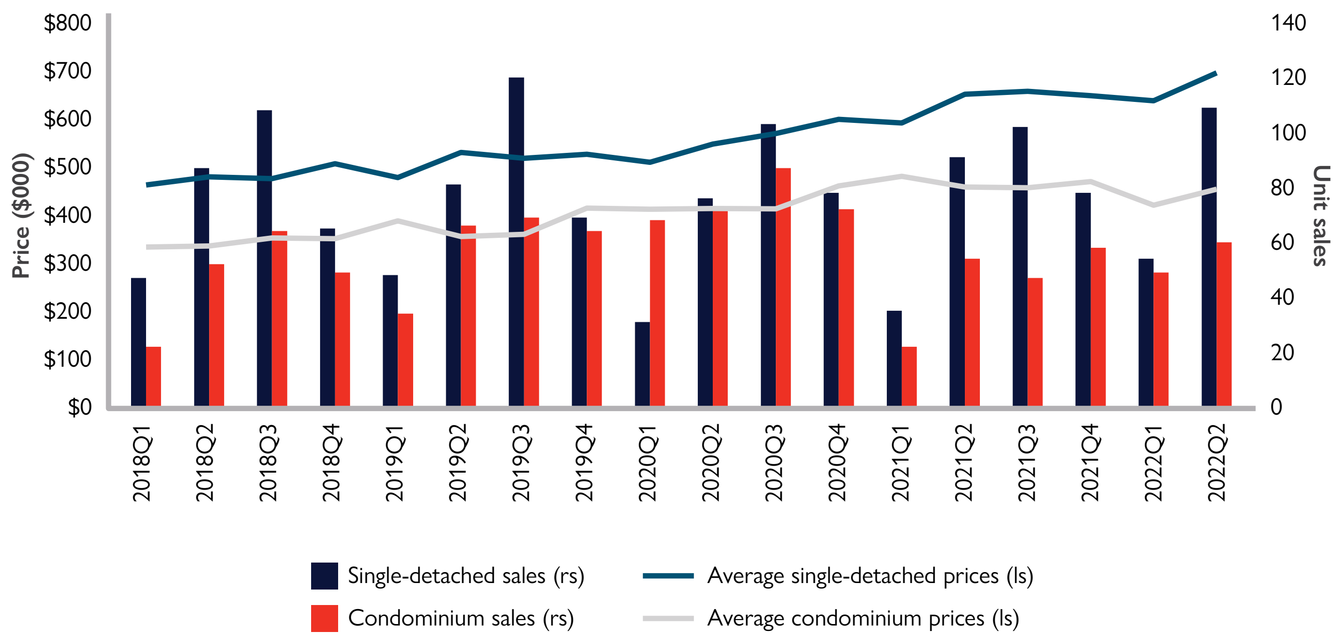
[11] Source: Yukon Rental Survey, April 2021, October 2021, and April 2022.
[12] Source: https://yukon.ca/en/yukons-residential-rent-index.
[13] Source: Yukon Monthly Statistical Review, February 2022.
[14] Ibid.
[15] Ibid.

In Q2-2022, the average price of a single-detached home in Whitehorse reached a record high of $695,100 (figure 3), up 6.8% from the same time in 2021. Despite the increase, year-over-year price growth for this product type has been moderating since Q3-2021. Meanwhile, annual price declines were observed for the average condominium in both Q1- and Q2-2022.[16] Elevated and sustained home price appreciation over the last few years, coupled with the rapid rise in interest rates since March 2022, have conceivably played a part in the moderation or decline in home prices.

In terms of transactions, there were 37 and 33 more single-detached homes and condominiums transacted, respectively, over the first half of 2022 as compared to the same time in 2021.[17]

As more data is released, the trajectory of sales and prices—amid further increases to borrowing costs since the second quarter–will become more apparent.

Figure 3: Real estate transactions and average prices, Whitehorse



Source: Yukon Real Estate Report, Yukon Bureau of Statistics

[16] Source: Yukon Real Estate Report, Q1-2022 and Q2-2022.
[17] Ibid.

Housing starts remained elevated in 2021

There were 418 housing starts in Whitehorse in 2021, down from the recent peak of 478 units in 2020 (figure 4). Nevertheless, this was the second highest number of starts, dating back to at least the mid-2000s.

Of the 418 units initiated in 2021, 137 were single-detached homes–almost twice as many as in the previous year and the highest number on recent record. The increase was attributable to sharp gains in house prices, limited inventory on the resale market, and the historically low mortgage rate environment of the time. Conversely, multi-unit starts amounted to 281 units, which marked a 31% drop from the previous year's level. The decline was almost entirely attributable to a drop in rental apartment construction.

Through the first half of 2022, new home construction in Whitehorse equaled 172 units. This was 27% below the 236 units initiated during the same period of 2021, largely owing to a continued drop in rental apartment construction. Industry contacts report financial feasibility challenges in the development of purpose-built rental, which make the provision of this product difficult. Considering the region's very low rental vacancy rate, this may imply continued tightness in this segment moving forward.

Also potentially weighing on new home output, according to market intelligence, is stiff competition for the sub-trades. Per Statistics Canada, the job vacancy rate in Yukon's construction sector was 10% in Q2-2022, which was above the territory average. Developers have also been contending with supply chain constraints and rising construction costs, which–in addition to a tight labour market–are a source of uncertainty for project viability.

The amount of under construction inventory in Whitehorse at the end of Q2-2022 was 584 units. Of these, 60% were for homeownership (freehold or condominium units), while the remaining 40% were for rental.

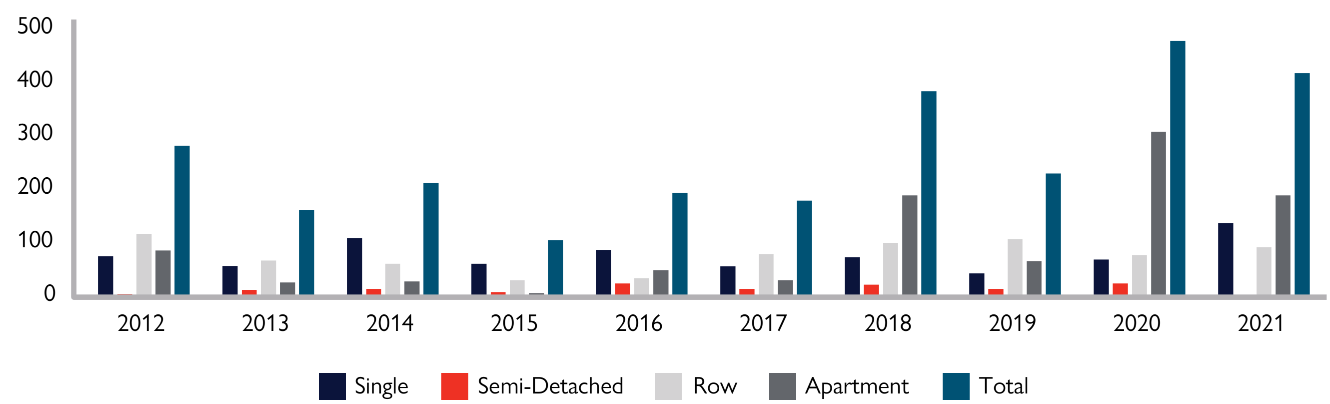
Monthly mortgage payments on the rise

Equifax data captures mortgage and consumer credit trends in Yukon.

In Q1-2022, the average monthly obligation for consumers with a new mortgage loan was $1,780. This was $234 higher than for consumers with existing mortgage loans. New buyers were faced with higher obligations given the sharp gains in home prices throughout the pandemic.

On average, consumers' monthly scheduled mortgage payments increased by 3.2% in Q2-2022, compared to a year earlier. This was the largest annual growth in ten quarters. Strong home price appreciation and rising mortgage rates explain the increase.

Figure 4: Housing starts by type, Whitehorse



Source: CMHC Starts and Completions Survey

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Yellowknife

Highlights

- Growth in the senior population continues to put pressure on housing supply.
- Yellowknife faces a higher degree of Core Housing Need than the rest of Canada, especially seniors and those who identify as Indigenous.
- Territorial homeownership increased, bucking the trend seen in the rest of Canada. This could be the result of recovering economic activities, strong labour market conditions, and a rush to complete deals in expectation of future mortgage rate hikes.

Fundamentals

Yellowknife's senior population continues upward trend

Trends of **urbanization and aging** continued to shape the Northwest Territories' (NWT) demographics in 2021. While the population of the Northwest Territories fell by 1.7% between 2020 and 2021, the population of Yellowknife, the capital city, grew by 1.5%.

Yellowknife now makes up just under one-half of the total population of the Northwest Territories. The senior population has grown steadily over the years, with the NWT Bureau of Statistics reporting the population to be 4,142 in 2011 and 6,920 in 2021. In other cases, such as the age group of 15–59, the population fell.

The aging population places a strain on Yellowknife's housing market. Seniors have evolving requirements from their housing as they age, which the existing housing stock is ill-equipped to provide.

For the fourth year in a row, net migration continued to be negative. This was driven primarily by interprovincial migration, with 171 individuals exiting in 2021. However, the number exiting was down by just over 40% from 2020's number, perhaps reflecting the improving employment conditions.

Low unemployment and high participation rate reflect a strong labour market

With post-pandemic economic activities ramping up, the NWT has recently witnessed **its lowest unemployment rate since 2005, reaching 4.1% in August 2022**. Labour force participation and employment rates increased in 2021 and continued steadily climbing through the first two quarters of 2022, reflecting strong labor market and employment conditions.

Yellowknife, the hub of economic activities in the NWT, exhibits similar patterns in its labour market characteristics.

- The unemployment rate dropped to 4% in August 2022, **an 8% decrease year-on-year**.
- All three indicators—participation rate, unemployment rate, and employment rate—are strong in Yellowknife.

These three indicators are stronger in both Yellowknife and the NWT than the rest of Canada, laying a strong foundation for housing and rental market demand.

Looking into specific components of employment in the NWT between 2020 and 2021:

- Nearly all increases in employment came from the service industry, which was hit hard by pandemic restrictions.
- Employment in this sector rose around 11% in 2021.
- Public sector employment grew from 46.5% to 47.5%.
- Private sector employment fell from 45.2% to 44.1%, indicating that employment is increasingly driven by the public sector.

Numbers of self-employed increased as well, from 2,100 in June 2021 to 2,900 in June 2022, a 38% increase year-on-year.

Strong economic growth in key Yellowknife industries

While GDP growth in the NWT was strong in 2021, with an annual growth rate of 6.3%, it is yet to reach pre-pandemic levels. Mining—which contributes nearly 25% of GDP in the NWT—exhibited one of the highest annual growth rates, around 12%. Value added by the construction of residential buildings increased by 5.5% in 2021 from 2020.

According to the 2021 Census, **Yellowknife had a median household income of $148,000 in 2020**, dwarfing the national number of $84,000. Nearly three-quarters of the households in Yellowknife have a total income of $100,000 and over, compared to just 40% nationally. This is thanks both to Yellowknife's high employment rate and employment in industries with high earnings.

Nearly one-quarter of the Yellowknife population identify as Indigenous, two-thirds of which identify as First Nations. The median total income of an individual with First Nations identity is $47,200, 38% lower than that of a non-Indigenous individual.

Inflation continued to rise in 2021 and the first two quarters of 2022. The Consumer Price Index (CPI) in Yellowknife had a year-over-year increase of 6.7% in August 2022. This figure is lower than the national average, however increases in food and shelter CPI in Yellowknife are higher than the rest of Canada, reaching 9.7% and 8.5% respectively.

Affordability

Affordability for seniors and Indigenous renters continues to deteriorate

In 2021, only **11.7%** of the households in Yellowknife experienced affordability[1] issues with their housing, nearly half the rate from 2016. However, housing affordability remains a serious issue for renters, with nearly 20% unable to afford their rental homes.

The percentage of Indigenous homeowners' households in Yellowknife who are in unaffordable housing also witnessed a large decrease from 2016 to 2021. Indigenous renters, on the other hand, are having more trouble affording their homes, with 26.6% of the Indigenous renters in Yellowknife unable to afford housing, exceeding the national average (25.4%).

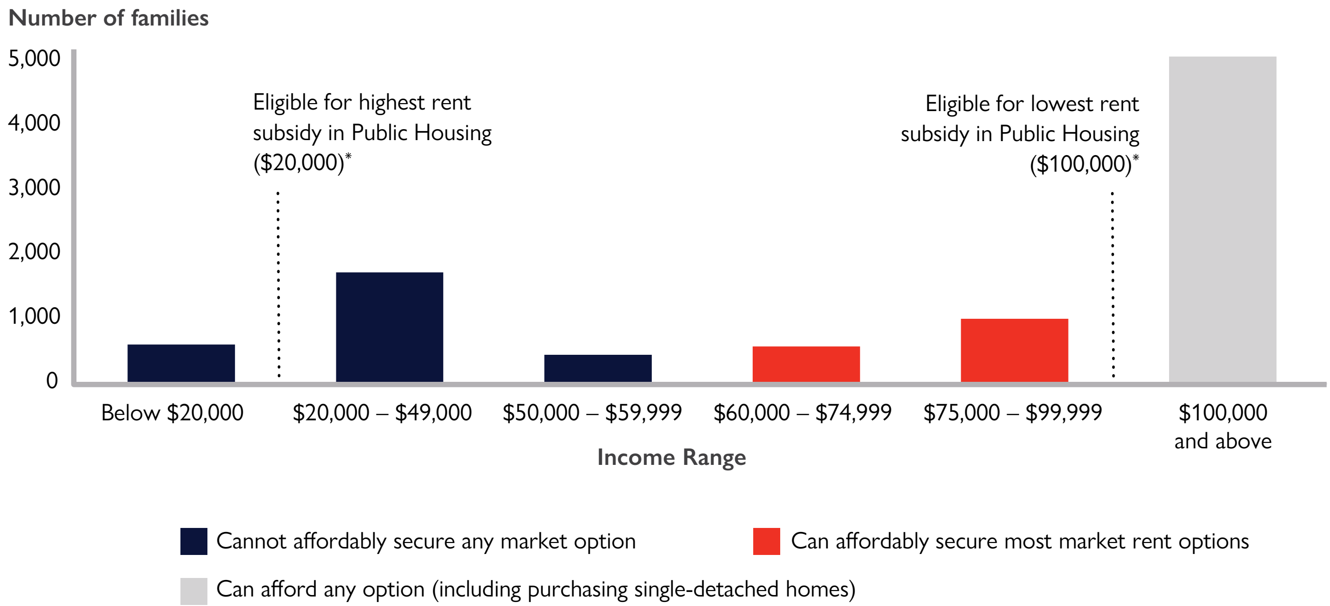
Changes for seniors' affordability (65 years and over) in Yellowknife are:

- Up from 8.3% in 2016 to 16.8% in 2021.
- Compared to Canada, it's a drop from 19.4% to 16.9%.

This trend is the same for both homeowners and renters. Almost 35% of the seniors in Yellowknife cannot afford renting their homes. As seniors comprise an increasingly large portion of NWT's population, this demands attention.

[1] Housing affordability refers to whether shelter costs (such as rent, mortgage payments, utilities, insurance, etc.).

Figure 1: Market affordability in Yellowknife, 2020



Sources: Statistics Canada, CMHC

Note: The cost of renting a 1BR is considered by the CHN benchmark to be affordable to families making $61,200 per year, renting a 2BR unit is affordable to families earning $70,760 per year, and owning an average home is affordable to families earning $106,146 per year.

*Annual income required to meet the 30% affordability criteria.

Core Housing Needs remains high for the Indigenous population and senior renters

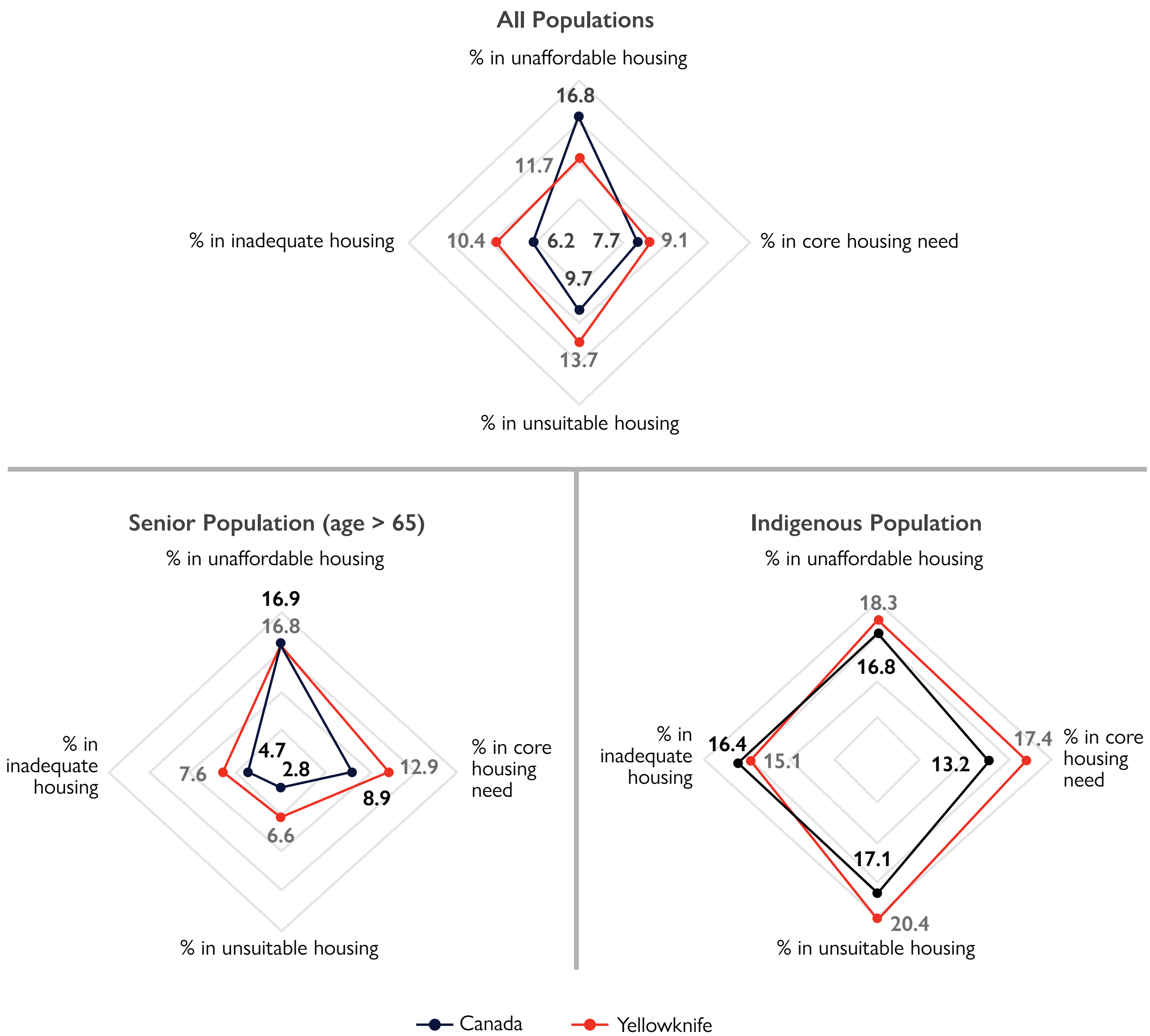
In Yellowknife, **9.1%** of the population fell into Core Housing Need (CHN) in 2021[2], higher than the Canadian average (7.7%). While just under 4% of homeowners in Yellowknife are in CHN, the corresponding share for renters is nearly one-fifth.

The Indigenous population in Yellowknife are among the groups that experience CHN most acutely. 17.4% of the Indigenous population households in Yellowknife are in CHN—this is high compared to both the national average and the level from 2016. The share of Indigenous homeowners that are in CHN almost doubled from 2016, reaching around 7%. Indigenous renters face a worse situation yet, with around 27% in CHN.

The proportion of seniors in Yellowknife that experience CHN has decreased but remains higher than the national average. Nearly a third of senior renters are experiencing CHN, and the major contributing factor lies in housing affordability.

[2] A population is in *Core Housing Need* if their housing does not meet one or more standards of adequacy, suitability, or affordability.

Figure 2: Key housing indicators, by population groups of interest



Source: Statistics Canada, 2021 Census

Monthly mortgage payments at an all-time high

As we saw in last year's report, the population aged 35–44 held the largest share of both mortgages (30%) and outstanding mortgage balances (34%). Holding a larger share of outstanding mortgage balances compared to share of mortgages indicates that this cohort holds proportionally larger mortgage loans.

Average monthly payments for mortgages reached $1621 in Q2 2022, an all-time high. If inflation persists and mortgage rates continue to climb, households will see payments increase as fixed-term mortgages renew, and variable-rate mortgages hit trigger rates. This would immediately impact affordability, but would also hit consumer spending, creating a drag on general economic conditions.

Lower vacancy rates in rental market

Vacancy rates tumbled for all bedroom types, with 1-, 2-, and 3-bedroom units all hovering around a **2% vacancy rate**. This is potentially a result of recovering economic activities, especially in mining and construction industries. However, the low vacancy rate also indicates strong rental market demand and puts upward pressure on prices.

Excluding bachelor suites, which are relatively uncommon in Yellowknife and make up just 2% of total rental units, all bedroom types (1, 2, and 3) saw price increases from last year. In 2021, the average rents for

- 1 bed rent was: $1,564
- 2 bed rent was: $1,806
- 3 bed rent was: $2,095

and **overall rents rose by 1.6% from 2020 to 2021**.

The number of private apartment units for rent rose slightly from last year from 1,726 to 1,750 units, but **all supply increases were seen in 1- and 2-bedroom units**, which are often not suitable for larger families.

A better alternative for larger families could be row housing:

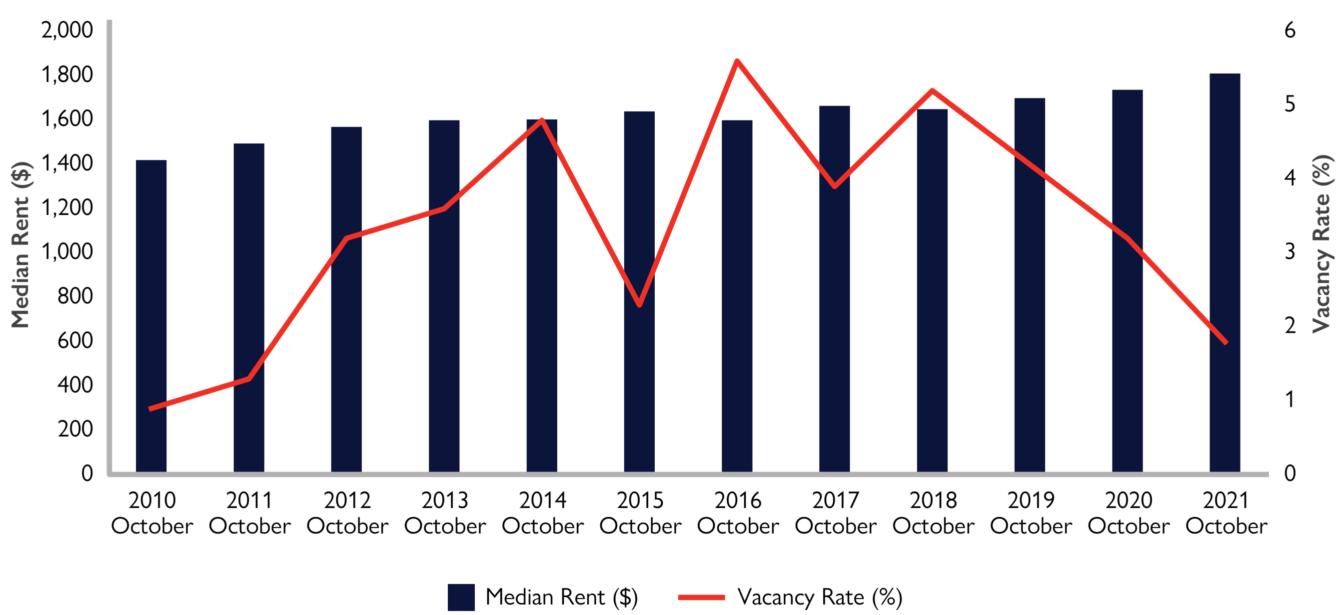
- 262 3-bedroom units in the rental universe
- Row housing provides larger living spaces, ground-oriented access, and splitting land cost over multiple units

However, row housing is currently both harder to find and more expensive than a 3-bedroom apartment:

- Vacancy rate of just 0.8% and average rents of $2,302.
- With only 2 new row units added between 2020 and 2021, conditions could tighten further.

Social and affordable housing units, which in the NWT have been built mainly by the government, are generally found outside of Yellowknife—the capital is home to just 5% of these units. Overall, 35% of units are 3-bedrooms, which are suitable for most families. The vacancy rate for social and affordable housing units is near zero, signalling more demand for this type of construction.

Figure 3: Yellowknife, Median Rent and Vacancy Rate



Source: CMHC Rental Market Survey

Driven by tight supply, prices remain at a record high for another year

Despite diminishing affordability for buyers, the **NWT was the only province / territory to see the rate of homeownership increase in the 2021 census**. The average sales price, across all types of housing, was $486,000—an all-time high. These high prices are buoyed by strong employment conditions and high wages.

Number of resales in 2021 also increased to 355 units sold, a 28% jump over 2020 (and 44% higher than 2019). Since the start of the pandemic, sales-to-new-listing ratio has been elevated, hovering near or above 100%, and months-of-inventory has plummeted.

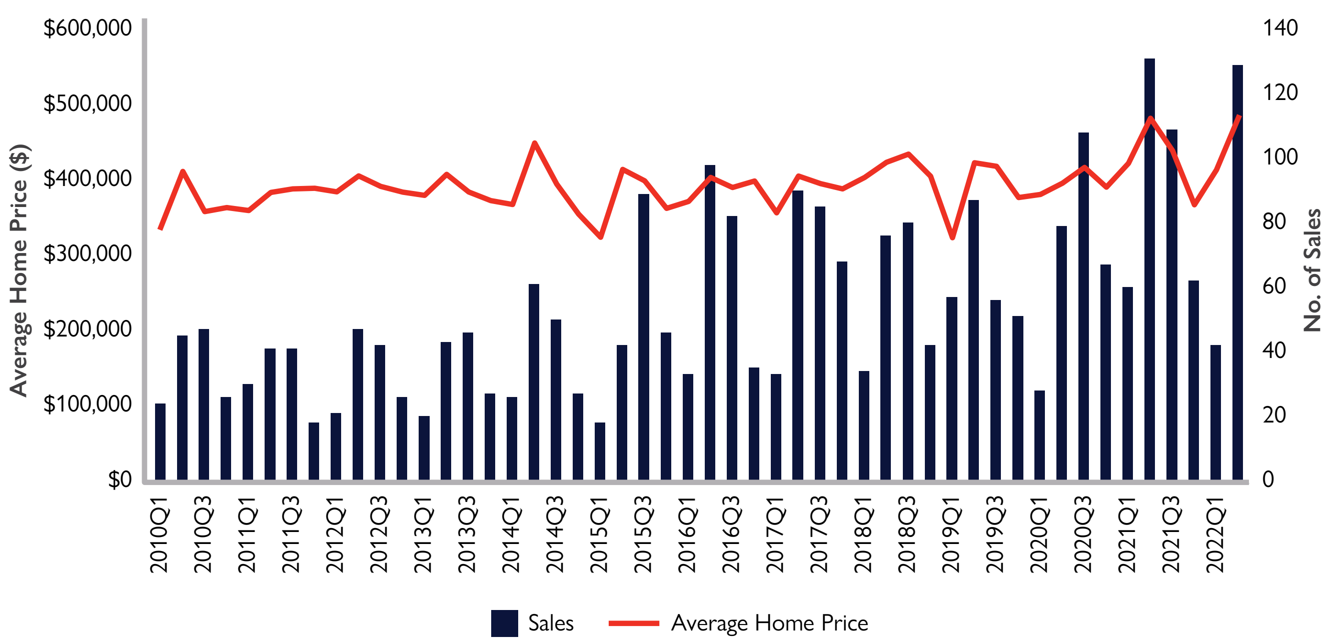
The continued strength of sales numbers in Q1-2022 could be the result of a rush to complete deals in expectation of future mortgage rate hikes. Rising rates could be a headwind to demand through 2022 and into 2023, by eroding both affordability for buyers and market sentiment, and worsening incentives for developers.

Changes to zoning by-law could help ease supply constraints in Yellowknife

Housing starts have plummeted in Yellowknife thus far in 2022, hindered by labor shortages, high construction costs, and rising interest rates.

- Builders started construction on 92 units in 2021—an increase of 70% over 2020.
- Only seven units have been initiated in 2022, all of which are single-dwelling houses.
- Starts are down close to 92% year-over-year.

Figure 4: Yellowknife, average home price and sales



Source: CREA

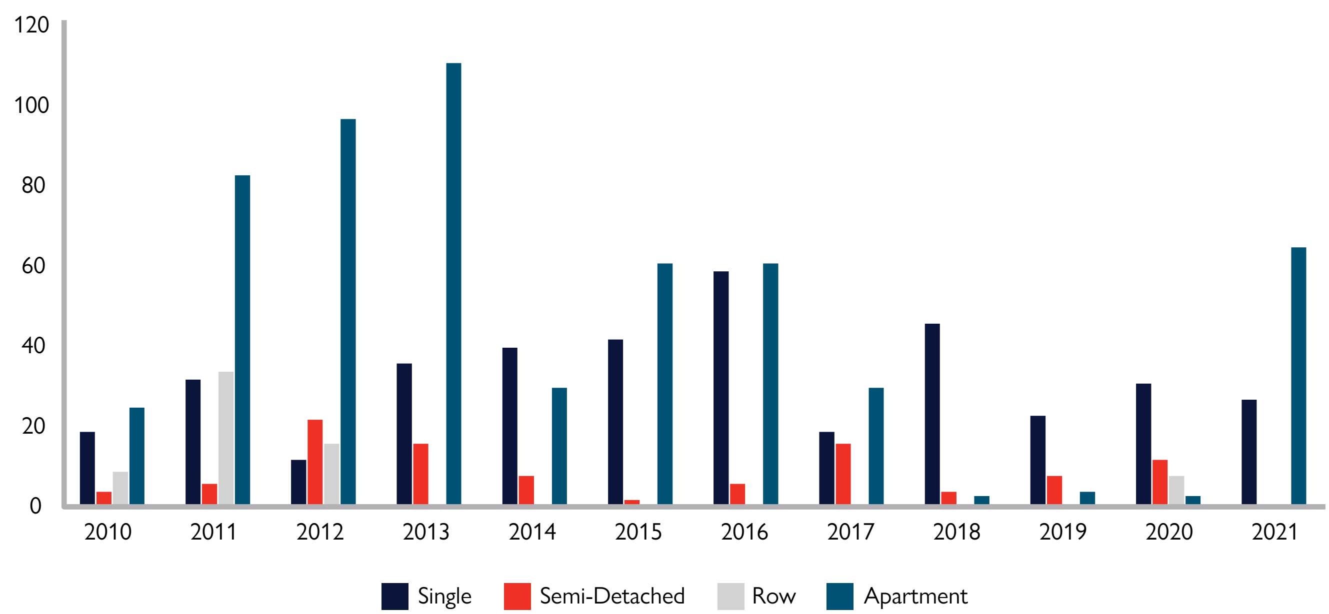
However, a new zoning By-law introduced last March provides a road to some relief from the supply crunch. The Open Option Parking aspect of the By-law, which gives developers more flexibility to determine the number of parking spots they require, helped incentivize the upcoming conversion of downtown Yellowknife's Bellanca Building (which will be renamed the NEST building) to residential units. This 10-storey, 55,000 square foot building has sat vacant for over a decade after its last tenant, the federal government, left in 2012. The Bellanca Building (NEST) is expected to be completed by 2024.

In terms of expected future supply, permits have been issued for several new multi-unit starts: a 9-unit building, 2 fourplexes, and 114 total apartment units—however, as these units are predominately 1 and 2 bedrooms, they may not be suitable options for larger families. Additionally, permits have been issued for 16 new single-detached starts, and 8 new secondary suites.

A 21-unit special care facility—the YWCA women's shelter—is also under construction. This will provide suitable accommodations for women with children.

Finally, a special consideration for construction in Yellowknife is the growing senior population. New housing stock will be required to accommodate their evolving needs. To this end, AVENS and CMHC have partnered on a project—the AVENS Pavilion—which is scheduled to bring 102 senior-friendly units onto market in Fall 2023. This will be NWT's largest affordable housing project to date. Continued building of these types of units will be required to keep pace with the aging of Yellowknife's population.

Figure 5: Yellowknife, housing starts



Source: CMHC Starts and Completions Survey

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Iqaluit

Highlights

- Market affordability remains a challenge for households, particularly the younger population, in Nunavut.
- Nunavut has the highest percentage of households in core housing need in Canada with critical difficulties in securing appropriate housing.
- Significant price increases were recorded in the sale of single-detached and row housing units, and also in the rental market.

Fundamentals

Nunavut continues to have the youngest population in Canada

Population and Demographic estimates indicate that Nunavut:

- continues to have the youngest population in Canada with a median age of 25.6 years,
- has the lowest proportion of people aged 85 and older (less than 1%),
- the highest fertility, and one of the lowest life expectancies in Canada, and
- is the least populous.

According to data from the 2021 Census, the total population in the Nunavut territory increased by about 3% to 36,858, a smaller margin when compared with population growth in the previous census and across other parts of Canada. The Inuit population within Canada recorded a growth of 8.5% to 70,545. Despite having a younger average age, population growth was recorded mainly in the 50 years and above cohort.

In Iqaluit, the population decreased by 4% to 7,429 mostly due to a decline in the 20 to 24 years cohort. However, the impact of this decline on the overall core cohort (15–64 years) was moderated by a growth in the older cohorts within that range. This is evidenced by a growth of over 15% in the proportion of the population within the 65 years and over cohort both in Iqaluit and the entire territory.

The population of Iqaluit is only about 20% of the total population in Nunavut which shows that the population within the region is sparsely distributed across various small cities. This is also a reflection of the sustained low population density within the territory which has been unable to attract immigrants and professionals mostly due to housing shortages.

Marginal economic growth and improvements in labour market conditions amid labour shortages

The labour market in Nunavut has recovered to pre-pandemic levels and has grown considerably within the past year peaking in February 2022. As of September 2022, the number of persons employed in Nunavut was 14,300, an increase of around 7% when compared with the same period in 2021. At the same data point, the unemployment rate was 12%, a year-over-year decrease due to a sustained decline in labour force participation which is below the pre-pandemic average.

Both full- and part-time employment have grown within the past year. Full-time employment increased by around 9% over its level in 2021 to 12,700, while part-time employment increased by 23% to 1,600 when compared with its level in the same review period.

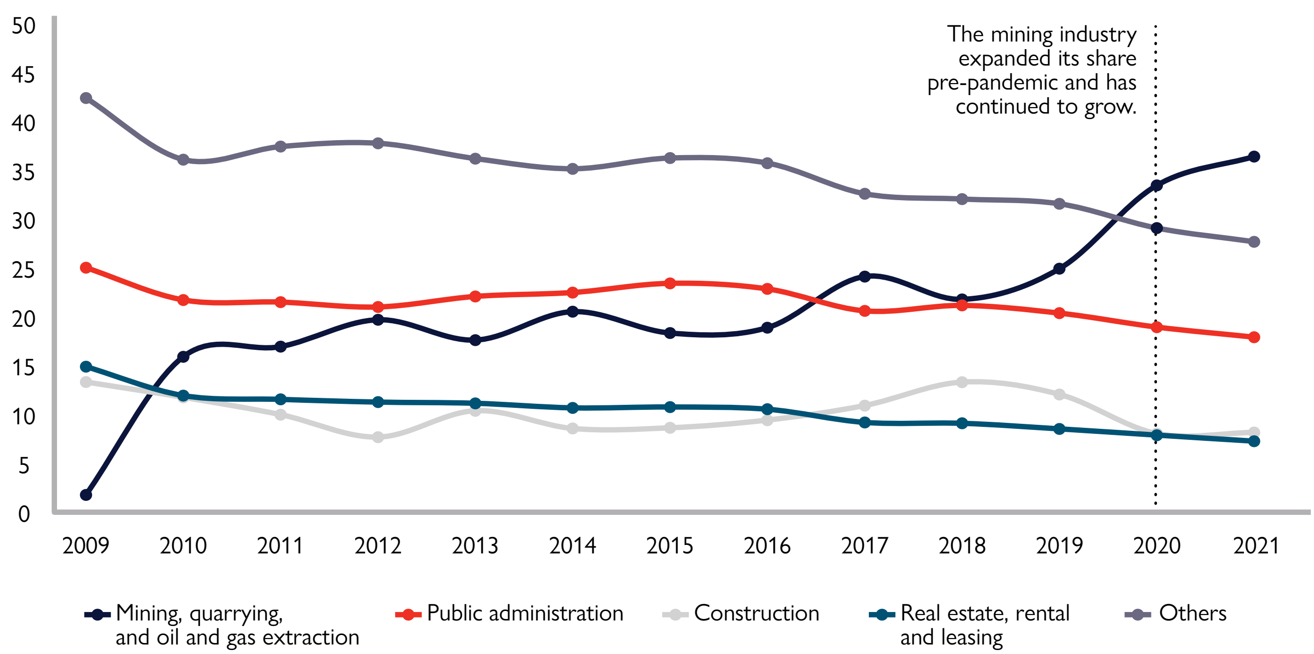
Although the labour force in Nunavut has grown within the past year, there is a growing number of people not in the labour force. This could be because some jobs that were lost during the pandemic have not returned.

Nunavut had the highest share of residents (about 35%) who received pandemic emergency and recovery benefits among all provinces and territories[1]. It was anticipated that the suspension of these benefits would result in labour fully returning to certain sectors, however this has not occurred. Staffing shortages have been reported due to difficulties in hiring and retaining required labour which have resulted in high employee turnover and job vacancies.

Overall, the economy of Nunavut expanded by around 7% in 2021. As in previous years, this growth was driven mainly by the mining sector which accounted for about 37% of the GDP. Mineral production at existing mines has grown, boosting employment and supporting economic recovery. A new mining project, expected to commence commercial production within the next few years, could support future economic growth in the territory. All other industries, mostly within the service-producing industry, are yet to fully recover to pre-pandemic levels and have lower (and sometimes declining) contributions to territorial economic growth.

Similar to other parts of Canada, the prices of most consumer items, including food have been rising in Nunavut due to supply chain delays and rising energy costs. However, fuel-related prices have been buffered because the Government of Nunavut bulk-purchased the year's supply of fuel in advance prior to price hikes. In Iqaluit, the inflation rate was around 5% in August 2022[2], below the Canada inflation rate of 7% in the same period and the lowest in the country, due to these bulk fuel purchases.

Figure 1: Percentage share of GDP by industry (%)



Source: Statistics Canada. Table 36-10-0400-01 Gross domestic product (GDP) at basic prices, by industry, provinces and territories, percentage share

[1] The contribution of pandemic relief benefits to the incomes of Canadians in 2020
https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-X/2021005/98-200-X2021005-eng.cfm

[2] Consumer Price Index for the provinces and for Whitehorse, Yellowknife and Iqaluit — Not seasonally adjusted
https://www150.statcan.gc.ca/n1/daily-quotidien/220920/t002a-eng.htm

Affordability

Market affordability remains a challenge for households, particularly the younger population

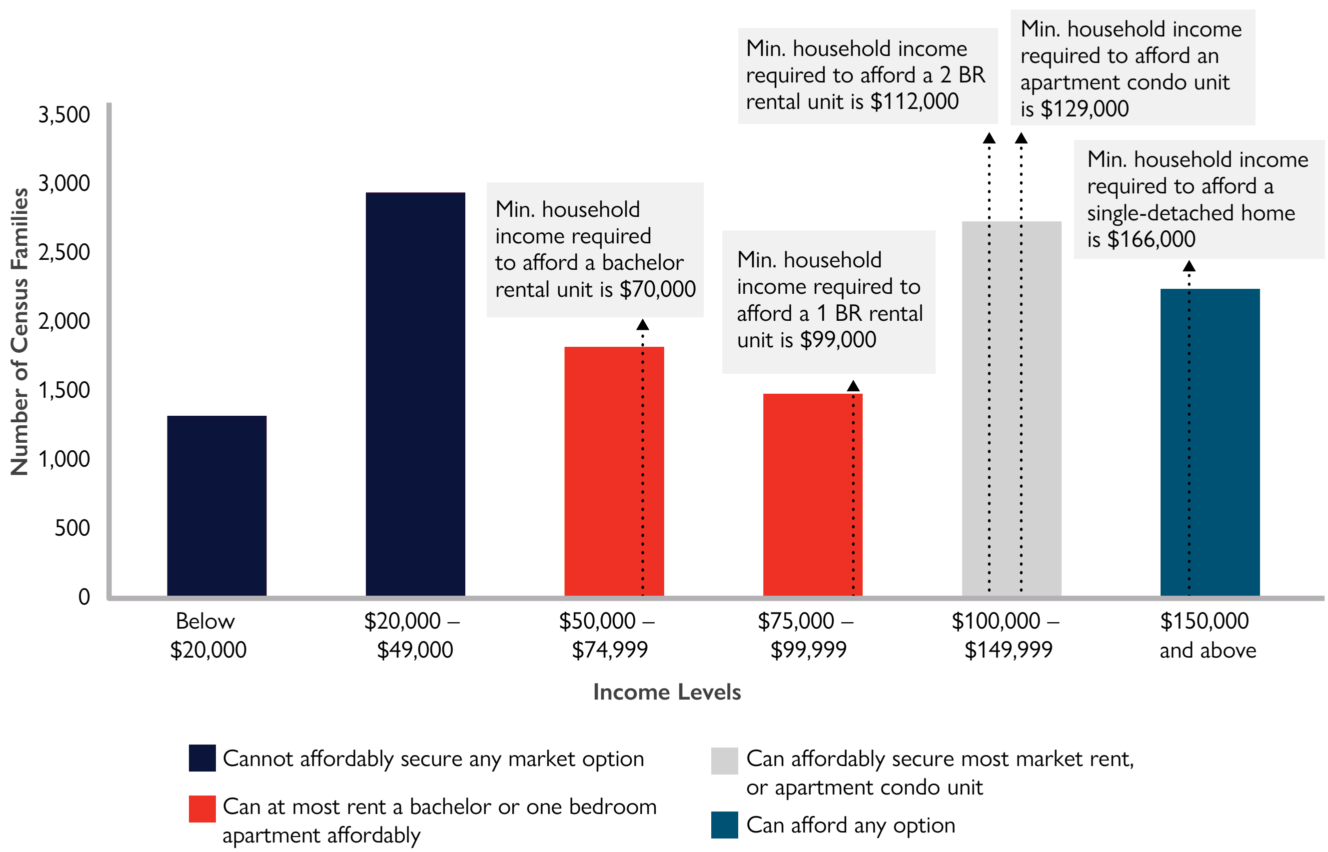
In Nunavut, about 34% of all households were unable to secure market housing without assistance in 2020 with the proportion being higher in lone-parent families (54%) than in couple families. Households with a younger population have a significantly higher affordability challenge with 76% being unable to secure any market housing. This trend, however, improves for the older population as about 25% of households within the 35–65 age group could secure any market housing option.

In terms of affordability by income class, for a household to afford to rent:

- at least a bachelor or one-bedroom apartment, annual income has to be at least $70,000.
- a 1-bedroom requires $99,000 in annual household income, while a 2-bedroom requires $112,000.

Annual household incomes of about $129,000 and $166,000 are required for a household to afford the purchase of an apartment condominium unit and a single-detached house, respectively.

Figure 2: Market affordability in Nunavut, 2020



Source: Statistics Canada and CMHC
Note: Affordability is based on the Core Housing Need criteria where no more than 30% of income should be spent on housing.

While affordability challenges persist in the territory, high costs of construction and inadequate availability of land continue to limit the construction of new housing.

The number of social and affordable rental units increased by 227 units to 5,795 units in 2021, made up of mostly 2-bedroom units, and accounted for about 1% of the Canadian total. The average rent across bedroom types, determined by income levels, was $234, one of the lowest in the country.

A significant number of households remain in core housing need, more than any other province or territory in Canada.

According to the 2021 census, Nunavut has the highest number of households in core housing need in Canada. About 33% of households in Nunavut live in unsuitable, inadequate or unaffordable dwellings and cannot afford alternative housing in their communities. Although the proportion is lower than the 2016 census data which was around 37%, it is still significantly more than any other province or territory.

Of the total population of households in Nunavut, about 41% are in core housing need[3]. The proportion is higher in Inuit households with:

- about 46.2% in core housing need.
- more renters are in core housing need (51%) than owner households (22%)[4].

The lack of access to appropriate and affordable housing is a persistent challenge due to the high construction, operation and maintenance costs. Of the population of households in core housing need, about:

- 32% were in inadequate housing which required repairs.
- 53% were in unsuitable housing without enough bedrooms to accommodate the household adequately.

Most residents rely on public or subsidized housing within the territory due to significantly higher living costs, lower income levels, fewer employment opportunities and the lack of a thriving resale housing market.

In addition, the younger population in Nunavut continues to find difficulties in securing appropriate housing with about 51% of the 0–17 years cohort in core housing need. There is an urgent need to provide suitable dwelling types for the various composition of households residing in the territory.

Marginal increase in household monthly mortgage obligations

Although the majority of households in Nunavut reside in non-market housing, some households have access to funding through regular mortgages. Mortgage and consumer credit trends as captured by Equifax data in Nunavut showed that the average monthly mortgage obligation for holders as of Q1-2022 was $1,714, a marginal increase of less than 1% over the same period of 2021. However, the average monthly obligation of new mortgage loans increased by about 5% to $1,976.

The largest of share of mortgage holders in Nunavut was the population aged 35–44. The cohort also holds the highest share (32%) of outstanding mortgage balances. Conversely, the groups with the lowest share of mortgage holders are the under-25 and over-74 age groups which have a share of 1% respectively.

Given that Nunavut has a young population with a large number of households in the younger age groups, the low share of mortgages held by the under-25 shows the challenge faced by this age group in securing market housing.

The year-over-year change in the share of mortgage consumers shows a marginal decline across most of the population groups with the highest decline being in the 55–64 age group.

Rental Market

Increase in average rental prices amid low vacancy rates

The rental market in Iqaluit remains non-market based with limited interactions with the private rental market. Within the past year, no new residential land has been made available for development within the city. However, some rental developments are ongoing which would provide a number of public housing units, private dwellings, and rental complexes.

The majority of the households in Iqaluit reside in housing units which are subsidized and rented out as:

- Social housing by Nunavut Housing Corporation (23%).
- Staff housing by Government of Nunavut and Canada (42%).
- Employee housing for private organizations and others.

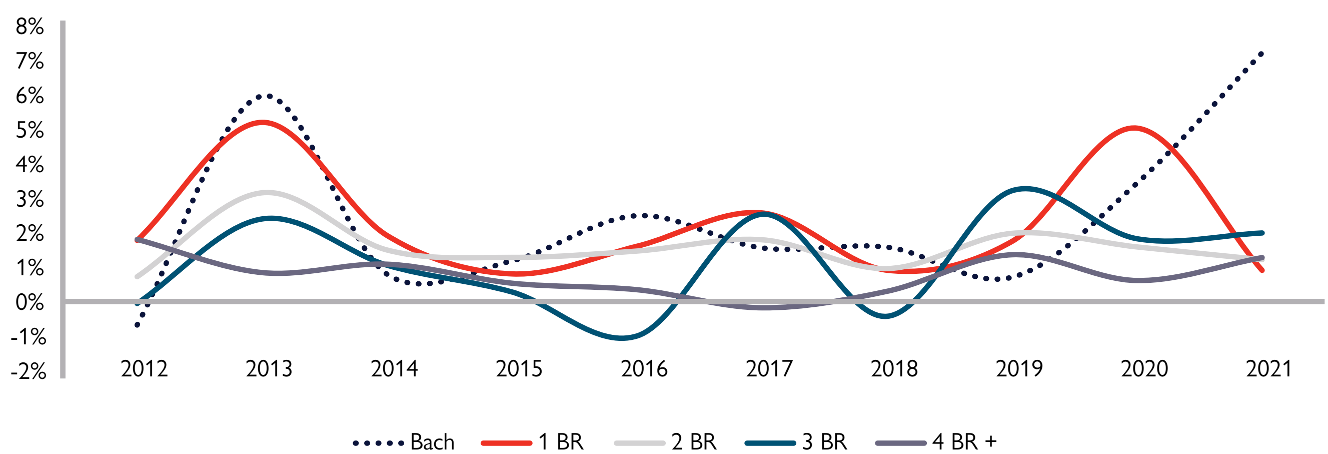
[3] Source: Statistics Canada, Census of Population, 2021.
[4] https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/dv-vd/housing-logement/index-en.cfm

Despite these, the housing market is still under supplied with significantly higher demand over limited supply which has resulted in a critical low/virtually non-existent vacancy rate. In 2021, the rental vacancy rate in Iqaluit, excluding social housing, was below 1%, making it the fourth consecutive year of extremely low vacancy rates.

Demand pressures boosted by persistently low vacancies resulted in an increase in median market rents in 2021. Median rent increased by about 3% across all unit types to $2,750 over the price level in 2020. The level of the increases varied by the number of bedrooms in the rental unit.

The highest growth in median monthly rent was recorded in the bachelor units due to higher demand, limited units and affordability of this unit type. This resulted in a zero-vacancy rate of this unit type. However, a higher proportion of rentals were available in 2-bedroom units which resulted in this unit type having the lowest median price growth of about 2% to $2,843.

Figure 3: Year-on-year growth in average rents by bedrooms



Source: CMHC Survey

Table 1: Monthly rent by bedroom type (excluding social housing and vacancies)

	Average Monthly Rent			Median Monthly Rent		
Type	**2020**	**2021**	**Growth (%)**	**2020**	**2021**	**Growth (%)**
Bachelor	$1,641	$1,762	7.4%	$1,637	$1,750	6.9%
One bedroom	$2,463	$2,489	1.1%	$2,400	$2,490	3.8%
Two bedrooms	$2,785	$2,823	1.4%	$2,800	$2,843	1.5%
Three bedrooms	$3,221	$3,291	2.2%	$3,125	$3,200	2.4%
Four or more bedrooms	$3,676	$3,729	1.5%	$3,800	$3,711	-2.3%
Total	**$2,752**	**$2,798**	**1.7%**	**$2,675**	**$2,750**	**2.8%**

Source: CMHC Survey

Home Ownership Market

Historically high prices recorded in the sales of single-detached and row units

The housing market in Iqaluit is different from other markets in Canada. Similar to other Nunavut communities, the land is mostly leased for both residential and commercial usage. The land lease is "assigned" when a property is transferred to a new individual/organization.

In 2021, there were 49 land title transfers in Iqaluit, an increase over the 42 transfers registered in 2020 with an average price of $615,387. About 67% of the transfers were single-detached units, while others were condominium and row housing types. Six transfers of apartment style condominium units were completed during the year, unlike in 2020 when there was no sale of that dwelling type.

The average price of a single-detached home rose to a historical high of $615,362, a 14% growth over the price level in 2020. Other housing types also recorded similar growth:

- The average price of row units, which are typically larger in size, grew by around 20% to $696,700 and,
- The average price of condominium units was $480,000.

Further price increases have been observed within the city due to unfavourable market supply conditions caused by limited land for development, huge construction costs, construction supply shortages/constraints, and slow recovery within the construction industry.

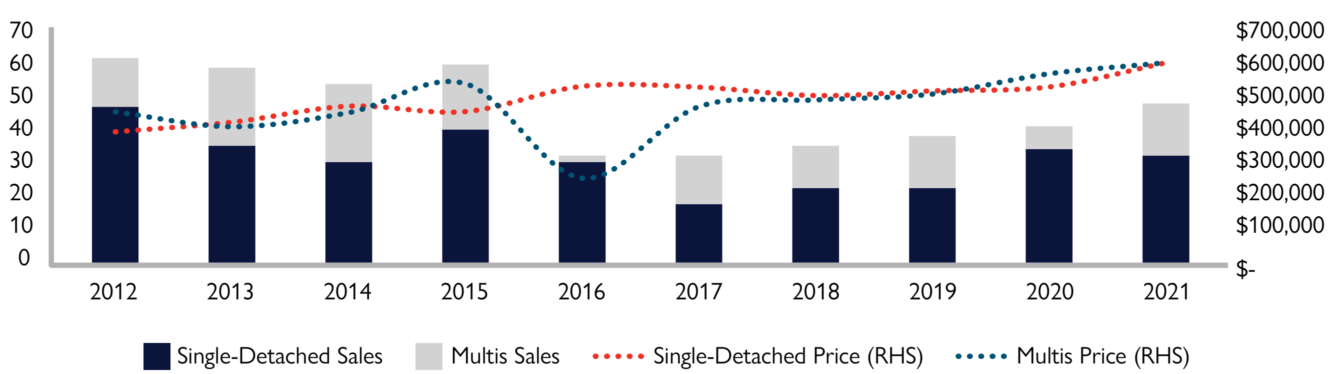
A growth trend was also observed in the resale price of homes in Iqaluit which recorded a growth of about 16% on average, despite a reduction in the actual number of resale transactions completed. This increase was due to higher housing prices with a single-detached home being resold at an average price of $706,950, while a resale row unit price averaged $675,500.

Table 2: Total residential sales (Transfers)

	2017	2018	2019	2020	2021
Residential Sales	33	36	39	42	49
Average Price	$512,961	$509,542	$524,756	$547,631	$615,387
Median Price	$503,335	$522,500	$550,000	$552,500	$625,000
Average Price Square Foot	$299	$297	$324	$347	$373

Source: CMHC Survey

Figure 4: Residential sales and average prices by unit type



Source: CMHC Survey

Iqaluit Survey Methodology

Rental Market Survey Methodology

The purpose of this CMHC survey is to:

- identify residential accommodation in Iqaluit available for long-term rental
- identify the current market rent on those units.

We conducted this survey over a three-month period-starting in mid-March to late-June 2021. This survey depends on the input of:

- developers
- multi-family owners
- two senior levels of government and their respective housing officials.

CMHC acknowledges their hard work and assistance in providing timely and accurate information.

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Additional Resources

CMHC helps Canadians meet their housing needs

Canada Mortgage and Housing Corporation (CMHC) has been helping Canadians meet their housing needs for more than 70 years. As Canada's authority on housing, we contribute to the stability of the housing market and financial system, provide support for Canadians in housing need, and offer unbiased housing research and advice to Canadian governments, consumers and the housing industry. Prudent risk management, strong corporate governance and transparency are cornerstones of our operations.

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You can also reach us by phone at 1-800-668-2642 or by fax at **1-800-245-9274**.

Outside Canada call **613-748-2003** or fax to **613-748-2016**.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wishto obtain this publication in alternative formats, call **1-800-668-2642**.

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Alternative Text And Data For Figures

Whitehorse

Figure 1 — Market affordability in 2020, Whitehorse

Number of households that	Before-tax household income range								
	Below $39,999	$40,000 – $49,999	$50,000 – $59,999	$60,000 – $69,999	$70,000 – $79,999	$80,000 – $89,999	$90,000 – $99,999	$100,000 – $149,999	$150,000 and above
Cannot affordably secure any market option	1,695	-	-	-	-	-	-	-	-
Can afford to rent a bachelor unit or 1 BR unit	-	640	-	-	-	-	-	-	-
Can afford to rent a 2 BR unit, or mobile home	-	-	640	-	-	-	-	-	-
Can afford to rent a duplex	-	-	-	730	-	-	-	-	-
Can afford to rent a condo or single-detached home	-	-	-	-	760	750	-	-	-
Can afford to purchase a mobile home or condo	-	-	-	-	-	-	735	-	-
Can afford any option (including purchasing a duplex or single-detached home)	-	-	-	-	-	-	-	2,930	-
Can afford any option (including purchasing a duplex or single-detached home)	-	-	-	-	-	-	-	-	4,300

Sources: Statistics Canada, Yukon Housing Corporation, Yukon Bureau of Statistics, Yukon Real Estate Association, and CMHC

Note: The number of households in each before-tax income range was drawn from Census 2021. Affordability assessments were based on the minimum annual income required to meet the 30% affordability criteria and were calculated using the median rent and median mortgage payments in the second quarter of 2022. Mortgage payments were based on the median sale price, a 25-year amortization, the prevailing 5-year fixed discount rate, 5% down, and include mortgage insurance.

Figure 2 — Median rent and vacancy rate, units in buildings with 3+ rental units, Whitehorse

Month	Median Rent ($) — Left Axis	Vacancy Rate (%) — Right Axis
2014-April	900	4.7%
2014-October	900	3.5%
2015-April	900	2.0%
2015-October	915	3.5%
2016-April	950	2.8%
2016-October	950	3.0%
2017-April	950	2.0%
2017-October	950	2.8%
2018-April	950	3.4%
2018-October	980	3.1%
2019-April	1,000	3.0%
2019-October	1,000	2.9%
2020-April	1,000	3.7%
2020-October	1,050	3.0%
2021-April	1,071	2.1%
2021-October	1,100	1.9%
2022-April	1,150	0.8%

Source: Yukon Rent Survey, April and October, Yukon Bureau of Statistics

Figure 3 — Real estate transactions and average prices, Whitehorse

Quarter	Single-detached sales	Condominium sales	Average single-detached prices ($000)	Average condominium prices ($000)
2018Q1	47	22	461.9	332.8
2018Q2	87	52	479.0	334.9
2018Q3	108	64	475.0	351.4
2018Q4	65	49	506.2	350.3
2019Q1	48	34	477.0	387.4
2019Q2	81	66	529.5	354.7
2019Q3	120	69	517.5	359.0
2019Q4	69	64	525.7	413.4
2020Q1	31	68	508.8	411.6
2020Q2	76	72	546.8	412.8
2020Q3	103	87	568.9	412.6
2020Q4	78	72	598.8	459.9
2021Q1	35	22	590.7	479.9
2021Q2	91	54	650.7	457.7
2021Q3	102	47	656.8	456.3
2021Q4	78	58	647.4	468.9
2022Q1	54	49	637.3	419.9
2022Q2	109	60	695.1	453.0

Source: Yukon Real Estate Report, Yukon Bureau of Statistics

Figure 4 — Housing starts by type, Whitehorse

Year	Single	Semi-Detached	Row	Apartment	Total
2012	75	4	117	86	282
2013	57	12	67	26	162
2014	109	14	61	28	212
2015	61	8	30	6	105
2016	87	24	34	49	194
2017	56	14	79	30	179
2018	73	22	100	189	384
2019	43	14	107	66	230
2020	69	24	77	308	478
2021	137	0	92	189	418

Source: CMHC Starts and Completions Survey

Yellowknife

Figure 1 — Market affordability in Yellowknife, 2020

Income Class	Couple Families	Lone Parent	Persons not in Census Families	Total
Below $20,000	60	70	480	610
$20,000–$49,000	180	280	1,270	1,730
$50,000–$59,999	90	80	280	450
$60,000–$74,999	150	80	350	580
$75,000–$99,999	350	130	530	1,010
$100,000 and above	3,810	330	940	5,080
Total Families	4,640	970	3,850	9,460

Affordability	Annual Housing Cost	Affordable to*:
Market Rent (1 bedroom)	$18,360	$61,200
Market Rent (2 bedroom)	$21,228	$70,760
Market Housing (Average)	$31,844	$106,147

	Below $20,000	$20,000–$49,000	$50,000–$59,999	$60,000–$74,999	$75,000–$99,999	$100,000 and above
Cannot affordably secure any market option	610	1,730	450	-	-	-
Can affordably secure most market rent options	-	-	-	580	1,010	-
Can afford any option (including purchasing single-detached homes)	-	-	-	-	-	5,080

Sources: Statistics Canada, CMHC

Note: The cost of renting a 1BR is considered by the CHN benchmark to be affordable to families making $61,200 per year, renting a 2BR unit is affordable to families earning $70,760 per year, buying a condominium is affordable to families with income of $86,333 per year and owning a single-detached home is affordable to families earning $103,194 per year.

*Annual income required to meet the 30% affordability criteria.

Figure 2 — Key Housing Indicators, by population groups of interest

Comparison across regions

Total, 2021	Overall		Age > 65		Indigenous	
Category	Canada	Yellowknife	Canada	Yellowknife	Canada	Yellowknife
% in unaffordable housing	16.8	11.7	16.9	16.8	16.8	18.3
% in core housing need	7.7	9.1	8.9	12.9	13.2	17.4
% in unsuitable housing	9.7	13.7	2.8	6.6	17.1	20.4
% in inadequate housing	6.2	10.4	4.7	7.6	16.4	15.1

Comparison across census years

Total, Yellowknife	Overall		Age > 65		Indigenous	
Category	2016	2021	2016	2021	2016	2021
% in unaffordable housing	20.1	11.7	8.3	16.8	24.3	18.3
% in core housing need	9.1	9.1	14.8	12.9	15.8	17.4
% in unsuitable housing	12.3	13.7	8.6	6.6	17.9	20.4
% in inadequate housing	10.1	10.4	6.2	7.6	16.9	15.1

Source: Statistics Canada, 2021 Census

Figure 3 — Yellowknife median rent and vacancy rate

Period	Median Rent ($)	Vacancy Rate (%)
2010 October	1,420	0.9
2011 October	1,495	1.3
2012 October	1,570	3.2
2013 October	1,600	3.6
2014 October	1,604	4.8
2015 October	1,640	2.3
2016 October	1,600	5.6
2017 October	1,665	3.9
2018 October	1,650	5.2
2019 October	1,700	4.2
2020 October	1,737	3.2
2021 October	1,810	1.8

Source: CMHC Rental Market Survey

Figure 4 — Yellowknife real estate transactions and average home prices

Period	Average Home Price	Sales
2010Q1	$340,656	25
2010Q2	$415,002	46
2010Q3	$361,475	48
2010Q4	$366,999	27
2011Q1	$362,912	31
2011Q2	$387,052	42
2011Q3	$391,876	42
2011Q4	$392,563	19
2012Q1	$387,936	22
2012Q2	$409,093	48
2012Q3	$395,063	43
2012Q4	$387,404	27
2013Q1	$383,200	21
2013Q2	$411,064	44
2013Q3	$387,726	47
2013Q4	$376,259	28
2014Q1	$370,989	27
2014Q2	$452,853	62
2014Q3	$398,142	51
2014Q4	$358,350	28
2015Q1	$327,408	19
2015Q2	$417,711	43
2015Q3	$402,512	90
2015Q4	$365,845	47
2016Q1	$375,055	34
2016Q2	$407,036	99
2016Q3	$393,647	83
2016Q4	$402,266	36
2017Q1	$359,941	34
2017Q2	$408,939	91
2017Q3	$398,755	86
2017Q4	$391,707	69
2018Q1	$406,942	35
2018Q2	$427,078	77
2018Q3	$437,975	81
2018Q4	$408,723	43
2019Q1	$326,816	58
2019Q2	$426,545	88
2019Q3	$421,739	57
2019Q4	$380,214	52
2020Q1	$384,427	29
2020Q2	$399,450	80
2020Q3	$420,314	109
2020Q4	$394,043	68
2021Q1	$425,679	61
2021Q2	$485,757	132
2021Q3	$442,581	110
2021Q4	$370,643	63
2022Q1	$417,022	43
2022Q2	$486,596	130

Source: CREA

Figure 5 — Yellowknife housing starts

Period	Single	Semi-Detached	Row	Apartment	Total
2010	19	4	9	25	57
2011	32	6	34	83	155
2012	12	22	16	97	147
2013	36	16	0	111	163
2014	40	8	0	30	78
2015	42	2	0	61	105
2016	59	6	0	61	126
2017	19	16	0	30	65
2018	46	4	0	3	53
2019	23	8	0	4	35
2020	31	12	8	3	54
2021	27	0	0	65	92

Source: CMHC Starts and Completions Survey

Iqaluit

Figure 1 — Percentage share of GDP by industry (%)

Year	Mining, quarrying, and oil and gas extraction	Public administration	Construction	Real estate and rental and leasing	Others
1999	13.68	24.22	9.58	11.94	40.58
2000	16.72	23.66	7.24	11.96	40.42
2001	9.96	26.62	9.38	12.78	41.26
2002	7.02	26.60	10.16	14.06	42.14
2003	1.62	28.00	11.44	14.16	44.76
2004	3.52	26.52	10.58	14.06	45.34
2005	2.20	26.96	12.68	14.88	43.30
2006	4.76	26.88	9.86	15.26	43.26
2007	3.86	25.76	10.12	15.68	44.58
2008	3.10	23.31	17.61	14.33	41.64
2009	2.29	25.54	13.84	15.41	42.92
2010	16.43	22.24	12.27	12.45	36.61
2011	17.46	22.02	10.50	12.06	37.94
2012	20.21	21.52	8.20	11.78	38.28

Year	Mining, quarrying, and oil and gas extraction	Public administration	Construction	Real estate and rental and leasing	Others
2013	18.13	22.60	10.90	11.66	36.71
2014	21.04	23.00	9.08	11.19	35.67
2015	18.85	23.94	9.15	11.28	36.77
2016	19.40	23.37	9.94	11.05	36.25
2017	24.64	21.12	11.43	9.70	33.11
2018	22.30	21.68	13.83	9.61	32.57
2019	25.44	20.89	12.57	9.04	32.08
2020	33.97	19.46	8.56	8.40	29.60
2021	36.92	18.43	8.68	7.78	28.20

Source: Statistics Canada. Table 36-10-0400-01 Gross domestic product (GDP) at basic prices, by industry, provinces and territories, percentage share

Figure 2 — Market affordability in Nunavut, 2020

Income Class	Couple Families	Lone Parent	Persons not in Census Families	Total
Below $20,000	90	440	800	1,330
$20,000–$49,000	720	1,240	990	2,950
$50,000–$59,999	940	540	350	1,830
$75,000–$99,999	1,210	590	940	2,740
$100,000–$149,000	3,460	590	940	4,990
$150,000 and above	2,250	-	0	2,250
Total Families	6,030	3,120	3,440	12,590

Affordability	Annual Housing Cost
Market Rent (Bachelor)	$70,480.00
Market Rent (1 bedroom)	$99,480.00
Market Rent (2 bedroom)	$112,320.00
Market Housing (Single-detached)	$166,413.66
Market Housing (Condo)	$129,807.43

	Below $20,000	$20,000–$49,000	$50,000–$59,999	$75,000–$99,999	$100,000–$149,999	$150,000 and above
Cannot affordably secure any market option	1,330	2,950	-	-	-	-
Can affordably secure most market rent options	-	-	1,830	1,490	-	-
Can afford any option (including purchasing single-detached homes)	-	-	-	-	2,740	-
Can afford any option	-	-	-	-	-	2,250

Source: Statistics Canada and CMHC

Note: Affordability is based on the Core Housing Need criteria where no more than 30% of income should be spent on housing.

Figure 3 — Year-on-year growth in average rents by bedrooms

Year	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom +	Total
2010	1.8%	5.5%	2.8%	0.5%	-2.3%	-1.4%
2011	2.7%	3.8%	4.9%	2.0%	0.8%	5.9%
2012	-0.5%	2.0%	0.9%	0.1%	2.0%	0.6%
2013	6.1%	5.4%	3.3%	2.6%	1.0%	3.8%
2014	1.0%	2.1%	1.7%	1.2%	1.3%	1.7%
2015	1.4%	1.0%	1.5%	0.5%	0.7%	-0.1%
2016	2.7%	1.8%	1.6%	-0.8%	0.5%	2.4%
2017	1.7%	2.7%	2.0%	2.7%	0.0%	2.4%
2018	1.8%	1.1%	1.1%	-0.2%	0.5%	0.2%
2019	0.9%	1.9%	2.2%	3.4%	1.5%	2.2%
2020	3.6%	5.2%	1.8%	2.0%	0.8%	3.1%
2021	7.4%	1.1%	1.4%	2.2%	1.5%	1.7%

Source: CMHC Survey

Figure 4 — Residential sales and average prices by unit type

Year	Single-Detached		Multis	
	Sales	Price (RHS)	Sales	Price (RHS)
2012	48	$402,802.92	15	$464,340.13
2013	36	$432,444.44	24	$418,763.12
2014	31	$481,756.45	24	$461,872.96
2015	41	$465,126.83	20	$550,996.75
2016	31	$542,949.84	2	$260,000.00
2017	18	$540,277.78	15	$480,180.40
2018	23	$514,391.30	13	$500,961.54
2019	23	$528,717.39	16	$519,062.50
2020	35	$540,857.14	7	$581,500.00
2021	33	$615,362.12	16	$615,437.50

Source: CMHC Survey