

# Housing Affordability in Peel Region: What can households afford? (2022)

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 \$82,456

Households can afford a sale price of: Up to \$304,762

### Moderate income households

These households earn: \$82,457 to \$141,512

Households can afford a sale price of: \$304,763 to \$524,097

### High income households

These households earn: \$141,513 to \$254,053+

Households can afford a sale price of: \$524,098 to \$959,592+

#### Current Prices in Ownership Housing Market

New condo	\$543,793	New townhouse	\$747,300	New semi-detached	\$904,400	New detached	\$1,272,272	Total new average home price	\$818,293
INC: \$146,605		INC: \$199,210		INC: \$239,780		INC: \$254,407		INC: \$217,550	
Condo resale	\$671,291	Townhouse resale	\$1,023,646	Semi-detached resale	\$1,094,896	Detached resale	\$1,527,533	Total resale average home price	\$1,171,961
INC: \$179,550		INC: \$204,691		INC: \$218,938		INC: \$305,450		INC: \$234,348	

**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 \$53,485

Households can afford rent: Up to \$1,337/mo

These households earn: \$53,486 to \$94,713

Households can afford rent of: \$1,338/mo to \$2,368/mo

These households earn: \$94,714 to \$169,369+

Households can afford rent of: \$2,369/mo to \$4,235+/mo

### Current Prices in Rental Housing Market

Bachelor AMR \$1,148 INC: \$45,900	Vacant Bachelor AMR \$1,497 INC: \$59,890	1-Bedroom AMR \$1,484 INC: \$59,350	Vacant 1-Bedroom AMR \$1,833 INC: \$73,300
2-Bedroom AMR \$1,666 INC: \$66,650	Vacant 2-Bedroom AMR \$2,127 INC: \$85,075	3-Bedroom AMR \$1,891 INC: \$75,650	Vacant 3-Bedroom AMR \$2,274 INC: \$90,950
<b>INC = Annual before-tax income needed to afford monthly rent.</b>		Total AMR \$1,619 INC: \$64,750	Total Vacant AMR \$2,016 INC: \$80,650

- 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 1.2%. 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. Ownership figures are average prices and how much a household can afford is adjusted for inflation and includes property taxes, CMHC insurance premium, and mortgage and principal (5% down payment, 25 year amortization, and 5-year mortgage). Units priced at or above \$1 million require a minimum 20% down payment. 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 are updated annually by CMHC. Sources: Statistics Canada Census, 2021 and most recent 2022 data from Canada Mortgage and Housing Corporation (CMHC), Toronto Real Estate Board (TREB), Municipal Property Assessment Corporation (MPAC) and Teranet.