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

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.

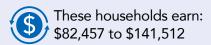
# Low income households





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

# Moderate income households





Households can afford a sale price of: \$304.763 to \$524.097

# High income households





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

## **Current Prices in Ownership Housing Market**



\$543,793 NC: \$146,605 Condo resale \$671,291 NC: \$179,550

New townhouse \$747.300 INC: \$199,210 Townhouse resale \$1,023,646

INC: \$204,691

New semi-detached

\$904,400 INC: \$239,780 Semi-detached resale \$1,094,896 INC: \$218,938

New detached \$1,272,272 INC: \$254,407 Detached resale \$1,527,533 INC: \$305,450

home price \$818,293 INC: \$217,550 Total resale average home price

Total new average

\$1,171,961 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

These households earn:

\$94,714 to \$169,369+

Households can afford rent of:

\$2,369/mo to \$4,235+/mo

• 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 \$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

## **Current Prices in Rental Housing Market**



Bachelor AMR \$1,148 INC: \$45.900

INC = Annual before-tax income

needed to afford monthly rent.



Vacant Bachelor \$1,497 INC: \$59,890

2-Bedroom AMR



1-Bedroom AMR \$1.484 INC: \$59.350 Vacant 1-Bedroom AMR \$1,833 INC: \$73,300

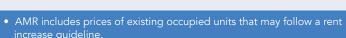


Total AMR \$1,619 INC: \$64,750 Total Vacant AMR \$2,016 INC: \$80,650









- 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
- 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.

