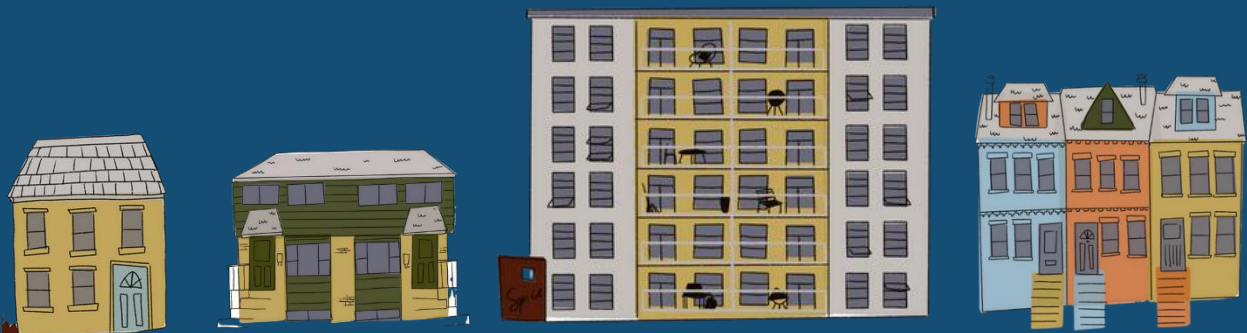


# Municipality of the County of Victoria

## Municipal Housing Needs Report

2023



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# 1 Introduction

The purpose of a housing needs assessment is to understand the current and anticipated housing conditions across a given geography, in the case of this and accompanying reports, the conditions across the province of Nova Scotia and its municipalities. Generally, this work strengthens the ability of local stakeholders and governments to:

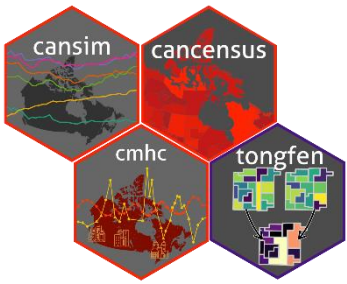
- Identify current and future housing needs and
- Identify existing and projected gaps in housing supply

Empowering municipalities and the province to become effective partners in housing provision requires reliable data to identify the stock necessary to meet current and future needs and how to drive related policy and investment. The insights generated by a needs assessment can help to inform ongoing land use and social planning initiatives at the local level, as well as provide hard evidence in support of advocacy to more senior levels of government.

The goal of this municipal report is to share appropriate, available, and accurate data to municipal governments so that they further understand their current housing situation and what they might anticipate. It is important to note that the same data methodologies and calculations are applied across each municipality, based on available data. This means that reports cannot consider all the nuanced conditions of individual communities that would be known best by municipal staff, stakeholders, and residents.

The report should be considered a form of base knowledge, intended for local review and discussion. Municipalities should use local information to provide additional context and information for discussion and decision-making as they see fit. For more details about methodologies, provincial trends, and definitions, please refer to the **Provincial Report**.

Note that all data references the municipality unless noted otherwise.



## 2 Key Findings

### **Housing shortage**

As of the end of 2022, there was a gap between housing demand and the available supply of about 420 units, including both market and non-market housing.

Projections suggest that to keep pace with population growth, the municipality will need 505 new units by 2027 (including the existing shortage of 420) and 475 by 2032. Status quo construction will not be enough to meet 2027 projected demand but may approach a balance by 2032. About 45 new units could be completed annually based on historical construction trends. If that pace continues, it will leave a remaining gap of 280 units by 2027 and 25 by 2032.

### **Population**

Between 2016 and 2021, the municipality's population grew by 3% while the province's population rose 5%. The municipality had noticeably strong growth among 25-44-year old cohort.

Finance & Treasury Board (FTB) estimates suggest that the 2022 total population was 6,805, with a projected increase of 3% between 2022 and 2027. The same age cohorts that increased between 2016 and 2021 should continue to do so over the projected five years, by possibly greater magnitudes.

Growth from 2027 to 2032 may be marginal - growth would largely be coming from senior populations.

### **Households**

Between 2016 and 2021, there was an overall 5% increase in households, with non-census families (i.e., single persons or roommate households) increased 7% during that time and couples without children increased 4%, both likely reflecting a growing senior population.

Estimates suggest that total households reached 3,115 in 2022, with a potential increase of 4% from 2022 to 2027 (125 total). Household losses should predominantly occur among older working professional led households (45- to 64-year-olds). The greatest rate of growth should be among senior-led households.

Growth may continue from 2027 to 2032 but of slightly lesser magnitude - a 2% increase in total households.

### **Non-market housing**

As of January 2023, the County of Victoria had a public-housing inventory of 61 units, of which 12 were for families and 49 for seniors.

### Short-term rentals (STRs)

About 6.5% of the municipality's housing inventory may have been used as a short-term commercial rental in 2021 (the last full year of data). This means that upwards of 302 units might have been removed from the long-term market, though it is uncertain exactly how many would have been long-term rentals or purchased for permanent occupancy if not used as a STR.

### Shelter costs

Average rents reported by the Property Valuation Services Corporation (PVSC) increased marginally from 2019 to 2021, following a 4% increase between 2018 and 2019. The recent marginal increase reflects the high vacancy among the rental market - the municipality has had a vacancy rate between 6.2% to 6.9% since 2018, falling above the healthy vacancy range of 3% to 5%.



Municipality's public survey responses

Median municipality home prices increased 49% from 2019 to 2022, compared to 13% between 2016 and 2019. The rapid rise in prices is a combination of increased demand and low interest rates (until recently).

### **Affordability**

At least 40% of all couples, 71% of all lone-parent households, and 93% of all single person households earned below the estimated income required to afford the 2022 median sale price of a local dwelling. For rentals, about 19% of renter households could not afford 2021 average local rents.

### **Housing need**

When a household lives in a dwelling that requires more than 30% of its before-tax household income, is overcrowded, and needs major repairs – and no alternative exists – it is in Core Housing Need. In 2021, about 10% of the municipality's households (340 total) lived in Core Housing Need. Need is particularly prevalent among:

- 21% of renter households (75 total); and
- 21% of single persons / roommate households (215 total)

Generally, the number of people in and rates of Core Housing Need across segments has decreased since 2016. However, comparing 2021 to 2016 rates (particularly for affordability) is difficult given the influence of the Canada Emergency Response Benefit (CERB) on incomes. Overall, the municipality reported a similar rate of Core Housing Need as that of Nova Scotia overall (10%).

### 3 Housing Supply

#### 3.1 Market Housing

As of the 2021 Census, there were 4,543 private dwellings across the County of Victoria, 68% of which were occupied by usual residents (those who live in the municipality permanently). The remaining 32% of the inventory may either be occupied solely by foreign residents and/or by temporarily present persons or be, unoccupied dwellings. For those dwellings occupied by usual residents, Table 3-1 summarizes the totals and distribution by structure type for the district. The overwhelming share of current supply is held by the single-detached home (88%).

Table 3-1: Total & Share of Dwellings Occupied by a Usual Resident by Structure Type

Total	Single-detached	Semi-detached	Row house	Duplex apt	Apt (< 5 storeys)	Apt (5+ storeys)	Movable	Other
3,075	2,705	15	0	45	80	0	220	15
100%	88%	0%	0%	1%	3%	0%	7%	0%

Source: 2021 Census



Municipality’s public survey responses

*“It looks like there’s a lot of land available, but there are so many protected areas, park land, and crown land. There’s not actually a lot of space for building new homes.”*

#### 3.1.1 Construction Activity

The pace of construction is represented by the annual total units permitted, units started, and units completed - these are separate but related phases of the same unit construction process.

A permit signifies the anticipated future housing to be built, a start reflects how many permits led to a shovel in the ground, and a completion represents how many units

were actually added to the occupiable supply. Construction takes time and its pace varies depending on the building type. Consequently, the number of units permitted in one year cannot be directly linked to starts or completions in another. The **Provincial Report** offers a detailed explanation of each element.

Table 3-2 shows the number units permitted in the municipality. Note that 2022 data reflects an extrapolated September 2022 total and that negative numbers mean more demolitions occurred than new builds. Starts and completions data is not available.

Table 3-2: Construction Activity by Dwelling Type

Units permitted							
	2010	2017	2018	2019	2020	2021	2022*
Total	46	28	57	40	45	54	65
Single	35	13	35	25	26	31	43
Semi	0	2	0	0	0	0	3
Row	0	0	0	0	0	0	0
Apartment	4	1	0	2	4	9	5
Other	7	12	22	13	15	14	15

\* 2022 units permitted extrapolated from September 2022 YTD to date totals to reflect entire year.

Source: Statistics Canada Custom CSD Tables 34-10-0001, 34-10-0066

Table 3-3 summarizes the change in unit size and tenure between the 2016 and 2021 Censuses. The distribution of new units shows what sizes are most occupied by renter and owner households. These Census results indicate that the long-term owned supply is growing at a faster pace than rentals relative to absolute terms and percent change - owner occupied dwellings increased 6% and the occupied rented dwelling inventory decreased 4%.

Note that not all additional units in the table necessarily reflect a new unit, and some may represent conversions from rental to ownership or vice versa. Between 2016 and 2021, total dwellings (not only occupied by a usual resident) increased from 4,271 to 4,543 - a 272-unit increase (nearly 55 units annually). This suggests a higher share of the existing inventory transitioned to shorter-term tenancy compared to what was added to the inventory during that time - i.e., since more dwellings were built during the five-year period than the increase in permanent households, a higher share of local dwellings are not principal residences.



Table 3-3: Change in Units by Size & Tenure between Census Periods

	Total	Studio / 1-bedroom	2-bedroom	3+ bedroom
<b>Owned dwellings</b>				
Owned (2016) - 88% of total HHs	2,580	185	590	1,805
Owned (2021) - 89% of total HHs	2,730	140	740	1,845
Change in units	150	-45	150	40
Share of change	100%	19%	64%	17%
<b>Rented dwellings</b>				
Rented (2016) - 12% of total HHs	365	95	130	140
Rented (2021) - 11% of total HHs	350	80	115	155
Change in units	-15	-15	-15	15
Share of change	100%	33%	33%	33%

Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

Table 3-4: Change in Total Dwellings versus Dwellings Occupied by Usual Residents

Dwellings	2016	2021	% change
Total dwellings (a)	4,271	4,543	6%
Dwelling occupied by a usual resident (b)	2,945	3,075	4%
Share (b / a)	69%	68%	

Source: Statistics Canada 2016 & 2021 Census

### 3.1.2 Housing Accelerator Fund Considerations

The Housing Accelerator Fund (HAF) is a program introduced by the Canada Mortgage & Housing Corporation (CMHC) with the objective to bolster the housing supply at an accelerated pace. Local governments within Canada - including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals - are eligible to apply to the HAF. Interested municipalities can find the HAF's pre-application reference material [here](#). Note that a Housing Needs Assessment (such as this one) is required as part of a complete application (though not needed immediately for the initial submission).

An applicant is required to provide two projections to CMHC. The applicant must calculate their own projections based on reasonable assumptions and data sources, including Statistics Canada and/or its own administrative data. There is no prescribed formula; however, projections should be based on a three-year period ending September 1, 2026. The two projections are:

- The total permitted housing units projected without program funding.

- The total number of permitted housing units projected with program funding. This second projection is known as the “housing supply growth target.”

The data shared in this overall section (e.g., permits, and historical changes in dwelling sizes) can be used to inform local decisions related to projected permits by September 2026. For additional guidance, Table 3-5 summarizes the growth by unit type (more closely defined with HAF application requirements) and tenure between 2016 and 2021.

Table 3-5: Unit Change by Estimated HAF Dwelling Type & Tenure, 2016 & 2021 Census

	Total	Single <sup>a</sup>	Missing middle <sup>b</sup>	Multi-unit <sup>c</sup>
<b>Total dwellings</b>				
Total (2016)	2,945	2,625	305	0
Total (2021)	3,080	2,710	380	0
Change in units	135	85	75	0
Share of change	100%	53%	47%	0%
<b>Owned dwellings</b>				
Owned (2016)	2,580	2,385	185	0
Owned (2021)	2,730	2,490	245	0
Change in units	150	105	60	0
Share of change	100%	64%	36%	0%
<b>Rented dwellings</b>				
Rented (2016)	365	240	120	0
Rented (2021)	350	220	135	0
Change in units	-15	-20	15	0
Share of change	100%	57%	43%	0%

*a Single means single-detached homes, which are buildings containing 1 dwelling unit, which is completely separated on all sides from any other dwelling or structure.*

*b Missing middle refers to ground-oriented housing types that exist between single-detached and mid-rise apartments. This includes garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, low-rise apartments (less than 4 storeys). Note that this definition for low-rise does not match the Statistics Canada cut off less than 5 storeys.*

*c Multi-unit refers to apartments that are 4-or-more storeys. The HAF further defines these by whether they are in close proximity to rapid transit or not, which is not possible to summarize based on the data available.*

Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

CMHC does not prescribe a formula for projections, leaving this decision up to the municipality who would know best about on the ground construction activity (not only by the numbers but also through discussions with local builders/developers).

A simple example includes using most recent permitting data (the five-year average between 2017 and 2021), applying the historical shares of new construction between 2016 and 2021, and comparing the potential units permitted to the estimated total demand over the three years (based on Housing Shortage data – Section 4). The results, shown in Table 3-6, are for discussion purposes and not a prescribed logic – the municipality can form its own approach based on other data provided and internal resources.

Note that the final column provides the straight-lined shortage anticipated by the end of the HAF. This may not represent the total possible intervention by the HAF, as this depends on the choices made by the municipality. Rather, it highlights the total shortage the HAF can help reduce.

Table 3-6: Example of Simple HAF Permit Projection

	Historical share of new housing	Possible annual units permitted	Estimated 3-year units permitted <sup>a</sup>	Estimated 3-year unit demand <sup>a</sup>	Gap that HAF can help reduce
Total	100%	45	135 (A)	465 (B)	330
Single	53%	25	75	245	170
Missing middle	47%	20	60	220	160
Multi-unit	0%	0	0	0	0

Relationship between units permitted and shortage	
C: Estimated September 2023 housing stock: <sup>b</sup>	4,635
Projected permitted unit growth over 3 years without HAF (A / C x 100):	2.9%
Projected permitted unit growth over 3 years needed to meet demand (B / C x 100):	10.0%
% increase in units permitted to meet shortage (B / A - 1) x 100:	244%

Relationship between units permitted and HAF requirements (rounded up to nearest 5)	
D: Estimated September 2023 housing stock: <sup>b</sup>	4,635
E: Projected annual units permitted (based on '16-'21 average - see Table 3-2)	45
Required units permitted over 3 years to meet minimum 1.1% average annual growth rate <sup>c</sup> (D x 1.1% x 3 years)	155
Required additional units permitted over 3 years to meet minimum 10% increase <sup>d</sup> over historical average (E x 10% x 3 years)	15

<sup>a</sup> Units permitted between September 2023 and September 2026; 3-year unit demand includes 2022 shortage

<sup>b</sup> 2021 Census (Statistics Canada) + 2021 permits + 2021 permits x 2/3 (September 2023 estimate)

<sup>c</sup> Average annual units permitted (min. 1.1%) = Total number of units permitted with HAF support / 3 years / Total dwelling stock (results rounded up to nearest 5)

<sup>d</sup> Increase in units permitted (min. 10%) = (Projected average housing supply growth rate with HAF) / Projected average housing supply growth rate without HAF - 1 (results rounded up to nearest 5)

## 3.2 Non-Market Housing

### 3.2.1 Public Housing

Of the 11,200 total inventory of publicly owned dwelling units (as administered by the Nova Scotia Public Housing Authority), 61 are located in Victoria - 12 of these units are reserved for families, while 49 are for seniors' housing. Most units are 1-bedroom apartments, due to the high volume of senior-specific units - 80% of all units and 96% of these 1-bedroom units were for seniors.

About 67% of Victoria's public housing tenants have lived in public housing for more than 5 years, with most having lived there for more than 10 years.

Table 3-7: Public Housing Inventory, January 2023

		Total	Family	Senior
Total unit inventory		61	12	49
Inventory by unit size	Studio	0	0	0
	1-bedroom	51	2	49
	2-bedroom	0	0	0
	3+ bedroom	10	10	0
	Not reported	0	0	0
Inventory by dwelling type	Single family	12	12	0
	Row	0	0	0
	Apartment	49	0	49
	Not reported	0	0	0
Length of tenure in public housing	Less than 1 year	9%	8%	9%
	1 to 5 years	25%	17%	27%
	5 to 10 years	32%	50%	27%
	10+ years	35%	25%	38%
Household income	Median income (mth)	\$1,780	\$1,900	\$1,745
	Median income (ann)	\$21,360	\$22,800	\$20,940

Source: Derived from Ministry of Municipal Affairs & Housing data

### 3.2.2 Rent Supplements

As of March 2023, 4 households were receiving rent supplement support, equivalent to 4 total people. All were senior households.

Table 3-8 further details the percentage share of rent supplements that served a specific vulnerable population.

Table 3-8: Rent Supplement Demographics, March 2023

	Total	Family	Senior	Non-elderly
Total rent supplements	4	-	4	-
People benefiting	4	-	4	-
Average HH size	1.0	-	1.0	-
Average dependents	0.0	-	0.0	-
Share of supplements serving a vulnerable group:				
Indigenous person(s)	0%	-	0%	-
Person(s) w/ a disability	0%	-	0%	-
At risk of homelessness	25%	-	25%	-
Homeless	0%	-	0%	-
Newcomer(s)	0%	-	0%	-
Mental health / addictions	25%	-	25%	-
Racialized person(s)	0%	-	0%	-
Veteran(s)	0%	-	0%	-
Fleeing domestic violence	0%	-	0%	-
Young adults	0%	-	0%	-

Source: Derived from Ministry of Municipal Affairs & Housing data

### 3.2.3 Non-Profit & Co-operative Housing and Shelters

Formal datasets related to third-party affordable housing organizations and their unit inventories are limited. The **Provincial Report** offers some discussion about what shelters exist provincially, with some detail by Economic Region.

A 2021 study of homelessness by the Affordable Housing and Homelessness Working Group<sup>1</sup> indicated that at least 419 people (aged 16 or older) identified as experiencing homelessness across the six counties of eastern Nova Scotia. At least 64 children were identified, for a total of 483 persons. Key conclusions from this study were:

- More than half of those persons 16 or older lived with a mental illness or addiction.
- About 42% received income assistance.
- About 32% were between 16 to 29 years old and 29% were 30 to 39 years old.
- About 14% of survey respondents were Indigenous.

<sup>1</sup> Affordable Housing and Homelessness Working Group. (2021). Service-Based Homelessness County 2021. <https://www.endhomelessnesstoday.ca/images/Report - Service-Based Homelessness Count for Eastern Nova Scotia 2021.pdf>

Of the 419 persons that are sixteen years and over that were experiencing homelessness, 43 were reported being in the Guysborough, Inverness, Richmond, & Victoria areas, of which 14% were unsheltered, 14% were accessing emergency shelters, and 44% were provisionally accommodated.

### 3.3 Short-Term Rentals (STRs)

Between 2018 and 2022, there has been an increase of 203 dwellings used as short-term rentals in 2022, 79% were entire homes or apartments, of which 269 were potentially<sup>2</sup> “commercial” units - meaning they were available or reserved more than 50% of the year.

*“The pandemic induced [local] population and tourism growth. [Short-term rentals have] taken over a lot of houses and a lot of long term rentals are now [short-term rentals]. This housing shortage is a new problem for [Cape Breton].”*

If 2021 commercial units are compared to the 2021 dwelling stock (4,543 - as per the Census), about 6.5% of the municipality’s housing inventory may have been used as a short-term commercial rental.

Table 3-9: Short-Term Rental Activity & Inventory

	Data by year				Percent change		
	2018	2020	2021	2022	'18-'20	'20-'22	18-'22**
Total unique STRs	390	599	604	593	+54%	-1%	+52%
Entire home/apt	314	502	502	470	+60%	-6%	+50%
Hotel room	6	13	13	12	+117%	-8%	+100%
Private room	64	67	72	93	+5%	+39%	+45%
Shared room	6	17	17	18	+183%	+6%	+200%
Avg annual revenue	\$6,819	\$5,930	\$8,248	\$10,280	-13%	+73%	+51%
Total market ('000s)	\$2,659	\$3,552	\$4,982	\$6,096	+34%	+72%	+129%
Commercial STRs*	225	300	302	269	+33%	-10%	+20%

\* A commercial STR is one that was listed as available and/or has been reserved more than 50% of the days in a calendar year.

\*\* 2022 data reflects as of September 2022. Commercial STRs use 9 months for their calculations versus a full year.

Source: derived from AirDNA data

<sup>2</sup>Noted as “potentially” since 2022 data is only up to September.

## 4 Housing Shortage

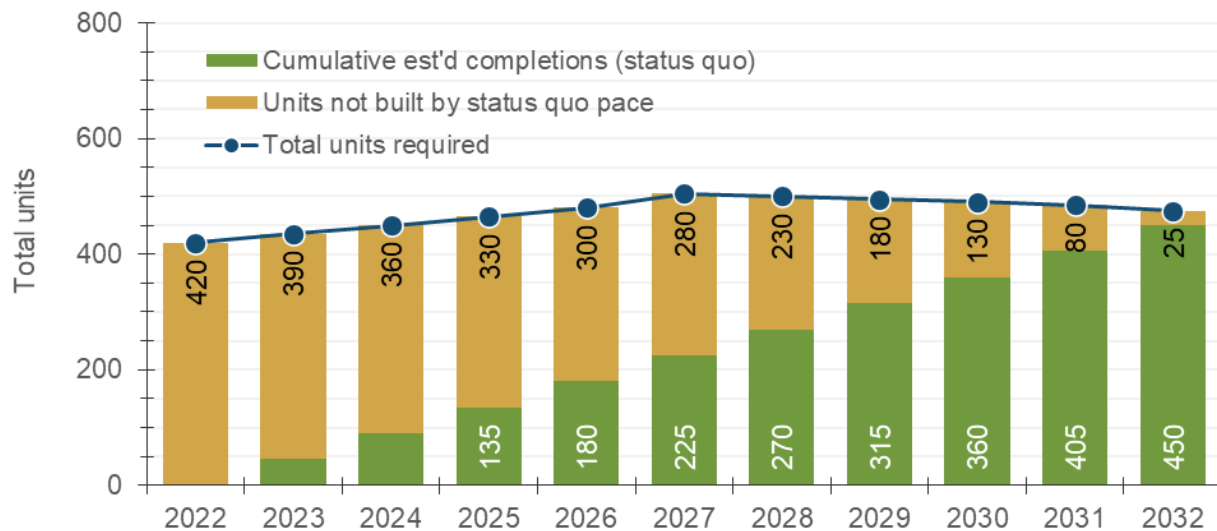
Based on demographic modeling results (see **Provincial Report** for details), the municipality’s potential housing shortage (as of the end of 2022) may be 420 units.<sup>3</sup> Note that this estimate represents the sum of all units, be they rented or owned in terms of their tenure, or market or non-market housing.

Figure 4-1 offers a high-level summary of the trajectory of the housing shortage over the next decade under a base growth scenario provided by Nova Scotia’s Department of Finance and Treasury Board.

In five years, the municipality may have a total dwelling demand (existing shortfall plus anticipated demand) of about 505 units, which could shrink to 475 by 2032.

About 45 new units could be completed annually over the next decade, based on historical data trends. That leaves a remaining gap of 280 units by 2027. By 2032, the remaining gap after status quo construction could be 25 units. Note that status quo construction follows the method used in the provincial report, being average historical permits adjusted by 5% to account for permit withdrawals or cancellations. Results are rounded to the nearest 5.<sup>4</sup>

Figure 4-1: Anticipated Unit Gap based on Total Units Required and Estimated Completions, Demographic Model Results



<sup>3</sup> The allocation of unit shortages is based on results for the Census Division, apportioned to its respective municipalities based on their share of local household change between 2016 and 2021.

<sup>4</sup> All municipalities use the same approach for consistency. However, for smaller municipalities, the combination of fewer units permitted and rounding practices can under or over represent anticipated construction activity. As such, greater attention should be directed to the projected demand, instead of anticipated supply, which can be later cross-reference with internal municipal data.

*“The development at Cape Smokey has a shortage of about 70 - 140 workers in Ingonish right now. When the ski hill is at capacity, it will employ about 250 people. But there is no housing for these people.”*

Table 4-1 summarizes possible guides for constructing unit sizes over the next half-decade. As previously described, about 505 new units may be needed to meet demand by 2027. Based on historical preferences,<sup>5</sup> about 30% could be studio/1-bedroom dwellings (150 units), 40% 2-bedroom dwellings (205), and 30% 3+ bedroom dwellings (150). This includes the existing unit shortfall.

*Table 4-1: Estimated Current & Anticipated Unit Shortfall by Unit Size, 2022 to 2027*

	Total	Studio + 1-bedroom	2-bedroom	3+ bedroom
<b>A:</b> Current shortfall (end of 2022)	420	125	170	125
<b>B:</b> Anticipated demand by <b>2027</b>	85	25	35	25
<b>C:</b> Total units required by <b>2027</b> (A + B)	505	150	205	150
<b>D:</b> Anticipated 5 year supply (status quo pace*)	225	70	90	65
<b>E:</b> Total shortfall	280	80	115	85
<b>F:</b> Total extra units required annually (E / 5 years)	55	15	25	15

\* The distribution of supply is based on household preferences, not actual anticipated build out.

*“There’s no staff housing....funders won’t fund staff housing development that looks personal or like home-based businesses. Where’s the support for private development?”*

<sup>5</sup> In this case, unit sizes reflect the preference for unit size, not the historical distribution of unit sizes in the existing inventory. Briefly, historical distributions of household sizes by household family types are used to estimate required bedrooms. The estimated share of unit sizes is then distributed into forecasted demand calculations. More explanation about how preference distributes can be found in the Housing Shortage section of the Provincial report.



# 5 Housing Affordability



Municipality’s public survey responses

## 5.1 Homeownership

Housing is becoming more expensive. This is not simply a claim of observing the appreciation of property as a commodity but also as an increase relative to other periods, levels of income, and availability.

### 5.1.1 Market Activity

Median sale prices across Nova Scotia have seen increases since 2016, with significant increases since 2019. Victoria’s median sale price has increased from \$145,000 to \$244,500 between 2016 and 2022. This represents a 69% change in median sale price.

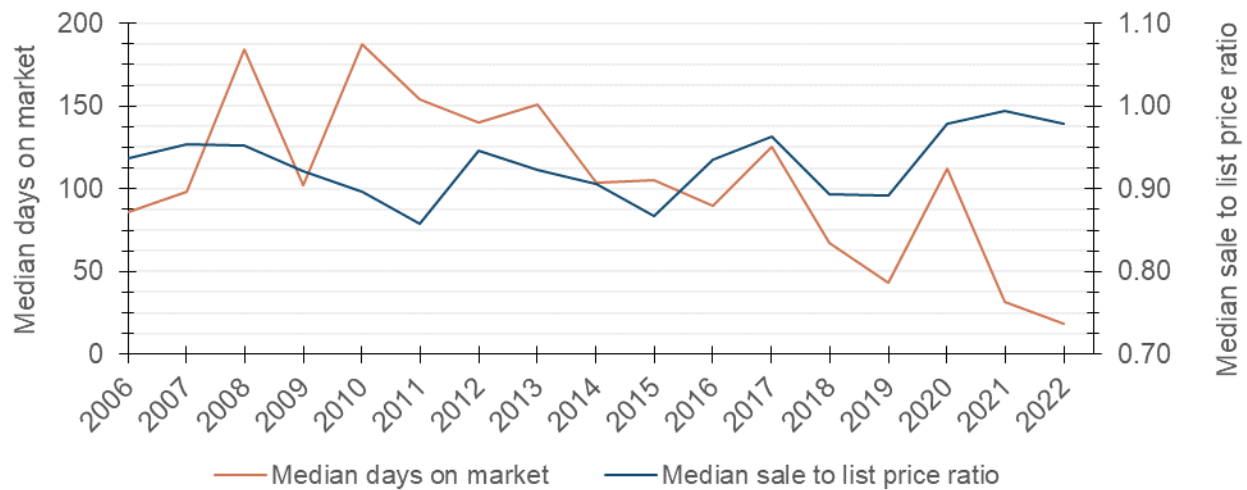
Table 5-1: Median Sale Prices by Dwelling Type & Select Years

	Price				Percent Change		
	2010	2016	2019	2022	'10-'16	'16-'19	'19-'22
Total	\$121,500	\$145,000	\$164,000	\$244,500	+19%	+13%	+49%
Single	\$123,000	\$173,500	\$168,000	\$249,000	+41%	-3%	+48%
Semi	-	-	-	\$549,000	-	-	-

Source: NSAR MLS®

The increase in price can, at least in part, be attributed to an increase in demand. Figure 5.1 illustrates the sale-to-list-price ratio compared to the median days a dwelling was on the market. The number of days on the market is a general indicator of market demand (fewer days means more interest and more days means less interest). As the number of days on the market decreases, there is generally a rise in sale prices (and sale to list price ratios). This is no different for Victoria. With recent declines in the median number of days a dwelling is on the market, the median sale to list price ratio has gradually increased.

Figure 5.1: Historical Median Days on Market vs. Median Sales-List Price Ratio



Source: NSAR MLS®

### 5.1.2 Homeownership Affordability

Table 5-2 details the percentage share of households, separated by household types, that could afford a home based on their respective income levels versus the median sale prices from 2022. The affordability threshold is the same used by Statistics Canada and CMHC - 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and in direct costs related to shelter. More detail is provided in the **Provincial Report**. Note that income bracket distributions are based on Census Division data.

Lone parents and single persons are least likely to have income levels necessary to afford to own a home. Single-detached homes are the most attainable types of dwellings, but 71% of lone-parent households and 93% of single-person households fall below the income levels necessary to afford the median single-detached local home.

About 61% of all local households earned an income below what would be needed (around \$81,800) to purchase the median home in 2022. This highlights the importance of housing interventions to address the shortage identified above in order to reduce typical housing prices to reasonably affordable levels.

Table 5-2: Estimate of Sales Affordability by Income Level (All Households)

		2022 median sale price:			\$249,000
		% of HHs below income level			Single Detached Dwelling
Income level	Attainable sales price	Couples	Lone parents	Single persons	
\$50,000	\$149,500	12%	40%	75%	no
\$55,000	\$164,500	15%	40%	81%	no
\$60,000	\$179,500	20%	47%	86%	no
\$65,000	\$194,500	23%	53%	88%	no
\$70,000	\$209,500	28%	59%	91%	no
\$75,000	\$224,000	33%	66%	93%	no
\$80,000	\$239,000	40%	71%	93%	no
\$85,000	\$254,000	44%	71%	95%	yes
\$90,000	\$269,000	48%	71%	95%	yes
\$95,000	\$284,000	51%	71%	95%	yes
\$100,000	\$299,000	54%	71%	95%	yes
\$105,000	\$314,000	59%	71%	95%	yes
\$110,000	\$329,000	62%	71%	95%	yes

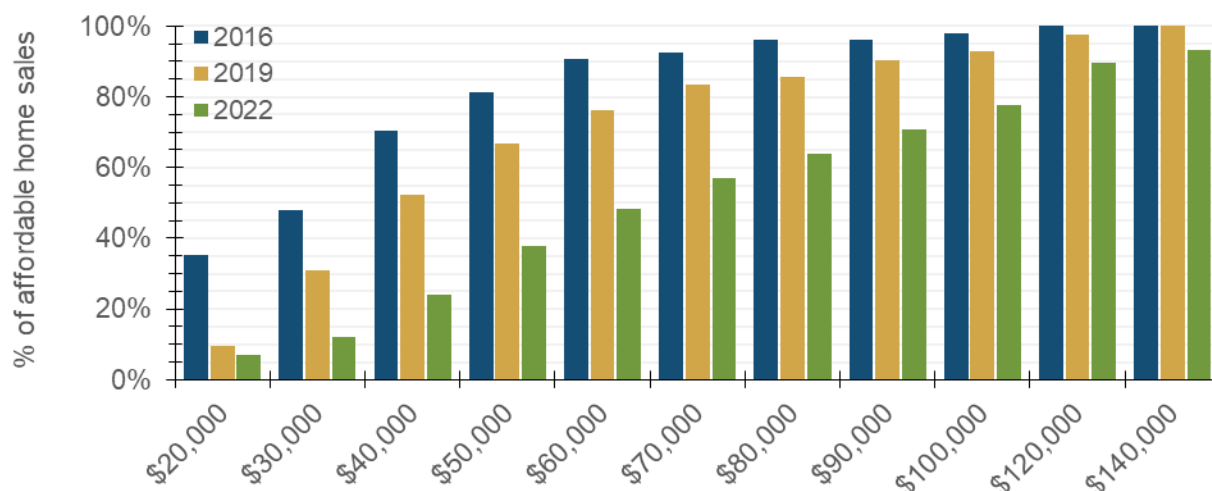
Homeownership	Total Dwelling	Single Detached Dwelling
Est'd income needed to buy median home	\$81,800	\$83,300
<b>% of total households below income</b>	<b>61%</b>	<b>61%</b>

Source: Derived from Statistics Canada tables (see Provincial Report), Bank of Canada, NSAR MLS®

Figure 5.2 presents the levels of affordability for respective household income levels between 2016 and 2022 for Victoria Census Division (no data is specifically available for the County of Victoria). It illustrates the percentage of home sales in each year that would be affordable (30% of household income) at a given income level.

While there were already signs of decreasing affordability from 2016 to 2019, the municipality suffered a significant shock from 2019 to 2022. For instance, a \$70,000 income could afford 83% of home sales in 2019. In 2022, this fell to 57%.

Figure 5.2: Estimated % of Households that can / cannot Afford Sale Prices, Victoria Census Division



Source: derived from Statistics Canada Custom Census 2021 Tables, Bank of Canada, NSAR MLS®

## 5.2 Rental Market

### 5.2.1 Market Activity

Table 5-3 reports the rental data for Victoria (based on the combined areas of Richmond and Victoria). The overall average rent in 2021, per PVSC data, was \$605. This is a decrease of 4% from 2018. There has been a 6% increase in studio unit rents, a 0.3% increase in 1-bedroom unit rents, a 2% decrease in 2-bedroom unit rents, and a 0.3% increase in 3+ bedroom unit rents over the same period.

Table 5-3: Average Rents by Unit Size and Select Years

	Price				Percent Change		
	2018	2019	2020	2021	'18-'19	19-'20	20-'21
Total	\$629	\$603	\$604	\$605	-4%	+0%	+0%
Studio	\$495	\$495	\$495	\$522	0%	0%	+6%
1-bed	\$599	\$599	\$599	\$600	0%	0%	+0%
2-bed	\$677	\$677	\$677	\$663	0%	0%	-2%
3-bed	\$729	\$729	\$729	\$731	0%	0%	+0%
Vacancy	6.9%	6.9%	6.9%	6.2%			

Source: PVSC Custom Tables

Victoria's vacancy rate decreased from 6.9% to 6.2% between 2018 and 2021. Despite a declining vacancy rate, this falls above the healthy vacancy range of 3% to 5%, based on PVSC data.

### 5.2.2 Rental Affordability

Table 5-4 details the percentage share of **renter** households that can afford 2021 average rent for various unit types. It should be noted that the affordability reported is based on the ability to afford the rent for the entire unit, not split between tenants. Furthermore, the affordability threshold is the same used by Statistics Canada and CMHC - 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and indirect costs related to shelter. More detail is provided in the **Provincial Report**.

Table 5-4: Estimated Rent Affordability by Income Level (Renter Households), 2021

Renting	Average	Studio	1-bed	2-bed	3+ bed
Est'd income needed to rent average unit	\$36,100	\$31,200	\$35,800	\$39,600	\$43,600
<b>% of renter households below income</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>	<b>26%</b>

Source: Derived from Statistics Canada Custom Census 2021 tables, PVSC

Approximately 19% of local renter households earned an income below what would be needed (about \$36,100) to afford the average rental unit. Readers will notice that the financial barriers to own appear to be significantly higher than to rent. While this may be the case, it is important to recognize the data source impacts to this discussion.

Sales data for homeownership only considers asking prices, not the existing mortgages held by homeowners at the same time. Rental data includes both asking and occupied rents, meaning that the rents reported underrepresent what households would pay changing units.

## 6 Housing Need

Three housing indicators are used to evaluate housing need: adequacy (housing condition), suitability (enough space), and affordability. Core housing need is a specific condition of housing where a household falls under one of the aforementioned indicators and cannot find reasonable housing without spending 30% or more of their before-tax income. Deep unaffordability (also known as “severe” unaffordability) is when a household is spending 50% or more of their before-tax income on housing.

Generally, housing indicators and Core Housing Need data demonstrate the number and share of households particularly impacted by precarious living conditions. These are the households that increased supply or non-market interventions would positively impact most, as many might not have the means or supports to escape these conditions without intervention.

### 6.1 Housing Need by Tenure

Table 6-1 shows the share of households currently living in conditions that meet the three housing criteria, separated by tenure.<sup>6</sup>

In Victoria, overall households living in unaffordable dwellings decreased by 24% between 2016 and 2021. Those living in unsuitable dwellings increased by 8% and those living in inadequate dwellings increased by 19%. With a 7% increase between census periods, 23% of all renter households lived in unaffordable dwellings as of the 2021 Census.

Table 6-1: Housing Need Criteria by Tenure, 2021

		Total	Owner	Renter
Total Households:		3,030	2,685	350
Households living in <b>inadequate</b> conditions	Total households	320	285	25
	<i>Change since 2016</i>	+19%	+14%	+25%
	Share of households	11%	11%	7%
Households living in <b>unsuitable</b> conditions	Total households	65	65	-
	<i>Change since 2016</i>	+8%	+44%	-
	Share of households	2%	2%	-
Households living in <b>unaffordable</b> conditions	Total households	235	160	80
	<i>Change since 2016</i>	-24%	-33%	+7%
	Share of households	8%	6%	23%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

<sup>6</sup> Note that numbers expressed in the housing need tables may differ from those reported by Statistics Canada on individual community Census Profiles. This is because the custom data table applies a different universe than the Census Profile. More information can be found in the Provincial Report.

Table 6-2 shows the municipality’s households currently meeting the conditions of Core Housing Need and those in deep unaffordability, as well as the changes in those categories between 2016 and 2021. Since 2016, there has been a 9% increase in overall Core Housing Need, with all of that increase being specific to homeowners. As of 2021 10% of all households faced core need.

Since 2016 there has been an overall decrease of 20% to households living in deep unaffordability, but 2% of all homeowners remain in these conditions.

Table 6-2: Core Housing Need & Deep Unaffordability by Tenure, 2021

		Total	Owner	Renter
Total Households:		3,030	2,685	350
Households living in <b>Core Housing Need</b>	Total households	290	210	75
	<i>Change since 2016</i>	9%	5%	0%
	Share of households	10%	8%	21%
Households living in <b>deep unaffordability</b>	Total households	80	55	-
	<i>Change since 2016</i>	-20%	-31%	-
	Share of households	3%	2%	-

Source: Statistics Canada Custom Census 2016 & 2021 Tables

## 6.2 Housing Need by Household Type

Table 6-3 and Table 6-4 present information related to housing indicators and Core Housing Need, respectively, by household type.

Generally, renter and single person / roommate households experience similar issues when it comes to housing. About 15% of single person / roommate households faced financial challenges related to shelter in 2021.

Lone parents also faced considerable housing challenges, reporting the second highest rate of inadequacy (10%) and the second highest rate of unaffordability (4%). Diverging from trends seen across the province, couples without children saw a significant increase in inadequacy (31%), bringing the share of the population in inadequate dwellings to 8%.

Table 6-3: Housing Need Criteria by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		1,045	570	245	1,035
Households living in <b>inadequate</b> conditions	Total households	85	25	25	160
	<i>Change since 2016</i>	+31%	-44%	-29%	+39%
	Share of households	8%	4%	10%	15%
Households living in <b>unsuitable</b> conditions	Total households	-	20	-	-
	<i>Change since 2016</i>	-	0%	-	-
	Share of households	-	4%	-	-
Households living in <b>unaffordable</b> conditions	Total households	40	-	10	160
	<i>Change since 2016</i>	-27%	-	-80%	-16%
	Share of households	4%	-	4%	15%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

Since 2016, single persons / roommate households living in Core Housing Need increased 16%, reaching a 21% share of all related households in 2021. Couples without children reported the next most prevalent core housing need (4%), with no change between census periods. Further, 5% of single persons lived in deeply unaffordable conditions as of 2021, with a 10% increase between censuses.

Table 6-4: Core Housing Need & Deep Unaffordability by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		1,045	570	245	1,035
Households living in <b>Core Housing Need</b>	Total households	45	0	0	215
	<i>Change since 2016</i>	-	-	-100%	+16%
	Share of households	4%	0%	0%	21%
Households living in <b>deep unaffordability</b>	Total households	0	0	0	55
	<i>Change since 2016</i>	-	-	-	+10%
	Share of households	0%	0%	0%	5%

Source: Statistics Canada Custom Census 2016 & 2021 Tables



# 7 Demographic Profile

## 7.1 Population

### 7.1.1 Current Population

Between 2016 and 2021, the population of Victoria increased by 3%, compared to the provincial growth rate of 5%. Table 7-1 below illustrates the municipality’s population change compared to provincial changes.

Overall, the municipality grew across three of the defined age cohorts between 2016 and 2021, with noticeably strong growth among 25-44-year olds.

Table 7-1: Total Population by Age Cohort (2021) & Five-Year Percent Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Nova Scotia	Total	136,710	106,185	234,180	276,990	192,285	23,035	969,380
	Share	14%	11%	24%	29%	20%	2%	100%
	5yr %Δ	+2%	-1%	+9%	-2%	+19%	+6%	+5%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Municipality of the County of Victoria	Total	825	575	1,160	2,125	1,865	190	6,745
	Share	12%	9%	17%	32%	28%	3%	100%
	5yr %Δ	+1%	-3%	+5%	-6%	+18%	0%	+3%

Source: Statistics Canada Census 2016 and 2021

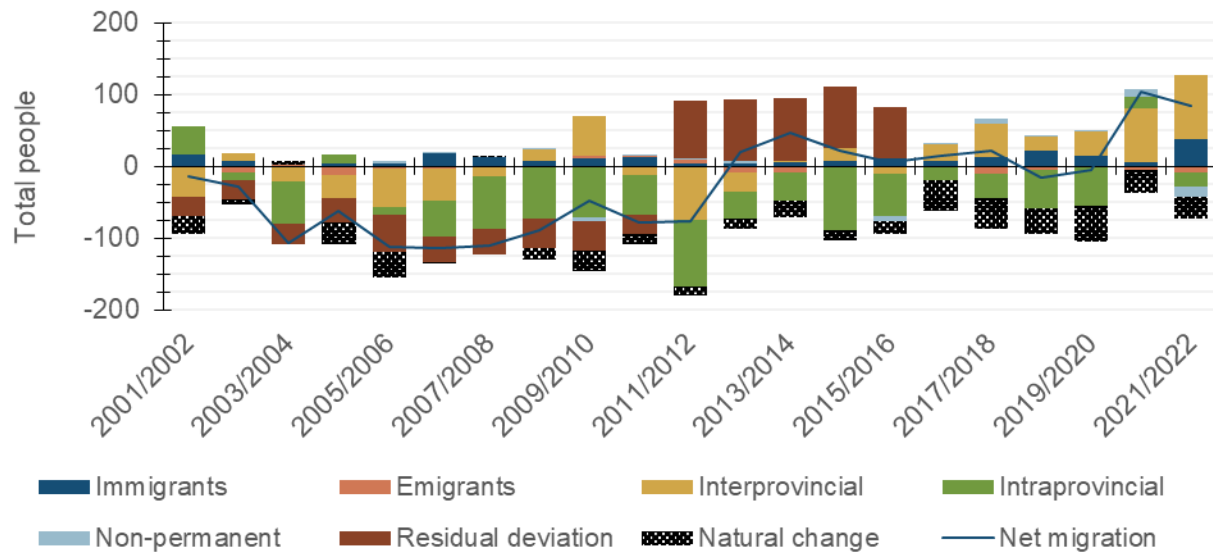
### 7.1.2 Migration

Shown in Figure 7.1 is net-migration between 2001/02 and 2021/22, inclusive of totals for intra-provincial and international migration, as well as emigration.

Between 2016 and 2021, net-migration steadily increased from annual inflows to a two-decade high in 2021/2022, with a total of 85 newcomers in that year.

*“More Nova Scotians and more Canadians in general are coming to Victoria County.”*

Figure 7.1: Historical Components of Migration



Source: Statistics Canada Table 17-10-0140

### 7.1.3 Anticipated Population

The municipality's anticipated population is derived from applying the historical share of local total populations by age cohort to the regional projections by age cohort produced by the Department of Finance & Treasury Board (FTB) in February 2023. In other words, results assume that the municipality will represent the same share of the region's population over the projection horizon.<sup>7</sup> This does not consider nuanced population changes by community.

Table 7-2: Anticipated Total Population by Age Cohort and Five-Year Percent Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	880	550	1,295	1,925	2,115	270	7,035
	Share	13%	8%	18%	27%	30%	4%	100%
	5yr %Δ	+8%	-5%	+8%	-8%	+11%	+23%	+3%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	870	530	1,255	1,855	2,210	350	7,070
	Share	12%	7%	18%	26%	31%	5%	100%
	5yr %Δ	-1%	-4%	-3%	-4%	+4%	+30%	+0%

Source: derived Department of Finance & Treasury Board February 2023

<sup>7</sup> Since a municipality represents the same share of its region (i.e., Census Division) over time for projections (population and households), similar rates of growth will exist for each of the municipalities within the region. Therefore, readers reviewing multiple reports may notice a likeness between them.

Estimates suggest that the total 2022 population was 6,805, with a projected increase of 3% between 2022 and 2027. The same age cohorts that increased between 2016 and 2021 should continue to do so over the projected five years, by possibly greater magnitudes.

Growth from 2027 to 2032 may be marginal – growth would largely be coming from senior populations. This demonstrates a short-term need to house families, but a long-term need to meet the needs of an expanding senior age group.

## 7.2 Households

### 7.2.1 Current Households

Table 7-3 illustrates the various characteristics of households in Victoria. The tables show tenure splits for maintainer by age cohort, household types, and household sizes respectively, as well as the 5-year percent change in those populations. The primary household maintainer is the person within a household who pays the rent, mortgage, taxes, or other major expenses for the dwelling. For households in which multiple incomes are present, the first name listed on a census questionnaire is taken to be the primary maintainer.

Between 2016 and 2021, there was an overall 5% increase in households, with tenures split into 89% owners and 11% renters in 2021. Non-census families (i.e., single persons or roommate households) increased 7% during that time and couples without children increased 4%, both likely reflecting a growing senior population.

Note that the percent change of households can increase faster than population (or even if there is population decline). As residents age, their likelihood of forming or leading a household increases. For instance, a child growing up and moving out of their family home turns one household into two. This can also occur if there is notable growth among smaller household sizes.

Table 7-3: Households by Tenure & Characteristics (2021) & Five-Year Percent Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Household Maintainer Age	Total	0	550	1,210	1,180	125	3,075
	Owner	-	72%	91%	94%	100%	89%
	Renter	-	28%	9%	6%	0%	11%
	5yr %Δ	-	+5%	-5%	+21%	-4%	+5%

		Couple w/o Child	Couple w/ Child	Lone Parent	Non-census*	Other**	Total
Household Type	Total	1,055	585	245	1,055	135	3,075
	Owner	92%	94%	80%	84%	100%	89%
	Renter	8%	6%	20%	16%	0%	11%
	5yr %Δ	+4%	-6%	+4%	+7%	+69%	+5%

		1-person	2-person	3-person	4-person	5+ person	Total
Household Size	Total	975	1,290	390	245	165	3,075
	Owner	84%	90%	93%	94%	100%	89%
	Renter	16%	10%	7%	6%	0%	11%
	5yr %Δ	+8%	+5%	+1%	-13%	+18%	+5%

\* Non-census means single persons or persons living with a roommate

\*\* Other households are one-census-family households with additional persons or multiple-family households

Source: Statistics Canada Custom Census 2016 & 2021 Tables

## 7.2.2 Anticipated Households

A similar apportionment as for the anticipated population is performed for anticipated households. Note that anticipated households are a major input to housing demand calculations, but do not equate exactly to demand. Housing demand projections incorporated adjustments to reflect total dwellings (not only those occupied by a usual resident which projections would solely consider).

Estimates suggest that total households reached 3,115 in 2022, with a potential increase of 4% from 2022 to 2027 (125 total). Household losses should predominantly occur among older working professional led households (45- to 64-year-olds). The greatest rate of growth should be among senior-led households.

Growth may continue from 2027 to 2032, but of slightly lesser magnitude - a 2% increase in total households. Senior-led households (particularly those with a maintainer aged 85+) should remain the cohort with greatest relative growth.

From 2022 to 2032, about 285 new senior-led households might choose to live in the municipality, again reinforcing the need for senior appropriate or generally accessible housing over the foreseeable future.

Table 7-4: Anticipated Households by Maintainer Age and Five-Year Percent Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	0	615	1,095	1,330	200	3,240
	Share	0%	19%	34%	41%	6%	100%
	5yr %Δ	-	+7%	-8%	+10%	+38%	+4%

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	0	600	1,055	1,360	280	3,295
	Share	0%	18%	32%	41%	8%	100%
	5yr %Δ	-	-2%	-4%	+2%	+40%	+2%

Source: derived from Statistics Canada 2016 Census, Department of Finance & Treasury Board February 2023

## 8 Conclusion

The above information provides context for the County of Victoria's housing conditions. Recent increases in demand, coupled with limited growth in recent supply, have led to higher-than-expected local housing prices.

The current estimated unit shortage for Victoria is 420 units. Demand, which includes the shortage, is estimated to increase to 505 by 2027. Using current construction trends, about 45 units could be introduced to the market annually over the next 5 years, leaving a remaining gap of 280 units by 2027. Based on slower growth projected for 2027 to 2032 and historical pace of construction, the gap may continue to decrease to 25 units by 2032.