October 2025

# Residential Rental Market Survey & Housing Needs Assessment Updates
# Lunenburg County, Nova Scotia

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30 October 2025

Reid Shepherd, LPP, MCIP
Deputy Director of Planning & Development Services
Municipality of the District of Lunenburg
10 Allée Champlain Drive
Cookville, NS B4V 9EV

Dear Mr. Shepherd:

**Re: Residential Rental Market Survey & Housing Needs Assessment Updates, Lunenburg County, Nova Scotia**

In accordance with the requirements outlined by the Municipality of the District of Lunenburg's RFP No. 2024-01-405, we have completed a residential market survey for the five municipalities in Lunenburg County, along with updates to data from the 2023 municipal housing needs assessments.

This report is authorized to be utilised for research and planning purposes and only by our clients for this assignment (the five municipal jurisdictions within Lunenburg County), and other parties specifically designated by Turner Drake & Partners Ltd. Use of the report for other purposes or by other parties may invalidate the conclusions.

**Quality Standards**
*Turner Drake's quality assurance system, which covers the conduct of all of our operations, is registered to the ISO 9001:2015 standard. This assignment has been conducted in accordance with our quality assurance system.*

**Report Overview**
This is, by necessity, a long and fulsome report; it includes five separate studies (one for each of the five municipalities in question), along with a county-wide overview of the rental and housing markets writ-large. In conjunction with this document, we have submitted an individual report for each of the five municipalities. End-users of this document are encouraged to review Section No. 1, No. 2, and No. 3 of this report in conjunction with results specific to any municipality.

We trust that this work is satisfactory. Please feel free to reach out should you have any questions, comments, or concerns.

Yours truly,

TURNER DRAKE & PARTNERS LTD.

**COLIN RENNIE**
Senior Consultant | GIS Specialist
Economic Intelligence Unit
Manager – Charlottetown Office

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# Section 1 | Project Overview

## 1.1 Purpose of Assignment & Project Overview

### 1.1.1 Project Background, Overview, & Objectives

This assignment was undertaken in order to address the lack of rental and housing market data specific to the rural and small-town jurisdictions in Lunenburg County. This is a common challenge for smaller areas throughout Canada. While the Canadian Mortgage and Housing Corporation (CMHC) conducts an annual rental market survey of the primary rental market, it is undertaken only for census geographies that have a minimum population of 10,000 people. As such, many rural areas and small towns are left without coverage, and thereby lack critical rental market metrics (e.g., supply, demand, vacancy rates, etc.).

This data gap has been exacerbated of late due to wide-spread housing shortages and their ensuing affordability impacts. Without quality background information, non-market and private sector developers struggle to efficiently plan projects and project financers lack a reliable base of information against which to assess project viability. In rural and smaller jurisdictions where CMHC does provides rental metrics, these figures often lag behind actual market trends, as the inputs for these figures generally reflect older stock and lower-end rental buildings.

Non-market organizations are generally dependent upon government funding programs. The private market, by comparison, can usually access financing through traditional channels (i.e., regular banks, etc.), and will often already have equity available through the ownership of other income-producing properties. Many of these programs rely on CMHC's rental rates to determine the price point thresholds (i.e., *X% below market rate for a jurisdiction*) at which the housing should be considered affordable. As such, project financing becomes tied to these rates; if the non-market organization wants to access CMHC's funding, it needs to set its rental rates at the prices that were determined using data that does not reflect market realities, and is often well-below what is required to ensure financial sustainability of a project.

This can lead to situations where critically-important affordable and non-market housing projects do not come to fruition, as the rental rates they are required to charge cannot cover the long-term costs of financing and building operation. This project aims to address the rental data gap, with the results of this research providing essential and dependable information for policy makers, non-market housing organizations, and private market developers and landlords. This was done through a wide-reaching and comprehensive rental market survey. We surveyed landlords, developers, and property managers throughout the county in order to quantify a variety of metrics related to the regional rental market. This was the primary objective of this assignment.

The other key aspect of this research is wide-spread updates to the municipal Housing Needs Assessments (undertaken by our firm) that were completed for every jurisdiction in the province in 2023. At the time, these were the most comprehensive municipal housing market assessments ever undertaken in NS. However, the municipal-level analyses relied, by necessity, on figures and statistics at less granular and regional levels. This current project replicates much of the analysis we completed in 2023, but with more granular inputs that are specific to each jurisdiction, and where possible, Lunenburg County as a whole. We also assess overarching trends in the rental market's affordability using the results of our rental market survey against demographic and household income indicators.

### 1.1.2 Document Structure

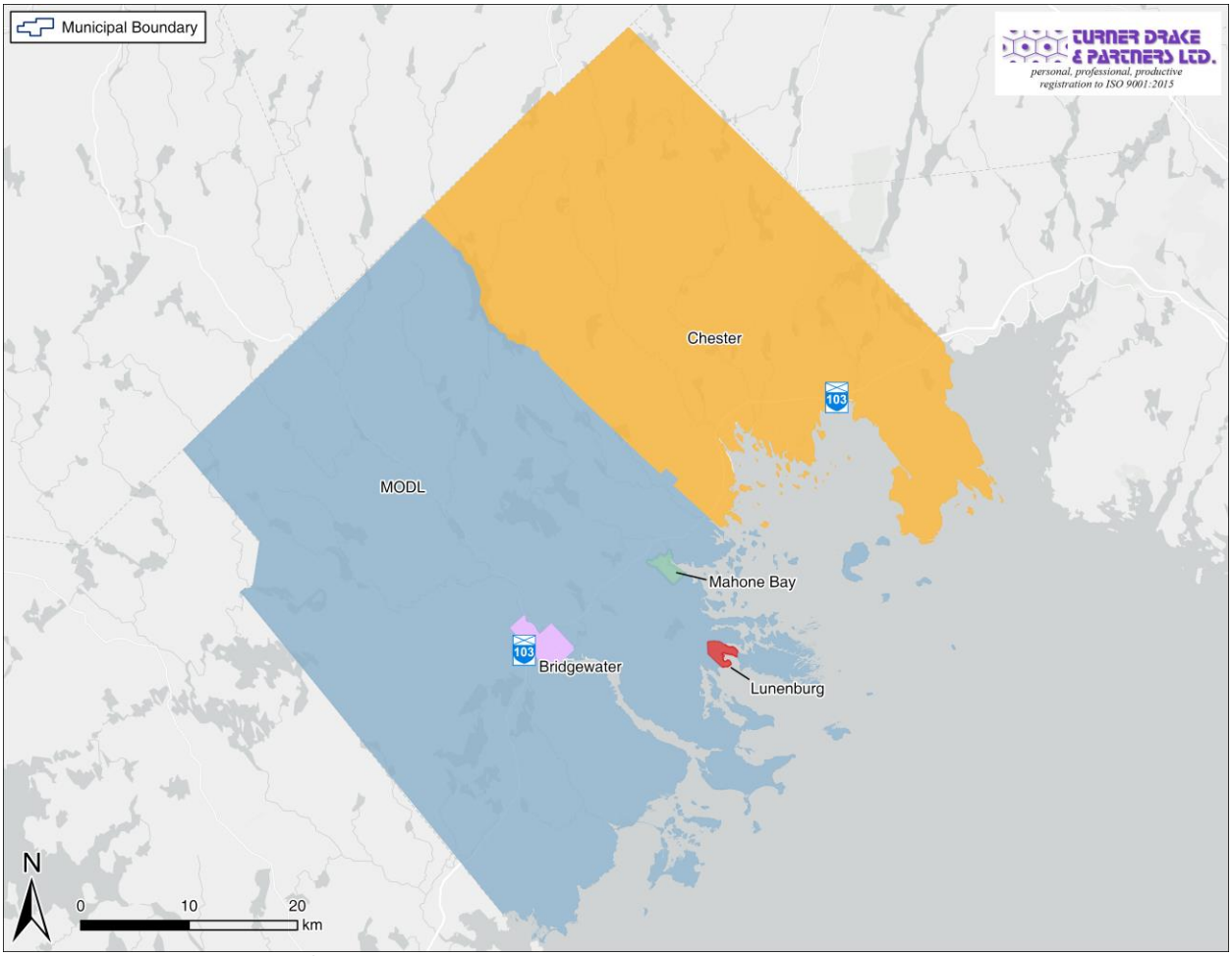
This is a large document that contains six separate, but inter-related reports; one for the county as a whole, and one for each of the five municipalities within Lunenburg County. Where possible, reporting has been standardized in order to ensure consistency for end-users of this report. Each municipality's individual report generally contains the same information. A review of the county-wide section is an essential companion to information at the municipal level.

## 1.2 Study Area

The study area for this assignment covers Lunenburg County as a whole, along with the five municipalities that comprise the county. We refer to these jurisdictions by their common name throughout the report for brevity. Distinctions concerning individual communities within the larger two jurisdictions are made as necessary. For example, a reference to the *Village of Chester* would refer only to the village-proper, while reference to *Chester* refers to the full municipality. The study areas are listed below, with the common name used for each jurisdiction in (brackets):

- The Municipality of the District of Chester (Chester);
- The Town of Mahone Bay (Mahone Bay);
- The Town of Lunenburg (Lunenburg);
- The Town of Bridgewater (Bridgewater); and,
- The Municipality of the District of Lunenburg (MODL).

**Figure 1.1: Study Area Map**




Source: Province of Nova Scotia | Basemap accessed under license via ESRI ArcPro.

## 1.3 Rental Market Survey Process

The foundational objective of this research was to address the rural data gap. This was done through a comprehensive residential rental market survey; our market survey research and outreach process sourced information on 1,548 residential rental dwelling units in 144 buildings across the five municipalities. We obtained information directly from property managers, landlords, developers, etc., throughout the county. The contact information for the properties, and the information used to compile the rental building inventory, was sourced via the following channels:

- The starting point for the outreach list was information provided to us by the municipalities, which was sourced through their fire and building inspection records. We then amalgamated and consolidated this information, and cross-referenced it against property registry and ownership data.
- A review of internal files from past consulting assignments undertaken by our firm in the study area;
- Primary research into property ownership and assessment data; and,
- Referrals from employees at Turner Drake to contacts in the real estate and development industry throughout the area.

Once the inventory was compiled and reviewed, we then undertook a long-form survey process, with a predesigned data collection, entry, and review process in order to ensure data consistency and reliability. Our survey was conducted between late-June and mid-September, 2025. The proceeding section details our conclusions surrounding the statistical reliability of this survey. For each building, we collected information that could be used to derive a variety of market metrics, including (but not limited to) achieved rental rates, total unit count and total number of units by unit type, total vacant units and total number of vacant units by unit type, asking rental rates, etc. Additional information (such as year of construction, etc.) was sourced through supplemental property datasets that are available to us via public and private channels.

We have detailed the results of our survey outreach process in **Table 1.1**. These are included for transparency. The bulk of our information (63% of all units) came via phone calls with the identified contacts. We also met in-person with several landlords during the survey process. Information sourced via online channels was predominately through the non-public facing online provincial MLS® system[1]. When an investment property is listed for sale, there is often additional documentation (i.e., rent rolls, leases, etc.) attached to the property's listing. Where necessary building specific details (unit mix, asking rates, etc.) were sourced from secondary sources such as online listings, websites of management companies, etc.

**Table 1.1: Market Survey Outreach Results**

| | Individual Units | | Individual Buildings | |
|---|---|---|---|---|
| | **Total** | **Share** | **Total** | **Share** |
| **Email** | 12 | 0.78% | 2 | 1.39% |
| **In-Person** | 176 | 11.37% | 10 | 6.94% |
| **Online** | 181 | 11.69% | 19 | 13.19% |
| **Phone** | 981 | 63.37% | 107 | 74.31% |
| **TDP Data** | 198 | 12.79% | 6 | 4.17% |
| **Total** | 1,548 | --- | 144 | --- |

Source: Turner Drake & Partners Ltd.

[1] Our firm has access to this platform as a licensed commercial real estate brokerage.

**Table 1.2** details our market survey coverage by municipality, and compares our coverage against the estimated primary market unit counts[2] in each jurisdiction, and the county as a whole. These counts are our estimate of the long-term rental market inventory in multi-unit buildings. We covered nearly 65% of all primary market rental units in the county, with extensive coverage of the rental markets in Bridgewater, MODL, and Lunenburg. Lower coverage was achieved in Mahone Bay and Chester, though still accounted for approximately 1/3 of all rental units in both jurisdictions. The proceeding section details how our rental market survey coverage provides statistical validity, and a representative sample that accurately reflects market metrics throughout the county.

**Table 1.2: Rental Market Survey Coverage**

| Municipality | Primary Market Dwelling Counts* | | Market Survey Outreach (Primary Market) | | Market Survey Coverage (%) | |
|---|---|---|---|---|---|---|
| | Units | Buildings | Units | Buildings | Units | Buildings |
| **Chester** | 279 | 63 | 90 | 9 | 32.3% | 14.3% |
| **Mahone Bay** | 68 | 17 | 22 | 4 | 32.4% | 23.5% |
| **Lunenburg** | 255 | 49 | 151 | 18 | 59.2% | 36.7% |
| **Bridgewater** | 1,406 | 137 | 1,054 | 76 | 74.9% | 55.8% |
| **MODL** | 329 | 75 | 185 | 9 | 56.2% | 12.0% |
| **Total** | 2,337 | 341 | 1,502 | 116 | 64.3% | 34.0% |

Source: Turner Drake & Partners Ltd. | * Dwelling inventory counts were derived using a combination of property assessment & ownership data, along with open data from the Province of Nova Scotia.

## 1.4 Statistical Validity of the Market Survey Results

To ensure that the findings from our survey are both representative and statistically reliable, we have assessed the coverage and sampling precision of the collected data relative to available rental market inventory benchmarks from official sources. This analysis establishes how closely our survey reflects the true composition of the regional housing stock by comparing it to two potential population sizes (rental unit dwelling counts):

- Rental dwelling unit counts from the 2021 Canadian Census; and,
- Unit counts (specific to buildings with at least three units as a proxy for the primary rental market[3]) that were compiled using a combination of Property Valuation Services Corporation (PVSC) public datasets, information from the Nova Scotia Property Records Database (NSPRD), and open data sourced from the Province of Nova Scotia.

The evaluation of statistical significance in this way helps confirm whether conclusions drawn from the survey can be generalized with confidence across the county. Technical details of these calculations are included in the Appendices.

In practical terms, the results of these analyses indicate that our rental market survey provides statistically significant coverage of the regional multi-unit building stock. The data can confidently be used to assess patterns in the rental market, unit breakdowns, building scale, spatial distribution, etc. It is our professional opinion that the overarching rates from the county-wide figures can be used as representative across each of the five communities covered in our study. Our study provides the rural and small-town municipalities in Lunenburg County with an accurate, and statistically reliable threshold for rental market metrics.

[2] This encompasses buildings with a minimum of three units, and that are assumed to be part of the regular, private market.

[3] CMHC's rental market surveys cover only buildings with a minimum of three rental units; this is a commonly accepted definition of the primary market.

Survey coverage and representation is strongest in Bridgewater, where the overwhelming majority of the regional multi-unit building inventory is concentrated. This is followed by the Town of Lunenburg, which had nearly 60% of its estimated rental market inventory covered, while smaller samples in Mahone Bay, Chester, and MODL remain statistically valid and directionally informative. We caution that the sample sizes are much smaller for these four municipalities, and thus the results are more prone to sample size bias. As such, it is better to rely on county-wide figures for these jurisdictions, while local data can provide context and nuance, where applicable.

According to guidance from Statistics Canada, the U.S. Census Bureau, and the American Association for Public Opinion Research (AAPOR), a margin of error (MOE) of ± 3% to ±5 % at a 95% confidence level is typically considered robust for population-level studies. MOE values approaching ± 10% remain acceptable for geographically or thematically narrow samples. Our calculations show that our survey achieved an MOE of ± 2% at the county level. Given these thresholds, the result achieved by our survey exceeds standard expectations for data reliability and precision. Importantly, both sampling calculations incorporate the finite population correction, ensuring that the margins of error are tailored to the actual population sizes rather than overstated as if the populations were infinite.

With coverage rates exceeding one-third of both the total rental-tenured dwellings, and primary-market buildings (where higher coverage was achieved, as outlined above), in the region, and margins of error well within accepted thresholds, our survey achieves a level of empirical robustness rarely possible in regional housing studies. It provides a statistically defensible foundation for analyzing current conditions, assessing market pressures, and projecting future housing needs across the five municipalities in Lunenburg County.

Importantly, the distribution of our survey coverage aligns closely with renter-tenured household concentrations. The municipalities that contain higher proportions of rental dwellings (i.e., Bridgewater, and Lunenburg) are where survey coverage and statistical precision are highest. This natural weighting enhances, rather than biases, the representativeness of our regional findings.

### 1.4.1 Survey Coverage Relative to the 2021 Census

The 2021 Census identifies 4,352 occupied dwellings (specific to rental-tenured households) across the five municipalities.[4] Based on these totals, the survey captured approximately 35.3% of the regional rental dwelling stock, a notably high level of coverage for a field-based data collection exercise, though we note that the Census data was collected in May of 2021.

The results of our tests indicates that, at a 95% confidence level, the unit-level estimates from our 2025 survey are accurate within ± 2 percentage points of the true population values. In other words, the survey's findings can be generalized to the regional population with a high degree of precision. This is well within, and in fact exceeds, the reliability standards commonly accepted in housing, demographic, and market research, where ± 3% to ± 5% margins of error are typical for large, statistically valid samples.

For robustness, the unit-level results were re-tested under the assumption that the regional housing stock expanded by approximately 10% between 2021 and 2025. This adjustment increases the estimated total number of dwellings from 4,352 to approximately 4,826, while the number of surveyed units remains unchanged at 1,548. Under this scenario, the survey's coverage rate decreases slightly from 35.3% to 32.1%. The recalculated margin of error rises only marginally from ± 2.0% to approximately ± 2.1%, indicating that even with a 10% increase in the total housing stock, our market survey remains highly precise and statistically significant at the regional level.

### 1.4.2 Survey Coverage Relative to NS Property Data

In addition to the Census-based analysis, our survey coverage was evaluated against unit count estimates derived using a combination of data from PVSC, the NSPRD, and the Province of Nova Scotia. This

[4] This is the sum of the total renter-tenured units in each of the five municipalities, not the overall number of rental-tenured units reported at the Census Division (County) level.

provides a measure of how the survey compares to current-day estimates of the regional rental stock. Our research using these datasets identifies 2,337 units contained within buildings of three-or-more units across the five municipalities. Of these, our market survey recorded 1,502 units, representing approximately 64% of the total identified inventory.

Applying the finite population correction at a 95% confidence level yields a margin of error of approximately ± 2.0%, confirming that the 2025 survey provides statistically significant representation of the region's multi-unit dwelling stock. This high level of coverage ensures that findings derived from the survey can be generalized with confidence to the broader multi-unit, and purpose-built rental, population throughout the county.

This level of precision is consistent with accepted practice for subregional or domain-level surveys used by agencies such as Statistics Canada, where margins of error up to ± 10% are considered acceptable for smaller populations.

### 1.4.3 Survey Coverage Relative to CMHC's Reporting Guidelines

The reliability of our 2025 survey results can also be assessed in relation to the standards used by the Canada Mortgage and Housing Corporation (CMHC) for publishing data in its Rental Market Survey (RMS) and related housing statistics. This is an important benchmark, as CMHC's figures are considered are the industry-standard for rental market metrics.

Our survey reports a margin of error (MOE) of ± 2% at a 95% confidence level. This figure meets CMHC's highest standard for survey reliability, and the reliability of the data reported for the regional level would be deemed *"A – Excellent"* according to the organization's own benchmarks. Further details are included in the Appendices. The key takeaway from this exercise is that the results of our research can be relied upon as a highly precise, and accurate, barometer of the rental market in Lunenburg County writ-large.

**Table 1.3: Survey Coverage Relative to CMHC Reliability Benchmarks**

| Estimated Percentage | Approximate Relative Error (CV) | CMHC Reliability Code | Interpretation | How the TDP Survey Ranks |
|---|---|---|---|---|
| 50% | 2.00% | A – Excellent | Meets CMHC's highest reliability standard. | ***Turner Drake's 2025 Survey (±2%) falls here*** |
| 30% | 3.40% | A – Excellent | Strong precision, within CMHC's top range. | |
| 20% | 5.10% | B – Very Good | Acceptable for publication, minor variability. | |
| 15% | 6.80% | C – Good | Reliable, moderate sampling variation. | |
| 10% | 10.20% | D – Poor | Use with caution for rare categories. | |
| 8% | 12.80% | D – Poor | Higher relative uncertainty. | |
| 6% | 17.00% | Suppressed () | Below CMHC publication threshold. | |

Source: CMHC | Note: CMHC assigns a level of reliability as follows (the CVs are given in percentages):

- A - If the CV is greater than 0 and less than or equal to 2.5 then the level of reliability is Excellent.
- B - If the CV is greater than 2.5 and less than or equal to 5 then the level of reliability is Very Good.
- C - If the CV is greater than 5 and less than or equal to 7.5 then the level of reliability is Good.
- D - If the CV is greater than 7.5 and less than or equal to 10 then the level of reliability is Poor.

## 1.5 Acknowledgements

This project was an excellent example of inter-jurisdictional cooperation between municipalities, and shows how smaller public bodies can play a major role in helping address policy shortfalls with regard to the rental and housing development markets in rural and small-town Nova Scotia. We would like to thank all staff from the five municipalities that were involved with this project.

We spoke with a wide-range of stakeholders across various industries and sectors, all of whom were more than willing to share their perspective, and provide background context for this study; their input and their time is greatly appreciated.

Lastly, this research would not have been possible without the cooperation of property owners, landlords, property managers, and developers throughout Lunenburg County. We greatly appreciate your willingness, and often times eagerness, to speak and/or meet with us. You provided us with an immense amount of invaluable data and confidential information regarding rental housing properties under your purview. We hope to receive your continued support over future housing study updates.

## 1.6 Limiting Conditions & Assumptions

(1) This report must be used in its entirety since parts taken out of context may be misleading. The report, or any parts thereof, may not be used for any purpose other than that for which it was undertaken and is furnished for the exclusive use of the client to whom the report is addressed. **All liability to any party other than the client is hereby denied.**

(2) The purpose of this research is to estimate market metrics (rent, vacancy, supply, demand, etc) for the rental market in Lunenburg County, along with the completion of updates to housings studies previously undertaken by our firm. We have made no independent investigation of the physical, fiscal, legal or other constraints pertaining to any particular property and accordingly do not warrant that these findings substitute for a thorough investigation of individual developments, sites, or properties in the study area. The reader is urged to make their own investigations in that regard.

(3) We do not purport to give legal advice and have assumed that this information will not be used for valuation, appraisal, or site-specific development planning advice.

(4) Unless otherwise noted in this report, existing mortgages, liens, encumbrances and special assessments, if any, have been disregarded and overarching property information received has been treated as though free and clear.

(5) The information on the individual properties that were used as inputs for the market metrics in this report were furnished largely by property managers and/or representatives of the properties in question. On occasion the property manager refused to disclose certain information, or we were unable to obtain it directly from them, and it was necessary to obtain it from third parties. Although the information in this report is believed to be reliable, it has not been validated by a physical inspection of the building, leases and financial statements. No responsibility therefore is assumed for its accuracy.

(6) We have not inspected any buildings on any property that were covered by our market survey.

(7) This report is intended as general information only and is not to be relied upon as constituting legal, financial, or other professional advice. A professional advisor should be consulted regarding specific housing development situations. Information presented is believed to be factual but we do not guarantee its accuracy and it should not be regarded as a complete analysis of the subjects discussed. All expressions of opinion reflect the judgment of the authors as of the date of publication and are subject to change. No endorsement of any third parties or their advice, opinions, information, products, or services is expressly given or implied by our firm.

(8) Such information used in this report including, but not limited to, sale prices, rental values and other facts and details regarding comparable properties used in our analysis that may have been obtained from the Registry of Deeds, Land Information Service, Assessment Department, Canada Mortgage and Housing Corporation, Statistics Canada and regional Real Estate Boards, etc., is assumed to be reliable. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.

(9) Information in this report furnished by others is believed to be reliable, although no responsibility is assumed for its accuracy. Based on our review, nothing has come to our attention that causes us to believe that this information is not, in all material respects, correct. However, we have not verified the information through independent enquiry and this engagement cannot be relied upon to prevent or detect fraud or error. The responsibility for the prevention and detection of fraud and error and other irregularities remains with the person relying on this report.

(10) Market conditions can, and do, change rapidly because of economic, social and political reasons. The opinions expressed in this report pertain only to the date of the assignment and must not be relied on as of any other date.

(11) This report does not constitute an appraisal, or a professional opinion of value as it relates to market rents or the feasibility of any specific rental development project. The figures contained herein are derived estimates of market rates, and are intended to be used at the regional-level for research and planning purposes by the Client.

(12) 

# Section 2 | Summary of Conclusions & Stakeholder Consultations

## 2.1 Discussion & Conclusions

We have consolidated our high-level conclusions in this section in order to provide users of this report with a concise summary of our research and analysis. The foregoing is subject to the Limiting Conditions and Assumptions outlined in the preceding section, and reflects the information available to us as of the date of this report (Oct. 30th, 2025). We note that the conclusions outlined here are explored in detail throughout the various sections of this report, and we encourage readers to review the report in its entirety.

### 2.1.1 Rental Market

- The rental market throughout the county, particularly in the smaller towns (Lunenburg and Mahone Bay) is extremely tight, with low vacancy rates, low availability, and high demand.

- Over half of the vacant units recorded during our survey were in newly constructed buildings that are still in the initial phase of their lease-up. When those units are excluded from the vacancy calculations, overall vacancy falls from just under 5%, to just over 2%. Conversations with the proponents of several of these projects indicate that while they could lease the remaining units more easily if they lowered their asking rates below the $2,000 threshold, they would prefer vacancy in the immediate in exchange for the long-term benefit of securing a tenant at a higher rental rate.

- Vacancies are commonly only available upon unit turnover, or in newer buildings that are in the early stages of their lease-up periods (i.e., when a building first comes to market).

- Our benchmark for the primary rental market's vacancy rates is quite low; however, it reflects the current market reality across the county. A *"healthy"* vacancy rate for rental markets in urban centres is generally considered to be between 3% and 5%. In rural areas and small towns where the overall unit inventory is generally lower, vacancy rates in this range (3%-5%) can be still be challenging for tenants, policy-makers, and landlords, as it represents only a small quantity of actual units.

- Overall, Bridgewater's low vacancy rate underscores its role as the economic and service hub of Lunenburg County, and sustained population growth and in-migration have placed major pressures on the rental supply. Despite expansions to the rental inventory, vacancies remain well below balanced-market thresholds. This highlights an on-going need for continued investment in new and affordable rental housing to meet demand across the income spectrum.

- There is a substantive split between asking and achieved rental rates across all jurisdictions. Often, the rate a tenant is currently paying does not reflect the market rate for that unit. This leads to lower tenant turnover, as many renters cannot afford current market rates for a comparable unit.

- Where possible, unit renovations are pursued once a tenant vacates should market demand for a higher-end unit support the costs required to undertake the improvements.

- The rural areas of MODL have a low supply of purpose-built rentals, along with low vacancy rates in the existing rental stock. This is much the same in the rural portion of Chester, and the village-proper also sees low rental unit availability.

- Bridgewater is the region's dominant supplier of rental housing. The vast majority of the county's rental supply is located within the Town, or immediately adjacent to the Town's boundaries (thereby likely still accessing municipal water and sewer services) in MODL. County-wide metrics reported herein will be heavily influenced by Bridgewater, given the outsized share of the overall inventory occupied by the South Shore's service hub.

- Tenants are generally mobile and will follow apartment availability and affordability. Household lifestyles and housing choices span municipal boundaries, thus matching of supply and demand occurs at a regional scale, not siloed within each community.

- Recently added new supply (mainly in Bridgewater) has helped accommodate pent-up rental demand; many survey respondents reported that this past year has seen a cooling in the rental market. This follows general trends in the HRM; a surge of new rental supply has come on-stream, and at the same time, Nova Scotia's year-over-year population growth slowed between 2024 and 2025. Despite this, the regional rental market still exhibits low vacancy and high rental rates relative to historical norms.

- A large portion of the primary and purpose-built apartment rental market inventory is owned by a small number of rental portfolio operators. These groups generally enjoy lower vacancy and higher rents relative to the market as a whole; this is largely due to their professional management and the higher-quality nature of their buildings.

- There are several rental housing firms in Bridgewater who largely operate on a word-of-mouth basis, and by way of relationships with larger employers in the region; they do not need to advertise their vacancies, and regularly have people coming to them.

- Purpose-built apartments in the truly rural portions of the county (i.e., New Germany, etc.), generally command rental rates that are 10%-30% less than their comparable counterparts in more urbanized areas. There is less variation observed amongst secondary market rentals; single-family homes command a rental rate that is usually higher than individual apartment units, and the relative lack of rental availability writ-large results in secondary market rates that are somewhat consistent between the urban and rural areas.

- Lunenburg has a lack of purpose-built rental housing, and the bulk of Lunenburg's market is located at either the low- or high-end of the price range. Although there have been expansions of the rental supply in recent years, the majority of the Town's inventory is in older buildings. The purpose-built and professionally managed units in Lunenburg that were surveyed had near-zero vacancy.

- Overall, Lunenburg had just six vacant units recorded in our survey; half of these were in a newly-renovated building that was only recently made ready for occupancy.

- We did not record a single vacant unit in Mahone Bay's rental market during our market survey. While it is highly unlikely that there are truly no units available for rent in the town, this reflects the fact that their rental market is quite small, and rental housing is largely provided by the secondary market. It also shows that availability is quite low across the board, and that demand for rental units in the town outpaces the supply.

- Further to the above, the secondary market is the largest source of rental housing in Chester, Mahone Bay, the rural portion of MODL, and to a lesser-extent, Lunenburg. In Lunenburg, much of the rental inventory is provided by smaller and mixed-use buildings, with extensive renovations to older rental buildings a common-theme.

- Lunenburg has a higher proportion of rental units relative to its overall housing inventory compared to MODL, Chester, and Mahone Bay.

- Local market shifts (population growth, increased student populations, aging in place, etc.) are increasing pressures on limited older stock, and outpacing non-market delivery.

- Past research undertaken by our firm has concluded that short-term rentals do not have a major influence on market rentals, nor housing inventory at a broad level. However, there is potential for localized impacts when they are concentrated at a more granular level, particularly for smaller

communities throughout the county. In the county's primary tourist hubs (Mahone Bay and Lunenburg, and areas such as the Aspotogan Peninsula, Riverport, etc.) there is already an acute lack of availability in the rental market. The seasonal conversion of properties to and from the short-term rental market for visitor accommodations can reduce housing options for those requiring long-term, permanent rental options. Further, it coincides with seasonal patterns of demand for lower-priced housing options driven by increases in tourism-related employment.

- We were asked to investigate potential impacts on the rental market that could stem from the cessation of housing persons with disabilities in congregate, institutionalized facilities by 2028. While we are unable to generate specific conclusions given the significant uncertainty in how and where these individuals may choose to be housed, in principle it is likely that there will be some ripple effect on the regional rental market. Individuals living with disabilities such that they would be housed in these facilities are highly likely to be income-limited and require affordable housing options, even with the prospect of additional disability benefits as part of the transition away from institutionalized housing. With little growth in non-market housing supply generally, this population is likely to compete with others in the rental market, particularly for the already small, and shrinking, segment of low-priced private rental housing. To a limited extent this may already be occurring as the ending of new admissions to some facilities in January 2025 could be diverting some housing demand into rental markets already. There could also be housing market impacts resulting from shifts in labour force as provincial service delivery models transition. On one hand, a larger number of persons with disabilities living independently in community requires hiring additional support workers. On the other, the closure of various institutionalized housing facilities may reduce or shift employment away from communities in their vicinity.

### 2.1.2 New Rental Construction

- Affordability is both a policy challenge and a development constraint: local market conditions are eroding the supply of low-priced (generally older and lower quality) private market rental housing that has historically been an important source of affordable housing. The constraints that exist for new development of private-sector market-rate housing make it impossible to build new, deeply affordable units at scale under existing incentive programs.

- While the region has a lack of rental units, rental rates for new construction are likely unobtainable at the income threshold of many rental-tenured households. This is a dilemma that is not unique to this region, but is a common problem across much of Nova Scotia, and beyond.

- That being said, there is currently demand for new rental housing, along with an expanded range of rental options at the high-end of the market. This is evidenced by considerably higher achieved rates relative to market averages for recent projects, and low vacancy in several newer, premium, rental buildings. Though not affordable directly, new market-rate supply that satisfies this demand helps relieve pressure on the older, more affordable segments of the market, and thereby mitigates housing affordability challenges to some extent.

- Rental rates for new construction are directly a function of supply and demand, but are closely supported by a price-floor determined by the costs required to build new housing and to keep a building financially sustainable. If demand and supply continue to rebalance, new construction rents will increasingly reflect the minimum economically feasible price of development, if they do not already. Lower-priced rental market housing is created through the aging of the building stock that grows increasingly uncompetitive with new-build options.

- Bridgewater has seen a (relative) surge of new rental unit construction of late. Further to this, increasing rental rates have validated the costs of extensive unit renovations, with turnover units often being repositioned to compete at the higher-end of the market, where feasible.

- New supply has enabled competition among landlords at the higher price ranges; this results in longer lease-up periods for new builds. This may be an early indicator of slowing rent growth, and a stabilization of prices at lower market segments to come.

- Success in the higher-end market generally depends on reputation, product quality, and word-of-mouth networks rather than formal marketing.

### 2.1.3 Affordability Challenges

- Rental-tenured households generally have lower incomes than owner-tenured households. For some households, this is a temporary condition as earnings are lower earlier in their working life. However, a sizable minority of households will rely on rental housing for large portions, if not the entirety, of their lives for a broad variety of reasons. They require stable, affordable housing options for the long-term as a result.

- It is not within the private market's purview to provide housing at a discount relative to market rates, without some form of non-market intervention. Individual building operators may choose to set prices below what they otherwise could achieve, and we spoke with many individuals who try to keep rental rates stable and fair within the context of the building operating expenses they bear. However, the systemic outcome of housing markets is only to make housing as inexpensive as competitive forces and economic feasibility force it to be.

- Market-based housing provision is therefore a partial solution to housing affordability challenges. Rental housing in the private market is affordable to many, but cannot sustainably meet the needs of those who can only afford rent levels below the threshold of economic feasibility. Providing affordable housing to this segment of the population over the long-term requires non-market options.

- Rental rates are a by-product of both general market conditions (vacancy rates, supply, demand, incomes, etc.), and the specific operating costs for a building (property taxes, utilities, maintenance, etc.). Rental operators need to keep their buildings financially sustainable, and as such, the rents they charge will reflect the costs required to do so. Where this may be limited, such as through policies like the provincial rent cap, over the long term a gap in financial sustainability may instead be accommodated through reductions in maintenance and upkeep, or in the case of secondary market rentals, conversion to the ownership market.

### 2.1.4 Anticipated Supply and Demand

- Lunenburg County is expected to expand in population, households, and dwelling demand over the next two decades, though at slower rates than the last five years (which were heavily influenced by substantive in-migration trends, both interprovincial and international). These themes are consistent across much of Nova Scotia and Atlantic Canada.

- While some communities will see continued growth among family-aged households (which was a key characteristic of the in-migration boom), all could continue to experience notable rises in their senior-led households. Relatedly, household growth could outpace population growth, driven by the increase in seniors and the corresponding number of smaller household sizes. This translates to higher households per capita, which in turn means increasing levels of housing demand.

- Estimates indicate that all communities exhibit housing shortages, largely among affordable housing types. The results are supported by broadly worsening housing affordability trends which suggest an imbalance between supply and demand, which was particularly exacerbated by various effects of the COVID-19 pandemic.

- Based on historical construction output, it is probable that the existing housing shortage would marginally decrease over the foreseeable future, remaining notably high without intervention. Estimates indicate that meeting the total projected demand may require ramping up housing production by over 50% over historical levels, with an emphasis on rental and affordable housing.

- Given the anticipated continued imbalance of supply and demand, affordability pressures will likely persist. This underscores the need for targeted non-market housing initiatives, both at below-market rates (with market rates reflecting the local context) and deeply affordable rates (i.e., rent-geared-to-income, etc.) pricing models.

## 2.2 Stakeholder Consultations

This section summarizes our consultations with stakeholders involved in the housing market writ-large throughout the county. We spoke with representatives of the development industry, landlords, property managers, banking and commercial financing organizations, along with non-market housing providers and developers.

We note that this section is not meant to be prescriptive; it is a summation of what various groups told us during our research process. Statements have largely been taken at face value and have not been substantiated through further analysis.

### 2.2.1 Physical & Market Barriers

- Site identification and serviceability are the foremost challenges in rural areas. Suitable parcels for multi-unit development are scarce, and verifying capacity for on-site water and wastewater services requires costly, specialized studies.

- Municipal servicing infrastructure availability (i.e., water and sewer) was cited as a major barrier to private-sector led development projects. This is true across all rural areas. However, there is an added layer of complexity for developments along the South Shore; poor soil conditions, along with excessive granite and bedrock, make the construction and drilling of wells prohibitively expensive relative to achievable rental rates or sale prices, with projects sometimes requiring wells several hundred feet deep.

- Water capacity constraints can limit project size and feasibility; larger buildings require fire suppression systems (sprinklers, standpipes, etc.), and while vital, these systems increase both servicing and construction costs for developments in both serviced and rural areas.

- Rural real estate markets are typically slow, informal, and opaque. Finding appropriate development land can demand extensive local legwork and personal relationships. Project sites are rarely listed on the open-market, instead they arise from cold-calling landowners or making connections with them through local networks.

- Market rent data is often unavailable or misleading. Reported figures reflect aging, low-cost stock and do not represent what new construction would command. This disconnect makes affordability calculations in funding programs unrealistic, and can render projects financially unviable even with subsidies.

- Lack of historical rent data hampers financial modeling. Without evidence of trends in rental growth, it is difficult to substantiate assumptions needed for funding or financing applications.

- Recent CMHC policy shifts toward greater risk tolerance have modestly improved conditions by allowing projects with limited data to proceed.

- High construction costs, typically in the neighbourhood of $300/ft.$^2$, make affordable rental projects unfeasible without subsidy or incentives. Developers report needing to deliver rental units that are between 1,000-1,200 ft.$^2$ to remain marketable, with achievable rents in neighbourhood of $1,800-$2,600/month to ensure financially viability.

- Mahone Bay's housing market is small, and weighted towards higher-end, heritage-style homes. Modern and higher-density developments often face resistance from established residents. Available homes tend to be larger, higher-cost, and older-stock units. There is a lack of supply at *"middle"* and/or workforce price points.

### 2.2.2 Rental Market Segmentation & Preferences

- A key demographic segment that is perceived to drive incremental demand is older homeowners who are downsizing into smaller properties, or renting after selling their property, and using the resulting equity to pay for premium rentals that north of $2,000/month. As such, newer developments tend to fall towards these price-points, however, working-age residents that are seeking rentals are faced with limited options for lower rents. The result of this is a two-tiered market; strong demand from wealthier in-migrants and retirees, contrasted with low affordability and availability for local workers.

- Between 2022-2024, the area saw a strong market upswing; anecdotal conversations suggest this was driven largely by in-migration from Ontario, California, and other parts of the U.S. This led to localized surges in housing demand, particularly for rentals.

- In Bridgewater, *"mid-range"* rentals in purpose-built properties see high demand, and rent quickly should they be priced competitively. This price range was cited as $1,100-$1,250 for a 1-Bed., and $1,500-$1,650 for a 2-Bed.

- The upper-end of achievability for high-end units in new developments is typically in the $2,500 range. This is exclusive of utility costs (generally excepting water).

- 1- and 2-Bed. units rent easily; 3-Bed. and Studio units serve niche segments of the market.

- Seniors represent a substantive, and stable, segment of rental demand, and often prioritize modern buildings that are built to high standards of physical accessibility.

- Incremental demand in Bridgewater has, in part, been driven by expansion at regional employment hubs, along with intra-provincial migration from the HRM by those who seek comparatively affordable options. There is also continued, though slowing, demand from international arrivals.

- Nurses and healthcare workers connected to local hospitals and training programs (e.g., placements through Dal programs) contribute to net additional demand and unit turnover in Bridgewater.

- In-migrants from the HRM and other urban centres prefer rental products that are at a premium to the traditional norms in the local market, but which fetch a comparatively lower price than their counter-parts in cities.

- Landlords and developers will sometimes partner with NGOs and non-profits to expand housing options and/or access for specific tenants.

### 2.2.3 Institutional & Program Barriers

- Funding programs are often poorly aligned with rural and small-town contexts:

  - Predevelopment or seed funding rarely covers necessary studies or feasibility work. On-site water and septic capacity studies, for example, are a substantial early cost that does not exist in areas with municipal services.

  - Requirements for proponent experience, formal partnerships, and early demonstration of feasibility disadvantage small community groups.

  - Conflicting program timelines and rigid eligibility rules create administrative complexity, with approvals often expiring before complementary funding can be secured.

  - Fixed-price contracting at early stages inflates bids and leads to funding shortfalls when projects span multiple years.

  - Stacking multiple program requirements, such as affordability, accessibility, and energy efficiency can further reduce financial viability.

- Administrative burden is a recurring complaint. Some programs are considered too bureaucratic to be worth the effort, so *"support"* for affordable housing projects that exists on paper is often far greater than what is practically useful.

- Municipal approval processes are often a major barrier. Many small or rural municipalities impose development agreement processes for multi-unit projects, and these often face local opposition to higher-density or affordable housing forms. These processes are especially daunting for volunteer-led or inexperienced proponents, which is typical of the non-market housing sector outside larger centres.

- Further to the above, the approval processes, particularly public consultation phases, are perceived to be lengthy and complex hurdles that can often delay project timelines. As such, developers have to forecast market conditions years in advance; this adds risk and uncertainty to residential construction.

- Strict requirements concerning built-form and heritage preservation were cited as a challenge for developments in Lunenburg and Mahone Bay, and to a lesser-extent, Chester's village-proper. This is a double-edged sword; the built-form and heritage feel of these towns is their raison d'être and is of vital importance to the region. However, regulatory frameworks that require hurdles such as lengthy consultations, specialized architectural and construction services, etc., with respect to new development, or redevelopment of existing properties, deter development and increases costs. This results in either less housing construction, as private sector investment flows to jurisdictions with lower barriers to entry, or higher-costs for the end users (tenants and/or homeowners).

- CMHC programs (such as insured lending, and the *Affordable Housing Fund*) are commonly perceived as rigid and risk-averse in small markets.

- CMHC's underwriting process relies heavily on internal appraisals; if CMHC disagrees with a developer's rent assumptions (i.e., the lender believes that the rent estimates are too high and/or unrealistic), lower rent estimates provided by CMHC will generally prevail. This reduces loan amounts and can hamper project feasibility. By necessity, lenders for housing projects in rural areas without robust market information have to skew conservative.

- For deeply affordable and non-market projects, rent thresholds are based on provincial medians from rental data outside of Halifax, not local market realities. This leaves much less flexibility in rural markets not covered by rental market surveys.

- Projects that rely on public financing are generally beholden to all three levels of government. For example, they could require municipal regulatory approval (re-zoning and by-law amendments,

etc.) and public consultations, applications to provincial capital programs, and CMHC funding approvals. This leaves these projects highly susceptible to delays or project derailment that stem from policy changes at any level of government.

- In-turn, non-market, small-scale, and affordable housing projects, particularly in rural areas, can be perceived as high-cost and low-return. Feedback from the construction industry indicates that these projects are charged a premium, as firms account for the added costs related to delays, longer development timelines, and administrative complexity in their project pricing.

- Even when a local need is clear, the lack of coordinated timelines and certainty makes it difficult to plan and execute development projects in smaller communities.

- Government funding programs often seek *"bang for buck"*, focussing on larger urban projects where impact per dollar is higher.

- Private developers are often seen as more financially disciplined but are perceived as less likely to engage in deeply affordable or marginally viable projects.

### 2.2.4 Local Capacity & Context

- Local organizational capacity is limited. Few rural groups have the experience or staffing to navigate complex application processes or manage multi-year capital projects, leaving many potential initiatives unrealized.

- Community culture in rural areas relies heavily on informal cooperation and in-kind support; what participants described as a *"barn-raising"* ethos. Funding programs, by contrast, assume formal, professionalized delivery structures and do not recognize or credit these informal contributions, effectively excluding a key local strength.

- Municipalities, especially smaller towns, generally support non-market housing initiatives in principle, but often face limited resources and a constrained property tax base. This reduces their ability to contribute capital, or provide other development incentives and cost-relief programs.

- Strong appetite for cross-sector partnerships exists, but clarity of roles/expectations is critical for success (e.g. non-profit partnerships with private developers).

- Community-level data and engagement are essential to accurately assess and respond to hidden or under-represented housing need (e.g., over-housing, women-led households, etc.).

### 2.2.5 Rural & Small-Town Data Gap

- Rural and small-town markets suffer from major data gaps; few (if any), comprehensive market surveys, limited response rates, and no private-sector data aggregators lead to a lack of information pertaining to housing markets outside of major centres.

- Where rural data does exist, CMHC's limited coverage (often below its threshold for survey metric reporting) can leave lenders uneasy about true market conditions in sub-regional hubs like Bridgewater, Kentville, and Yarmouth.

- The wide-spread lack of comparable data for rents, operating costs, cap rates, and sales renders the assessment of value and project risk challenging for lenders. As a result, appraisals and valuations become the primary base of evidence for developers and financers. However, it is not uncommon for small sample sizes to undermine confidence in the results of valuation projects.

- Financial institutions can be reluctant to lend in secondary or tertiary markets unless the borrower is a larger and proven entity. This is not entirely driven by the data gap; these organizations need to protect themselves, and historical trends in non-urban markets can leave lenders weary. As a result, smaller and independent developers can face greater scrutiny, and must show demonstrate higher standards for project feasibility.

- Short-term surges in construction and rental demand can increase caution from lenders such as CMHC. These can be seen as volatile, and under-verified due to a lack of robust historical data.

- Rural projects generally require proponents with strong equity, project capacity, and an established, credible mandate; however, few non-profits possess all of these traits.

## 2.3 Impacts of the Data Gap

This section details the impact of the rental market data gap for rural and small-towns, as it relates to the development of non-market housing. Specifically, this analysis models the financial feasibility of a non-market rental housing development in Bridgewater, NS. This is done relative to affordability frameworks stipulated by the Canada Mortgage and Housing Corporation's (CMHC) Affordable Housing Fund (AHF)[5] as a primary project financer. While there are other federal and provincial funding streams available for non-market housing development, this program is the most-robust and is commonly used by the non-market sector.

Readers should bear in mind that this is a high-level, and largely conceptual, analysis. It is meant only to illustrate how the lack of accurate rural, and small-town, rental data can negatively impact one particular segment of non-market housing development.

Using AHF program rules as the evaluative framework,[6] this research tests three separate affordability metrics, as specified by CMHC, to determine their impact on funding outcomes and long-term project viability for a hypothetical 30-unit apartment building. The key objective is to demonstrate whether a lack of verified rental market data can impact development project feasibility under CMHC program requirements.

For context, CMHC mandates reliance on Median Market Rents (MMR) as an input for funding applications under this program. Essentially, they evaluate the relative affordability of proposed non-market rental projects relative to a pre-established rental rate threshold (MMR) for the given area. In larger urban centres (i.e., Halifax), CMHC usually has robust market data available to support these rates. In smaller-centres, either where data is lacking or is totally unavailable, project proponents are faced with a major hurdle; they lack a reputable benchmark for rental rates. In these scenarios, CMHC will typically use rental figures from a proximate geography where rates are available, or derive an estimate using provincial-level figures.

To ensure consistency, all three scenarios use the established benchmark rates (**Section 3.1.5**) from our market survey as the baseline rental rents. These are not the final weighted averages, nor are they median rates delineated by our survey; these reflect the current market realities (i.e., achieved rental rates) for Lunenburg County's purpose-built, primary rental market inventory. A full list of the assumptions and inputs that were used in this modelling exercise are contained in the Appendices; these are informed by industry-standard estimates, along with input from stakeholders, and research from our market survey process.

### 2.3.1 Scenario 1: Using Local/Rural (or Nearest Proximate) MMR

Under AHF program requirements, at least 30% of units must be affordable, and affordability is defined as rents at, or below, 80% of CMHC's Median Market Rent (MMR). However, CMHC does not publish MMR data for Bridgewater or Lunenburg County more broadly. In the absence of local data, CMHC typically permits proponents to reference the nearest proximate rural market with available MMR data. As a result, this scenario applies rent values from Kentville, NS as the closest regionally comparable dataset available[7].

A key limitation to applying proxy data is that it may fail to consider differences in local rental conditions. As illustrated below in **Table 2.1,** this analysis found that using Kentville's MMR values substantively reduces allowable affordable rents, resulting in suppressed project revenues, and leads to a funding deficit that would require additional grants or financial contributions to achieve development and operational viability.

[5] CMHC's Affordable Housing Fund.

[6] For the purposes of this modelling exercise, we have assumed that the proponent is a non-profit or registered Canadian charity.

[7] CMHC – Median Rent (Kentville, NS)

**Table 2.1: Affordability Thresholds (Scenario 1)**

| Scenario 1: MMR (Kentville) | Benchmark Market Rent (TDP Survey) | Median Market Rent (Kentville) | 80% of MMR (affordable rents) |
|---|---|---|---|
| 1-Bed. | $1,300 | $775 | $620 |
| 2-Bed. | $1,550 | $1,195 | $956 |

Source: Turner Drake & Partners Ltd. & CMHC

### 2.3.2 Scenario 2: Provincial MMR for Pooled Small Census Agglomerations (CMHC)

Where local MMR data is unavailable, CMHC may alternatively apply 80% of the provincial median rents for pooled small Census Agglomerations (CAs). In this scenario (see **Table 2.2**), affordability was calculated using the provincial pooled small CA median values.

These rents are comparable to the Kentville proxy applied in Scenario 1; as such they produce nearly identical affordable rent levels and revenue assumptions. As a result, this scenario reinforces the same core issue identified previously: applying non-local MMR data, whether regional or provincial, tends to undervalue the achieved rental rates in the study area, and contributes to a funding shortfall that must be offset through additional external financing sources.

**Table 2.2: Affordability Thresholds (Scenario 2)**

| Scenario 2: MMR (Pooled CAs) | Benchmark Market Rent (TDP Survey) | Median Market Rent (Pooled CAs) | 80% of MMR (affordable rents) |
|---|---|---|---|
| 1-Bed. | $1,300 | $800 | $640 |
| 2-Bed. | $1,550 | $1,063 | $850 |

Source: Turner Drake & Partners Ltd. & CMHC

### 2.3.3 Scenario 3: Using Localized Benchmark Rental Rates

In this scenario, as illustrated in **Table 2.3**, affordability is calculated using the verified market benchmark rates captured through our regional market survey, rather than proxy or provincial data. Applying 80% of these rates results in affordable rent levels that accurately reflect current rental conditions in the study area, and are substantively higher than the suppressed MMR values used in Scenarios 1 and 2.

**Table 2.3: Affordability Thresholds (Scenario 3)**

| Scenario 3 | Benchmark Market Rent (TDP Survey) | 80% of MMR (affordable rents) |
|---|---|---|
| 1-Bed. | $1,300 | $1,040 |
| 2-Bed. | $1,550 | $1,240 |

Source: Turner Drake & Partners Ltd. & CMHC

### 2.3.4 Funding Breakdown and Project Viability, by Scenario

**Table 2.4** (below) summarizes the funding outcomes of each scenario:

- **Scenario 1:** Local/Rural (or Nearest Proximate) MMR (CMHC, Kentville)
- **Scenario 2:** Provincial MMR for Pooled Small Census Agglomerations (CMHC)
- **Scenario 3:** Benchmark Rental Rates Obtained via TDP Survey

This table includes the proportion of funding CMHC is willing to support and any resulting shortfalls. This comparison demonstrates how different affordability metrics directly influence project revenues, repayable

and forgivable loan eligibility, and overall financial viability. While Scenarios 1 and 2 result in funding gaps that require further contributions from external programs or partners, Scenario 3 demonstrates that using localized rental rates (specific to the current study area) can fully sustain the project under AHF requirements without the need for deeper subsidy stacking.[8]

**Table 2.4: Development Scenario Comparison**

| Scenario | Funding Needed (A) | Repayable Loan Offered (B) | Forgivable Loan Offered (C) | Total CMHC Funds Offered (B + C) | Funding Gap: (A - B - C) | Viable? |
|---|---|---|---|---|---|---|
| **Scenario 1** | $11,328,000 | $4,548,635 | $6,121,600 | $10,670,235 | $657,765 | ✗ |
| **Scenario 2** | $11,328,000 | $4,454,456 | $6,121,600 | $10,567,056 | $751,944 | ✗ |
| **Scenario 3** | $11,328,000 | $5,319,582 | $6,008,418 | $11,328,000 | - | ✓ |

Source: Turner Drake & Partners Ltd. & CMHC

### 2.3.5 Key Findings

The funding gaps identified in Scenarios 1 and 2 are not necessarily fatal to project approval; however, they highlight a heavy reliance on external contributions beyond CMHC's core supports. Even after factoring in the maximum available from CMHC Seed ($150,000) and CHTC Pre-Development funding ($75,000), both scenarios require additional subsidy stacking to achieve operational viability.

Scenario 3 demonstrates that when affordability is tied to current localized rents sourced through our Market Survey, project revenues better reflect actual market performance, and the development becomes financially viable under AHF requirements without additional reliance on external grants or subsidies.

While Scenario 3 sets higher affordability thresholds than Scenarios 1 and 2, these rents remain well within accepted affordability standards for the local context. Critically, this approach ensures financial sustainability throughout both the development and operational life of the project, enabling new non-market supply without eroding affordability for residents.

### 2.3.6 Defining Affordability

Importantly, CMHC does not apply a universal definition of affordability across all programs. Under the Apartment Construction Loan Program (ACLP),[9] for example, at least 20% of units must have rents at or below 30% of median total household income in the local market. In the case of Bridgewater:

- Median total household income = $76,500 (2021 Census)
- 30% of income = $22,950 annually
- Max affordable rent = $1,912/month

[8] All scenarios assume the proponent receives the maximum available from two additional funding sources: the NS Community Housing Transformation Centre (CHTC) Community Housing Growth Fund – Pre-Development stream ($75,000) and the forgivable CMHC Seed Contribution ($150,000), which are included in the total project financing.

[9] CMHC – Apartment Construction Loan Program

As shown in **Table 2.5**, the ACLP benchmark of affordability sits well above both market and affordable rents modeled in all three scenarios, demonstrating the variability that exists depending on which program and/or affordability metric is applied.

**Table 2.5: Affordability Threshold Comparison**

| Metric | 1-Bed. (affordable) | 2-Bed. (affordable) |
|---|---|---|
| **Scenario 1:** MMR (Kentville) | $620 | $956 |
| **Scenario 2:** Prov. Small CA MMR | $640 | $850 |
| **Scenario 3:** TDP Benchmark Rental Rate | $1,040 | $1,240 |
| **ACLP Threshold (30% total median income)** | Max. affordable rent = $1,912 | |

Source: Turner Drake & Partners Ltd., CMHC, and Statistics Canada

### 2.3.7 Conclusions

This analysis found that the use of rural MMR-based (Median Market Rents) affordability metrics underestimates achievable rental revenues in Bridgewater and results in project funding gaps under CMHC's AHF. The usage of verified local market data eliminates those gaps and supports the delivery of financially sustainable, non-market rental housing.

CMHC's mandated reliance on Median Market Rents (MMR) undervalues rural markets, suppresses achievable rental revenues, and increases dependence on external funding sources. Rural MMR values are often incomplete, suppressed, or lag market realities. When CMHC requires proponents (particularly non-profit housing providers) to rely on proxy markets, the program risks introducing systemic inaccuracies that undermine financial feasibility and deter much-needed rural rental housing development.

Affordable rental housing is essential to supporting community well-being, enabling workers, families, and seniors to remain housed safely and sustainably within their communities. While the modeled scenarios reflect a mixed-income non-market development (rather than deeply affordable units), enabling financially viable non-profit projects expands and preserves dedicated affordable rental supply, thereby meeting current and future housing needs, particularly in rural and small-town areas.

## 2.4 Recommendations for Future Data Collection

While this research project provides an excellent foundation for the assessment of the regional rental market, Lunenburg County's rural data gap is likely to persist over the long-term, barring intervention on the part of CMHC, or provincial governments.

In light of this, we have outlined high-level recommendations concerning future rental market data collection that can be employed by municipalities in order to help address the lack of rural and small-town data:

- First and foremost, data collection needs to be pursued as a collective outcome among jurisdictions, not undertaken in isolation. The rental market is fluid; demand for shelter and livelihoods does not respect municipal boundaries, and many of our survey respondents were responsible for buildings in multiple jurisdictions. Future data collection efforts will be more efficient if everyone is on the same page and working towards a common objective.

- Data collection is a simple, yet daunting, task. Many people are willing to share information; it is mainly a matter of getting in-touch with the right people and asking the right questions; the vast majority of our data was sourced via phone calls. In order to undertake this type of work, the following are required:

    - A contact list and inventory of rental properties;
    - A survey instrument and data collection tool;
    - Dedicated outreach planning and strategy; and,
    - The willingness to think outside the box and undertake a substantive amount of primary research, using a wide-variety of platforms and sources of information.

- Data collection is most efficient when undertaken on a building-by-building basis, with larger portfolios and unit counts targeted first. A key point here is to ensure that any starting inventory is reviewed several times over in order to ensure that contacts are assigned accordingly, and that the necessary properties are included (i.e., focus only on the rental market).

- While data collection and outreach efforts can be completed internally by municipal staff, many private sector rental operators do not want to share information directly with government officials.

- A recommendation to contract out future data collection efforts may seem self-serving, however, we were able to secure a substantive amount of information by virtue of the fact that people are more willing to share with those who do not represent government. Importantly, we could guarantee absolute confidentiality to those who participated in the survey.

- Should municipalities wish to undertake these efforts internally, we recommend consistency and cross-collaboration between jurisdictions. The actual outreach and survey efforts should be completed during the same timeframe on a predetermined basis (annual, biennial), etc. If conducted on an annual basis, the outreach and data collection efforts would make for an excellent, re-occurring, project for post-secondary students over the summer months, with oversight from senior staff. This could provide opportunity for site visits, along with meetings and consultations with landlords and developers, thereby bridging a gap between the development industry and municipal regulators.

- All data needs to be collected in a pre-standardized format and entered into a common platform. This ensures consistency in the research and the results that flow from this work. For this project, we entered all collected information into a pre-built, and private, online survey platform that was directly linked to internal GIS platforms. This allowed for review and proof-reading of our data, and ensured that all information was backed-up and accessible by all members of the project.

- Municipalities have access to contact information for property owners, managers, and developers through activities that are part of their regular operational purview; fire and building inspections, building permit records, and development agreements all have contact information attached to them. These formed the starting point for this research. Long-term data collection efforts should seek to collate and standardize this information outside of the channels through which these are collected. As each jurisdiction can operate using different platforms and methods of information storage, this information needs to be standardized, reviewed, and centralized prior to outreach efforts.

- Economic development agencies, and other organizations that are quasi-municipally operated (i.e., Energize Bridgewater, etc.) can provide contacts in the rental and development sectors. They should be consulted prior to contact efforts to ensure a broader contact list.

- An outreach process to extent that was accomplished for this project is likely not necessitated annually, though we recommend further consultation with organizations like CMHC in this regard. Should it be feasible, representative sampling of the market (particularly in rural and smaller jurisdictions) could provide a sufficient baseline of information on an annual basis, with more thorough research conducted as need-be.

- At the minimum, future data collection efforts should focus on the following key points for each building:

    - Total units in each building;
    - Total units vacant;
    - Total unit count by type (1-Bed., 2-Bed., etc.);
    - Total units vacant by type; and,
    - Achieved and asking rental rates (overall), and by unit type.

- Nova Scotia is fortunate to have access to comprehensive open data on property characteristics via PVSC's open data portal. Further to this, the online property registry, and the NSPRD, while not public-facing (for obvious reasons), provide a wealth of information concerning property ownership and property details. Documents and information from the property registry can help identify and prioritize contacts for outreach efforts. These are a vital part of data collection and organization efforts, and municipalities have access to these tools in varying capacities.

- A substantive amount of the information we sourced was the result of cross-referencing individual contacts against the property registry to see if they had additional buildings in the county. This ensured that when we completed outreach to property owners, we were asking them about as many properties as possible. Future data collection efforts should take advantage of this from the outset; this ensures that results are more comprehensive and reflective of market trends across a broader region.

# Section 3 | Lunenburg County

## 3.1 Rental Market Overview

This section details the results of our rental market survey, specific to Lunenburg County as a whole. Note that we refer to this area as *"the county"* for brevity. The **Discussion & Conclusions** section outlines the conclusions stemming from our research, while this section presents the data (i.e., rental rates, vacancy rates etc.), along with supplemental narrative where applicable.

### 3.1.1 Primary Rental Market Supply

In order to estimate the supply of primary market rental units in the county, we used data from the NS Property Records Database (NSPRD; covers assessment, ownership, and property registry details), along with public data from PVSC and the Province of Nova Scotia. As a result of this analysis, we estimate that there are 2,337 primary market dwelling units in the county (i.e., buildings that have more than two units, and that are assumed to be operated by the private market rental sector). This figure encompasses a wide range of building and property types. While figures are available via the 2021 Census, we refer explicitly to estimates derived from available property data in order to provide current-year information specific to the primary rental market.

The vast majority of the county's rental unit inventory is in Bridgewater; it has over 60% of all units (1,406) identified in the study area. Mahone Bay has the smallest share amongst the five municipalities, with just 3% of the overall unit inventory.

**Table 3.1: Primary Rental Market Inventory**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

In order to approximate the unit type breakdown of the rental market inventory, specific to the primary market, we applied the overarching unit breakdown shares from our market survey against the total unit count (2,337). The market is heavily weighted towards 1- and 2-Bedroom units. Collectively, these unit types account for 87% of the surveyed inventory. This is in-line with the ratios as reported by CMHC for the HRM, and the province as a whole. The private market prefers 1- and 2-Bedroom units; they are generally easier to rent and can appeal to a wider-range of tenants.

**Table 3.2: County-Wide Unit Type Breakdown**

| Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|
| 4% | 24% | 63% | 9% |

Source: Derived using Turner Drake's rental market survey and estimated dwelling unit counts

### 3.1.2 Stabilized Primary Market Benchmarks

A key reason for undertaking this market survey is to generate more accurate and complete rental market data than otherwise exists through traditional sources, if at all. Closing this data gap can help support new housing supply and affordability in Lunenburg County, as it is frequently an important input for preparing program and financing applications to agencies such as CMHC.

Outside of Bridgewater, most of the county lacks a true base of purpose-built rental properties, and the secondary market is the de facto market (see **Section 3.1.8**). As such, the overall findings of our market survey, by necessity, incorporated data from a wide-variety of property types, management structures, leasehold agreements, and housing typologies.

While the findings of our survey are statistically reliable and representative of the rental market in the study area as a whole, it is also useful to focus specifically on the subset of purpose-built and professionally-managed apartment buildings. These types of apartments will have higher unit counts and are usually part of larger portfolio holdings. They can be expected to command higher rental rates over time, have lower rates of tenant turnover, and will generally experience lower vacancy relative to the remainder of the private market. They are likely to be more representative of, and relevant to, future market-rate rental housing construction in general, and projects looking to access various government housing programs.

In order to establish a representative, county-wide benchmark for these types of properties, we analyzed a subset of data collected through the market survey that was specific to these types of buildings. This sample included 1,068 apartment units, representing over 71% of the surveyed primary market inventory, and 46% of the estimated total primary market inventory. This sample has representation from each of the five jurisdictions, though by necessity the vast majority of these properties were located in Bridgewater, or within immediate proximity to the Town's boundary. Our analysis indicates that these buildings are usually premium offerings compared to the older stock that makes up the remainder of the market.

From the basis of this subset analysis, we also applied our professional judgement, understanding of the various nuances in the data, and market insights received from owners and operators during its collection. This was done to adjust or generalize the analytical outputs and create a final set of primary rental market benchmarks. For example, benchmark vacancy rates were typically set below the calculated figures, having regard for the influence of those newly-constructed units in the process of being absorbed for the first time (i.e. a time-limited condition, not indicative of the sustained market trend).

As a result, the figures are not just calculated averages of selected market data, but our professional opinion of stabilized market metrics that give the best point of reference for new rental housing construction across Lunenburg County, based on the survey data collected. However, as these balance across variations between buildings and locations, we note **they do not constitute professional valuation or appraisal advice** for any specific property or project. The final benchmark figures are presented in **Table 3.3**.

**Table 3.3: Stabilized Primary Market Benchmarks by Unit Type**

| Vacancy Rate | | | | |
|---|---|---|---|---|
| **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| 1.00% | 3.50% | 2.00% | 1.00% | 2.50% |
| **Achieved Rental Rate** | | | | |
| **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| $1,000 | $1,300 | $1,550 | $2,000 | $1,500 |
| **Asking Rental Rate (Upon Unit Turnover)** | | | | |
| **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| $1,150 | $1,400 | $1,750 | $2,200 | $1,700 |

Source: Turner Drake & Partners Ltd. | These figures do not constitute professional valuation or appraisal advice.

### 3.1.3 Vacancy Rates

This section details the results of our market survey with regard to the vacancy rates in the county, along with separate rates for the five municipalities. **Table 3.4** shows the resulting vacancy rates, both for the market overall, and for the estimated primary market (buildings with at least three units).

We recorded an overall vacancy rate of 4.52%. This ratio represents a total of just 70 units across the 1,548 units covered by our survey. A substantial number (39 units) of these vacant units were recorded in newly-constructed and/or renovated, buildings that are currently in their initial lease-up phase. These units represented nearly 56% of the total vacant units recorded by our survey. If those vacancies, and the corresponding total unit counts for their buildings are removed from this calculation, the overall county-wide vacancy rate falls to 2.48%.

These new units drive the vacancy rate upwards for all areas, and particularly in MODL, where recent additions of newer stock represent an outsized portion of the overall inventory. We expect higher vacancies in new buildings to normalize in due course, as marginal demand in the rental market will likely absorb these units over the long-term.

While the vacancy rate figures for the smaller jurisdictions are statistically valid, they suffer from small sample size bias; small variations have an outsized impact on the results. As such, while we have included the figures for reference, we advise that County-level data should be considered the most reliable baseline for policy and research applications with regard to the market in Chester, Mahone Bay, Lunenburg, and MODL. Sub-regional data can be used primarily to illustrate local nuance and context. Bridgewater's figures are more stable as the sample size is much larger.

For example, Lunenburg appears to have a considerably high vacancy for 3-Bedroom(+) units; in reality this rate reflects just three total units, two of which are in buildings that have recently underwent extensive renovations. This is an example of how the county-wide figures are most representative of the market as a whole, and how granular figures for the smaller geographies can be volatile due to small sample sizes.

**Table 3.4: Vacancy Rates by Municipality & Unit Type**

| Entire Market | | | | | |
|---|---|---|---|---|---|
| **Municipality** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Total** |
| **Chester** | --- | 0.00% | 16.67% | 3.28% | 5.00% |
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **Lunenburg** | 7.14% | 3.85% | 1.72% | 20.00% | 3.61% |
| **Bridgewater** | 0.00% | 2.43% | 3.74% | 0.00% | 3.09% |
| **MODL** | 10.00% | 14.71% | 14.00% | 0.00% | 13.61% |
| **Overall** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market Buildings** | | | | | |
| **Municipality** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Total** |
| **Chester** | --- | 0.00% | 20.00% | 3.45% | 5.56% |
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **Lunenburg** | 7.69% | 4.00% | 1.87% | 33.33% | 3.97% |
| **Bridgewater** | 0.00% | 2.48% | 3.79% | 0.00% | 3.13% |
| **MODL** | 10.00% | 15.38% | 14.00% | --- | 14.05% |
| **Overall** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

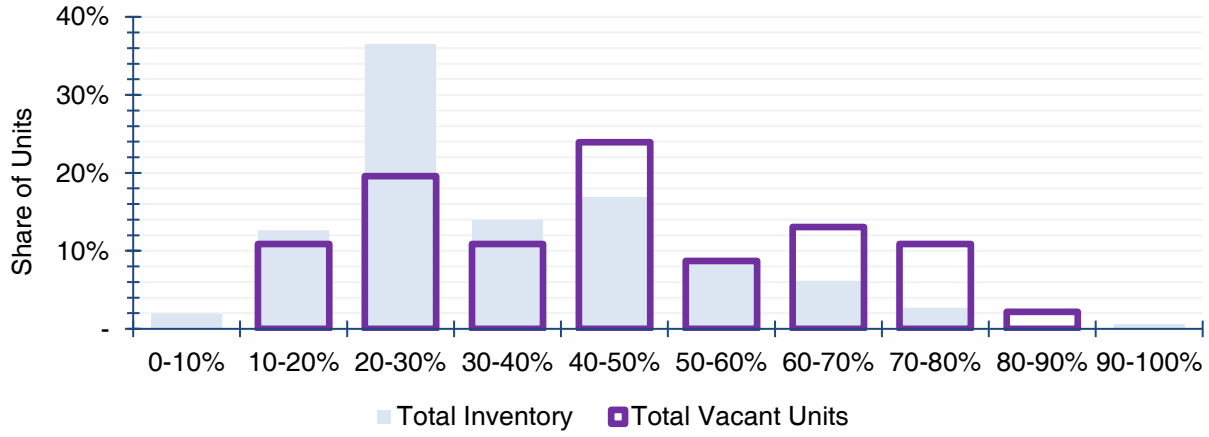
Source: Turner Drake & Partners | *"---"* denotes no recorded information.

**Figure 3.1** and **Figure 3.2** illustrate the distribution of vacant units relative to their position on the rental price spectrum. Vacancy is more concentrated towards the higher end of the rental market; these buildings have a disproportionate share of the total vacant units relative to their share of the overall inventory. This analysis was completed by calculating the share of the overall unit inventory, and the overall vacant unit inventory, for each ten-percent value range between the minimum and maximum rental rates recorded in our survey.

The **blue bars** show the share of units corresponding to each 10% rental rate range, and the **purple boxes** show the share of vacant units in each rental rate range. Where the **purple boxes** are smaller than the **blue bars**, this shows a disproportionally low quantity of vacant units in that price range. Where the **purple boxes** are larger than the **blue bars**, this shows a disproportionally higher quantity of vacant units in that price range.

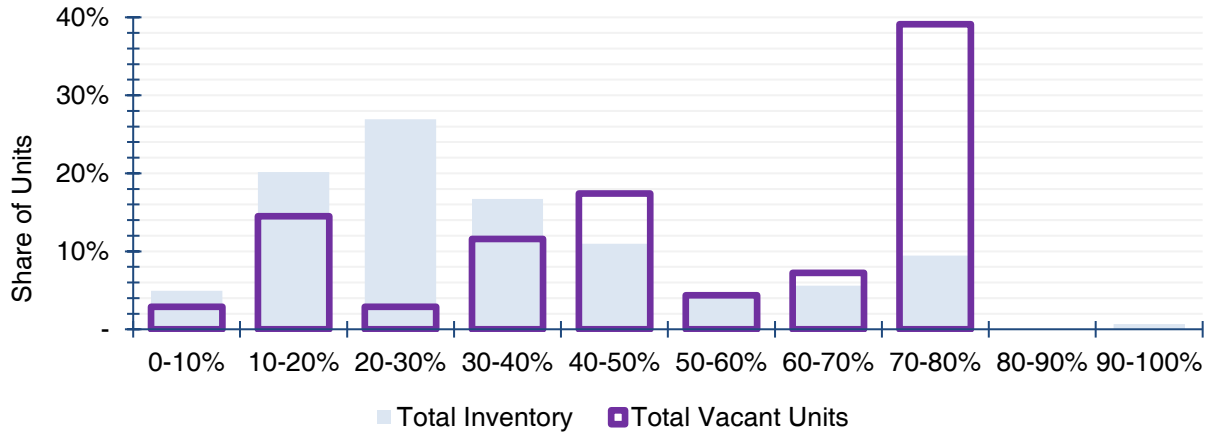
This reflects a common point that we heard throughout the market survey outreach process; while the market is tight across the board, it is difficult to find units available at the low- or mid-range of the rental spectrum. Further, if a building has lower rents, it will likely see lower tenant turnover because existing tenants cannot find a comparable unit in their price range. It also illustrates that newer buildings at the high-end of the rental spectrum command an outsized share of overall vacancy. Buildings with rental rates in the upper 50% have just 20% of the total units, but 51% of the total vacant units.

**Figure 3.1: Total & Vacant Unit Inventory by Rental Rate Range (Across all unit types)**




Source: Turner Drake & Partners Ltd.

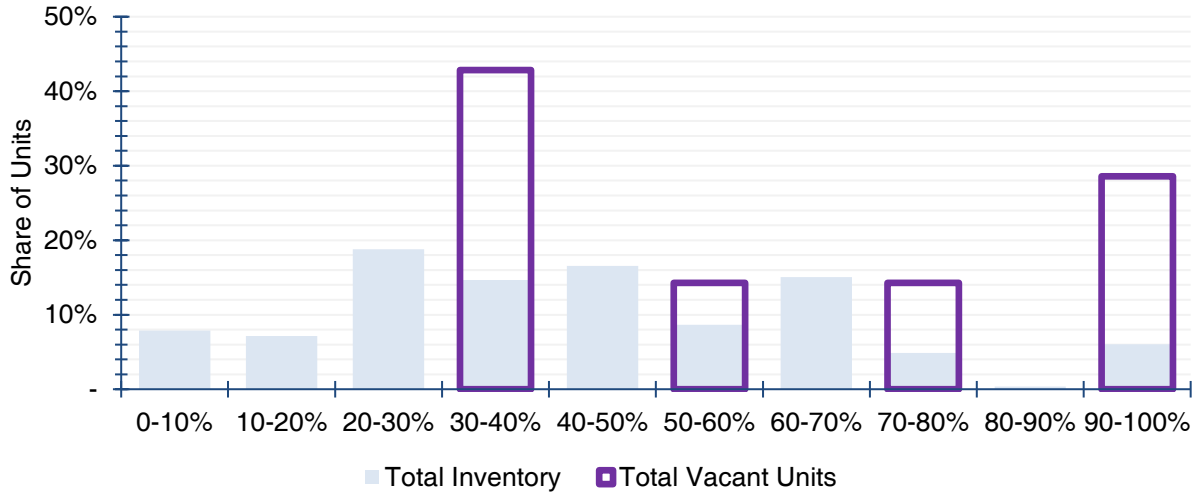
**Figure 3.2: Total & Vacant Unit Inventory by Rental Rate Range**




Source: Turner Drake & Partners Ltd.

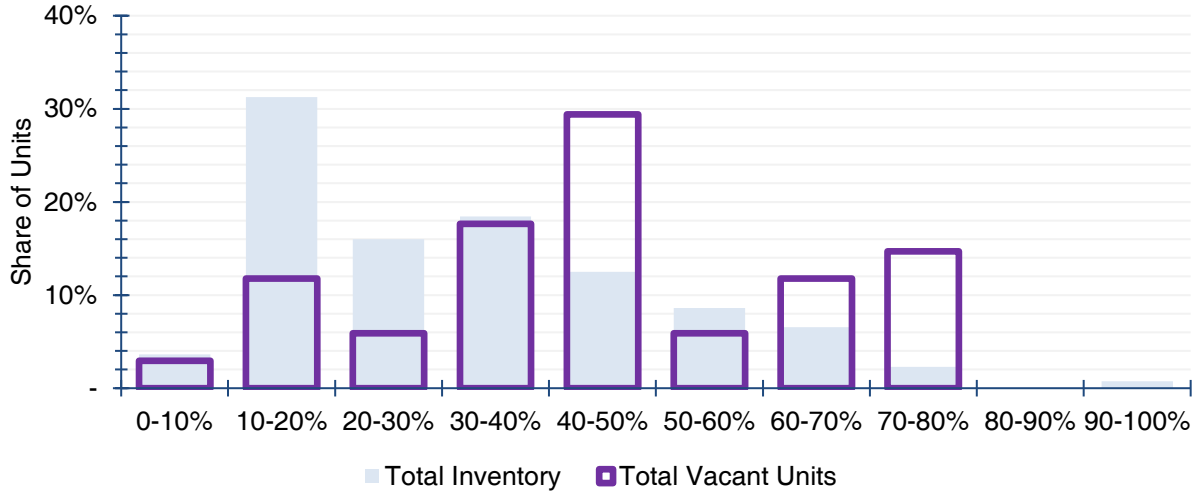
We performed the same analysis separately for 1- and 2-Bedroom units (the smaller sample sizes for Studio and 3-Bedroom units would have been distortive). The former has just 35% of its inventory is in the upper 50% of the rental rate range, however these units have 57% of the vacant 1-Bedroom units in the county. For the latter, just 18% of its unit inventory is in the upper 50% of rental rates, but this range accounts for 32% of the vacant 2-Bedroom units in the county.

**Figure 3.3: Total & Vacant Unit Inventory by Rental Rate Range (1-Bedroom units)**




Source: Turner Drake & Partners Ltd.

**Figure 3.4: Total & Vacant Unit Inventory by Rental Rate Range (2-Bedroom units)**




Source: Turner Drake & Partners Ltd.

**Table 3.5** shows the vacancy rates for each municipality, broken out by unit count ranges. Our survey did not record a single vacant unit in buildings with less than three units (i.e. non-primary market rentals). This does not imply that there is no vacancy in the secondary market writ-large, but it does indicate that the availability for types of units is quite tight, with lower unit turnover.

Larger buildings have higher rates of vacancy than their counter-parts; this is largely driven by the fact they encompass more units, but also that they include newly constructed buildings that are still in their initial lease-up period, and thus have added vacant units onto the market. While these figures provide important context, we again caution that findings for the smaller jurisdictions are skewed due to the impact of smaller sample sizes, particularly for larger buildings.

**Table 3.5: Vacancy Rates by Building Size**

| Municipality | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Chester** | 0.00% | 11.11% | 0.00% | --- | 3.57% | 5.00% |
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | --- | --- | 0.00% |
| **Lunenburg** | 0.00% | 7.69% | 4.69% | 0.00% | --- | 3.61% |
| **Bridgewater** | 0.00% | 3.23% | 2.54% | 2.63% | 6.00% | 3.09% |
| **MODL** | 0.00% | 7.69% | 0.00% | 10.42% | 21.28% | 13.61% |
| **Overall** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd. | *"---"* indicates no value recorded.

Across the county, vacancy rates are low, reflecting a tight and competitive rental market that offers limited mobility or choice for renters, and difficulty finding housing if they were to lose their current tenure. Even accounting for the introduction of new units (many of which temporarily inflate overall vacancy figures during lease-up periods), the underlying availability of rental housing remains limited, particularly within smaller-scale and purpose-built rental buildings.

While the county-wide results provide a robust and statistically reliable picture of regional conditions, smaller submarkets such as Mahone Bay exhibit greater sensitivity to small-sample effects, which can introduce variability in granular measures such as vacancy and rental rates by unit type or building size.

Even so, the findings for Mahone Bay are noteworthy: despite potential variability, the data recorded limited-to-no vacancy across all unit types and building sizes, making it the most supply-constrained jurisdiction in the county. This reinforces what is often reported anecdotally; demand for rental housing in Mahone Bay far exceeds supply.

Taken together, the survey results indicate a region-wide shortage of rental housing, with Mahone Bay representing the most acute manifestation of said shortage. These conditions highlight the need for sustained and diversified investment in attainable rental development to restore market balance, improve affordability, and ensure that rental options exist across the full range of household sizes and income levels.

### 3.1.4 Rental Rates

A key objective of our market research was to quantify market rental rates in Lunenburg County, and for each of the individual municipalities. **Table 3.6** shows the results of this work. These figures are weighted averages. This ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit inventory. We note that these rates are reflective of achieved rents; these are what tenants are currently paying for rent, not what they would be paying upon unit turnover. The latter is addressed later in this section.

While we have included the rental rates from all study areas for the sake of comprehensiveness, we stress that the county-level data should be considered the most reliable baseline for policy and research applications with regard to the market in in Chester, Mahone Bay, Lunenburg, and MODL. Sub-regional data can be used to illustrate local nuance and context. These jurisdictions suffer from small sample size bias; small variations can have an outsized impact on the overarching results. Bridgewater's figures are more stable as the sample size is much larger.

The reported rental rates cover a wide-range of housing types; this survey included everything from newly constructed and purpose-built rental stock, to residential units above commercial properties, to older-stock single-family homes that have been demised into multi-unit properties, to converted heritage buildings, etc.

For context, CMHC reported Nova Scotia's average rental rate to be $1,552 in 2024; this figure is undoubtedly highly influenced by Halifax market, given the outsized share of the province's rental inventory occupied by the HRM. Amongst the five municipalities, MODL recorded the highest rental rate, though this is skewed due to the impact of newer construction in a relatively small unit inventory.

Chester and Mahone Bay fall towards the lower-end, though this driven both by the sample size, and the of a lack of a true primary rental market in these areas. For these two jurisdictions, many of the survey respondents reported lower achieved rental rates along with low tenant turnover and almost non-existent vacancies. This combination of factors can have downwards pressure on achieved rental rates for existing tenancies; rent increases upon unit turnover are almost always much higher than the rate of increase for non-turnover units.

**Table 3.6: Weighted Average Rent by Bedroom Type**

| Overall Market | | | | | |
|---|---|---|---|---|---|
| **Municipality** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Chester** | --- | $729 | $1,139 | $912 | $904 |
| **Mahone Bay** | $975 | $1,038 | $1,204 | $1,300 | $1,150 |
| **Lunenburg** | $982 | $1,018 | $1,326 | $2,280 | $1,326 |
| **Bridgewater** | $976 | $1,251 | $1,479 | $1,830 | $1,434 |
| **MODL** | $955 | $1,018 | $1,161 | $1,913 | $1,753 |
| **Overall** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |
| **Primary Market (> 2 units)** | | | | | |
| **Municipality** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Chester** | --- | $659 | $1,163 | $905 | $895 |
| **Mahone Bay** | $975 | $1,038 | $1,125 | $1,300 | $1,091 |
| **Lunenburg** | $969 | $1,010 | $1,337 | $2,167 | $1,300 |
| **Bridgewater** | $976 | $1,251 | $1,482 | $1,830 | $1,437 |
| **MODL** | $955 | $1,020 | $1,161 | --- | $1,764 |
| **Overall** | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd. | *"---"* indicates no value recorded.

**Table 3.7** shows the average rental rates for each municipality, grouped according to building size ranges (unit counts). This shows overall average rents for the secondary market (less than three units), along with the primary market. Larger buildings skew towards the higher-end of the rental rate spectrum; buildings with at least 50 units are almost entirely newer construction and premium rental offerings. We note that there is considerable variability in the sample sizes for the various building size ranges in the smaller jurisdictions.

**Table 3.7: Weighted Average Rent by Building Size**

| Municipality | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Chester** | $986 | $961 | $600 | --- | $900 | $904 |
| **Mahone Bay** | $1,800 | $1,192 | $1,021 | --- | --- | $1,150 |
| **Lunenburg** | $1,580 | $1,715 | $1,134 | $1,185 | --- | $1,326 |
| **Bridgewater** | $1,181 | $1,212 | $1,336 | $1,388 | $1,968 | $1,434 |
| **MODL** | $1,400 | $925 | $1,084 | $975 | $2,500 | $1,753 |
| **Overall** | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd. | *"---"* indicates no value recorded.

### 3.1.5 Historical Rental Rate Benchmarking

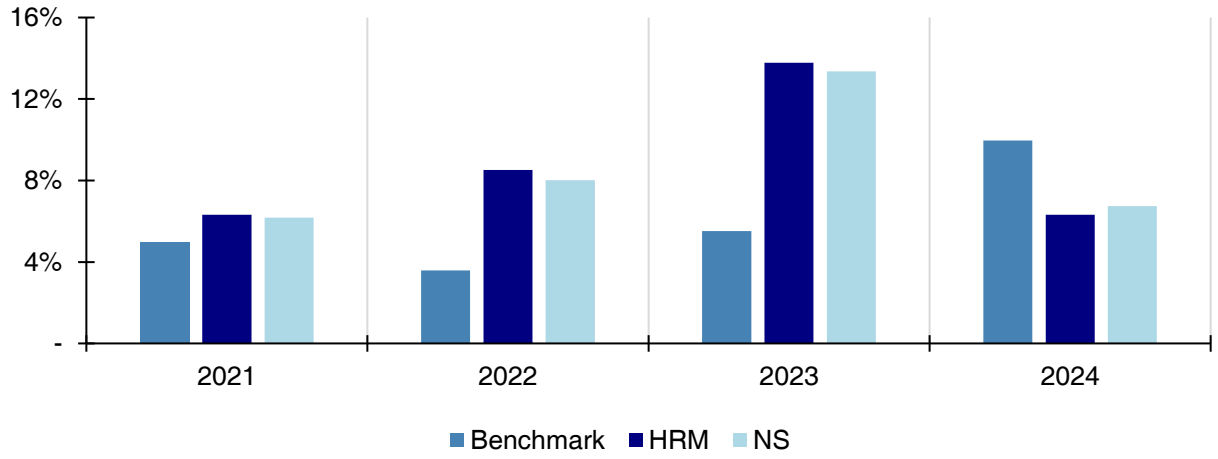
Reliable historical rental information was largely unavailable through our market survey process. In order to provide context on historical rental rates, we reviewed data available to us internally for a single portfolio of apartments that covers over 100 units in Bridgewater. **Figure 3.5** illustrates the results of this analysis.

For each of the past five years (2020-2024, inclusive), we established a benchmark rental rate using this data, and then completed a timeseries analysis of the year-over-year change in these figures. This was compared against the rates reported by CMHC's annual Rental Market Survey for NS and the HRM. This is not intended to serve as an absolute representation of historical market trends, but rather it provides an illustration of how rents have changed in recent years.

The historical benchmark rates in Bridgewater have generally followed the same direction as those observed for Nova Scotia and the HRM, though year-over-year rates of increase were lower for the sampled portfolio in Bridgewater. The exception to this was in 2024, when the benchmark properties saw their overall rental rates increase by 10% over 2023. Smaller towns generally lag behind trends in the urban centres, and this is evidenced by the fluctuations between 2023 and 2024.

Overall, rental rates at the benchmark properties have increased at a rate of nearly 6% per annum over the past five years. This is lower than the rate for HRM (8.7%), and the province (8.5%), though we note that NS's overall figures are heavily influenced by the HRM. This does not substantiate statistical conclusions regarding historical rental rates, however this confirms a common theme heard during our market survey; rental units turnover at a lower rate because of high demand and low supply, and as such, rental rates increase at a slower pace.

**Figure 3.5: Year-over-Year Change in Rent – Benchmark, NS, & HRM**




Source: Turner Drake & Partners Ltd.

### 3.1.6 Achieved vs Asking Rents

To provide further context on rental rates, we conducted a review of the difference between asking and achieved rents (**Table 3.8)**. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently in place for occupied units; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations, thereby driving up market rental rates should demand support it. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that covers existing tenancies on periodic leases. In turn, building operators often look to recoup the differential via increases to newly vacant units.

Achieved rents in the county fall well-below asking rates, generally because they reflect a market with limited turnover and longer-term tenancies. For context, CMHC's 2024 Rental Market Survey for NS reported an increase of roughly 26% in average rent for two-bedroom units[10] upon turnover. Our survey recorded a split of approximately 23% between average and achieved rents county-wide for two-bedroom units (± 11% overall). This reflects a common refrain heard during our market survey outreach; a large number of tenants in the county are longer-term renters, many of whom experience lower year-over-year rental rate increases.

**Table 3.8: Achieved vs Asking Rates by Unit Type (Lunenburg County)**

| Unit Type | Achieved Rent* | Asking Rent** | $ Difference | % Difference |
|---|---|---|---|---|
| **Studio** | $971 | $1,200 | $229 | 24% |
| **1-Bed.** | $1,159 | $1,500 | $341 | 29% |
| **2-Bed.** | $1,417 | $1,800 | $383 | 27% |
| **3-Bed.** | $1,464 | $1,700 | $236 | 16% |
| **Overall** | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | * Market average | ** Weighted averages that have been rounded to a realistic value.

[10] This was the only unit type for which average rent upon turnover was reported.

**Figure 3.6: Achieved vs Asking Rents (Lunenburg County)**


Source: Turner Drake & Partners Ltd.

### 3.1.7 Rental Rates for New Apartment Construction

The rates for newly constructed apartment buildings are a function of supply and demand, with a price floor that is determined by the costs required to build new housing, keep a building financially sustainable, and to incentive the construction and operation of the building in the first place (i.e., a rate of return to the developer/builder). If demand and supply continue to rebalance, new-build rents will generally reflect the minimum economically feasible price of development.

Increased demand in the region has spurred the expansion of the rental universe throughout the county; the achievable rental rates that can be commanded by new developments has risen to a point where the projects are worth pursuing. In particular, Bridgewater has seen several major new-builds of late; these have geared towards the higher-end of the rental market, with buildings offering amenities (i.e., gyms, underground parking, social rooms, advanced sound-proofing, etc.) and luxury finishes that were not common-place in the county's rental market. These offerings are necessitated, in-part, by the increased competition amongst building operators for tenants at the higher-end of the price spectrum, as those who can afford the new-builds represent a proportionally lower share of market.

The achieved rental rates of these buildings track well-above the market averages for Bridgewater's primary market, and the county writ-large. Using data collected in our survey for a variety of new-builds in Bridgewater, we estimated that newly-constructed apartment buildings generally command a premium of between 30-60% above the current market rates. **Table 3.9** applies these premiums against the average rental rates for Bridgewater.

**Table 3.9: Rental Rates for New Apartment Construction**

| Current Market Rent | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Weighted Average (Bridgewater)** | $976 | $1,251 | $1,482 | $1,830 | $1,437 |
| **Rental Rates* for New Construction (±)** | | | | | |
| **Indicated Premium** | **Studio**** | **1-Bed.**** | **2-Bed.** | **3-Bed.** | **Overall** |
| **@ 30%** | $1,275 | $1,600 | $1,950 | $2,375 | $1,900 |
| **@ 40%** | $1,375 | $1,750 | $2,100 | $2,500 | $2,000 |
| **@ 50%** | | | $2,300 | $2,700 | $2,100 |
| **@ 60%** | | | $2,400 | $3,000 | $2,300 |

Source: Turner Drake & Partners Ltd. | * Rates have been rounded so as to avoid overly precise figures. | ** The data did not indicate a premium above the 40% threshold for Studio and 1-Bedroom units.

We expect that these general patterns would hold true across the county's rental market, though localized nuances (costs related to regulatory burden, municipal infrastructure expansions, etc.) will impact the final price-points for new construction. Construction in truly rural areas is expected to achieve lower rental rates than buildings in urbanized areas, having regard to the comparative lack of proximate amenities and services.

This exercise is meant to be illustrative of how newly-built units are performing relative to their counter-parts, and it should not be taken as valuation or appraisal advice for new construction; above and beyond general market supply and demand, there are a wide variety of building- and management-specific factors that ultimately impact the final rental rates these properties can achieve. For instance, some landlords are aggressive in securing leases for new-build units, even if it means providing tenant incentives (i.e., *X* number of months rent-free, etc.) or accepting rates below-asking. On the other hand, several operators we spoke with indicated they would rather have a unit vacant in the immediate if it meant that they could secure the long-term benefit of a tenant at their desired rental threshold.

### 3.1.8 Secondary Rental Market

The secondary rental market is generally defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, larger older-stock homes that have been demised into multi-unit structures, etc. We estimate that the secondary rental market represents just shy of 48% of the overall rental unit inventory in the county. **Table 3.9** details these figures.

Rural and small-town communities generally lack an established base of purpose-built apartment rentals, with the secondary market becoming the de facto market in many parts of the county. This is particularly acute in Mahone Bay, Chester, and MODL. The rental supply in these areas is frequently provided through the repurposing and renovation of older housing stock. These units can often carry a rental premium associated with the costs of renovations, limited availability, and the scarcity of comparable offerings. Single-family homes will typically command a higher rental rate than smaller apartment units, partially driven by low availability in the region for family-sized rentals, along with the fact that they are usually larger spaces.

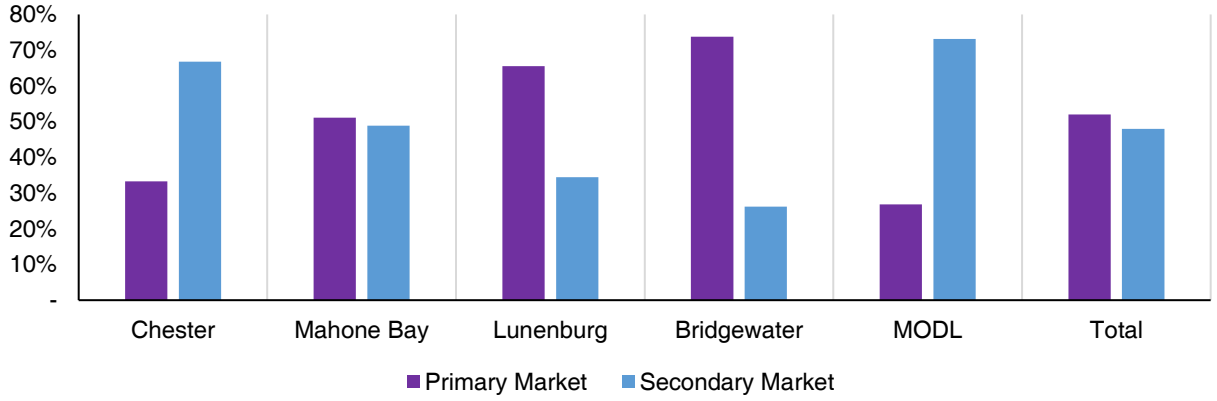
Our survey recorded no-to-limited vacancy rates for secondary market properties; while this does not mean that there is zero vacancy across the board for these buildings, it illustrates that overall availability for this sector is low. There are limited options for those entering the market. On the whole, we expect that trends in the secondary rental market will generally follow the same themes are those identified through our rental market survey.

**Table 3.10: Secondary Rental Market Inventory**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

**Figure 3.7: Primary vs Secondary Market Inventory**



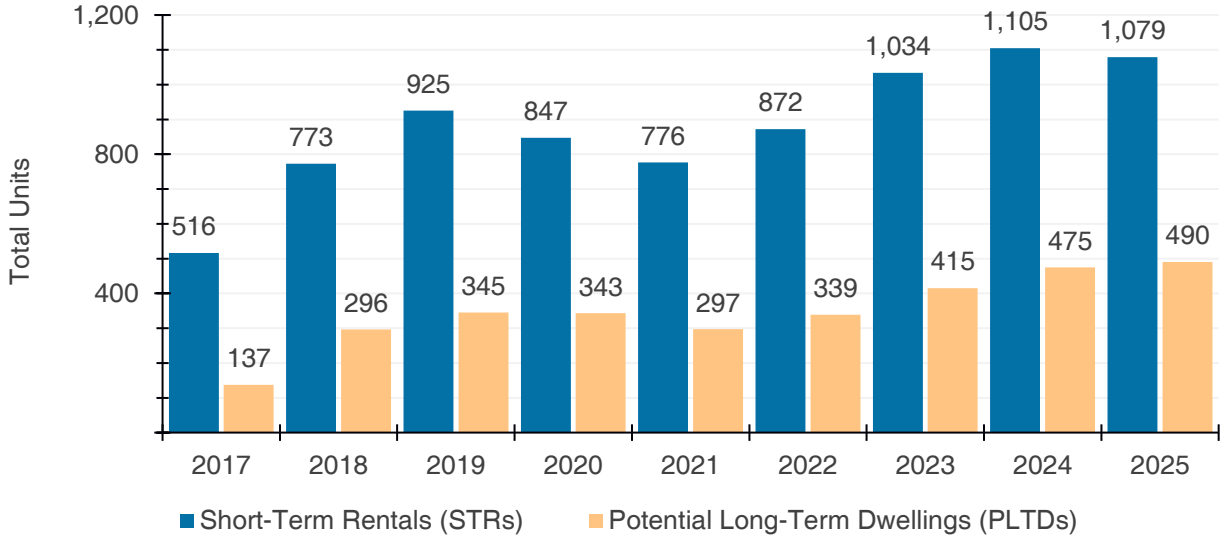

Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro)

## 3.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 3.8** depicts the changes in STR properties from 2017 to 2025,[11] along with the estimated number of units that were potential long-term dwellings (PLTDs); meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[12]

**Figure 3.8: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

- Estimates indicate that by 2025, Lunenburg County's STR market included approximately 1,079 properties, of which 490 were PLTDs. PLTDs therefore accounted for about 45% of the total STR inventory.

- The 2025 STR total marks the first year-over-year decline (-2%) in overall inventory since the early stages of the COVID-19 Pandemic. Although PLTDs continue to increase, their growth has slowed considerably. From 2024 to 2025, total PLTDs rose 3%, well below the minimum 14% growth the previous three years.

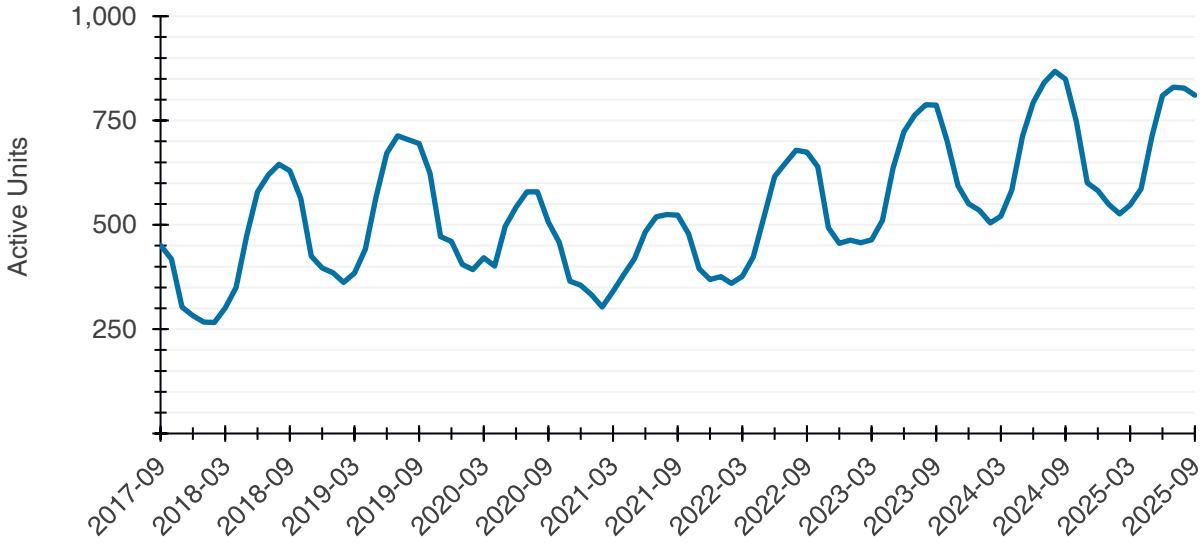
With coastal communities such as Hubbards, Aspotogan, and Kingsburg, Lunenburg County serves as a key tourism destination for oceanfront experiences. Accordingly, the impact of STRs is most pronounced in these areas, particularly during peak seasons. **Figure 3.9** illustrates monthly STR activity, highlighting the clear seasonality of STRs across Lunenburg County. Activity is lowest during the winter months, rises

[11] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[12] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

sharply through early summer, peaks between August and September, and then declines noticeably toward late fall.

**Figure 3.9: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

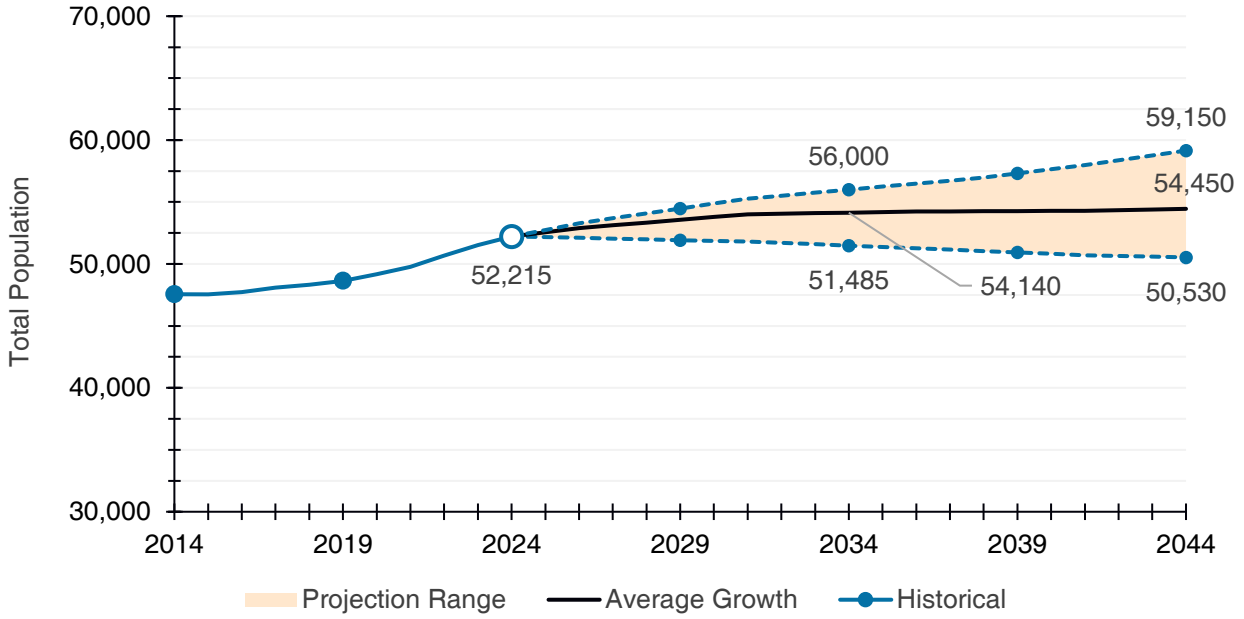
## 3.3 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 3.3.1 Population Projections

**Figure 3.10** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 3.10: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 51,485 to 56,000, representing a change of -1% to 7% over the decade. By 2044, the range may widen to 50,530 to 59,150, or a -3% to 13% change from 2024.

- Under a moderate scenario, the population may grow 4% by 2034 (to 54,140) and 4% by 2044 (to 54,450).

**Table 3.11** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 3.11: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 48,635 | 5,840 | 4,065 | 9,215 | 15,710 | 12,255 | 1,555 |
| **2024** | 52,215 | 6,025 | 4,130 | 10,050 | 15,405 | 14,840 | 1,765 |
| **5yr % change** | +7% | +3% | +2% | +9% | -2% | +21% | +14% |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2034** | 54,140 | 5,520 | 4,070 | 9,495 | 14,490 | 17,800 | 2,765 |
| **10yr % change** | +4% | -8% | -1% | -6% | -6% | +20% | +57% |

Source: Turner Drake analysis derived from Statistics Canada

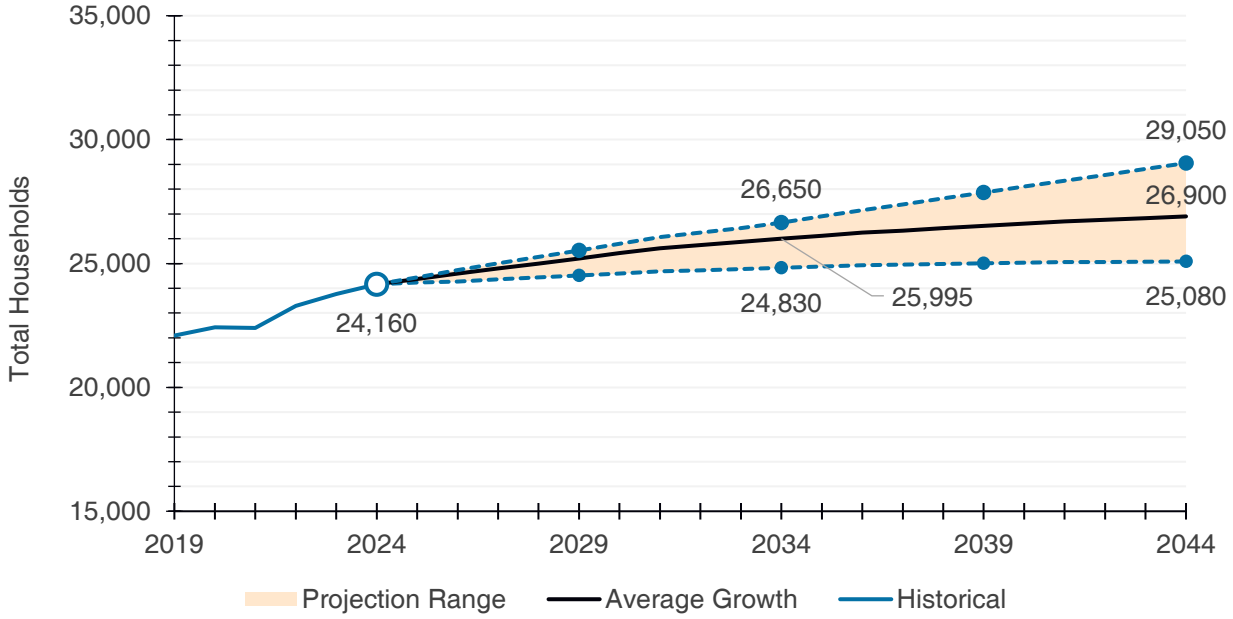
- As mentioned, the total population may expand from 52,215 to 54,140 by 2034, a 4% increase.
- Growth may be concentrated among seniors. By 2034, seniors ages 85+ are projected to grow by 57% (1,765 to 2,765). Over the same period, seniors 65–84 are anticipated to increase by 20% (14,840 to 17,800).

### 3.3.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head") of a household. For more methodology details, see the Appendices.

Like **Figure 3.10**, **Figure 3.11** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 3.11: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 24,830 and 26,650, representing growth of 3% to 10% over the decade. By 2044, the range may widen to 25,080 to 29,050, or 4% to 20% growth since 2024.
- Under a moderate scenario, total households may grow 8% by 2034 (to 25,995) and 11% by 2044 (to 26,900).

**Table 3.12** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 3.12: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 22,090 | 390 | 4,520 | 8,680 | 7,560 | 950 |
| **2024** | 24,155 | 400 | 4,935 | 8,535 | 9,195 | 1,080 |
| **5yr % change** | +9% | +3% | +9% | -2% | +22% | +14% |
| **2034** | 25,995 | 395 | 4,690 | 8,025 | 11,165 | 1,715 |
| **10yr % change** | +8% | -1% | -5% | -6% | +21% | +59% |

Source: Turner Drake analysis derived from Statistics Canada

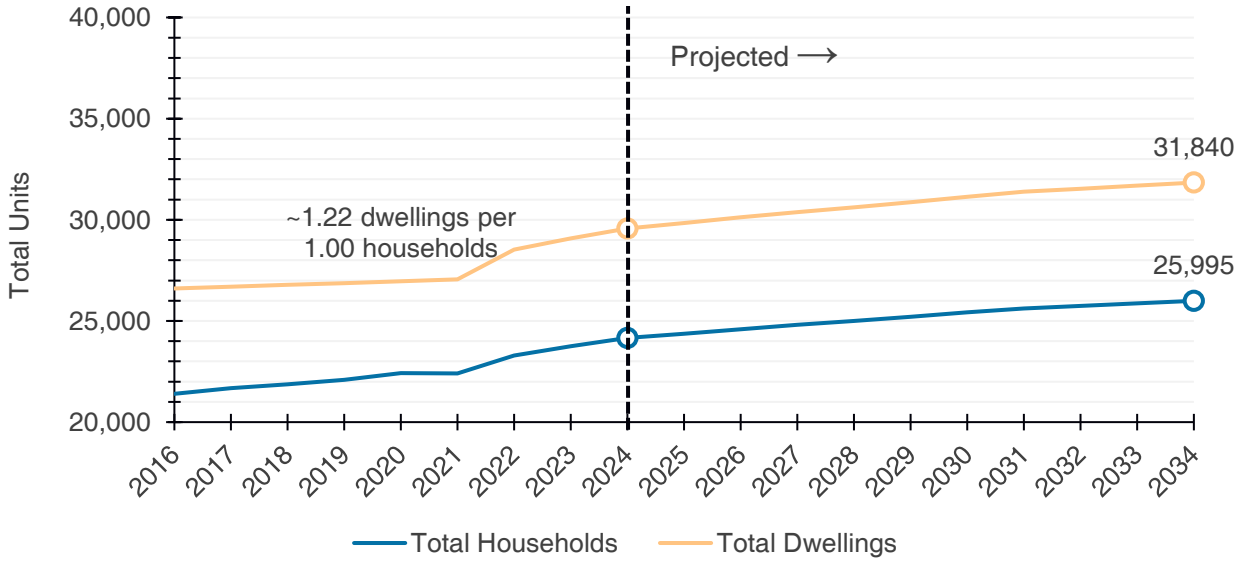
- As mentioned, total households may expand from 24,155 to 25,995 by 2034, an 8% increase. Like historical trends, projections anticipate household growth will outpace population growth, influenced largely by the faster expansions of seniors and senior-led households (i.e., greater households per capita).

- By 2034, 65- to 84-year old senior-led households may expand 21% (9,195 to 11,165) and elderly-led households by 59% (1,080 to 1,715).

### 3.3.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 18% of Lunenburg County dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 3.12** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 3.12: Anticipated households versus dwellings**

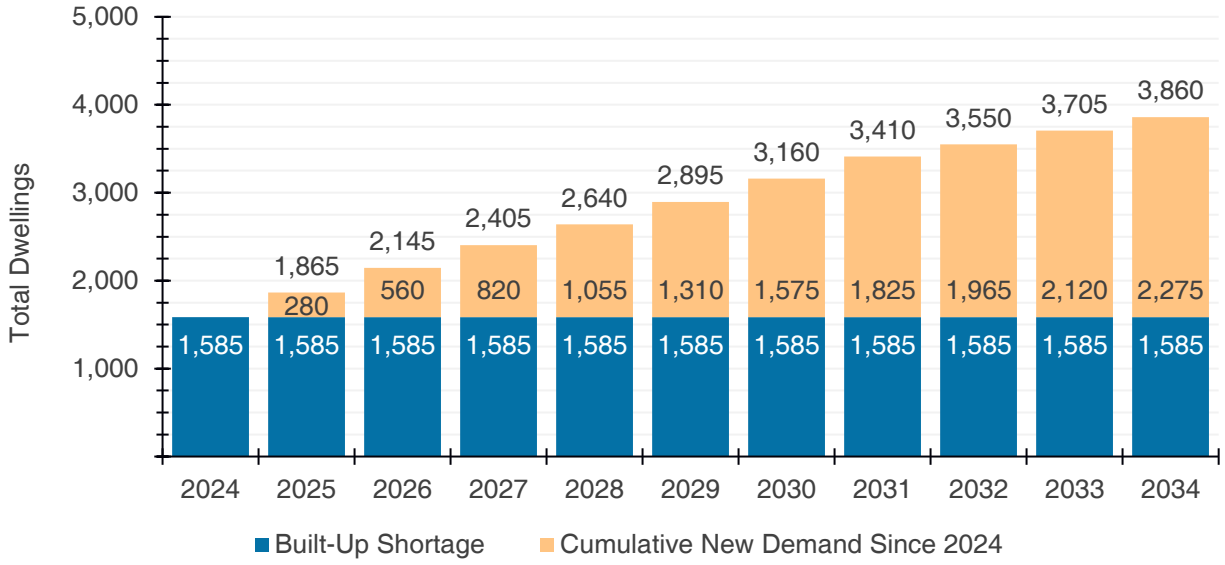



Source: Turner Drake analysis derived from Statistics Canada

- Historically, Lunenburg County has about 1.22 dwellings for every household. If applied to household projects, the municipality may demand 31,840 total dwellings by 2034 – an increase of 2,275 units over a decade (or ~228 annually), versus 1,840 households (184 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provides further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households; those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 3.13** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 3.13: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

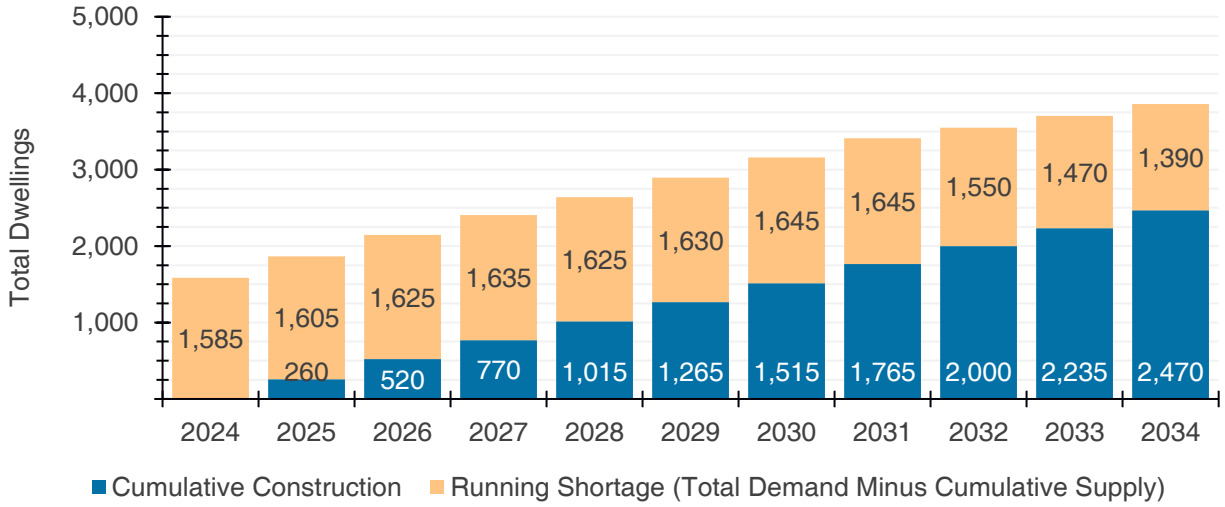



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 1,585 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, Lunenburg County may have a total net new demand of 3,860 units by 2034.

**Figure 3.14** shows how the aforementioned total demand may compare to anticipated build outs of housing (based on historical trends).

**Figure 3.14: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could decrease slightly to 1,390 units, demonstrating that local actions are potentially addressing housing demand, but not at high enough levels to quickly address the housing deficit without intervention. This would require about 139 additional dwellings per year, on top of the ~247 already expected annually.

**Table 3.13** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, Lunenburg County's total inventory is about 19% rentals (as of 2021). Anticipated growth trends suggest building at a higher rate (about 32%) over the next decade.

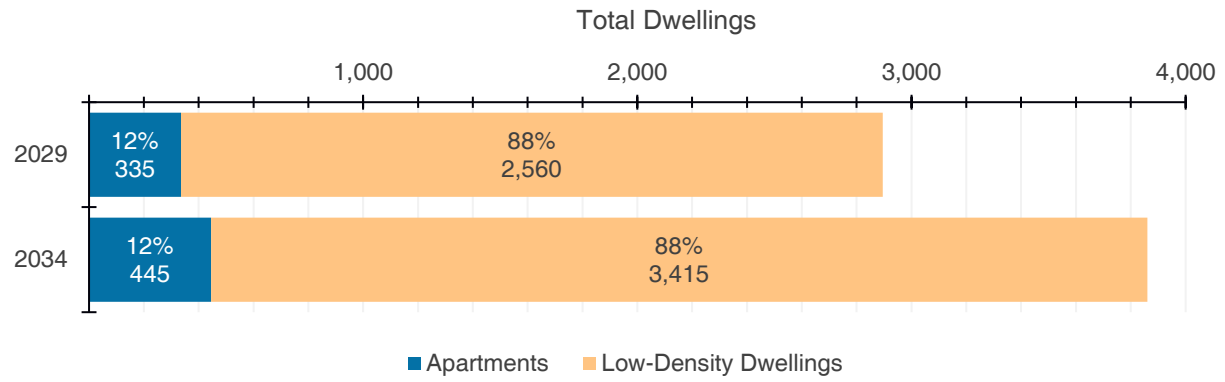
**Table 3.13: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | by 2029 | share | by 2034 | share | by 2029 | share | by 2034 | share |
| **Total** | 2,030 | | 2,635 | | 870 | | 1,225 | |
| **0-/1-bed** | 115 | 6% | 160 | 6% | 265 | 30% | 400 | 33% |
| **2-Bed.** | 1,020 | 50% | 1,570 | 60% | 605 | 70% | 825 | 67% |
| **3-Bed.** | 560 | 28% | 485 | 18% | 0 | 0% | 0 | 0% |
| **4+ Bed.** | 335 | 17% | 420 | 16% | 0 | 0% | 0 | 0% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 3.15** and **Figure 3.16** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 3.15: Anticipated new dwelling demand by dwelling typology, moderate scenario**

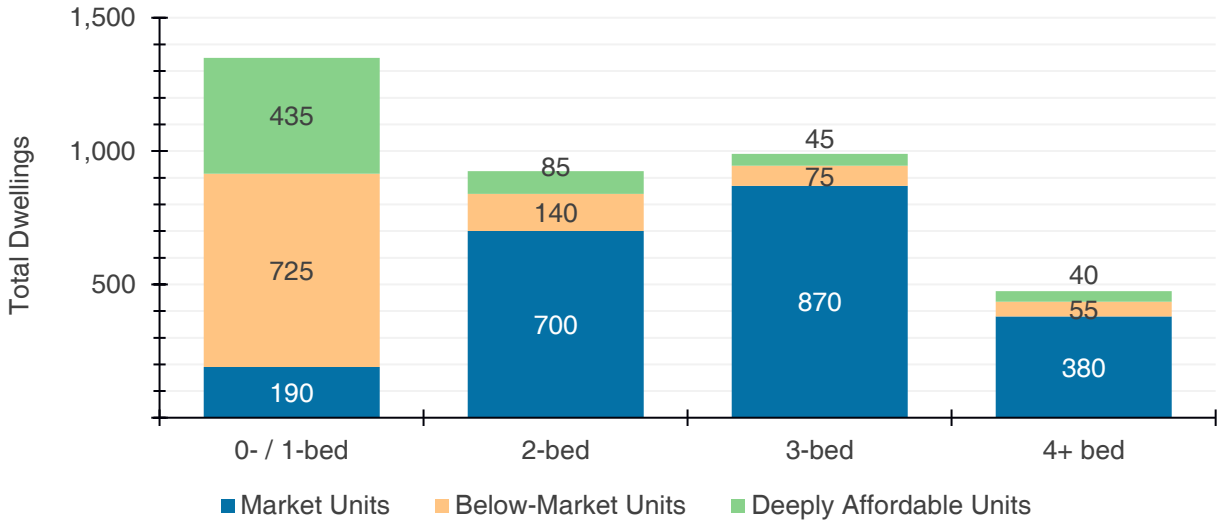



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for lower density homes – unsurprising given the general makeup of Lunenburg County. Nevertheless, apartments should also be in demand.

- Based on Core Housing Need influenced calculations, there is a potential local demand for about 1,605 non-market units (1,000 below-market units and 605 deeply affordable units).

**Figure 3.16: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

Definitions for each price model (also found in the **Key Terms** section of the appendix under “price model”:

- **Market units** refer to homes (rented or owned) whose prices are set by the private real estate market, driven by supply, demand, and development costs, without direct government subsidies.
- **Below-market units** refer to units with rents or prices fixed at a set percentage below the average market rate in a specific area. CMHC defines this threshold as 80%.
- **Deeply affordable units** refer to housing for the lowest-income earning households, where rent is truly affordable relative to their income, often requiring considerable subsidies. This is largely made up of rent-geared-to-income (RGI) housing, but can also include any social housing, non-profit housing with deep subsidies.

## 3.4 Regional Economic Integration

Commuter flows provide a picture of economic and housing market integration within the region. This data describes both the in- and out-flow of commuters separately, as well as their specific origins and destinations. These details allow for a more nuanced understanding of the linkages between communities, and their function in the region relative to where people live and work.

Examining the full dataset, commuting patterns are largely concentrated within the region represented by the five communities of study. Notable origins and destinations for commute trips outside this area include Halifax Regional Municipality and the Region of Queens, with extremely limited numbers of commute trips involving locations elsewhere in Nova Scotia which are presented here as a consolidated total for clarity.

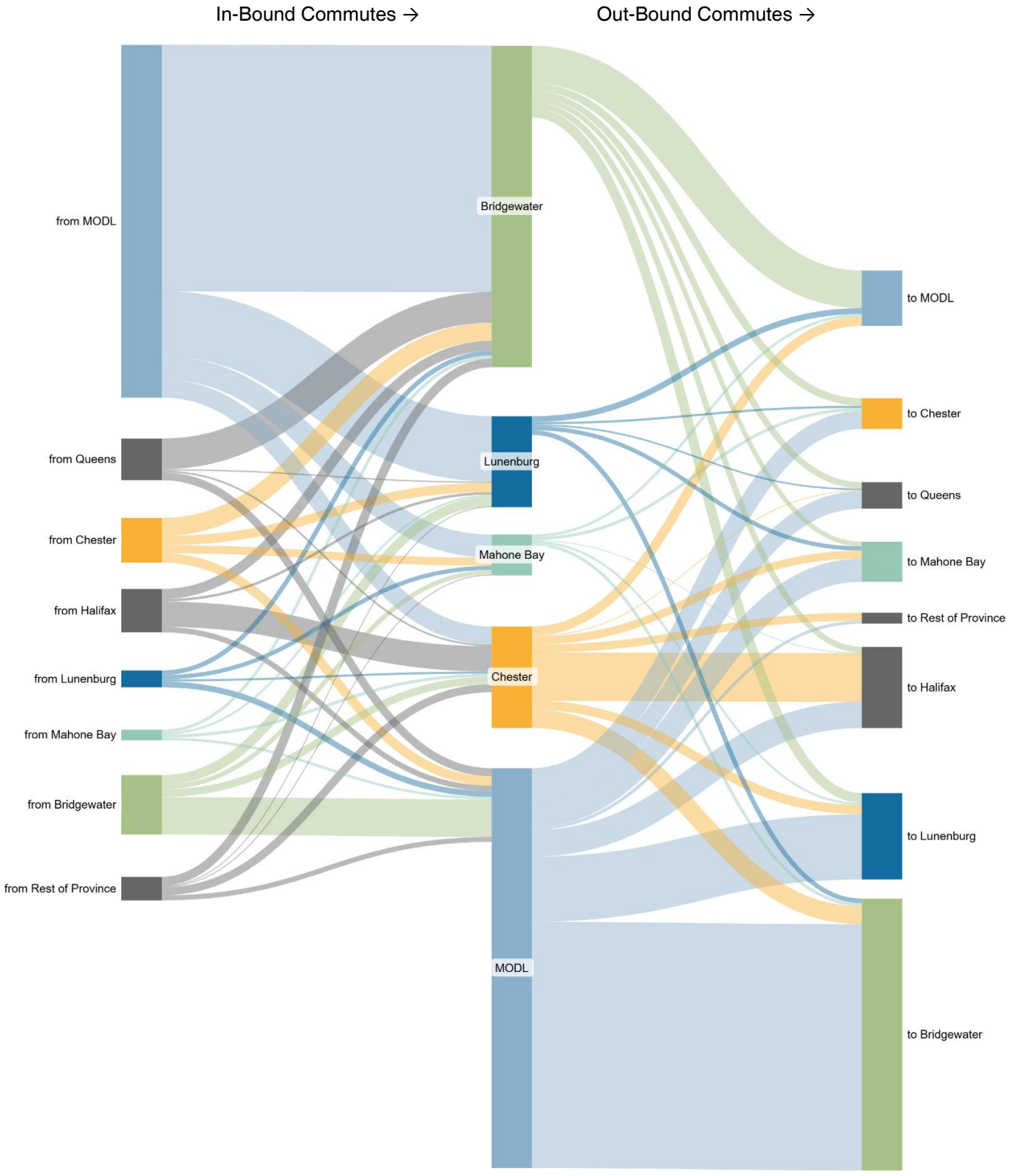
**Table 3.14: Regional Commuter Flows (2021)**

| Community | Total Commuters | In-Bound Commuters | Out-Bound Commuters | Internal Commuters | Top 3 Origins of In-Bound | Top 3 Destinations of Out-Bound |
|---|---|---|---|---|---|---|
| **Chester** | 3,460 | 790 (23%) | 1,205 (35%) | 1,468 (42%) | Halifax (300)<br>MODL (215)<br>Rest of NS (95) | Halifax (570)<br>Bridgewater (215)<br>MODL & Lunenburg (110) |
| **Mahone Bay** | 710 | 485 (68%) | 135 (19%) | 90 (13%) | MODL (275)<br>Chester (95)<br>Bridgewater (55) | Chester (35)<br>Bridgewater (35)<br>MODL (30) |
| **Lunenburg** | 1,620 | 1,080 (67%) | 220 (14%) | 320 (20%) | MODL (775)<br>Bridgewater (115)<br>Chester (110) | MODL (70)<br>Bridgewater (55)<br>Mahone Bay (50) |
| **Bridgewater** | 6,400 | 3,820 (60%) | 860 (13%) | 1,720 (27%) | MODL (2,925)<br>Queens (365)<br>Chester (215) | MODL (445)<br>Lunenburg (115)<br>Chester (90) |
| **MODL** | 7,915 | 875 (11%) | 4,750 (60%) | 2,290 (29%) | Bridgewater (445)<br>Chester (110)<br>Queens (95) | Bridgewater (2,925)<br>Lunenburg (775)<br>Halifax (315) |

Source: Statistics Canada – Table 98-10-0459-01, and Turner Drake & Partners Ltd.

To better illustrate the inter-relationships and complex detail of commuting flows within the region, the following diagram (**Figure 3.17**, **Page No. 54**) proportionally illustrates commuters by all origins and destinations, ignoring internal commuters. The centre column of communities shows the balance of in- and out-bound commuters, with flows into the community from the left by their origin, and flows out of the community to the right by destination.

**Figure 3.17: Graphical Representation of Regional Commuter Flows**




Source: Statistics Canada – Table 98-10-0459-01, and Turner Drake & Partners Ltd.

This additional detail provides the following insights:

- A typical pattern of rural to urban commuting is observed within the region, with comparatively few commutes involving locations beyond the five areas of study.
- The three towns are all net importers of labour, with 60%-70% of all commutes being in-bound, principally from the District of Lunenburg.
- The District of Lunenburg is the dominant net-exporter of labour, with over 5 times more out-bound commutes than in-bound, and more than twice as many residents commuting to work locations outside the municipality than within it.
- The District of Chester appears notably balanced relative to the other four municipalities, with a large proportion of internal commutes. This is likely due to the nature of its political boundary, which includes both rural areas as well as town centres rather than separating them into different municipal units as is found in the rest of the study area. It is highly likely that a similar rural to urban commute pattern exists within the District of Chester.
- Commutes between the District of Lunenburg and District of Chester are relatively small in number, though the former represents a notable minority of all in-bound commutes to the latter.
- Commuting into the study area from the neighbouring Region of Queens is generally focussed on the Town of Bridgewater. Commutes out of the study area to Queens principally originate from the District of Lunenburg.
- The District of Chester is the focus of commuting linkages with the Halifax Regional Municipality, which represents both its top origin and destination for non-internal commutes. Other communities have comparatively limited relationship to Halifax.

### 3.4.1 Notes Regarding Data and Interpretation

Commute flow data pertains to the population that travels from their place of residence to a usual location of employment. It therefore does not consider those with no fixed workplace address (e.g. travelling sales persons, independent truck drivers) or those who work primarily at home (e.g. farmers, IT consultants working remotely).

In addition, this data was gathered during the 2021 Census, which was conducted during the COVID-19 pandemic which significantly affecting employment arrangements and commute habits across Canada. According to Statistics Canada[13] the 2021 Census showed over 300% more people working from home compared to 2016, and shifts of this nature were observed in the study area as well, with the exception of Mahone Bay which already had among the highest rates of working from home across the province in 2016. While this indicates the specific commute figures are distorted, the general relationships and patterns illustrated in the data are considered reasonably indicative of non-pandemic conditions for the purposes of this report, though we expect that economic linkages with the Halifax region are likely understated in this data. The shift in commute patterns was most heavily concentrated in white-collar industries such as: professional, scientific, and technical services; finance and insurance; public administration; and education services, industry sectors that are heavily concentrated in Halifax.

[13] https://www150.statcan.gc.ca/n1/daily-quotidien/221130/dq221130c-eng.htm

# Section 4 | Municipality of the District of Chester

## 4.1 Rental Market Overview

This section presents the results of our rental market survey, specific to the Municipality of the District of Chester. For brevity, we refer to this jurisdiction as *"Chester"*, with reference to specific sub-geographies (i.e., village-proper, New Ross, etc.) made as appropriate. A summation of the conclusions stemming from our research is contained in the **Discussion & Conclusions** section of this document.

While the results of our rental market survey for Chester are statistically valid, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type). As such, we recommend the application of the county-wide vacancy and rental rates for Chester for usage in policy and research functions.

### 4.1.1 Rental Market Supply

Chester's rental market is typified by smaller, older-stock, and low-rise buildings. The identified primary rental market inventory is generally clustered around the HWY-3 corridor and the village-proper, with a number of properties along HWY-329 between Hubbards and Mill Cove. There were essentially no primary market rental properties identified in the inland portion of Chester (north of HWY-103), aside from a handful of units in New Ross. The village-proper also plays host to a number of smaller residential units that are located in mixed-use buildings (i.e., ground-floor commercial uses with residential on the upper-floor(s).

Our research delineated 279 primary market rental units throughout Chester. **Table 4.1** shows the total primary market unit inventory for Chester, along with the totals for the other jurisdictions in the county.

**Table 4.1: Primary Rental Market Inventory (Chester)**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

We expect the distribution of units by bedroom type (i.e., 1-Bed., 2-Bed., etc.) to largely follow the same patterns found at the county-level. However, we have made an adjustment to reflect local context; our primary research identified a large complex of 3-Bed. rental townhouses in the Mill Cove area. If the county-wide unit shares are applied against Chester's primary market inventory, this results in an under-counting of the 3-Bedroom unit inventory. Having regard to the foregoing, we anticipate that the breakdown of primary market unit types for Chester is as follows:

**Table 4.2: Unit Type Breakdown (Chester)**

| Rental Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|---|
| **Chester** | 2% | 20% | 56% | 22% |
| **Lunenburg County** | 4% | 24% | 63% | 9% |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

### 4.1.2 Vacancy Rates

Vacancy rates in Chester indicate a tight rental market with low availability. By bedroom type **(Table 4.3)**, Chester shows limited vacancy among one-bedroom, an indicator of both strong demand, and limited turnover for affordable, entry-level housing options.

In Chester, vacancies are concentrated within mid-sized (3-5 unit) properties, while smaller (<3 unit) and mid-range (6-19 unit) buildings show no available units **(Table 4.4).** This suggests that renters seeking smaller-scale housing options, common in rural and semi-rural contexts, can face major challenges finding suitable accommodation.

Overall, these patterns align with regional trends for Lunenburg County, where low vacancy rates in purpose-built rental stock and smaller-scale buildings indicate a constrained rental environment. The local data reinforces the notion that finding an affordable and appropriately sized rental unit is difficult. While overall vacancy figures may suggest moderate availability, there remains the ongoing challenge of limited affordability and accessibility within local housing markets. For context, we recorded just five vacant units across the 100 units surveyed.

**Table 4.3: Vacancy Rate by Bedroom Type (Chester)**

| Entire Market | Studio | 1-Bed. | 2-Bed.* | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Chester** | --- | 0.00% | 16.67% | 3.28% | 5.00% |
| **Lunenburg County** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.*** | **3-Bed.** | **Overall** |
| **Chester** | --- | 0.00% | 20.00% | 3.45% | 5.56% |
| **Lunenburg County** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded. | * Figured is skewed by small sample size bias.

**Table 4.4: Vacancy Rate by Building Size (Chester)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Chester** | 0.00% | 11.11% | 0.00% | --- | 3.57% | 5.00% |
| **Lunenburg County** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 4.1.3 Rental Rates

A key objective of this project was to quantify market rental rates in Lunenburg County, and for each of the individual municipalities within. **Table 4.5** shows the average rent by unit type for Chester and the county as a whole, and **Table 4.6** shows the average rental rates by building size (unit count range). These figures are weighted averages, which ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit inventory.

The reported rental rates in Chester generally skewed to the lower-end, though that was largely driven by longer-term tenancies, older rental units, and properties that are owned by non-professional and/or part-time proprietors. These totals are derived market averages for rental rates (i.e., achieved rent); this is what tenants are currently paying. Asking rental rates are addressed in **Section 4.1.4**.

**Table 4.5: Weighted Average Rent by Bedroom Type (Chester)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Chester** | --- | $729 | $1,139 | $912 | $904 |
| **Lunenburg County** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |

| Primary Market (> 2 Units) | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| Chester | --- | $659 | $1,163 | $905 | $895 |
| Lunenburg County | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 4.6: Weighted Average Rent by Building Size (Chester)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| Chester | $986 | $961 | $600 | --- | $900 | $904 |
| Lunenburg County | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 4.1.4 Achieved vs Asking Rents

To provide further context on rental rates, we conducted a review of the difference between asking and achieved rental rates. **Table 4.7** presents the results of this analysis. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently achieved by said space; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that covers existing tenancies under periodic leases.

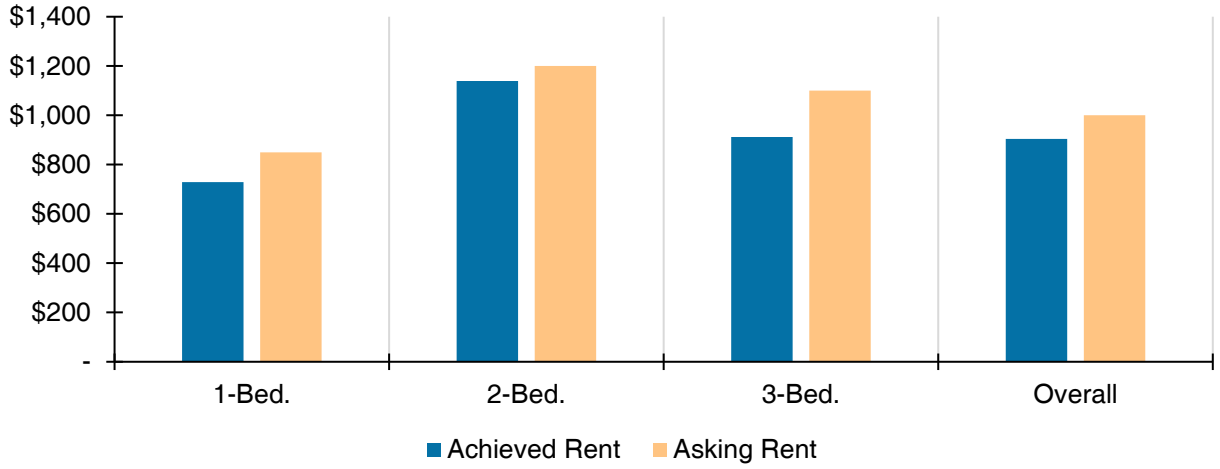
While the Chester data is drawn from a smaller sample, the overall differentials between achieved and asking rates track in-line with County-wide trends. These insights suggest that a proportionate number of tenants in Chester are long-term renters, which helps explain lower achieved rates relative to market asking prices. This is largely due to tenants remaining in their existing units rather than moving to newer ones, or being unable to afford the higher asking rents associated with newly listed units.

**Table 4.7: Achieved vs Asking Rates by Unit Type (Chester)**

| Chester | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| Studio | --- | --- | --- | --- |
| 1-Bed. | $729 | $850 | $121 | 17% |
| 2-Bed. | $1,139 | $1,200 | $61 | 5% |
| 3-Bed. | $912 | $1,100 | $188 | 21% |
| Overall | $904 | $1,000 | $96 | 11% |
| **Lunenburg County** | | | | |
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| Studio | $971 | $1,200 | $229 | 24% |
| 1-Bed. | $1,159 | $1,500 | $341 | 29% |
| 2-Bed. | $1,417 | $1,800 | $383 | 27% |
| 3-Bed. | $1,464 | $1,700 | $236 | 16% |
| Overall | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded. | * Figures are weighted averages that have been rounded to the nearest realistic point.

**Figure 4.1: Achieved vs Asking Rents (Chester)**




Source: Turner Drake & Partners Ltd.

### 4.1.5 Secondary Rental Market

The secondary rental market is defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, larger older-stock homes that have been demised into multi-unit structures, etc. We estimate that the secondary rental market represents just shy of 67% of the overall rental unit inventory in Chester. **Table 4.8** details these figures.

Much of Chester lacks an established base of purpose-built apartment rentals. The secondary market is the de facto market in much of the municipality, both in rural areas and the village-proper. The secondary market supply is often provided through the repurposing and renovation of older housing stock. These units frequently carry a rental premium associated with the costs of renovations, limited availability, and the scarcity of comparable offerings. Single-family homes will typically command a higher rental rate than smaller apartment units, partially driven by low availability in the region for family-sized rentals, along with the fact that they are usually larger spaces.

Our survey recorded no-to-limited vacancy rates for secondary market properties; while this does not mean that there is zero vacancy across the board for these buildings, it illustrates that overall availability for this sector is low. There are limited options for those entering the market. On the whole, we expect that trends in the secondary rental market will generally follow the same themes are those identified through our rental market survey.

**Table 4.8: Secondary Rental Market Inventory (Chester)**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

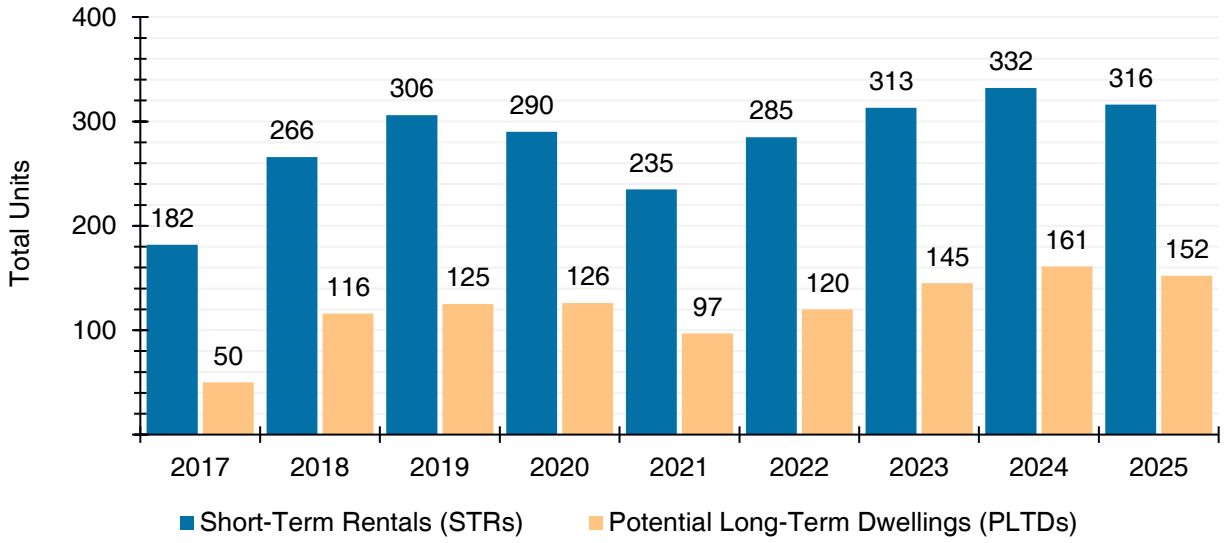
Source: Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

## 4.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 4.2** depicts the changes in STR properties from 2017 to 2025,[14] along with the estimated number of units that were potential long-term dwellings (PLTDs) – meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[15]

**Figure 4.2: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

- Estimates indicate that by 2025, the District of Chester's STR market included approximately 316 properties, of which 152 were PLTDs. PLTDs therefore accounted for about 48% of the total STR inventory.

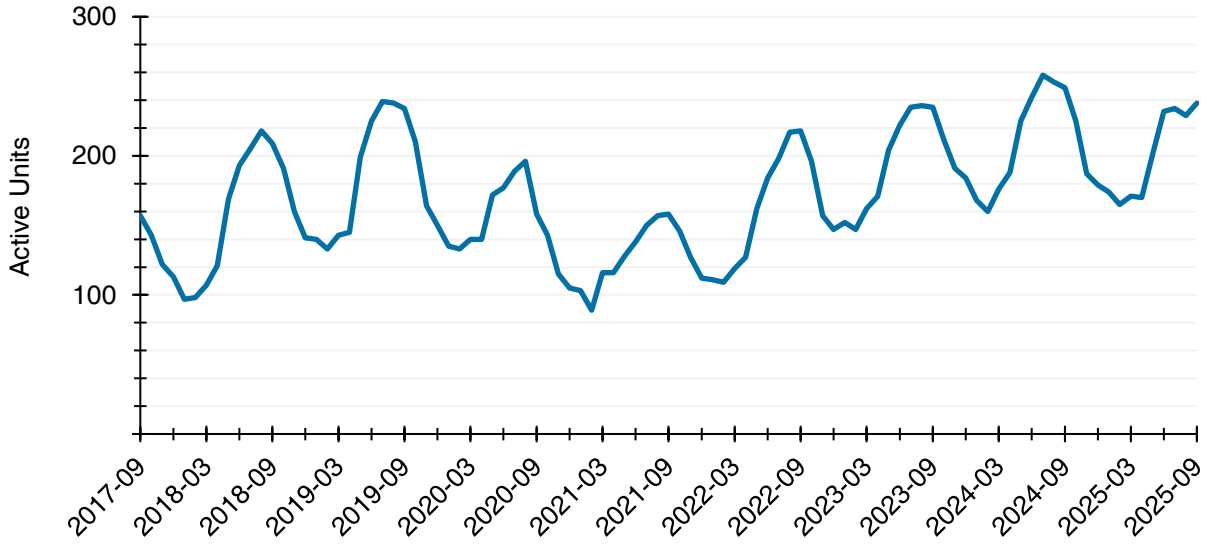
- The 2025 STR total marks the first year-over-year decline (-5%) in overall inventory since the early stages of the COVID-19 Pandemic. Although PLTDs increased from 2022-2024 – with 2024 being the year that PLTDs reached their highest share of the STR market – their growth has considerably slowed the last year, with 2025 showing a 6% decrease.

**Figure 4.3** illustrates monthly STR activity, highlighting the clear seasonality of STRs across Chester. Activity is lowest during the winter months, rises sharply through early summer, peaks between August and September, and then declines noticeably toward the autumn months.

[14] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[15] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

**Figure 4.3: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

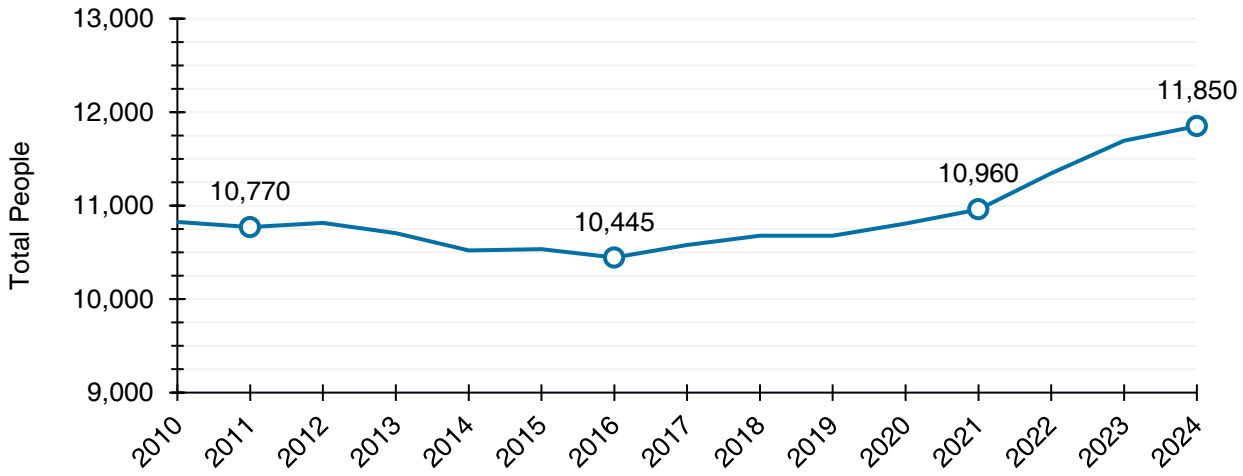
## 4.3 Demographic & Housing Supply Profiles

### 4.3.1 Historical Demographic & Income Profiles

Statistics Canada produces annual total population estimates for municipalities, with the most recent year being 2024. **Figure 4.4** illustrates the annual change in Chester's total population based on these estimates. **Figure 4.5** goes a step further and provides estimates of population change over the last five years by age category.

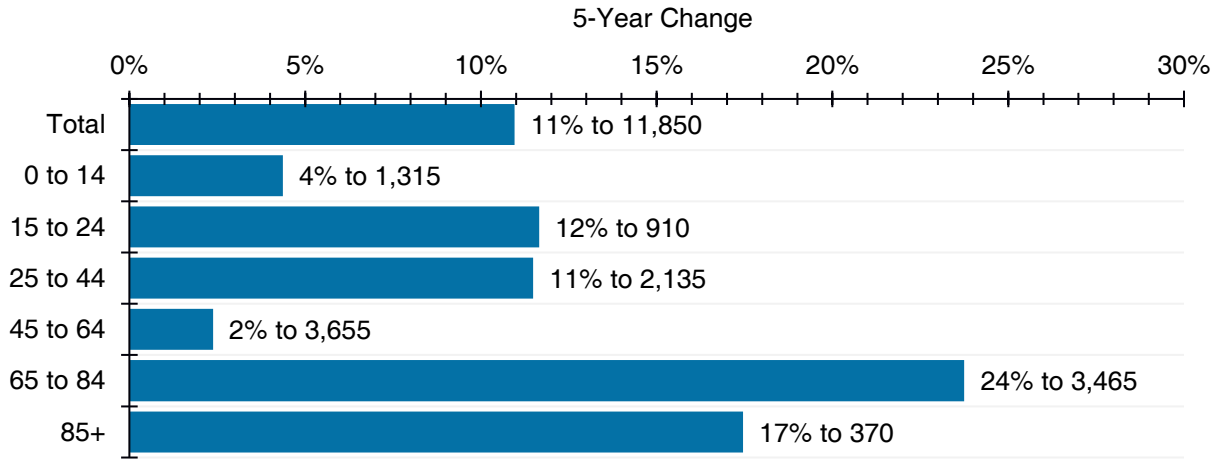
Readers who are familiar with local 2021 Census results will note that the estimated total and the Census total are different. Estimates are typically higher than Census results as Statistics Canada performs post-census adjustments to account for potential errors. The same adjustments are not available for age groups at the municipal level.

**Figure 4.4: Historical estimated total population**




Source: Statistics Canada Table 17-10-0155-01

**Figure 4.5: Percent change to population by age group, 2019 to 2024 estimates***




* Results for 2019 to 2024 combine age group totals from the Census and annual estimates to determine how age groups might have changed over non-Census years.
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Chester has experienced a continuous increase to its total population since about 2016, increasing from 10,445 in that year to 11,850 by 2024 – a 13% rise.

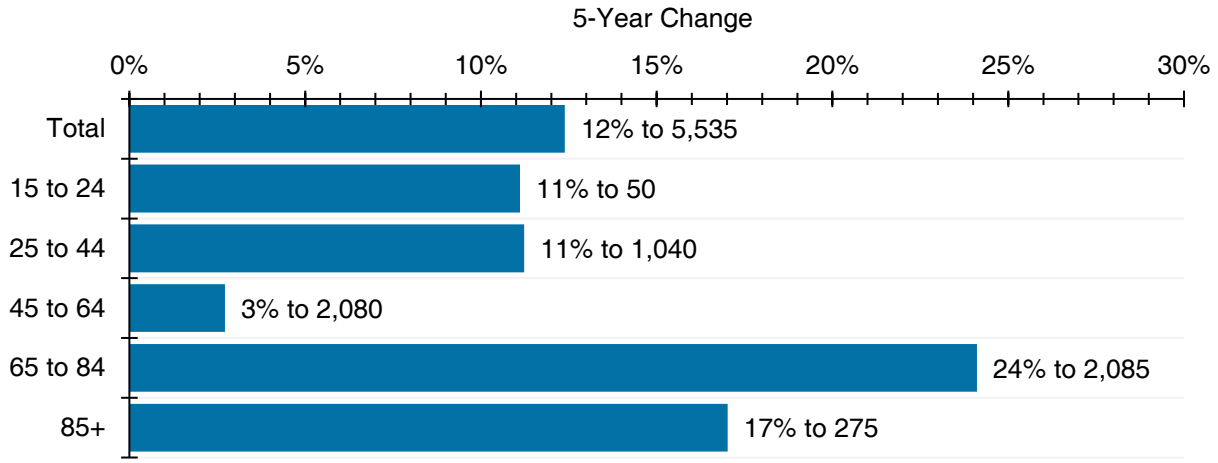
- Over the last five years, the total population increased 11%, with notable relative growth among 25-to-44-, 65-to-84-, and 85-plus-year-olds, based on estimates.

- Seniors represent a considerable and increasing proportion of the local resident base (almost 32% in 2024). Even so, growth among 25-to-44-year-olds, accompanied by smaller growth among children, suggests local increases are in part due to in-migrating younger couples and families.

As the population increases, so too (most often) do the number of households. **Figure 4.6** shows how household totals by primary household maintainer age category changed over the last five years.

The primary household maintainer is the Census' categorization of the first person in the household responsible for paying the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer. For example, a 25- to 44-year-old maintainer refers to the age of the person who most often "leads" the household financially.

**Figure 4.6: Percent change to households by primary maintainer age group, 2019 to 2024 estimates***



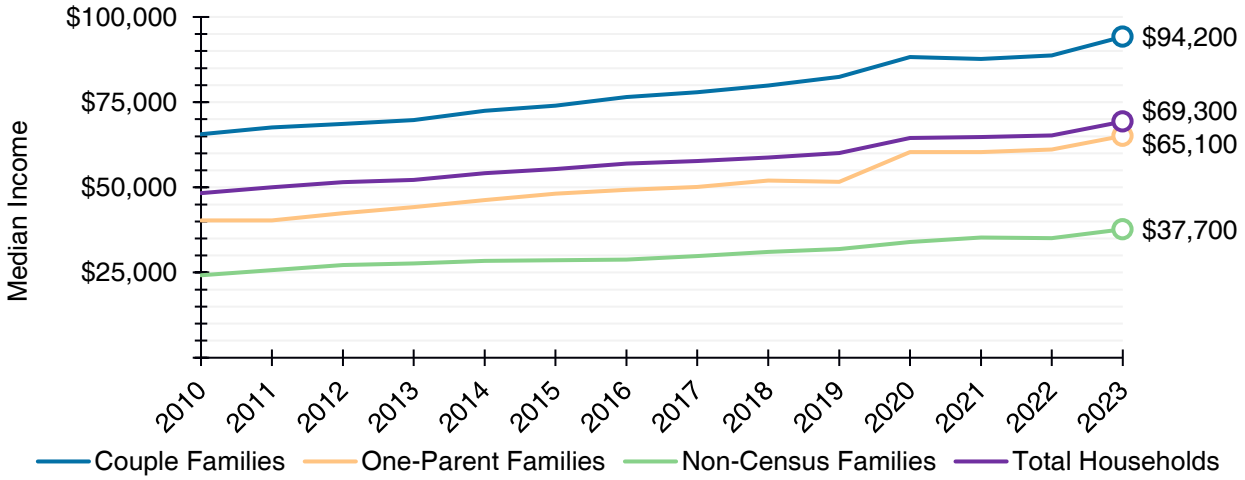

* Household results for 2019 to 2024 perform a similar estimation as for population, but make adjustments based on Census period headship rates (i.e., the number households led by an age group for every person in same age group).
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Total households between 2019 and 2024 increased by an estimated 12%, higher than the rate experienced by the overall population.

- Higher household versus population growth generally reflects an aging household maintainer base. As people or couples age, their dependents move away or partners pass away, leading to small household sizes and, inversely, greater households per capita.

The typical earnings or wealth a household accumulates are largely a function of the household's age. As youth become adults, they begin to earn more income commensurate to their experience. As they age, they are also more likely to form partnerships that lead to dual-income earning circumstances, further increasing their financial capacity. Even further down the road, people begin to retire and no longer earn income, but live off savings and pensions. **Figure 4.4.7** demonstrates how estimated median before-tax household incomes have changed between 2010 and 2023.

**Figure 4.4.7: Historical* before-tax household incomes by family type**



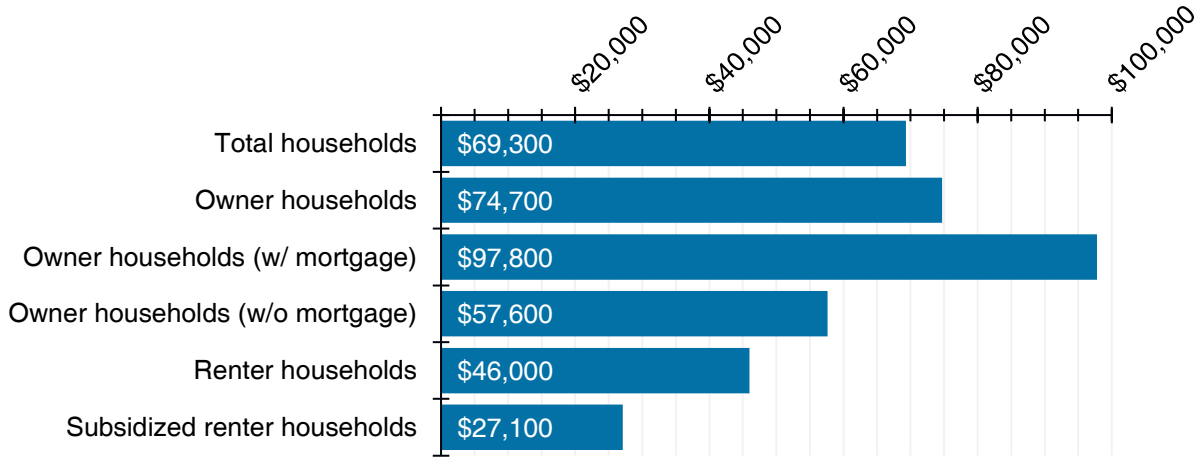

* Total household incomes derived from family incomes. Pre-2021 incomes are from a past Statistics Canada custom data order. Incomes for 2021 to 2023 estimated based on inferred pre-2021 relationship between local and non-CMA provincial income data.
Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- As of 2023, the median household may have earned $69,300 before-tax. Couples (more likely have more than one source of earnings) earned about $94,200, lone-parents earned about $65,100, and non-census families (e.g., single persons or roommates) earned about $37,700.

- Since 2019, incomes rose just over15%, with a noticeable bump between 2019 and 2020 (due to the impacts of COVID-19 Pandemic support payments) and between 2022 and 2023.

**Figure 4.8** illustrates estimated median before-tax household incomes by tenure for 2023. The data shows a clear divide between households with the financial capacity to own a home, particularly those owners without mortgages as well as households renting in either the private or subsidized market. While the overall median household income was $69,300 in 2023, tenure appears to strongly influence household income levels, with renters, and especially subsidized renters, earning considerably less than owners.

**Figure 4.8: Estimated before-tax household incomes by tenure, 2023**




Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- Owner households with a mortgage (often couples in their employment earning years) report the highest incomes at $97,800, well above the overall median.

- Owner households without a mortgage ($57,600), renter households ($46,000), and subsidized renter households ($27,100) all fall below the total median income.

- The gap between owners and renters is substantial: renter households in the private market show incomes about 38% lower than their owner household counterparts. These disparities highlight the heightened affordability pressures faced by renter and subsidized renter households compared to owners.

UBC's Housing Assessment Resource Tools (HART) initiative defines five household income categories that can help inform the share of households most at risk of housing related financial pressures. HART applied the categories built by governments in the US, Vancouver, and Melbourne. The categories are as follows:

- **Very low income:** 20% or less of area median household income (AMHI), often similar to shelter allowance for income support recipients.

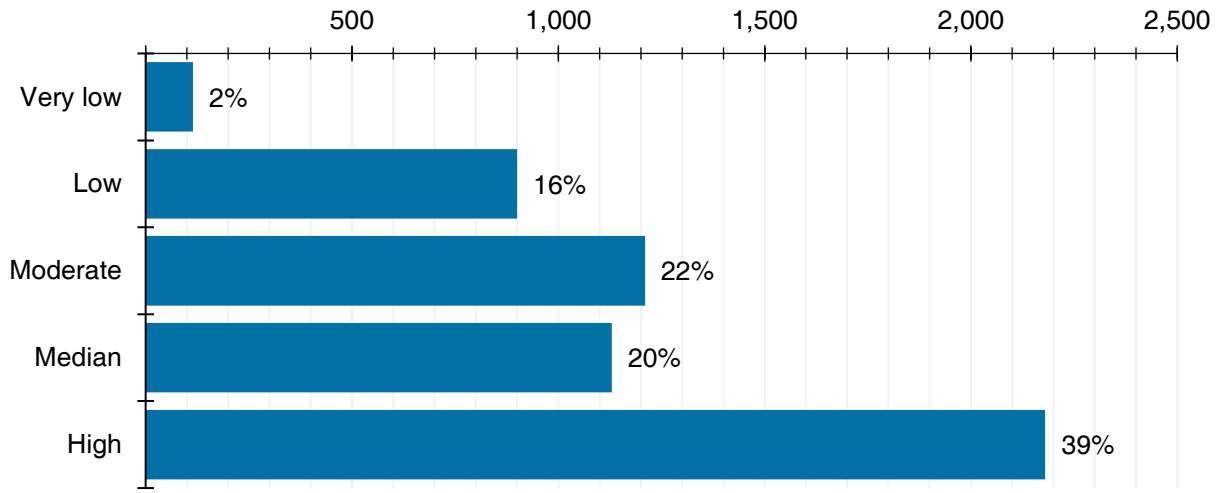
- **Low income:** 21-50% AMHI, generally equivalent to one full-time minimum wage job.

- **Moderate income:** 51-80% AMHI, similar to starting salary for a professional job like a nurse or teacher.

- **Median income:** 81-120% AMHI, representing the 'middle class.'
- **High income:** More than 120% AMHI, the group with most housing wealth.

**Figure 4.4.9** shows the estimated distribution of households by income category for 2024. The data illustrates a relatively balanced distribution across the low-, moderate-, and median income categories, while very low-income households represent only a small fraction. At the other end of the spectrum, high-income households account for a disproportionately large share of the total, underscoring a notable income divide in the community.

**Figure 4.4.9: Estimated households by income category, 2024**




Source: Turner Drake analysis derived from Statistics Canada and UBC Housing Assessment Resource Tools program

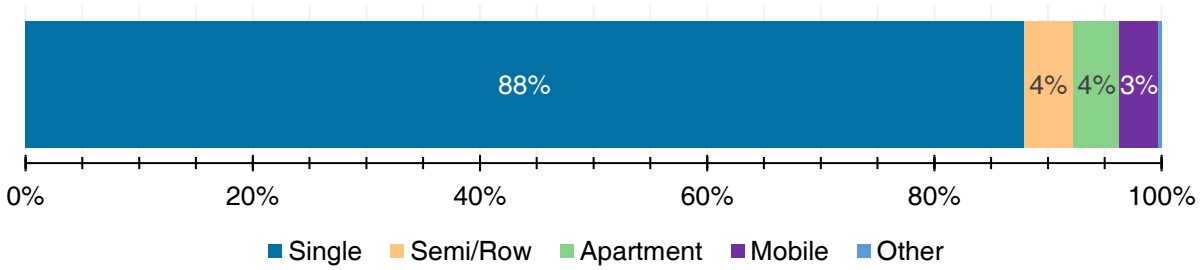
- Very low-income households represent just 2% (115 households), the smallest share of households by income category.
- Income groups are more evenly distributed among low- (16%), moderate- (22%), and median (20%) income categories.
- High-income households dominate the distribution, making up 39% (2,180 households), a significantly larger share than all other individual categories.
- The prevalence of higher-income households suggests greater overall purchasing power in the community, but also highlights affordability gaps for lower- and moderate-income households.

### 4.3.2 Housing Supply Overview

In 2021, Statistics Canada reported that Chester had a total housing inventory of 6,482 dwellings, of which 5,028 were occupied by a permanent household (i.e., one that lives in the community more than half of the year, also known as a "usual-resident"). Thus, about 23% of Chester inventory was intended for a different use, such as a recreational property, a second home, or for shorter term accommodations, or may have been vacant.

For those dwellings that are permanently occupied, **Figure 4.10** illustrates their distribution by structure type (e.g., single-detached, semi-detached, etc.).

**Figure 4.10: Distribution of inventory by usual-resident occupied dwelling structure type, 2021**



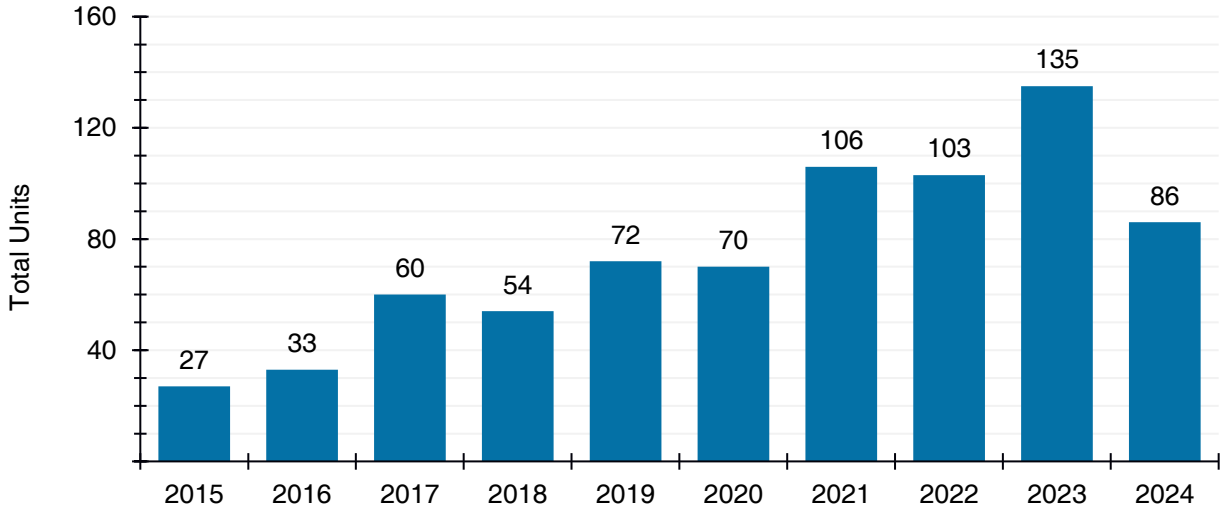

Source: Statistics Canada 2021 Census Profile

- The overwhelming majority of the municipality's dwellings are single-detached dwellings at a 88% share, with the next largest shares are occupied by Semi-detached or row housing and apartment dwellings at 4% each.

- According to the 2021 Census, about 830 of usual-resident dwellings were renter-occupied, representing about 16% of local households at that time.

**Figure 4.11** shows the number of construction completions in the municipality from 2015 through 2024. The period from 2015-2020 saw consistency in the number of completions, ranging from 27 to 72 depending on the year.

**Figure 4.11: Annual dwelling completions estimates**




Source: derived from the Property Valuation Services Corporation

- Since 2020, Chester experienced increases in dwelling completions, with 2023 setting a period-high of 135, followed by 106 in 2021.

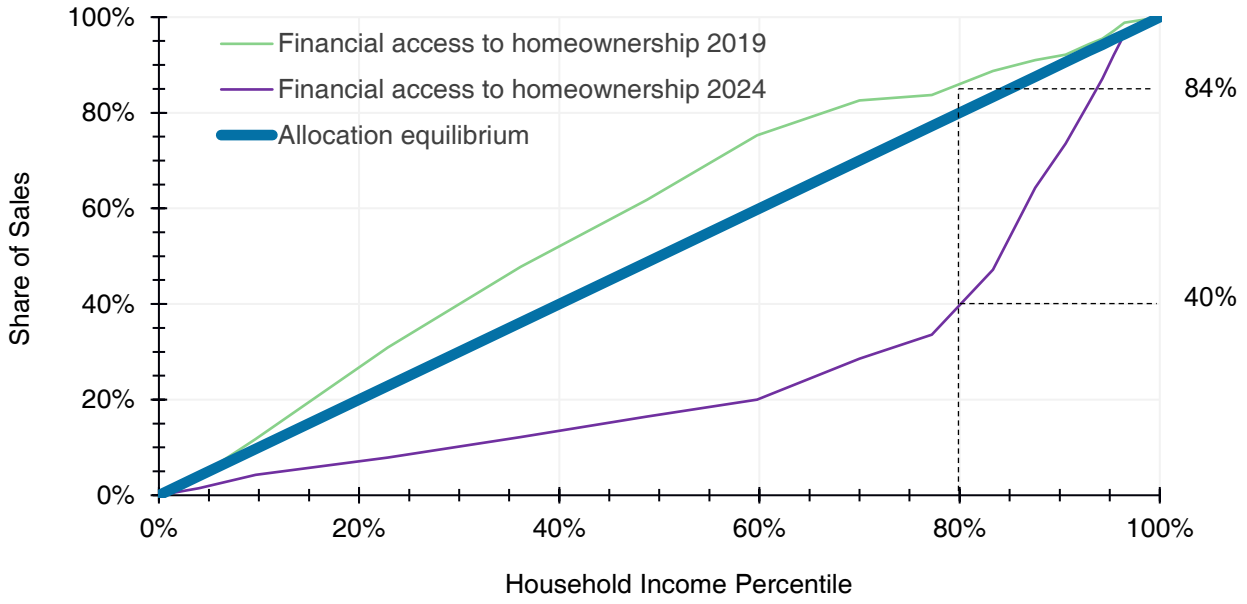
- While 2024 saw decreases relative to 2021 and 2023, construction completions in that year were still markedly higher when compared to 2015-2020.

## 4.4 Housing Affordability Analysis

### 4.4.1 Access to Homeownership

**Figure 4.12** illustrates how access to housing has shifted between 2019 and 2024 relative to an estimate of economic equity. Specifically, if we assume that equitable access to housing means that individuals in the 20th income percentile can afford 20% of available dwellings, the actual relationship between renter income distribution (as a proxy for first-time buyers) and housing access can be overlaid to reveal disparities. This comparison highlights the extent of and changes to inequity in the local homeownership market, particularly for first-time buyers.

**Figure 4.12: Share of dwellings affordable by income percentile, as compare to the equitable distribution of sales**




Source: Turner Drake analysis derived from the Property Valuation Services Corporation

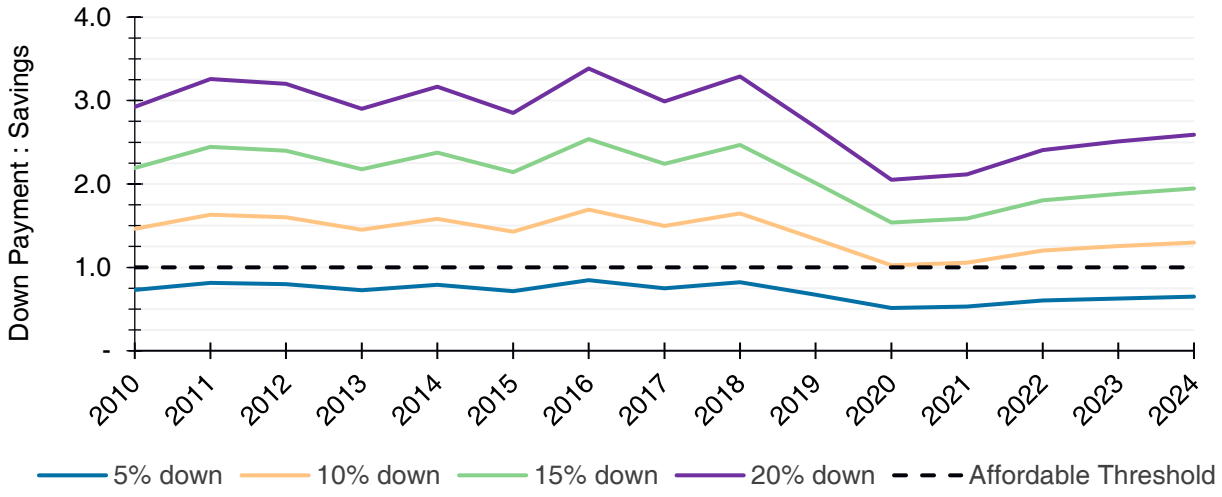
- In 2019, the homeownership market was relatively accessible for new buyers. With a sufficient down payment, households at any income percentile could afford homes priced at a higher percentile of sales. For example, 80% of households could afford 84% of dwellings.

- Since then, housing conditions across much of Nova Scotia have shifted dramatically, driving shelter costs (particularly for ownership) beyond the reach of many more households. With the exception of the highest earners, most income percentiles could no longer afford homes at their equivalent sales percentile, often falling far below. By 2024, 80% of households could afford only 40% of sales, compared to 84% in 2019 – a decline of 44 percentage points.

### 4.4.2 Obstacles to Homeownership for First-Time Buyers / Renters

**Figure 4.13** demonstrates the ratio of the estimated 5-year net savings of a typical 25- to 34-year-old led household (a proxy for a new home-buyer) in a given year compared to the typical down payment in a given year (based on the down payment percentage). A value above 1.0 indicates that the typical 25- to 34-year-old does not have enough built-up savings to cover the payment.

**Figure 4.13: Ratio of down payment required by percent down to estimated savings, 25-to-34-year olds**

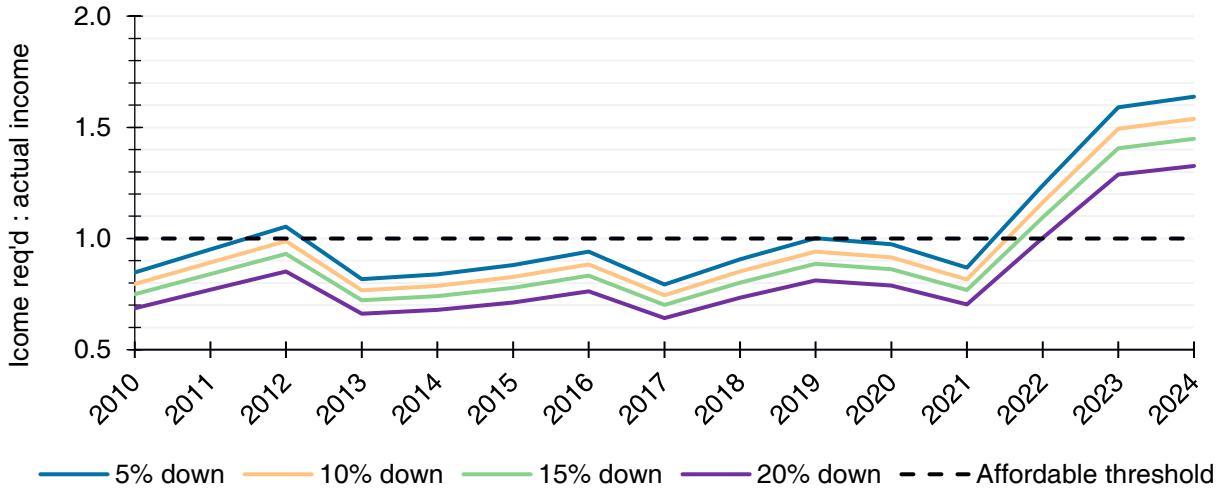



Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

- According to estimates, younger adults typically save enough over five-years to afford the down payment of the typical local dwelling if said payment is 5% down. Contributing higher amounts of equity becomes increasingly expensive.

While lower down payments provide an easier means of entering the market, this does not necessarily equate to an affordable carrying cost. Relatedly, **Figure 4.14** demonstrates the ratio of the estimated income required to reasonably afford the mortgage payments for the typical home in a given year compared to the estimated income of the typical 25- to 34-year-old in a given year (based on the same down payment scenarios as above). A value above 1.0 indicates that the required income is unattainable for the typical young adult led household.

**Figure 4.14: Ratio of income required for mortgage payment to actual income, 25-34 year olds**




Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

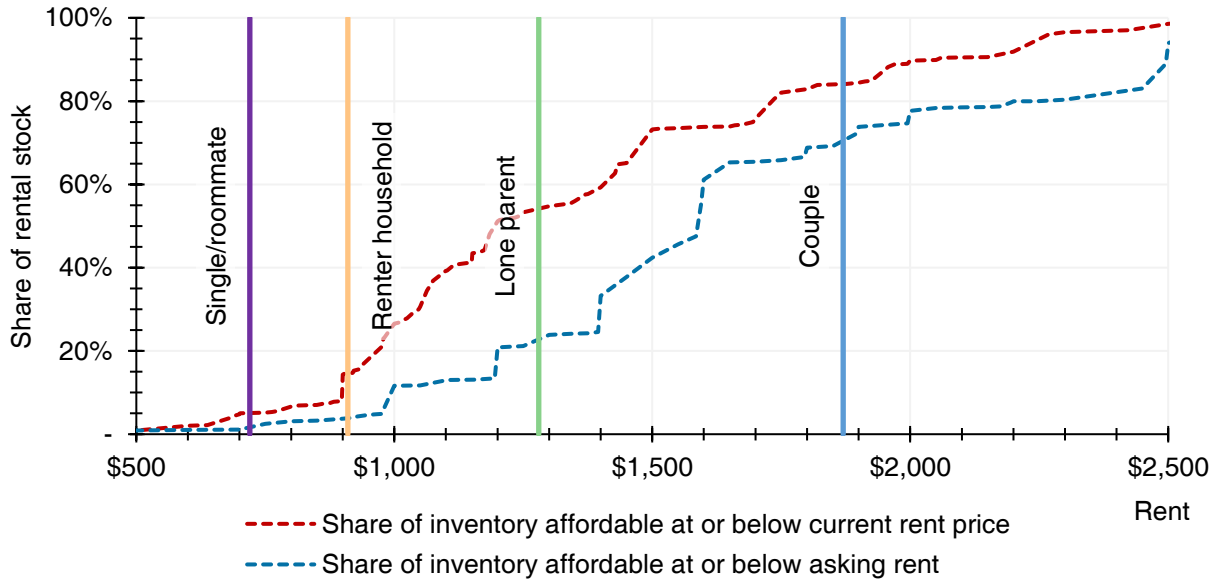
- A 5% down payment allows households to enter the market with less savings but results in higher overall costs compared to buyers contributing more equity on the same home. This creates a clear trade-off between lowering the entry barrier and long-term affordability.

- Historically, the relationship between home prices and local incomes kept housing reasonably affordable, whether buyers put down 5% or 20%. However, sharp price increases after 2020 quickly eroded this balance. By 2024, typical mortgage payments were no longer reasonably affordable relative to the income of a first-time homebuyer, regardless of the amount of equity invested.

### 4.4.3 Rent Price Accessibility

**Figure 4.15** illustrates the estimated financial capacity of different local household types to afford various rent levels within the community. Calculations follow Statistics Canada's definition of affordability (spending no more than 30% of before-tax household income on shelter costs) and are based on the previously estimated household incomes. Each household type's affordable rent threshold is compared against the share of the county-wide rental inventory available at or below that rent level. For example, approximately 48% of rental units are listed at $1,585 or less.

**Figure 4.15: Share of county rental stock financially achievable by local households, 2025**




Source: derived from 2025 Turner Drake Housing Market Survey and estimated 2023 before-tax household incomes by tenure

- Based on 2023 estimates, the median renter household could reasonably afford a monthly rent of $910. However, according to asking rents from the 2025 rental housing survey, about half of renter households would be unable to afford roughly 95% of turned over units (i.e., units rented at asking price) without exceeding affordable spending levels. Conditions are better if considering average current rents, but still of concern – median renter income could afford 15% of the rental stock.

- If a renter household decided to spend 50% of their income on shelter, their monthly rent budget would increase to about $1,515 and they could meet the asking rents of 42% of rental units.

- Renter households are predominantly composed of single individuals or roommates, groups that typically earn lower incomes. These households have the least choice in the rental market.

- Lone-parent households, while generally single-income, can access a slightly larger share of housing within affordable limits. Even so, the median lone parent could afford only about 24% of listed rentals without overspending, versus 55% of rentals at current rates.

- Couple households, more likely to have dual incomes, have the greatest range of housing options, being able to afford approximately 70% of units on market based on the standard affordability threshold.

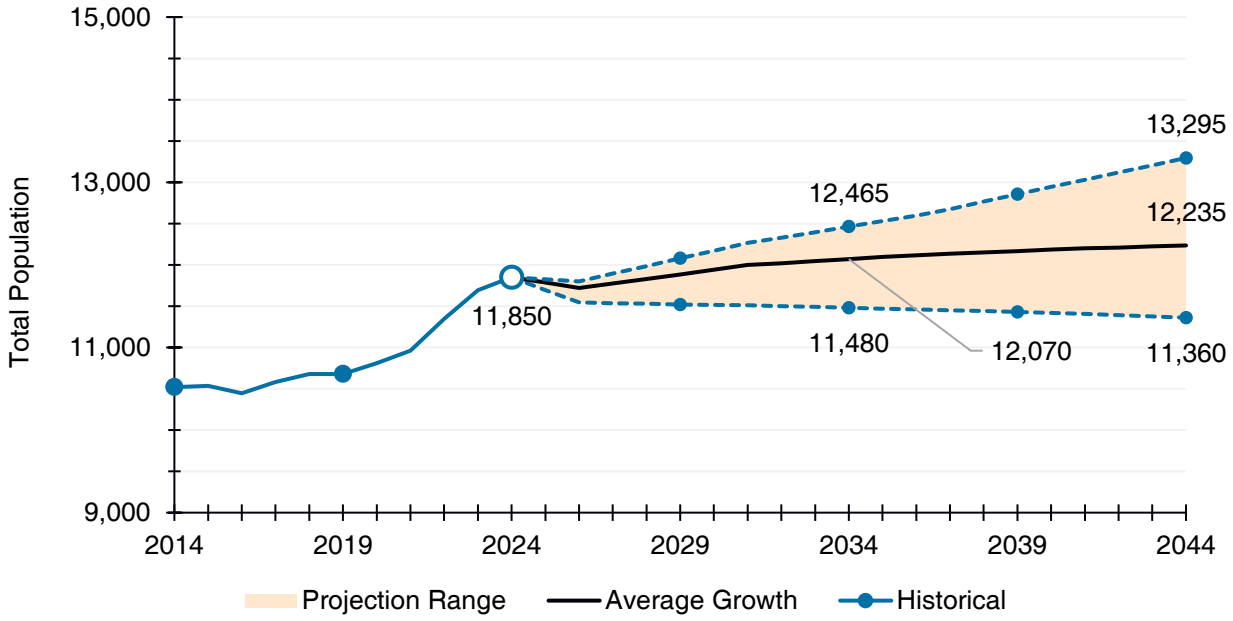
## 4.5 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 4.5.1 Population Projections

**Figure 4.16** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 4.16: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 11,480 and 12,465, representing a decline of 3% and rise of 5% over the decade. By 2044, the range may widen to 11,360 to 13,295, or -4% to 12% change since 2024.
- Under a moderate scenario, the population may grow 2% by 2034 (to 12,070) and 3% by 2044 (to 12,235).

**Table 4.9** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 4.9: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 10,680 | 1,260 | 815 | 1,915 | 3,570 | 2,800 | 315 |
| **2024** | 11,850 | 1,315 | 910 | 2,135 | 3,655 | 3,465 | 370 |
| **5yr % change** | +11% | +4% | +12% | +11% | +2% | +24% | +17% |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2034** | 12,070 | 1,125 | 1,000 | 1,935 | 3,440 | 3,985 | 585 |
| **10yr % change** | +2% | -14% | +10% | -9% | -6% | +15% | +58% |

Source: Turner Drake analysis derived from Statistics Canada

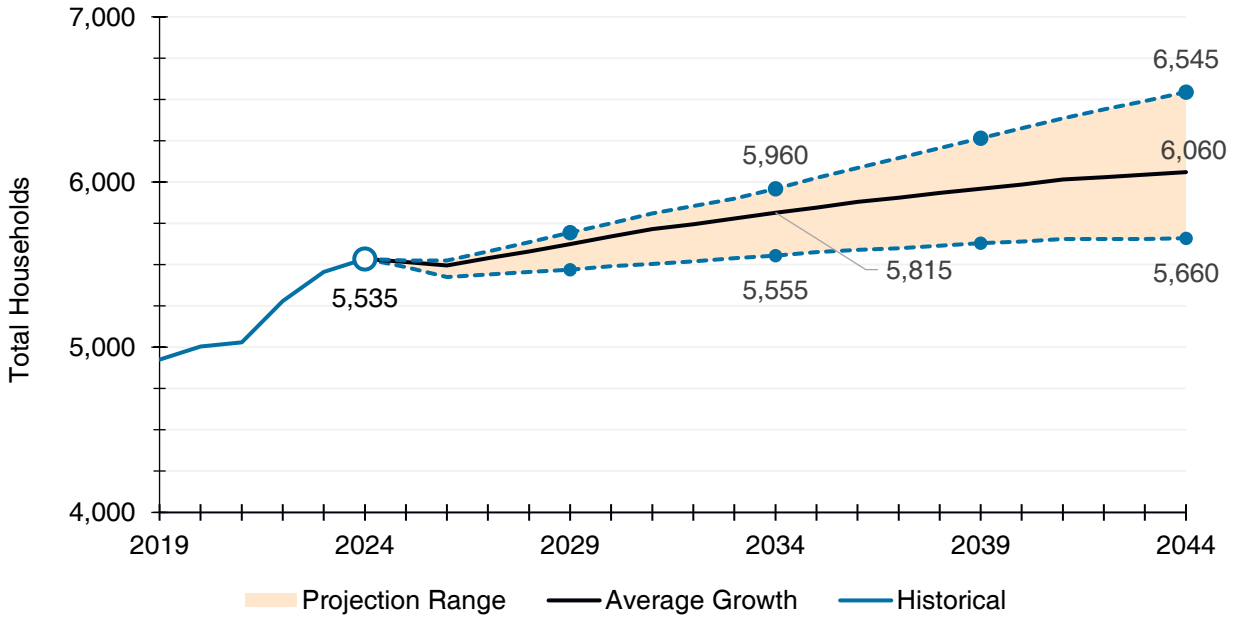
- As mentioned, the total population may expand from 11,850 to 12,070 by 2034, a 2% increase.
- Growth may be concentrated among seniors. By 2034, seniors ages 85+ are projected to grow by 58% (370 to 585). Over the same period, seniors 65–84 may increase by 15% (3,465 to 3,985).

### 4.5.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head") of a household. For more methodology details, see the Appendices.

Like **Figure 4.16**, **Figure 4.17** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 4.17: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 5,555 and 5,960, representing growth of less than 1% to 8% over the decade. By 2044, the range may widen to 5,660 to 6,545, or 2% to 18% growth since 2024.
- Under a moderate scenario, total households may grow 5% by 2034 (to 5,815) and 9% by 2044 (to 6,060).

**Table 4.10** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 4.10: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 4,925 | 45 | 935 | 2,025 | 1,680 | 235 |
| **2024** | 5,535 | 50 | 1,040 | 2,080 | 2,085 | 275 |
| **5yr % change** | +12% | +11% | +11% | +3% | +24% | +17% |
| **2034** | 5,815 | 55 | 950 | 1,950 | 2,420 | 440 |
| **10yr % change** | +5% | +10% | -9% | -6% | +16% | +60% |

Source: Turner Drake analysis derived from Statistics Canada

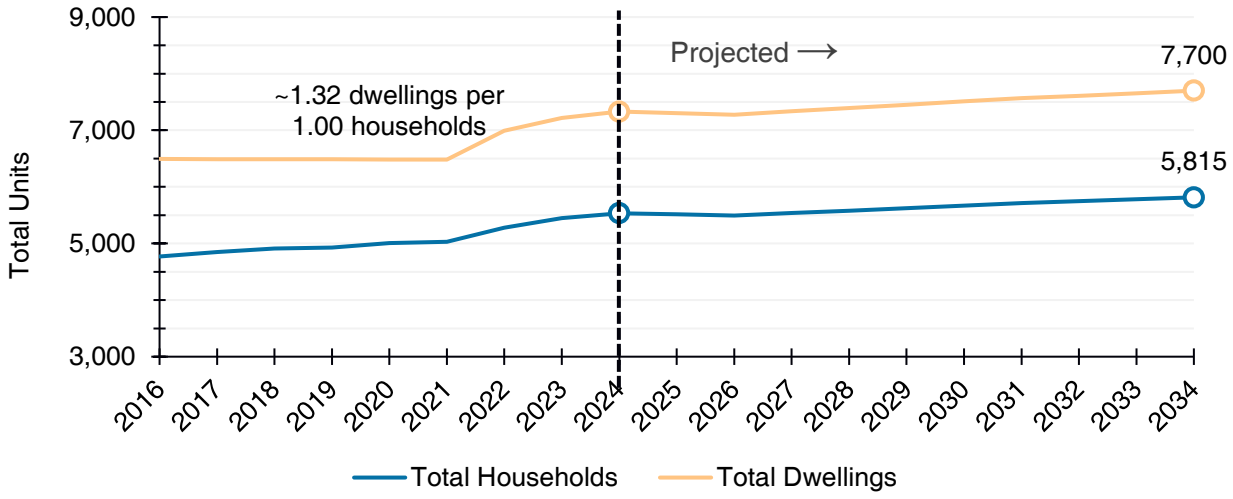
- As mentioned, total households may expand from 5,520 to 5,815 by 2034, a 5% increase. Like historical trends, projections anticipate household growth will outpace population growth, influenced largely by the faster expansions of seniors and senior-led households (i.e., greater households per capita).

- By 2034, 65-to-84-year-old senior-led households may expand 16% (2,085 to 2,420) and elderly-led households by 60% (275 to 440).

### 4.5.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 23% of Chester dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 4.18** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 4.18: Anticipated households versus dwellings**

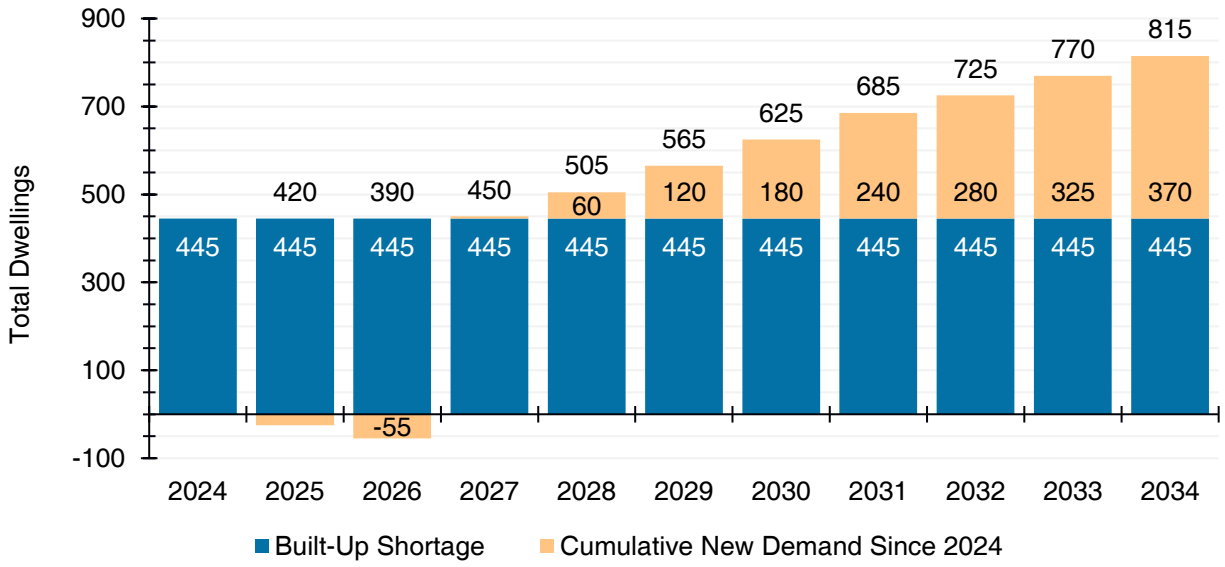



Source: Turner Drake analysis derived from Statistics Canada

- Historically, Chester has about 1.32 dwellings for every household. If applied to household projections, the municipality may demand 7,700 total dwellings by 2034 – an increase of 370 units over a decade (or 37 annually), versus 510 households (51 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provide further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households – those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 4.19** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 4.19: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

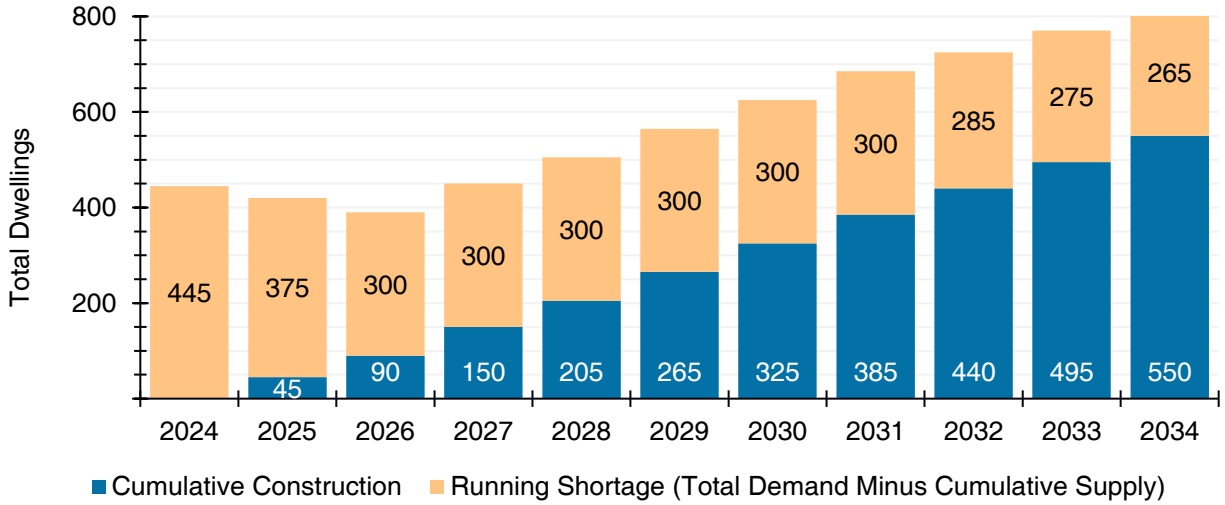



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 445 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, Chester may have a total net new demand of 815 units by 2034.

**Figure 4.20** shows how the aforementioned total demand may compare to anticipate build outs of housing (based on historical trends).

**Figure 4.20: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could reduce to 265 units, indicating a moderate housing deficit without intervention. This would require building about 26 additional dwellings per year, on top of the 55 already expected annually.

**Table 4.11** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, Chester's total inventory is about 17% rentals (as of 2021). Anticipated growth trends suggest building at a higher share (about 34%) over the next decade.

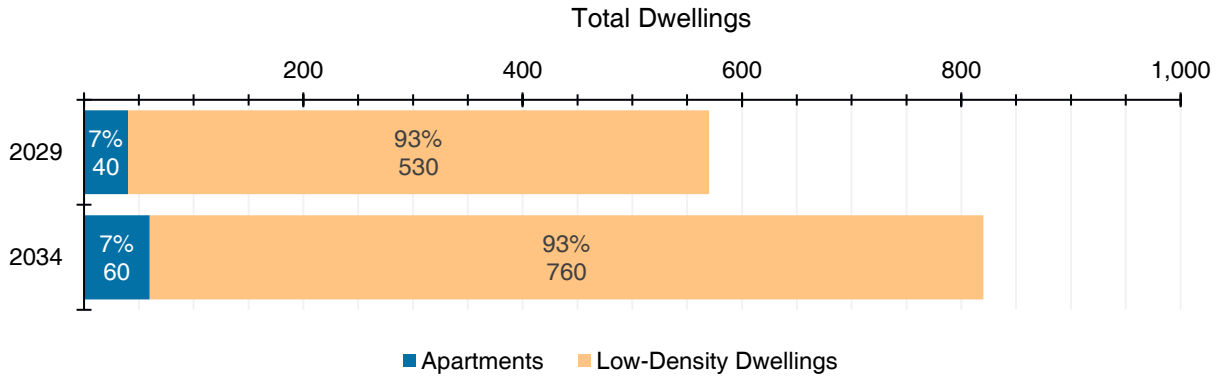
**Table 4.11: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | by 2029 | share | by 2034 | share | by 2029 | share | by 2034 | share |
| **Total** | 390 | | 540 | | 175 | | 275 | |
| **0-/1-Bed.** | 20 | 5% | 30 | 6% | 55 | 31% | 100 | 36% |
| **2-Bed.** | 235 | 60% | 380 | 70% | 120 | 69% | 175 | 64% |
| **3-Bed.** | 95 | 24% | 80 | 15% | 0 | 0% | 0 | 0% |
| **4+ Bed.** | 40 | 10% | 50 | 9% | 0 | 0% | 0 | 0% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 4.21** and **Figure 4.22** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 4.21: Anticipated new dwelling demand by dwelling typology, moderate scenario**

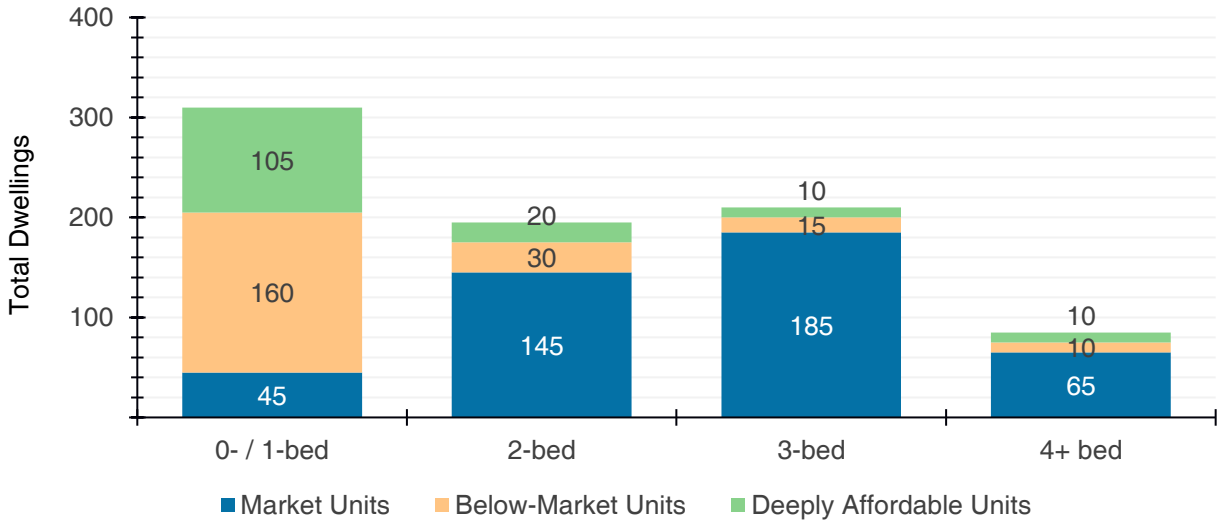



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for single-detached homes – unsurprising given the more rural nature of Chester. Nevertheless, other low-density typologies (e.g., semi-detached homes or townhouses) could also serve to meet the demand.

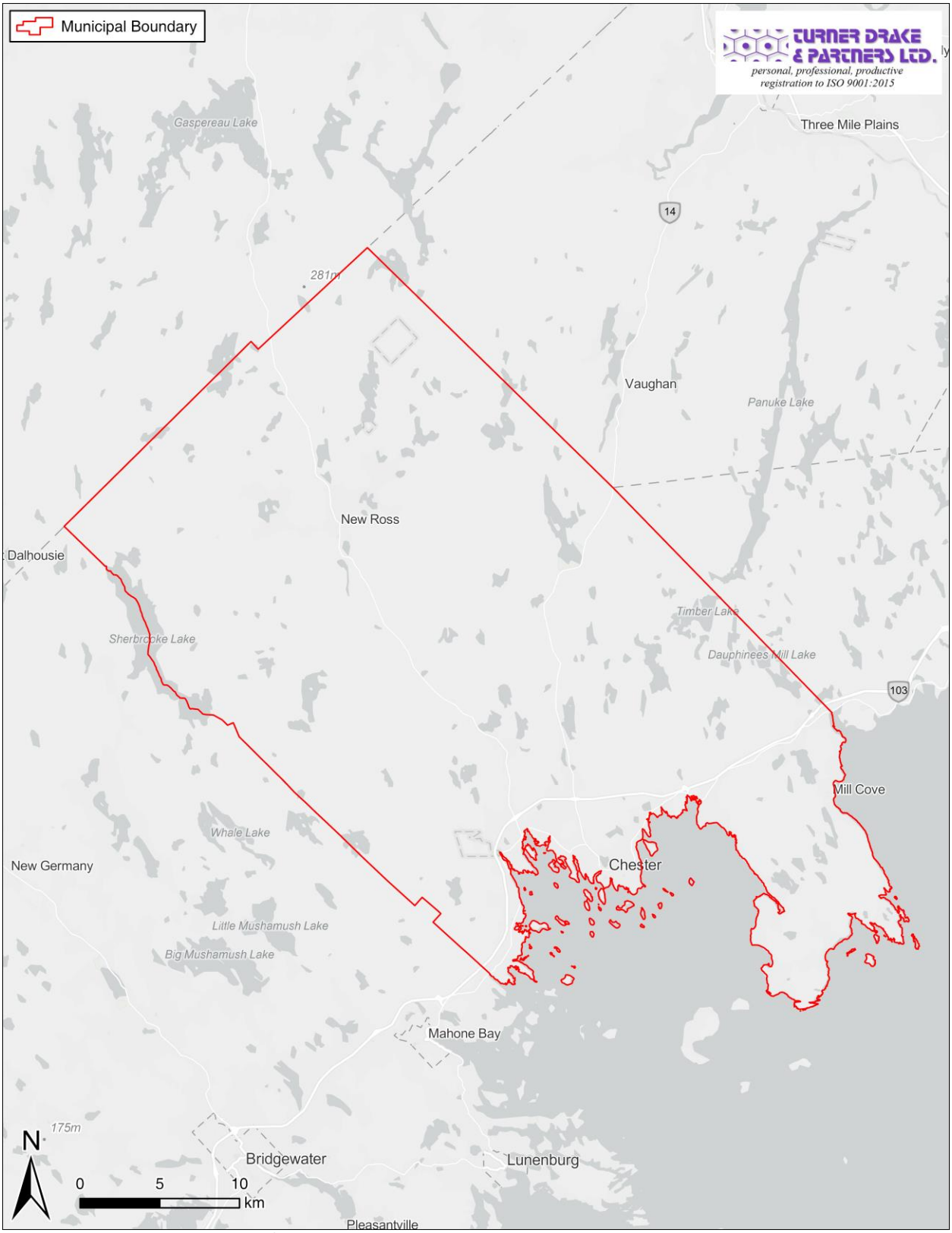
- Based on Core Housing Need influenced calculations, there is a potential local demand for about 355 non-market units (215 below-market units and 140 deeply affordable units).

**Figure 4.22: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

**Figure 4.23: Study Area Map – Chester**




Source: The Province of Nova Scotia | Basemap accessed through ESRI ArcPro.

# Section 5 | Town of Mahone Bay

## 5.1 Rental Market Overview

This section presents the results of our rental market survey, specific to the Town of Mahone Bay. For brevity, we refer to this jurisdiction as *"Mahone Bay"*. A summation of the conclusions stemming from our research is contained in the **Discussion & Conclusions** section of this document.

While the results of our rental market survey for Mahone Bay are statistically valid, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type). As such, we recommend the use of the county-wide vacancy and rental rates for Mahone Bay for policy and research functions, with localized figures providing nuance and context.

### 5.1.1 Rental Market Supply

Mahone Bay has a comparatively low supply of primary market rental units; this is driven by its smaller geography, along with a historical lack of concentrated demand for large-scale and multi-unit construction typologies. The rental market in the town is typified by smaller, older-stock, and low-rise buildings. The primary commercial artery of the town has a number of mixed-use properties that host both secondary-market units and vacation rentals.

Our research delineated just 68 primary market rental units in Mahone Bay. This is the smallest figure amongst the five municipalities in the county, and accounts for approximately just 3% of the total inventory in the county. **Table 5.1** shows the total primary market unit inventory for Mahone Bay, along with the totals for the other jurisdictions in the county.

**Table 5.1: Primary Rental Market Inventory (Mahone Bay)**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

We expect the distribution of units by bedroom type (i.e., 1-Bed., 2-Bed., etc.) to largely follow the same patterns as at the county-level. As such, we anticipate that the breakdown of primary market unit types for Mahone Bay is as follows:

**Table 5.2: Unit Type Breakdown (Mahone Bay)**

| Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|
| 4% | 24% | 63% | 9% |

Source: Derived using Turner Drake's rental market survey and estimated dwelling unit counts

### 5.1.2 Vacancy Rates

Vacancy rates specific to Mahone Bay are effectively zero across all unit types and building sizes, underscoring an extremely tight rental market with virtually no available supply. This is in stark contrast to Lunenburg County overall, where vacancy rates hover around 4.5%, a vacancy rate already considered relatively low but still indicative of at least some turnover and choice within the broader, regional market.

By bedroom type **(Table 5.3),** Mahone Bay records no vacant units in any size category, from studios through three-bedrooms, compared to the county's modest 2.8-4.7% range. This suggests strong demand across all unit sizes and a near-total absence of available rental options, particularly for smaller or more affordable dwelling units.

**Table 5.3: Vacancy Rate by Bedroom Type (Mahone Bay)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **Lunenburg County** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **Lunenburg County** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

Vacancy rates by building size follow the same trend, as illustrated below in **Table 5.4.** Mahone Bay shows limited-to-no vacancy in any building category, including small-scale rental housing (<6 units). This signals a highly constrained housing market where households have limited to relocate or enter the market in Mahone Bay.

**Table 5.4: Vacancy Rate by Building Size (Mahone Bay)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Mahone Bay** | 0.00% | 0.00% | 0.00% | --- | --- | 0.00% |
| **Lunenburg County** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

Smaller submarkets such as Mahone Bay exhibit greater sensitivity to small-sample effects, which can introduce variability in granular measures such as vacancy and rental rates by unit type or building size. Even so, the findings for Mahone Bay are noteworthy: despite potential variability, the data consistently record limited-to-no vacancy across all unit types and building sizes, making it the most supply-constrained submarket in the county. This reinforces what is often reported anecdotally; demand for rental housing in Mahone Bay far exceeds supply.

Taken together, the survey results indicate a region-wide shortage of rental housing, with Mahone Bay representing the most acute expression of that shortage. These conditions highlight the need for sustained and diversified investment in new, attainable rental development to restore market balance, improve affordability, and ensure that rental options exist across the full range of household sizes and income levels.

### 5.1.3 Rental Rates

A key objective of this project was to quantify market rental rates in Lunenburg County, and for each of the individual municipalities within. **Table 5.5** shows the average rent by unit type for Mahone Bay and the county as a whole, and **Table 5.6** shows the average rental rates by building size (unit count range). These figures are weighted averages, which ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit

inventory. These totals are derived market averages for rental rates (i.e., achieved rent); this is what tenants are currently paying. Asking rental rates are addressed in **Section 5.1.4**.

The reported rental rates for primary market buildings in Mahone Bay generally skewed to the lower-end, though that was largely driven by longer-term tenancies in older rental units. Recorded rental rates in the secondary market (small sample size notwithstanding) were actually higher than those of the primary market; this is driven by several older buildings that have undergone thorough renovations, and command rental premiums over their counter-parts.

While the results of our rental market survey for Mahone Bay are comprehensive and statistically reliable, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type, etc.). As such, we recommend the use of the county-wide figures for Mahone Bay for policy and research functions, with locally-specific numbers applicable for nuance and context.

**Table 5.5: Weighted Average Rent by Bedroom Type (Mahone Bay)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Mahone Bay** | $975 | $1,038 | $1,204 | $1,300 | $1,150 |
| **Lunenburg County** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Mahone Bay** | $975 | $1,038 | $1,125 | $1,300 | $1,091 |
| **Lunenburg County** | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 5.6: Weighted Average Rent by Building Size (Mahone Bay)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Mahone Bay** | $1,800 | $1,192 | $1,021 | --- | --- | $1,150 |
| **Lunenburg County** | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 5.1.4 Achieved vs Asking Rents

To provide further context on rental rates, we conducted a review of the difference between asking and achieved rental rates. **Table 5.7** presents the results of this analysis. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently achieved by said space; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that applies to existing tenancies under periodic leases. Building operators often look to recoup this differential via increases to newly vacant units.

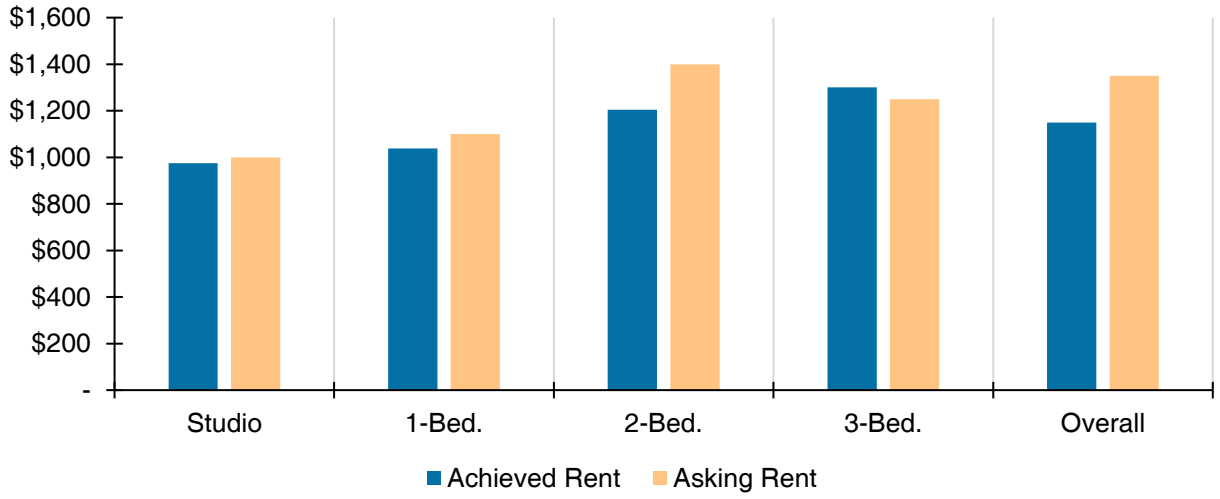
Asking rates in Mahone Bay are distorted by a small sample size, however they are illustrative of what a prospective tenant would be faced with. Achieved rates in Mahone Bay, and the county writ-large, tend to be lower as they reflect a market with limited turnover and marginal rent increases. This is largely attributable to a substantive base of long-term renters, and a correspondingly lower rates of annual rent increases.

**Table 5.7: Achieved vs Asking Rates by Unit Type (Mahone Bay)**

| Mahone Bay | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $975 | $1,000 | $25 | 3% |
| **1-Bed.** | $1,038 | $1,100 | $62 | 6% |
| **2-Bed.** | $1,204 | $1,400 | $196 | 14% |
| **3-Bed.** | $1,300 | $1,250 | -$50 | -4% |
| **Overall** | $1,150 | $1,350 | $200 | 15% |
| **Lunenburg County** | | | | |
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $971 | $1,200 | $229 | 24% |
| **1-Bed.** | $1,159 | $1,500 | $341 | 29% |
| **2-Bed.** | $1,417 | $1,800 | $383 | 27% |
| **3-Bed.** | $1,464 | $1,700 | $236 | 16% |
| **Overall** | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | * Figures are weighted averages that have been rounded to the nearest realistic point.

**Figure 5.1: Achieved vs Asking Rent (Mahone Bay)**




Source: Turner Drake & Partners Ltd.

### 5.1.5 Secondary Rental Market

The secondary rental market is defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, larger older-stock homes that have been demised into multi-unit structures, etc. We estimate that the secondary rental market represents just shy of 49% of the overall rental unit inventory in Mahone Bay. **Table 5.8** details these figures. Mahone Bay lacks an established base of purpose-built apartment rentals, with the secondary market an essential part of the Town's rental scene.

The secondary market supply is often provided through the repurposing and renovation of older housing stock. These units can frequently carry a rental premium driven by the costs of renovations, limited availability, and the scarcity of comparable offerings. Single-family homes will typically command a higher rental rate than smaller apartment units, partially driven by low availability in the region for family-sized rentals, along with the fact that they are usually larger spaces.

Our survey recorded no-to-limited vacancy rates in Mahone Bay, both in the primary and secondary markets. While this does not mean that there is zero vacancy across the board, it underscores that overall availability in the rental sector is low. There are limited options for those entering the market. On the whole, we expect that trends in the secondary rental market will generally follow the same themes are those identified through our rental market survey.

**Table 5.8: Secondary Rental Market Inventory (Mahone Bay)**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

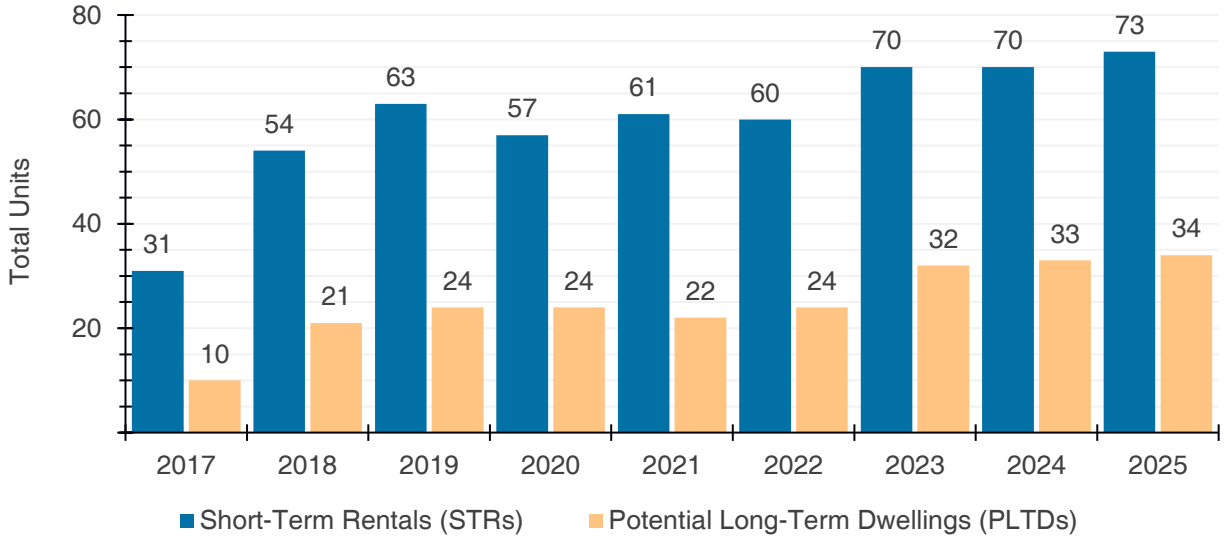
Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

## 5.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 5.2** depicts the changes in STR properties from 2017 to 2025,[16] along with the estimated number of units that were potential long-term dwellings (PLTDs) – meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[17]

**Figure 5.2: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

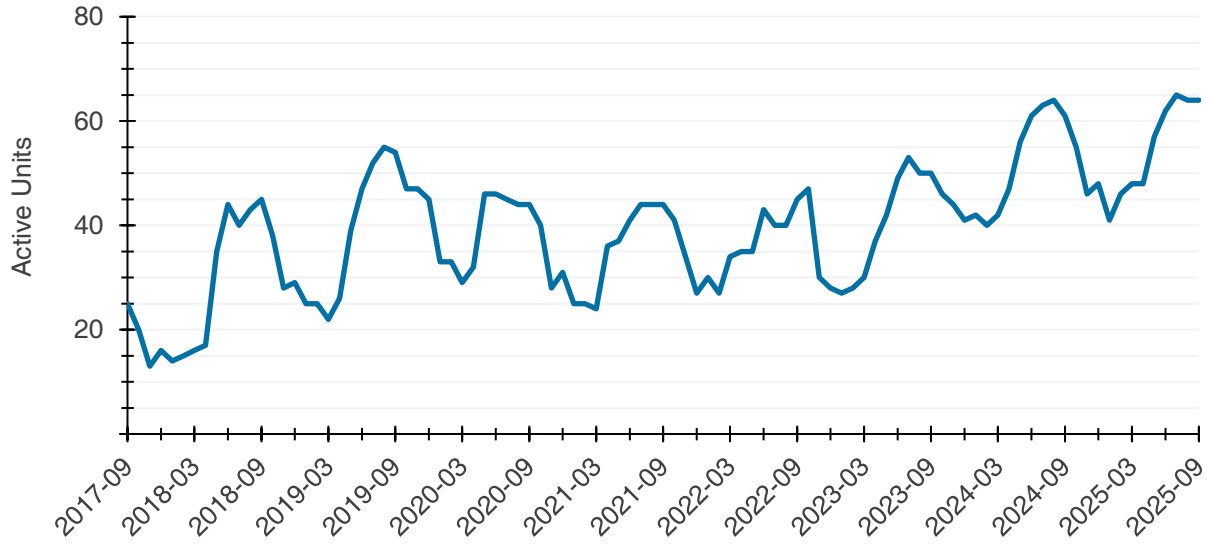
- Estimates indicate that by 2025, Mahone Bay's STR market included approximately 73 properties, of which 34 were PLTDs. PLTDs therefore accounted for about 47% of the total STR inventory.
- Although PLTDs have continued to increase since 2022, their growth was considerably slower in the last two years. PLTDs reached their highest share of the STR market in 2024.

**Figure 5.3** illustrates monthly STR activity, highlighting the clear seasonality of STRs across Mahone Bay. Activity is lowest during the winter months, rises sharply through early summer, peaks between June and October, and then declines noticeably toward late fall.

[16] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[17] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

**Figure 5.3: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

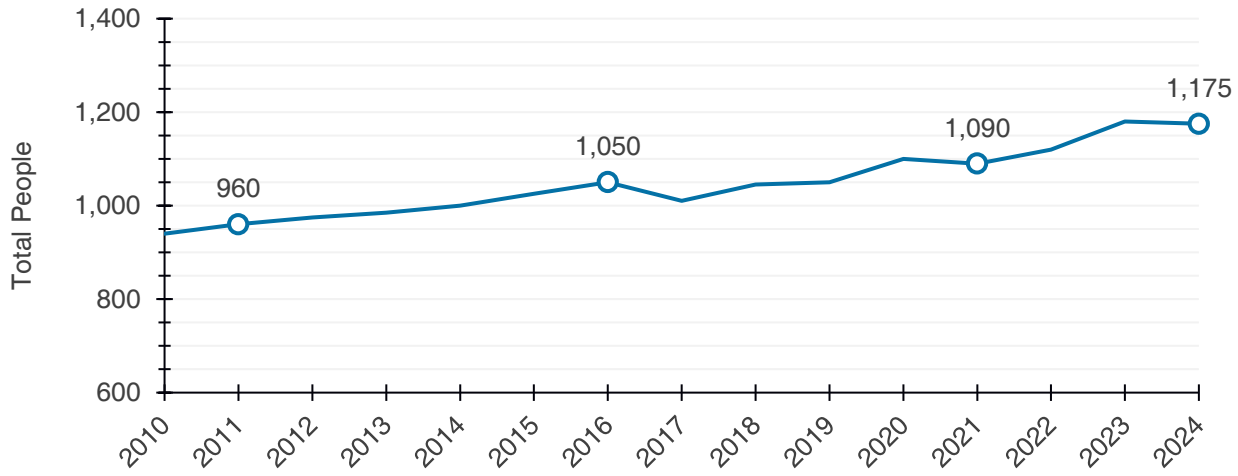
## 5.3 Demographic & Housing Supply Profiles

### 5.3.1 Historical Demographic & Income Profiles

Statistics Canada produces annual total population estimates for municipalities, with the most recent year being 2024. **Figure 5.4** illustrates the annual change in Mahone Bay's total population based on these estimates. **Figure 5.5** goes a step further and provides estimates of population change over the last five years by age category.

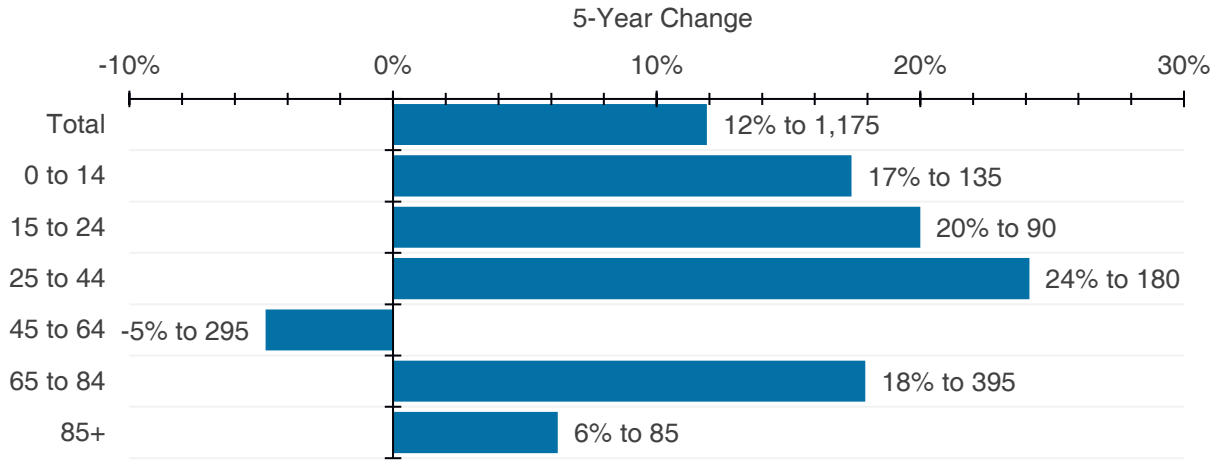
Readers who are familiar with local 2021 Census results will note that the estimated total and the Census total are different. Estimates are typically higher than Census results as Statistics Canada performs post-census adjustments to account for potential errors. The same adjustments are not available for age groups at the municipal level.

**Figure 5.4: Historical estimated total population**




Source: Statistics Canada Table 17-10-0155-01

**Figure 5.5: Percent change to population by age group, 2019 to 2024 estimates***




* Results for 2019 to 2024 combine age group totals from the Census and annual estimates to determine how age groups might have changed over non-Census years.
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Mahone Bay experienced a continuous increase to its total population since about 2016 (common across much of the province), increasing from 1,050 in that year to about 1,175 by 2024 – a 12% rise.

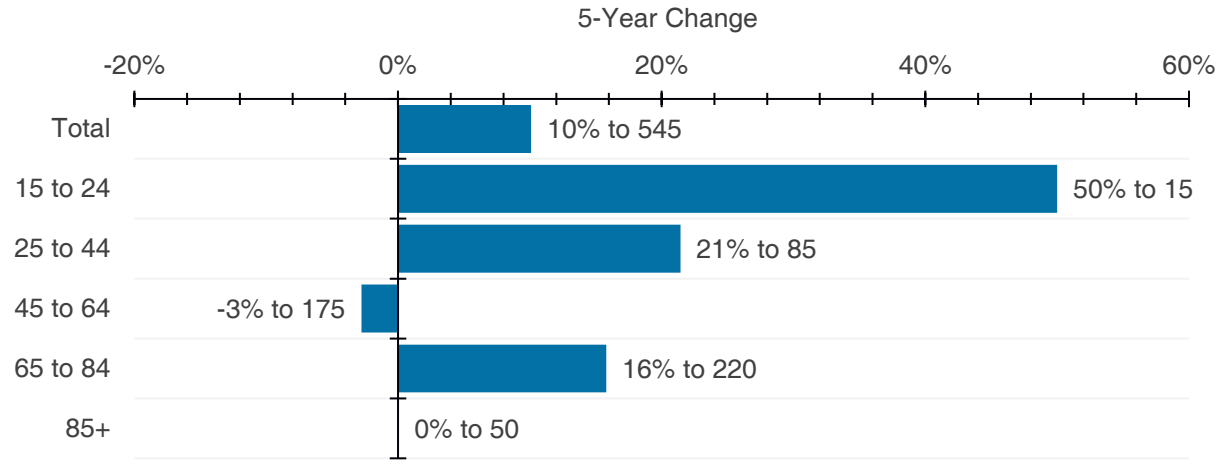
- Over the last five years, the total population increased 12%, with notable relative growth among all age groups except 45- to 64-year-olds.

- Seniors represent a considerable and increasing proportion of the local resident base (almost 41% in 2024). Even so, growth among 25-to-44-year-olds, accompanied by increases among children, suggests local increases are in part due to in-migrating younger couples and families.

As the population increases, so too (most often) do the number of households. **Figure 5.6** shows how household totals by primary household maintainer age category changed over the last five years.

The primary household maintainer is the Census' categorization of the first person in the household responsible for paying the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer. For example, a 25- to 44-year-old maintainer refers to the age of the person who most often "leads" the household financially.

**Figure 5.6: Percent change to households by primary maintainer age group, 2019 to 2024 estimates***



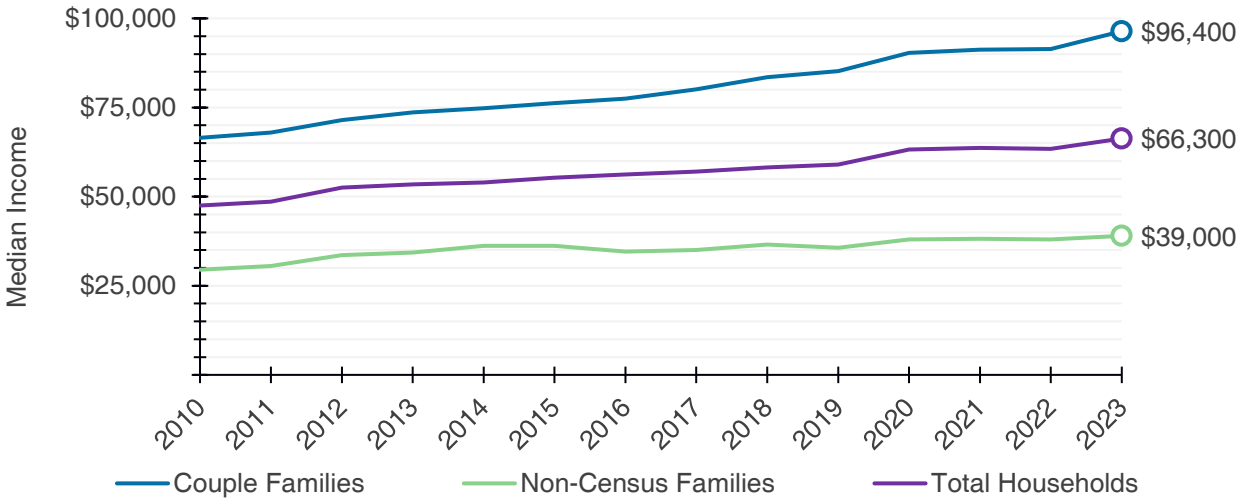

* Household results for 2019 to 2024 perform a similar estimation as for population, but make adjustments based on Census period headship rates (i.e., the number households led by an age group for every person in same age group).
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Total households between 2019 and 2024 increased by an estimated 10%, lower than the rate experienced by the overall population.

- Lower household versus population growth generally reflects a younger household maintainer base. As families grow, the number of dependents grows, leading to larger household sizes and, inversely, lower households per capita.

The typical earnings or wealth a household accumulates are largely a function of the household's age. As youth become adults, they begin to earn more income commensurate to their experience. As they age, they are also more likely to form partnerships that lead to dual-income earning circumstances, further increasing their financial capacity. Even further down the road, people begin to retire and no longer earn income, but live off savings and pensions. **Figure 5.7** demonstrates how estimated median before-tax household incomes have changed between 2010 and 2023.

**Figure 5.7: Historical* before-tax household incomes by family type**



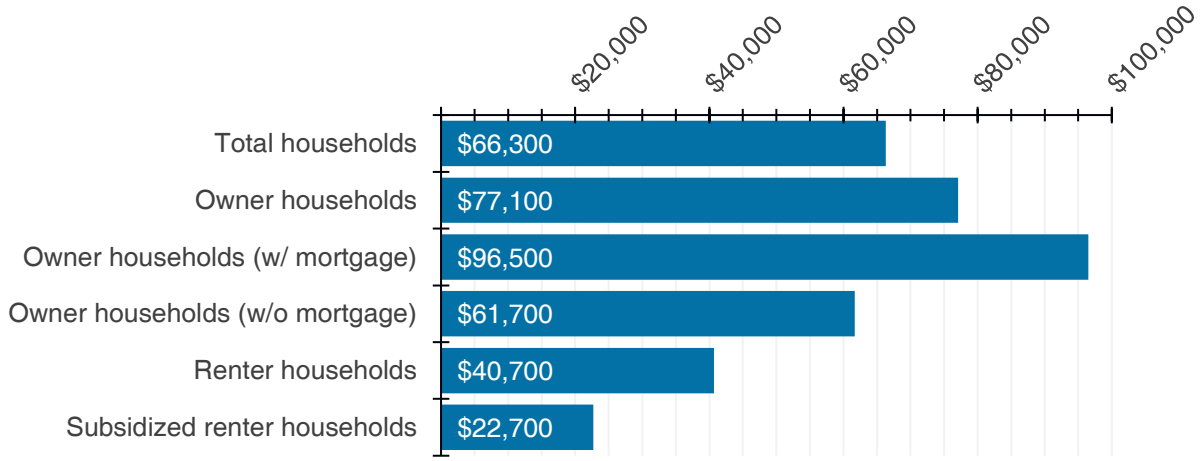

* Total household incomes derived from family incomes. Pre-2021 incomes are from a past Statistics Canada custom data order. Incomes for 2021 to 2023 estimated based on inferred pre-2021 relationship between local and non-CMA provincial income data.
Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- As of 2023, the median household may have earned $66,300 before-tax. Couples (more likely have more than one source of earnings) earned about $96,400, and non-census families (e.g., single persons or roommates) earned about $39,000.

- Since 2019, incomes rose about 12%, with a noticeable bump between 2019 and 2020 (due to the impacts of COVID-19 Pandemic support payments) and between 2022 and 2023.

**Figure 5.8** illustrates estimated median before-tax household incomes by tenure for 2023. The data shows a clear divide between households with the financial capacity to own a home, particularly those owners without mortgages as well as households renting in either the private or subsidized market. While the overall median household income was $66,300 in 2023, tenure appears to strongly influence household income levels, with renters, and especially subsidized renters, earning considerably less than owners.

**Figure 5.8: Estimated before-tax household incomes by tenure, 2023**




Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- Owner households with a mortgage (often couples in their employment earning years) report the highest incomes at $96,500, well above the overall median.

- Owner households without a mortgage ($61,700), renter households ($40,700), and subsidized renter households ($22,700) all fall below the total median income.

- The gap between owners and renters is substantial: renter households in the private market show incomes about 47% lower than their owner household counterparts. These disparities highlight the heightened affordability pressures faced by renter and subsidized renter households compared to owners.

UBC's Housing Assessment Resource Tools (HART) initiative defines five household income categories that can help inform the share of households most at risk of housing related financial pressures. HART applied the categories built by governments in the US, Vancouver, and Melbourne. The categories are as follows:

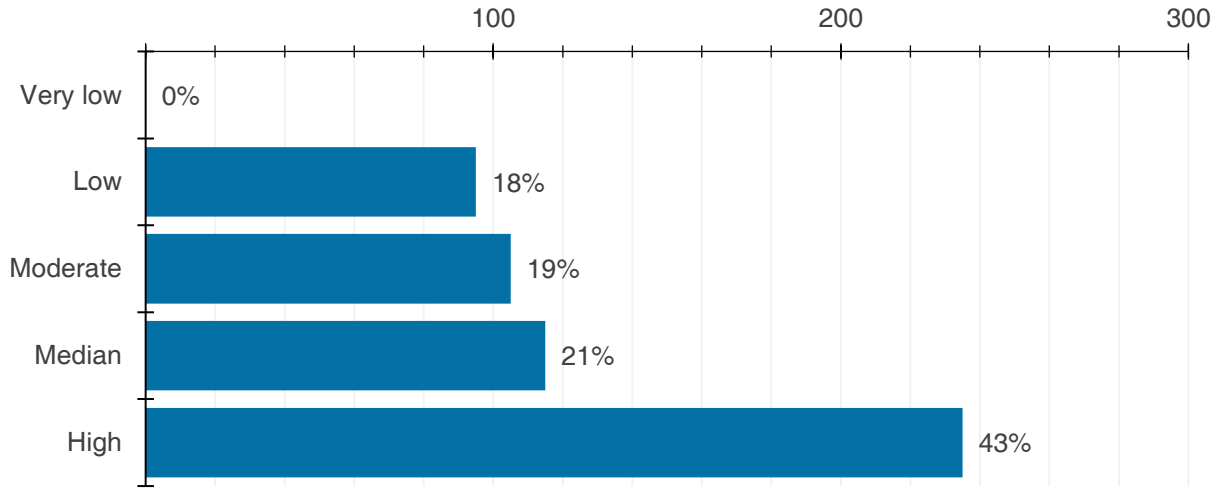
- **Very low income:** 20% or less of area median household income (AMHI), often similar to shelter allowance for income support recipients.

- **Low income:** 21-50% AMHI, generally equivalent to one full-time minimum wage job.
- **Moderate income:** 51-80% AMHI, similar to starting salary for a professional job like a nurse or teacher.

- **Median income:** 81-120% AMHI, representing the 'middle class.'
- **High income:** More than 120% AMHI, the group with most housing wealth.

**Figure 5.9** shows the estimated distribution of households by income category for 2024. The data illustrates a relatively balanced distribution across the low-, moderate-, and median income categories, while very low-income households represent only a small fraction. At the other end of the spectrum, high-income households account for a disproportionately large share of the total, underscoring a notable income divide in the community.

**Figure 5.9: Estimated households by income category, 2024**




Source: Turner Drake analysis derived from Statistics Canada and UBC Housing Assessment Resource Tools program

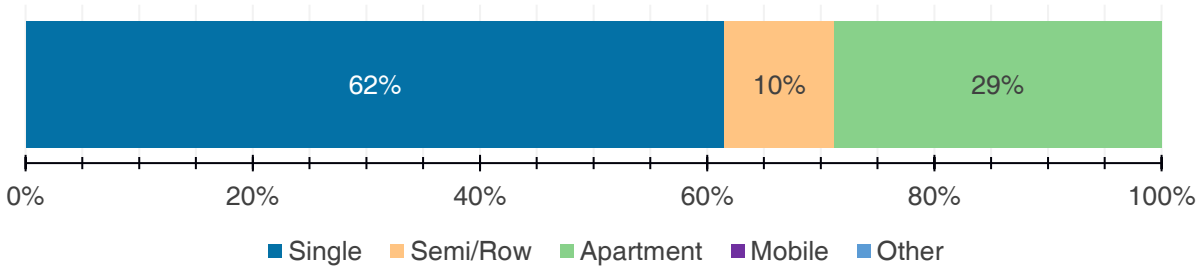
- Income groups are generally evenly distributed among low- (18%), moderate- (19%), and median (21%) income categories.
- High-income households dominate the distribution, making up 43% (235 households), a significantly larger share than all other individual categories.
- The prevalence of higher-income households suggests greater overall purchasing power in the community, but also highlights affordability gaps for lower- and moderate-income households.

### 5.3.2 Housing Supply Overview

In 2021, Statistics Canada reported that Mahone Bay had a total housing inventory of 599 dwellings, of which 522 were occupied by a permanent household (i.e., one that lives in the community more than half of the year, also known as a "usual-resident"). Thus, about 13% of Mahone Bay inventory was intended for a different use, such as a recreational property, a second home, or for shorter term accommodations, or may have been vacant.

For those dwellings that are permanently occupied, **Figure 5.10** illustrates their distribution by structure type (e.g., single-detached, semi-detached, etc.).

**Figure 5.10: Distribution of inventory by usual-resident occupied dwelling structure type, 2021**



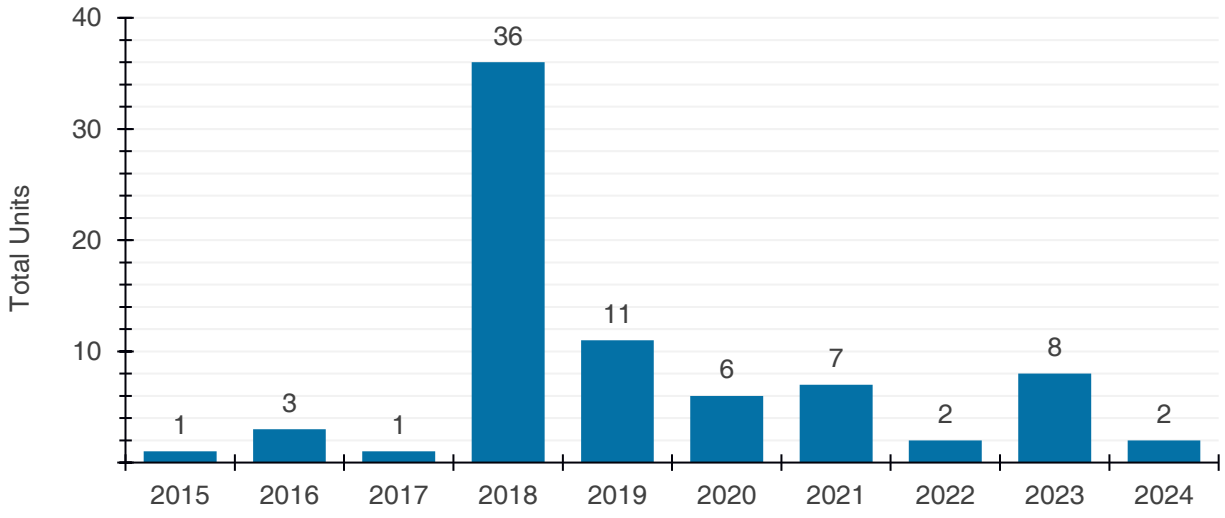

Source: Statistics Canada 2021 Census Profile

- The majority of the municipality's dwellings are single-detached dwellings at a 62% share, with the next largest share occupied by apartment dwellings at 29%.

- According to the 2021 Census, about 170 of usual-resident dwellings were renter-occupied, representing about 33% of local households at that time.

**Figure 5.11** shows the number of construction completions in the municipality from 2015 through 2024. The period from 2015 to 2020 saw general consistency in the number of completions, ranging from 1 to 11 depending on the year, with 2018 being an outlier at 36 completions.

**Figure 5.11: Annual dwelling completions estimates**




Source: derived from the Property Valuation Services Corporation

- Since 2020, Mahone Bay experienced some increases in dwelling completions, with 2023 setting a period-high of 8, followed by 7 in 2021.

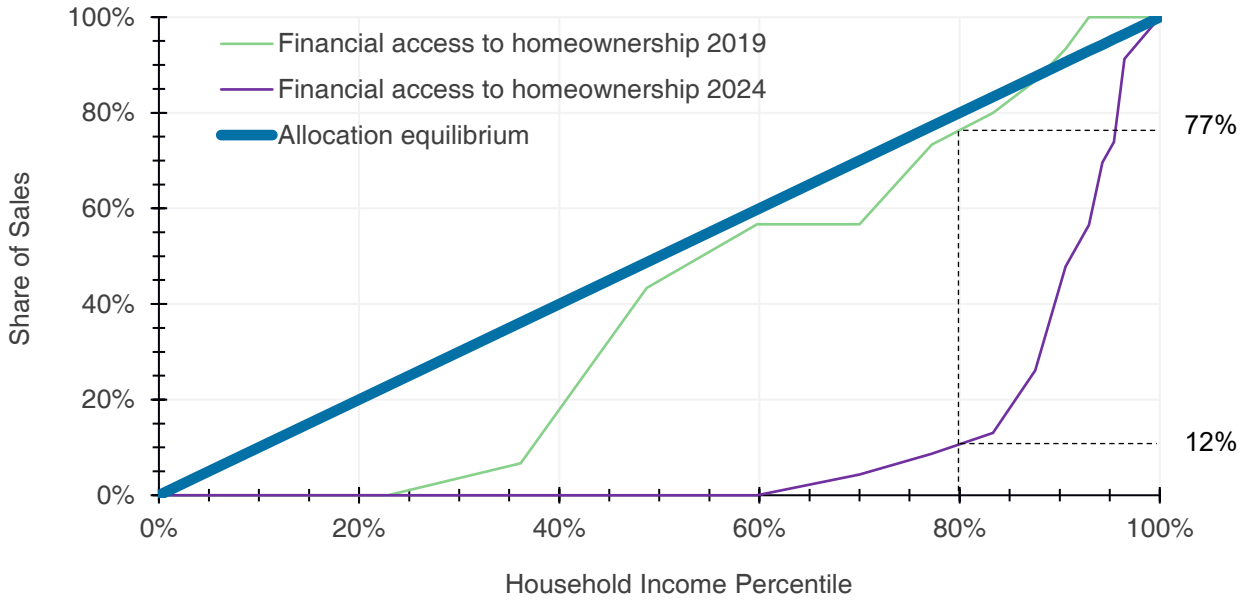
- 2024 saw decreases relative to 2021 and 2023. Construction completions in that year (2) were comparable to 2015 to 2020.

## 5.4 Housing Affordability Analysis

### 5.4.1 Access to Homeownership

**Figure 5.12** illustrates how access to housing has shifted between 2019 and 2024 relative to an estimate of economic equity. Specifically, if we assume that equitable access to housing means that individuals in the 20th income percentile can afford 20% of available dwellings, the actual relationship between renter income distribution (as a proxy for first-time buyers) and housing access can be overlaid to reveal disparities. This comparison highlights the extent of and changes to inequity in the local homeownership market, particularly for first-time buyers.

**Figure 5.12: Share of dwellings affordable by income percentile, as compare to the equitable distribution of sales**




Source: Turner Drake analysis derived from the Property Valuation Services Corporation

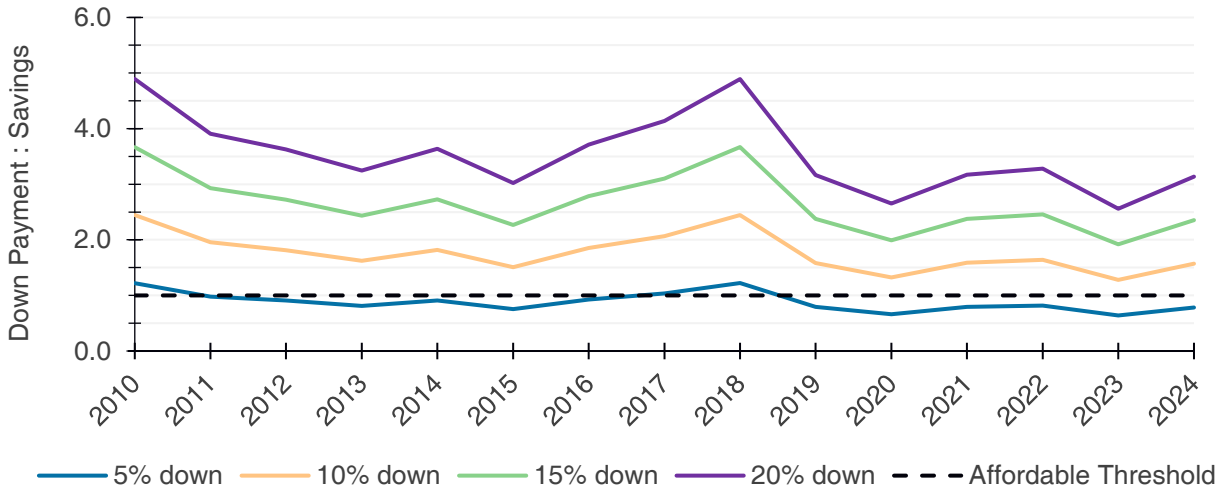
- In 2019, the homeownership market was relatively accessible for new buyers. With a sufficient down payment, households at any income percentile could afford homes priced at a higher percentile of sales. For example, 80% of households could afford 77% of dwellings.

- Since then, housing conditions across much of Nova Scotia have shifted dramatically, driving shelter costs (particularly for ownership) beyond the reach of many more households. With the exception of the highest earners, most income percentiles could no longer afford homes at their equivalent sales percentile, often falling far below. By 2024, 80% of households could afford only 12% of sales, compared to 77% in 2019 – a decline of 65 percentage points.

### 5.4.2 Obstacles to Homeownership for First-Time Buyers / Renters

**Figure 5.13** demonstrates the ratio of the estimated 5-year net savings of a typical 25- to 34-year-old led household (a proxy for a new home-buyer) in a given year compared to the typical down payment in a given year (based on the down payment percentage). A value above 1.0 indicates that the typical 25- to 34-year-old does not have enough built-up savings to cover the payment.

**Figure 5.13: Ratio of down payment required by percent down to estimated savings, 25-34 year olds**

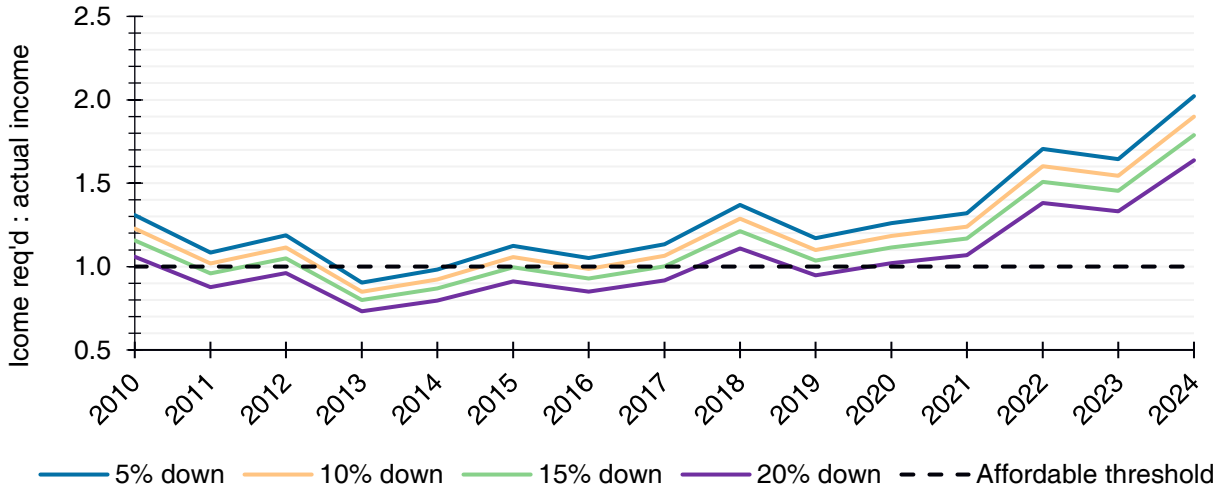



Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

- According to estimates, younger adults typically save enough over five-years to afford the down payment of the typical local dwelling if said payment is either 5% down. Contributing higher amounts of equity becomes increasingly expensive.

While lower down payments provide an easier means of entering the market, this does not necessarily equate to an affordable carrying cost. Relatedly, **Figure 5.14** demonstrates the ratio of the estimated income required to reasonably afford the mortgage payments for the typical home in a given year compared to the estimated income of the typical 25- to 34-year-old in a given year (based on the same down payment scenarios as above). A value above 1.0 indicates that the required income is unattainable for the typical young adult led household.

**Figure 5.14: Ratio of income required for mortgage payment to actual income, 25-34 year olds**




Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

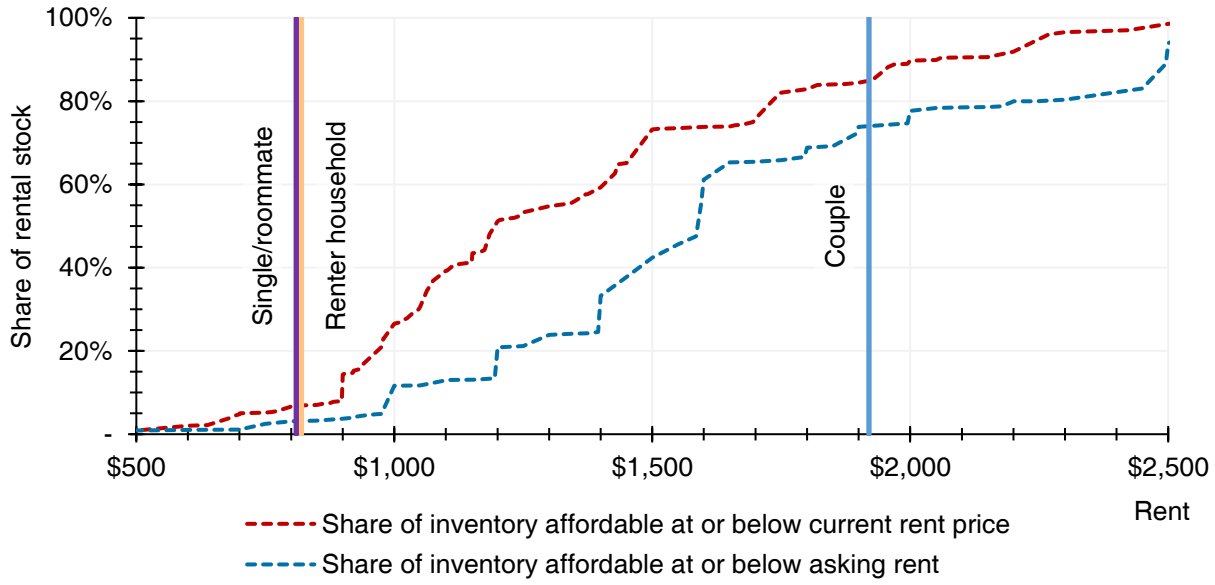
- A 5% down payment allows households to enter the market with less savings but results in higher overall costs compared to buyers contributing more equity on the same home. This creates a clear trade-off between lowering the entry barrier and long-term affordability.

- Historically, the relationship between home prices and local incomes kept housing reasonably affordable, whether buyers put down 5% or 20%. However, sharp price increases after 2020 quickly eroded this balance. By 2024, typical mortgage payments were no longer reasonably affordable relative to the income of a first-time homebuyer, regardless of the equity invested.

### 5.4.3 Rent Price Accessibility

**Figure 5.15** illustrates the estimated financial capacity of different local household types to afford various rent levels within the community. Calculations follow Statistics Canada's definition of affordability (spending no more than 30% of before-tax household income on shelter costs) and are based on the previously estimated household incomes. Each household type's affordable rent threshold is compared against the share of the county-wide rental inventory available at or below that rent level. For example, approximately 48% of rental units are listed at $1,585 or less.

**Figure 5.15: Share of county rental stock financially achievable by local households, 2025**




Source: derived from 2025 Turner Drake Housing Market Survey and estimated 2023 before-tax household incomes by tenure

- Based on 2023 estimates, the median renter household could reasonably afford a monthly rent of $820. However, according to asking rents from the 2025 rental housing survey, about half of renter households would be unable to afford roughly 97% of turned over units (i.e., units rented at asking price) without exceeding affordable spending levels. Conditions are marginally better if considering average current rents – median renter income could afford 7% of the rental stock.

- If a renter household decided to spend 50% of their income on shelter, their monthly rent budget would increase to about $1,365 and they could meet the asking rents of 24% of rental units.

- Renter households are predominantly composed of single individuals or roommates, groups that typically earn lower incomes. These households have the least choice in the rental market.

- Couple households, more likely to have dual incomes, have the greatest range of housing options, being able to afford approximately 75% of units on market based on the standard affordability threshold.

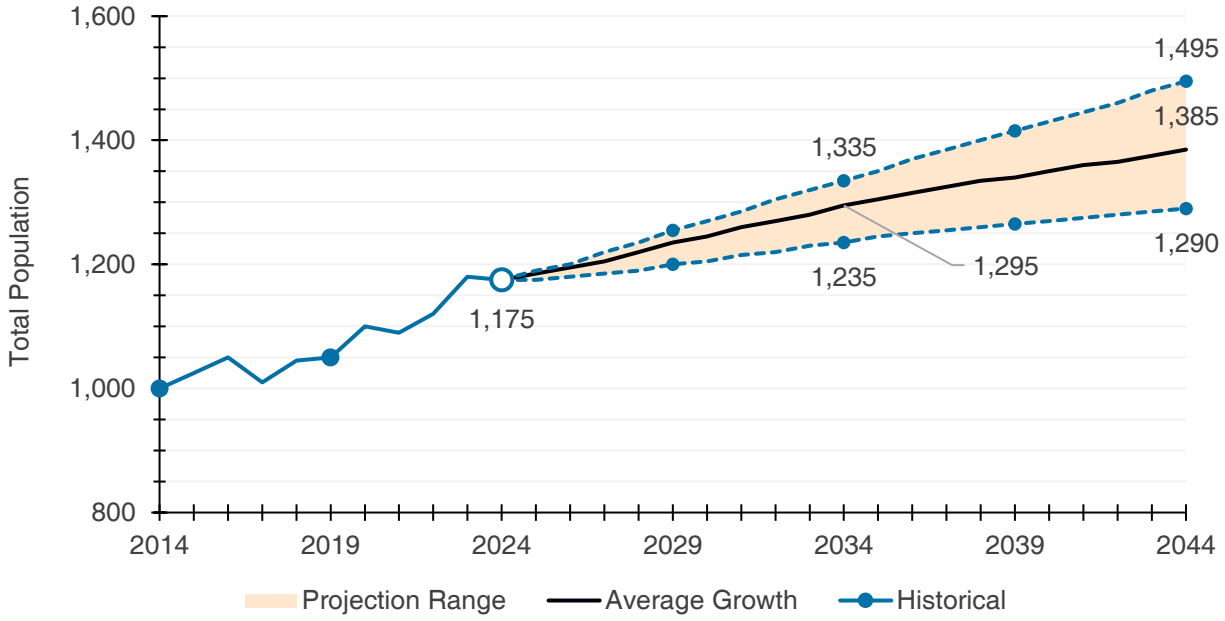
## 5.5 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 5.5.1 Population Projections

**Figure 5.16** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 5.16: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 1,235 and 1,335, representing growth of 5% to 14% over the decade. By 2044, the range may widen to 1,290 to 1,495, or 10% to 27% growth since 2024.
- Under a moderate scenario, the population may grow 10% by 2034 (to 1,295) and 18% by 2044 (to 1,385).

**Table 5.9** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 5.9: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 1,050 | 115 | 75 | 145 | 310 | 335 | 80 |
| **2024** | 1,175 | 135 | 90 | 180 | 295 | 395 | 85 |
| **5yr % change** | +12% | +17% | +20% | +24% | -5% | +18% | +6% |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2034** | 1,295 | 135 | 95 | 205 | 265 | 455 | 135 |
| **10yr % change** | +10% | 0% | +6% | +14% | -10% | +15% | +59% |

Source: Turner Drake analysis derived from Statistics Canada

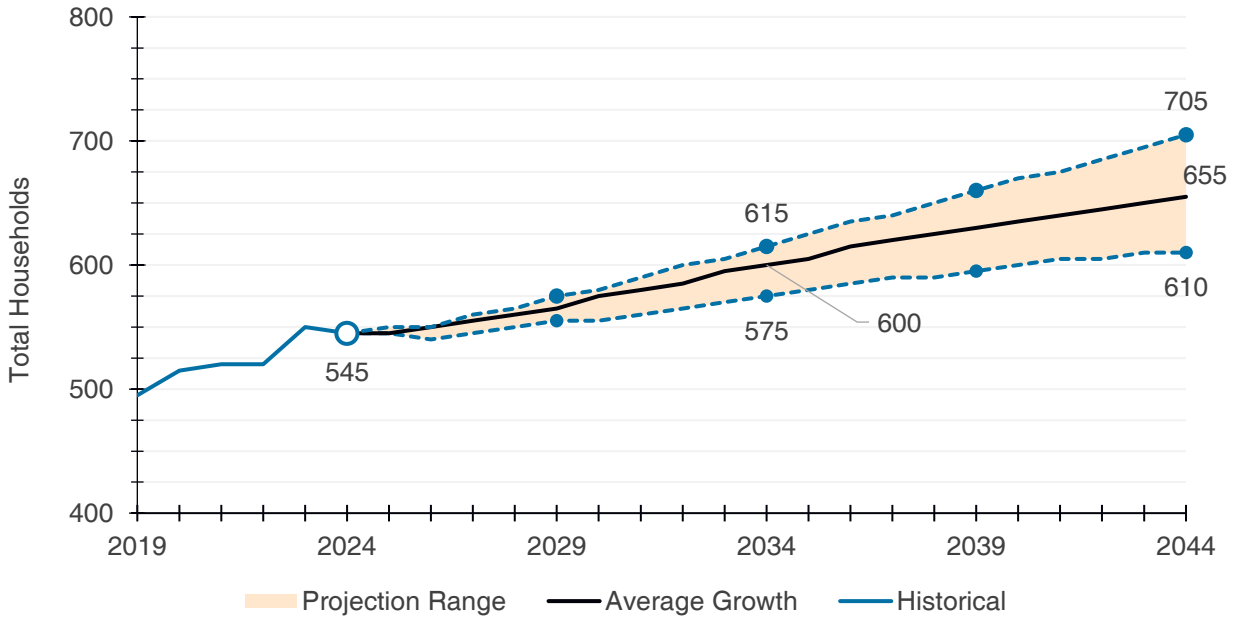
- As mentioned, the total population may expand from 1,175 to 1,295 by 2034, a 10% increase.
- Greatest percentage growth may be among seniors. By 2034, seniors ages 85+ are projected to grow by 59% (85 to 135). Over the same period, seniors 65–84 are anticipated to increase by 15% (395 to 455).
- While notable growth in seniors signals a largely aging population, projections suggest that working-age age groups may also expand over the next decade. Persons aged 25 to 44 may grow 14%, signaling a potential continued demand for family-oriented housing.

### 5.5.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head") of a household. For more methodology details, see the Appendices**.**

Like **Figure 5.16**, **Figure 5.17** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 5.17: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 575 to 615, representing growth of 6% to 13% over the decade. By 2044, the range may widen to 610 to 705, or 12% to 29% growth since 2024.

- Under a moderate scenario, total households may grow 10% by 2034 (to 600) and 20% by 2044 (to 655).

**Table 5.10** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 5.10: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 495 | 10 | 70 | 180 | 190 | 50 |
| **2024** | 545 | 15 | 85 | 175 | 220 | 50 |
| **5yr % change** | +10% | +50% | +21% | -3% | +16% | 0% |
| **2034** | 600 | 15 | 90 | 160 | 255 | 80 |
| **10yr % change** | +10% | 0% | +6% | -9% | +16% | +60% |

Source: Turner Drake analysis derived from Statistics Canada

- As mentioned, total households may expand from 545 to 600 by 2034, a 10% increase. Unlike historical trends, projections anticipate household growth will be similar to population growth (versus historically being slower), influenced largely by the faster expansions of seniors and senior-led households (i.e., greater households per capita).

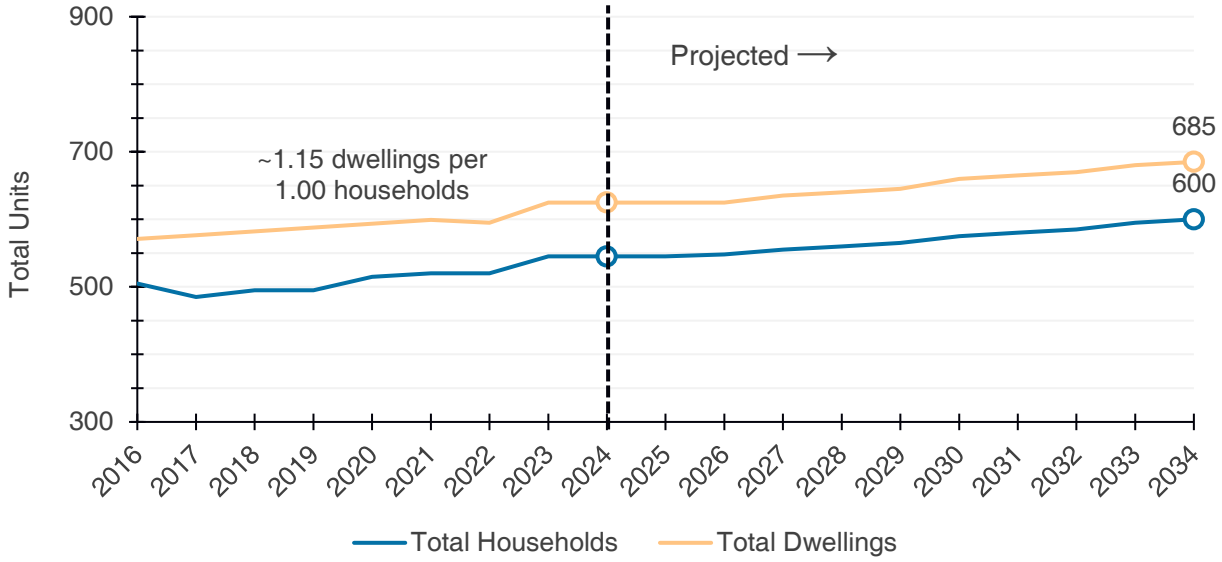
- By 2034, 65-to-84-year-old senior-led households may expand 16% (220 to 255) and elderly-led households by 60% (50 to 80).

- Like for population, younger adult led households (25- to 44-year-olds) should also increase, further supporting the likelihood of an expanding family base.

### 5.5.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 13% of Mahone Bay dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 5.18** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 5.18: Anticipated households versus dwellings**

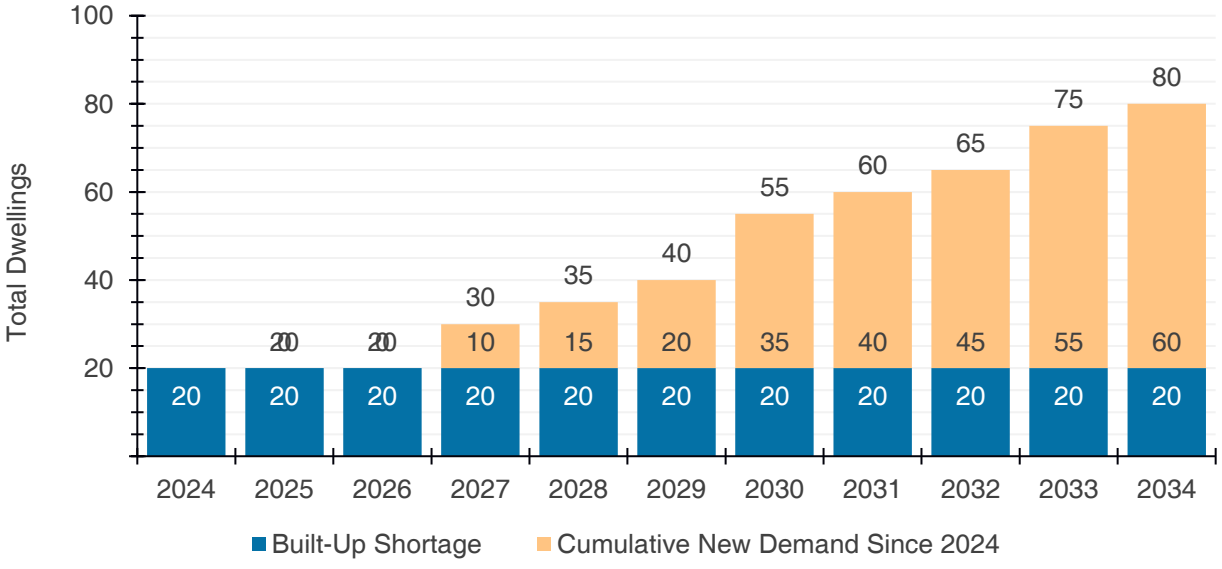



Source: Turner Drake analysis derived from Statistics Canada

- Historically, Mahone Bay has about 1.15 dwellings for every household. If applied to household projects, the municipality may demand 685 total dwellings by 2034 – an increase of 60 units over a decade (or 6 annually), versus 55 households (~5 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provide further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households – those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 5.19** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 5.19: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

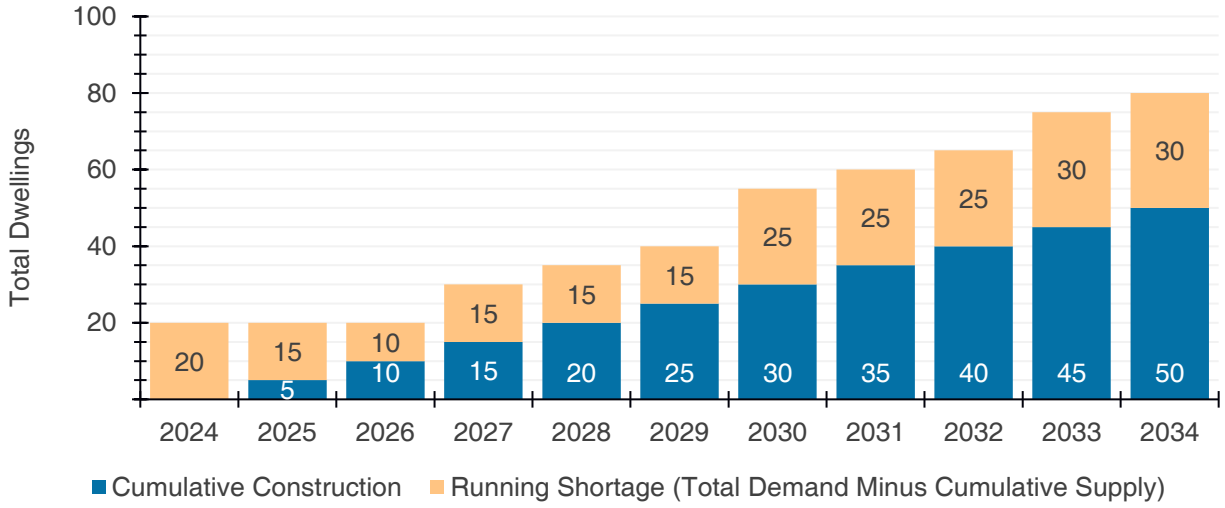



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 20 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, Mahone Bay may have a total net new demand of 80 units by 2034.

**Figure 5.20** shows how the aforementioned total demand may compare to anticipate build outs of housing (based on historical trends).

**Figure 5.20: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could grow to 30 units, indicating a relatively consistent housing deficit without intervention. This would require building about 3 additional dwellings per year, on top of the 5 already expected annually.

**Table 5.11** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, Mahone Bay's total inventory is about 33% rentals (as of 2021). Anticipated growth trends suggest building at a higher share (about 56%) over the next decade.

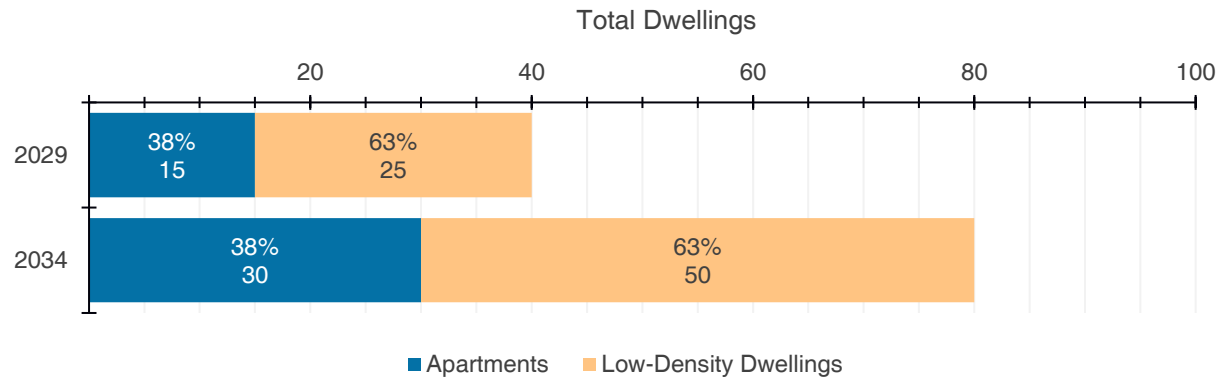
**Table 5.11: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | by 2029 | share | by 2034 | share | by 2029 | share | by 2034 | share |
| **Total** | 15 | | 35 | | 25 | | 45 | |
| **0-/1-Bed.** | 0 | 0% | 0 | 0% | 10 | 40% | 20 | 44% |
| **2-Bed.** | 10 | 67% | 25 | 71% | 15 | 60% | 25 | 56% |
| **3-Bed.** | 5 | 33% | 5 | 14% | 0 | 0% | 0 | 0% |
| **4+ Bed.** | 0 | 0% | 5 | 14% | 0 | 0% | 0 | 0% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 5.21** and **Figure 5.22** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 5.21: Anticipated new dwelling demand by dwelling typology, moderate scenario**

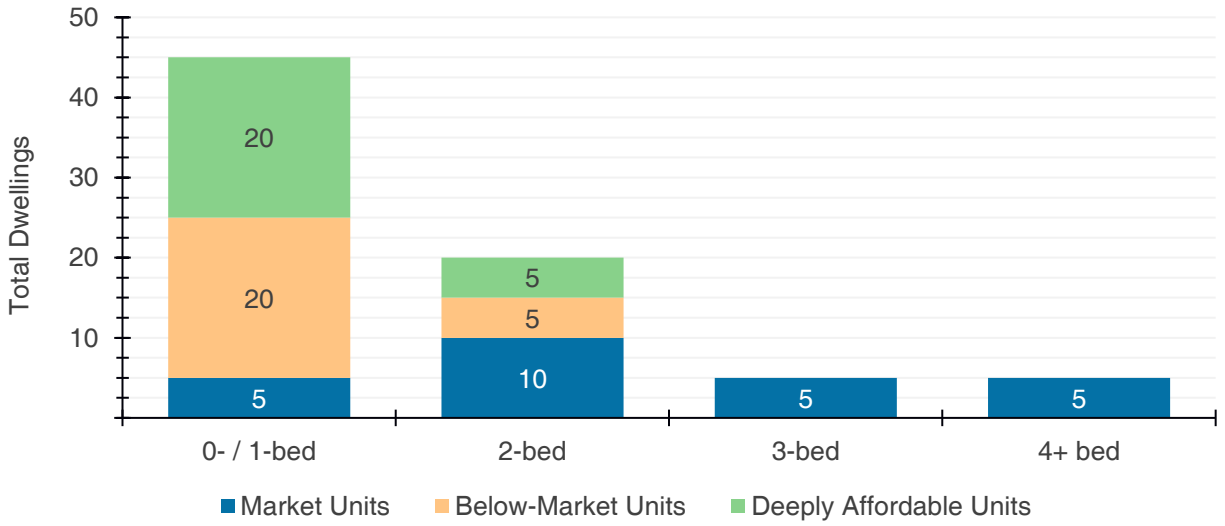



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for single-detached homes. Nevertheless, other low-density typologies (e.g., semi-detached homes or townhouses) could also serve to meet the demand.

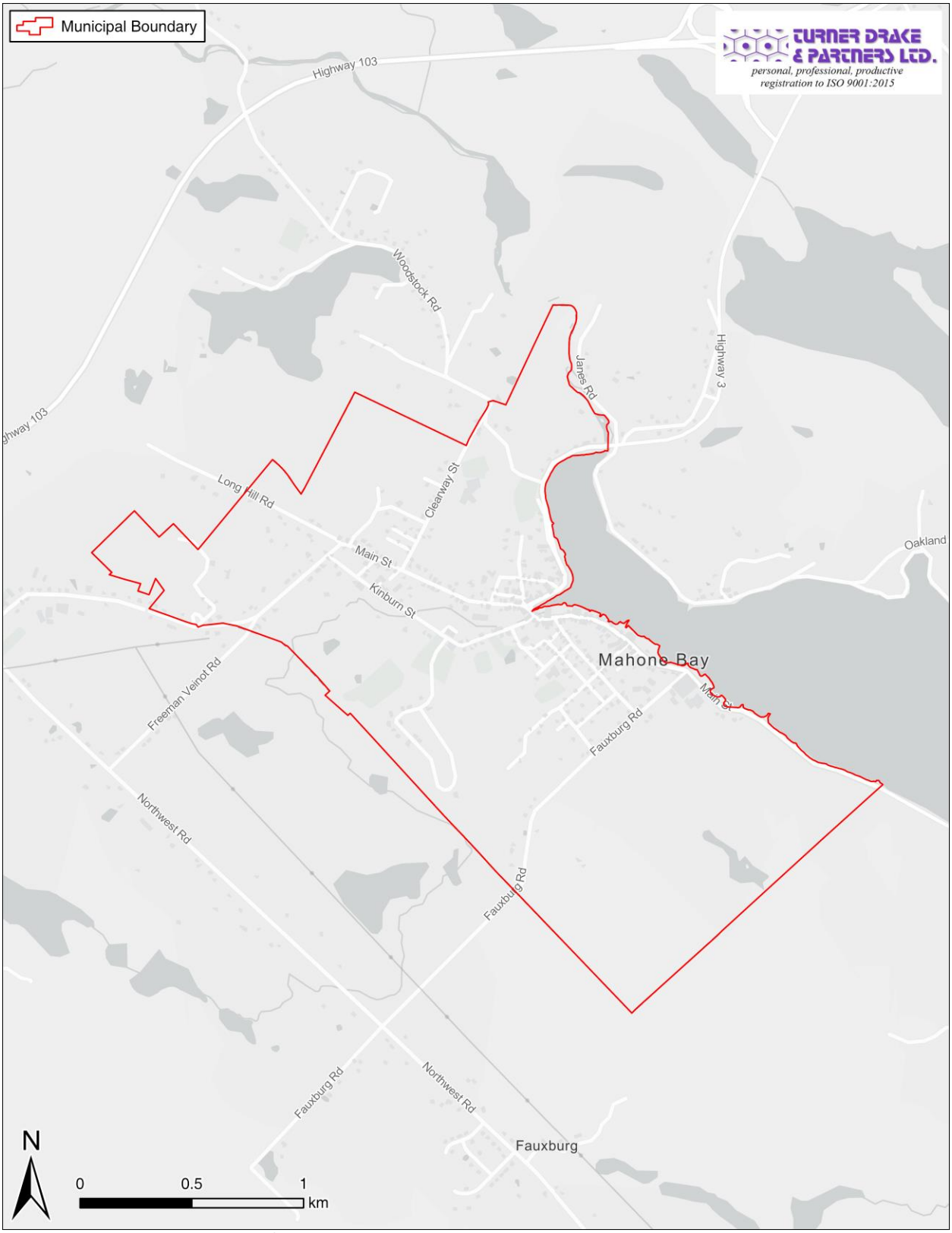
- Based on Core Housing Need influenced calculations, there is a potential local demand for about 55 non-market units (30 below-market units and 25 deeply affordable units).

**Figure 5.22: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

**Figure 5.23: Study Area Map – Mahone Bay**




Source: The Province of Nova Scotia | Basemap accessed through ESRI ArcPro.

# Section 6 | Town of Lunenburg

## 6.1 Rental Market Overview

This section presents the results of our rental market survey, specific to the Town of Lunenburg. For brevity, we refer to this jurisdiction as *"Lunenburg"*. A summation of the conclusions stemming from our research is contained in the **Discussion & Conclusions** section of this document.

While the results of our rental market survey for Lunenburg are statistically valid and reliable, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type, etc.). As such, we recommend the application of the county-wide vacancy and rental rates in Lunenburg for usage in policy and research functions.

### 6.1.1 Rental Market Supply

Lunenburg has a comparatively low supply of primary market rental units; this is driven by its smaller geography, along with a historical lack of concentrated demand for large-scale and multi-unit construction typologies. The rental market in the town is typified by smaller, older-stock, and low-rise buildings. In the Town's core, it is common to see secondary and converted residential units above commercial uses on the ground-floor. In recent years, many rental units have seen upgrading and renovations as they became available, with landlords looking to reposition their units towards the higher-end of the price spectrum.

Our research delineated 255 primary market rental units in Lunenburg. This is the second-smallest figure amongst the five municipalities in the county, and accounts for approximately 11% of the total inventory in the county. **Table 6.1** shows the total primary market unit inventory in Lunenburg, along with the totals for the other jurisdictions in the county.

**Table 6.1: Primary Rental Market Inventory (Lunenburg)**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

We expect the distribution of units by bedroom type (i.e., 1-Bed., 2-Bed., etc.) to largely follow the same patterns as at the county-level. As such, we anticipate that the breakdown of primary market unit types for Lunenburg is as follows:

**Table 6.2: Unit Type Breakdown (Lunenburg)**

| Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|
| 4% | 24% | 63% | 9% |

Source: Derived using Turner Drake's rental market survey and estimated dwelling unit counts

### 6.1.2 Vacancy Rates

Vacancy rates in the Town of Lunenburg indicate a tight but somewhat more fluid rental market compared to other areas in the county. The overall vacancy rate of 3.61% is slightly below the county's overall figure of 4.52%, suggesting limited turnover and availability, though not to the same extent as observed in Mahone Bay. We caution that the reporting on granular data points for this section is done to provide regional context, despite the fact that the concluded figures are biased by small sample sizes. As such, we recommend the application of the county-wide figures for Lunenburg for usage in policy and research functions.

When broken down by bedroom type **(Table 6.3)**, the data illustrates a more nuanced picture: higher vacancy for Studio and 3-Bedroom units (7.14% and 20.00%, respectively) reflect distortions caused by the introduction of newly renovated units, while 1- and 2-Bedroom units show low availability. This reinforces a broader regional trend whereby smaller, and generally more affordable, units are harder to secure.

Vacancy by building size reveals similar trends **(Table 6.4).** Smaller and mid-sized buildings (<20 units) record moderate vacancies (3.07% overall), whereas no vacancy is recorded in larger complexes, indicating that purpose-built rentals and established multi-unit properties remain effectively full.

On the whole, the Town's vacancy rates point to a persistently tight market where demand for smaller, more affordable rental units outpaces supply.

**Table 6.3: Vacancy Rate by Bedroom Type (Lunenburg)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Town of Lunenburg** | 7.14% | 3.85% | 1.72% | 20.00% | 3.61% |
| **Lunenburg County** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Town of Lunenburg** | 7.69% | 4.00% | 1.87% | 33.33% | 3.97% |
| **Lunenburg County** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 6.4: Vacancy Rate by Building Size (Lunenburg)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Town of Lunenburg** | 0.00% | 7.69% | 4.69% | 0.00% | --- | 3.61% |
| **Lunenburg County** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 6.1.3 Rental Rates

A key objective of this project was to quantify market rental rates in Lunenburg County, and for each of the individual municipalities within. **Table 6.5** shows the average rent by unit type for Lunenburg and the county as a whole, and **Table 6.6** shows the average rental rates by building size (unit count range). These totals are derived market averages for rental rates (i.e., achieved rent); this is what tenants are currently paying. Asking rental rates are addressed in **Section 6.1.4**. These figures are weighted averages, which ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit inventory.

The reported rental rates in Lunenburg are heavily influenced by longer-term tenancies and low turnover in older rental units. This is particularly acute in the few purpose-built and primary market rental properties. These buildings generally achieve a lower-rate than smaller rental properties; the latter sees higher-rates of turnover, thereby enabling building owners to upgrade units during periods of vacancy in order to capture higher rental rates.

Our market survey results for Lunenburg are comprehensive and statistically reliable; however, we caution that the granular figures are heavily susceptible to small sample size bias. This causes variability in the reporting at the subcategory level (i.e., rental rates by unit type, etc.). As such, we recommend the use of the county-wide figures for Lunenburg for policy and research functions, with locally-specific numbers applicable for nuance and context.

**Table 6.5: Weighted Average Rent by Bedroom Type (Lunenburg)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Lunenburg** | $982 | $1,018 | $1,326 | $2,280 | $1,326 |
| **Lunenburg County** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Lunenburg** | $969 | $1,010 | $1,337 | $2,167 | $1,300 |
| **Lunenburg County** | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 6.6: Weighted Average Rent by Building Size (Lunenburg)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Lunenburg** | $1,580 | $1,715 | $1,134 | $1,185 | --- | $1,326 |
| **Lunenburg County** | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 6.1.4 Achieved vs Asking Rents

To provide further context on rental rates, we conducted a review of the difference between asking and achieved rental rates. **Table 6.7** presents the results of this analysis. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently achieved by said space; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that applies to existing tenancies under periodic leases. In turn, building operators often look to recoup the lost differential via increases to newly vacant units.

Achieved rents in Lunenburg lag asking rates, however the extent of this differential is skewed by the sample size for the individual unit types. Ultimately, this indicates that tenants in Lunenburg are more likely to remain in their current units rather than move to newer ones, or may be unable to afford the asking rents associated with listed units.

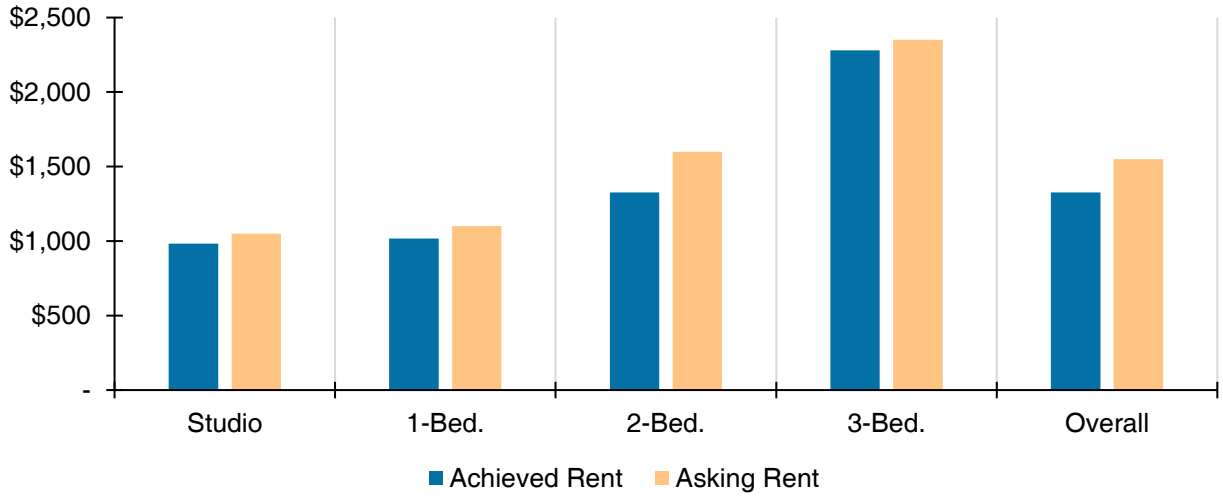
**Table 6.7: Achieved vs Asking Rates by Unit Type (Lunenburg)**

| Lunenburg | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $982 | $1,050 | $68 | 7% |
| **1-Bed.** | $1,018 | $1,100 | $82 | 8% |
| **2-Bed.** | $1,326 | $1,600 | $274 | 21% |
| **3-Bed.** | $2,280 | $2,350 | $70 | 3% |
| **Overall** | $1,326 | $1,550 | $224 | 17% |

| Lunenburg County | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $971 | $1,200 | $229 | 24% |
| **1-Bed.** | $1,159 | $1,500 | $341 | 29% |
| **2-Bed.** | $1,417 | $1,800 | $383 | 27% |
| **3-Bed.** | $1,464 | $1,700 | $236 | 16% |
| **Overall** | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | * Figures are weighted averages that have been rounded to the nearest realistic point.

**Figure 6.1: Achieved vs Asking Rent (Lunenburg)**




Source: Turner Drake & Partners Ltd.

### 6.1.5 Secondary Rental Market

The secondary rental market is defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, larger homes that have been demised into multi-unit structures, etc. We estimate that the secondary rental market represents just over 34% of the overall rental unit supply in Lunenburg. **Table 6.8** details these figures.

The overall totals in this regard do not reflect the nuance of the local context. There is a limited inventory of purpose-built rental apartments in Lunenburg, and many of the primary market rental buildings are older and repurposed buildings that have unit counts above the secondary market threshold.

A substantive amount of Lunenburg's secondary market supply is provided through older buildings that have seen extensive updates and renovations. These units can often carry a rental premium associated with the costs of renovations, limited availability, and the scarcity of comparable offerings. Single-family homes will typically command a higher rental rate than smaller apartment units, partially driven by low availability in the region for family-sized rentals, along with the fact that they are usually larger spaces.

Our survey recorded no-to-limited vacancy rates for secondary market properties; while this does not mean that there is zero vacancy across the board for these buildings, it illustrates that overall availability for this sector is low. There are limited options for those entering the market. On the whole, we expect that trends in the secondary rental market will generally follow the same themes are those identified through our rental market survey.

**Table 6.8: Secondary Rental Market Inventory (Lunenburg)**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

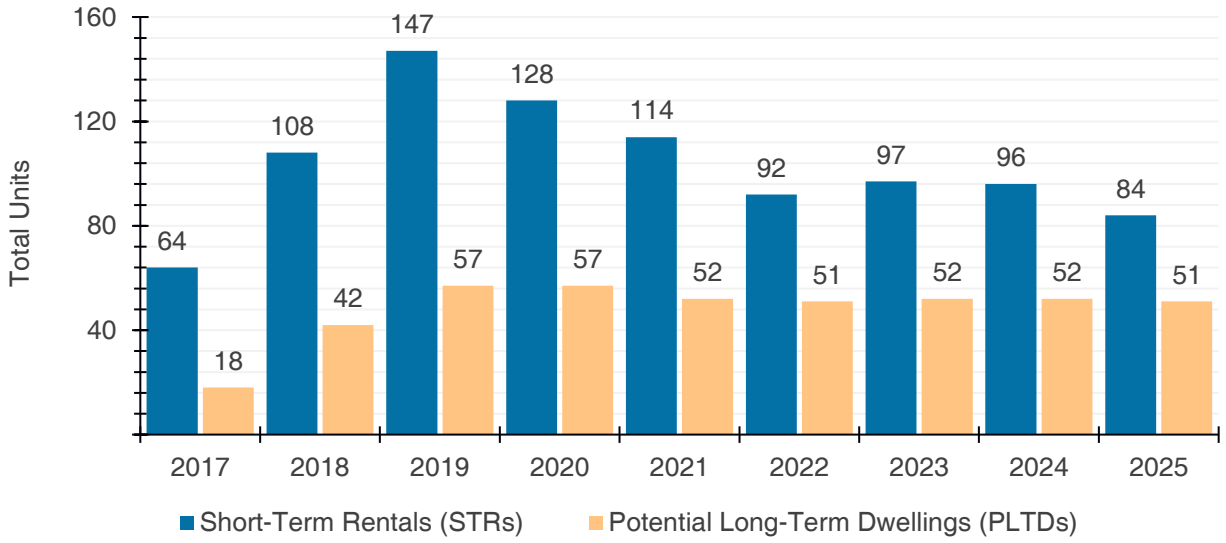
Source: Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

## 6.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 6.2** depicts the changes in STR properties from 2017 to 2025,[18] along with the estimated number of units that were potential long-term dwellings (PLTDs) – meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[19]

**Figure 6.2: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

- Estimates indicate that by 2025, Lunenburg's STR market included approximately 84 properties, of which 51 were PLTDs. PLTDs therefore accounted for about 61% of the total STR inventory.

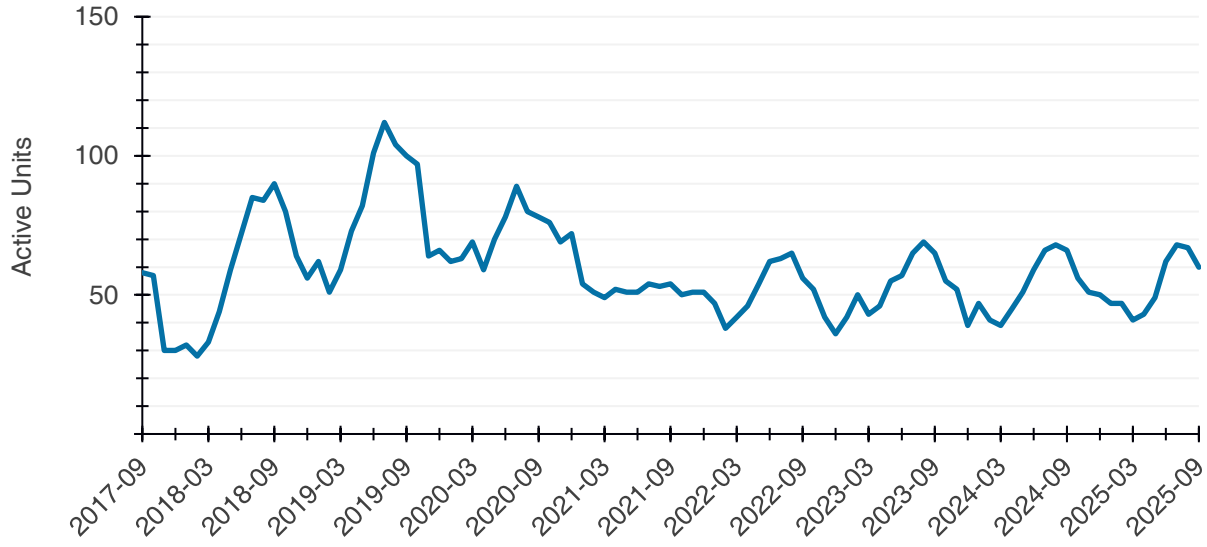
- The 2025 STR total marks a year-over-year decline (-13%), the great drop since the early stages of the COVID-19 pandemic. The number of PLTDs has remained consistent since 2021, though their share reached their highest in 2025.

**Figure 6.3** illustrates monthly STR activity, highlighting the clear seasonality of STRs across Lunenburg. Activity is lowest during the winter months, rises sharply through early summer, peaks between June and August, and then declines noticeably toward late summer.

[18] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[19] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

**Figure 6.3: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

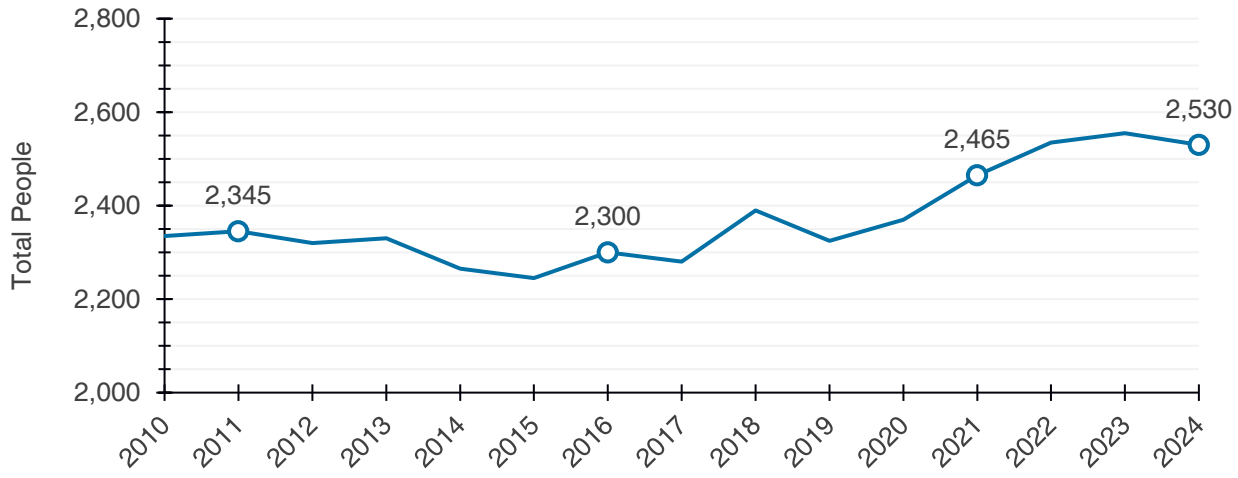
## 6.3 Demographic & Housing Supply Profiles

### 6.3.1 Historical Demographic & Income Profiles

Statistics Canada produces annual total population estimates for municipalities, with the most recent year being 2024. **Figure 6.4** illustrates the annual change in Lunenburg's total population based on these estimates. **Figure 6.5** goes a step further and provides estimates of population change over the last five years by age category.

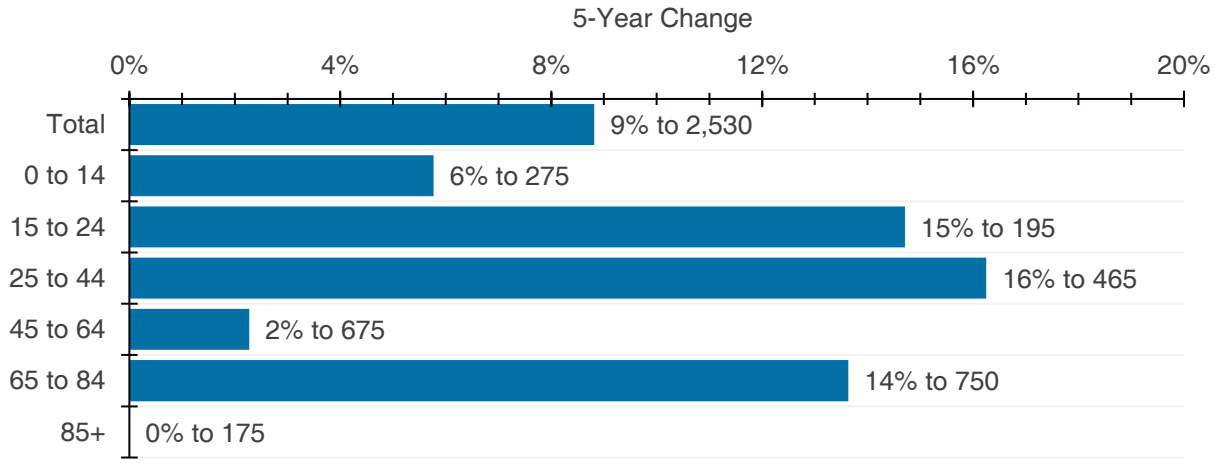
Readers who are familiar with local 2021 Census results will note that the estimated total and the Census total are different. Estimates are typically higher than Census results as Statistics Canada performs post-census adjustments to account for potential errors. The same adjustments are not available for age groups at the municipal level.

**Figure 6.4: Historical estimated total population**




Source: Statistics Canada Table 17-10-0155-01

**Figure 6.5: Percent change to population by age group, 2019 to 2024 estimates***




* Results for 2019 to 2024 combine age group totals from the Census and annual estimates to determine how age groups might have changed over non-Census years.
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Like many Nova Scotian communities, Lunenburg experienced a continuous increase to its total population since about 2016, increasing from 2,300 in that year to 2,530 by 2024 – a 10% rise.

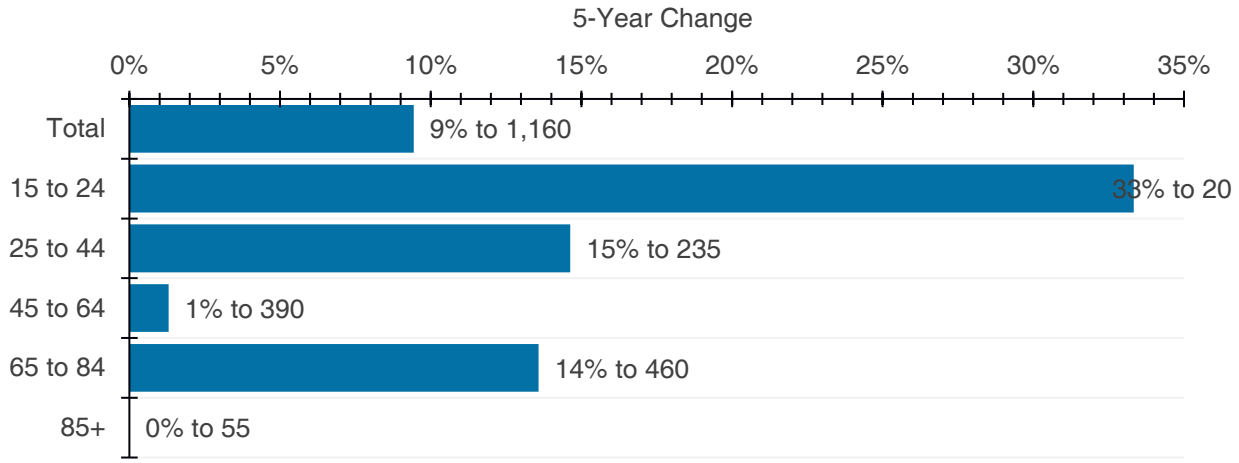
- Over the last five years, the total population increased 9%, with notable relative growth among 15- to 24- ,25- to 44-, and 65- to 84-year-olds, based on estimates.

- Seniors represent a considerable and increasing proportion of the local resident base (about 37% in 2024). Even so, growth among 25- to 44-year-olds, accompanied by increases among children, suggests local increases are in part due to in-migrating younger couples and families.

As the population increases, so too (most often) do the number of households. **Figure 6.6** shows how household totals by primary household maintainer age category changed over the last five years.

The primary household maintainer is the Census' categorization of the first person in the household responsible for paying the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer. For example, a 25- to 44-year-old maintainer refers to the age of the person who most often "leads" the household financially.

**Figure 6.6: Percent change to households by primary maintainer age group, 2019 to 2024 estimates***



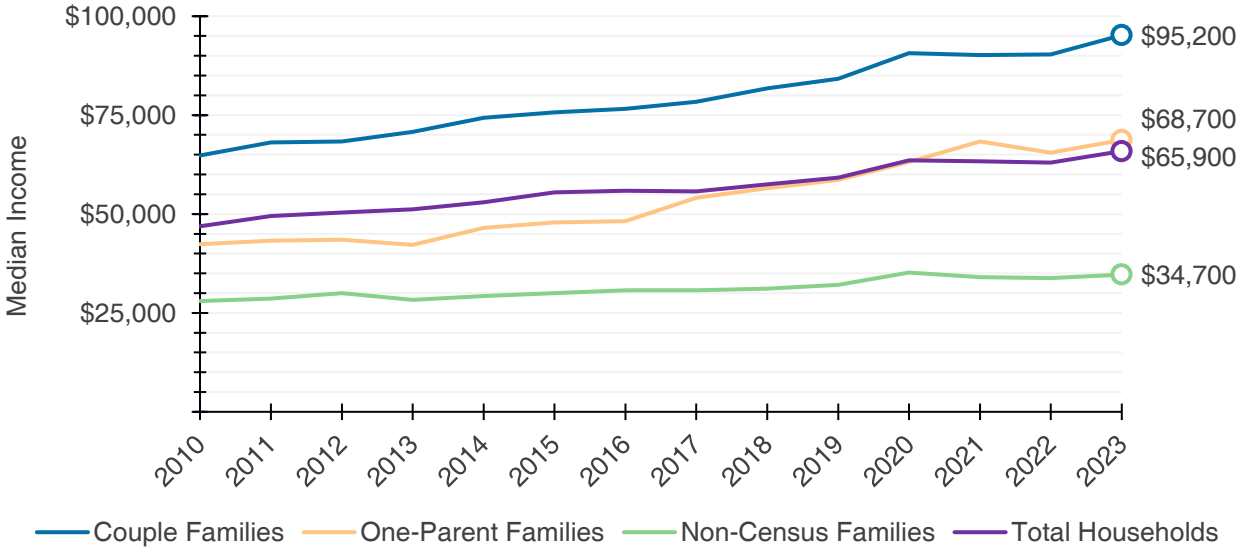

* Household results for 2019 to 2024 perform a similar estimation as for population, but make adjustments based on Census period headship rates (i.e., the number households led by an age group for every person in same age group).
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Total households between 2019 and 2024 increased by an estimated 9%, higher than the rate experienced by the overall population.

- Greater household versus population growth generally reflects an aging household maintainer base. As people or couples age, their dependents move away or partners pass away, leading to small household sizes and, inversely, greater households per capita. The increase being equivalent to the change in population suggests more balanced local growth.

The typical earnings or wealth a household accumulates are largely a function of the household's age. As youth become adults, they begin to earn more income commensurate to their experience. As they age, they are also more likely to form partnerships that lead to dual-income earning circumstances, further increasing their financial capacity. Even further down the road, people begin to retire and no longer earn income, but live off savings and pensions. **Figure 6.7** demonstrates how estimated median before-tax household incomes have changed between 2010 and 2023.

**Figure 6.7: Historical* before-tax household incomes by family type**



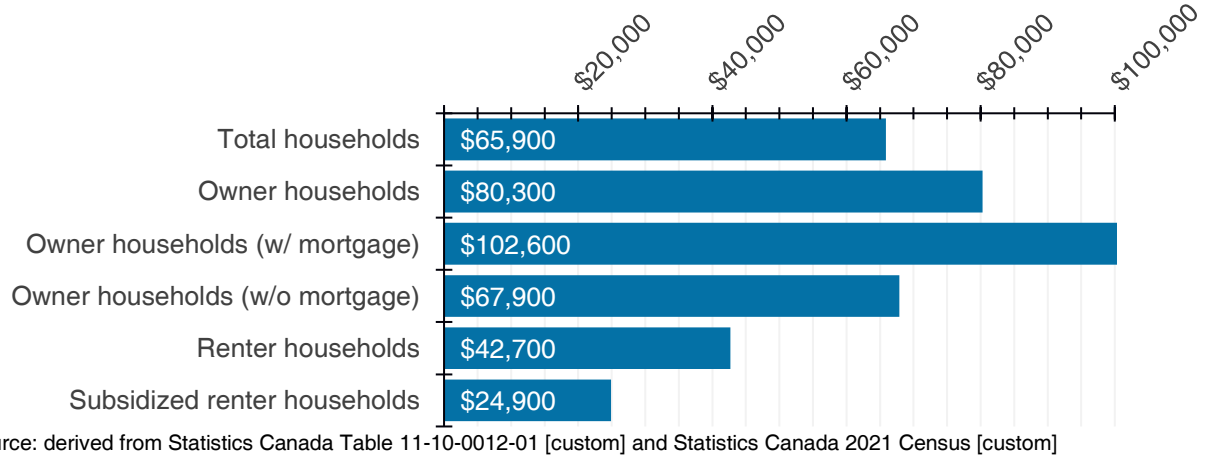

* Total household incomes derived from family incomes. Pre-2021 incomes are from a past Statistics Canada custom data order. Incomes for 2021 to 2023 estimated based on inferred pre-2021 relationship between local and non-CMA provincial income data.
Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- As of 2023, the median household may have earned $65,900 before-tax. Couples (more likely have more than one source of earnings) earned about $95,200, lone-parents earned about $68,700, and non-census families (e.g., single persons or roommates) earned about $34,700.

- Since 2019, incomes have risen about 11%, with a noticeable bump between 2019 and 2020 (due to the impacts of COVID-19 Pandemic support payments) and between 2022 and 2023.

**Figure 6.8** illustrates estimated median before-tax household incomes by tenure for 2023. The data shows a clear divide between households with the financial capacity to own a home, particularly those owners without mortgages as well as households renting in either the private or subsidized market. While the overall median household income was $65,900 in 2023, tenure appears to strongly influence household income levels, with renters, and especially subsidized renters, earning considerably less than owners.

**Figure 6.8: Estimated before-tax household incomes by tenure, 2023**




Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- Owner households with a mortgage (often couples in their employment earning years) report the highest incomes at $102,600, well above the overall median.

- Owner households without a mortgage ($67,900), renter households ($42,700), and subsidized renter households ($24,900) all fall below the total median income.

- The gap between owners and renters is substantial: renter households in the private market show incomes about 47% lower than their owner household counterparts. These disparities highlight the heightened affordability pressures faced by renter and subsidized renter households compared to owners.

UBC's Housing Assessment Resource Tools (HART) initiative defines five household income categories that can help inform the share of households most at risk of housing related financial pressures. HART applied the categories built by governments in the US, Vancouver, and Melbourne. The categories are as follows:

- **Very low income:** 20% or less of area median household income (AMHI), often similar to shelter allowance for income support recipients.

- **Low income:** 21-50% AMHI, generally equivalent to one full-time minimum wage job.

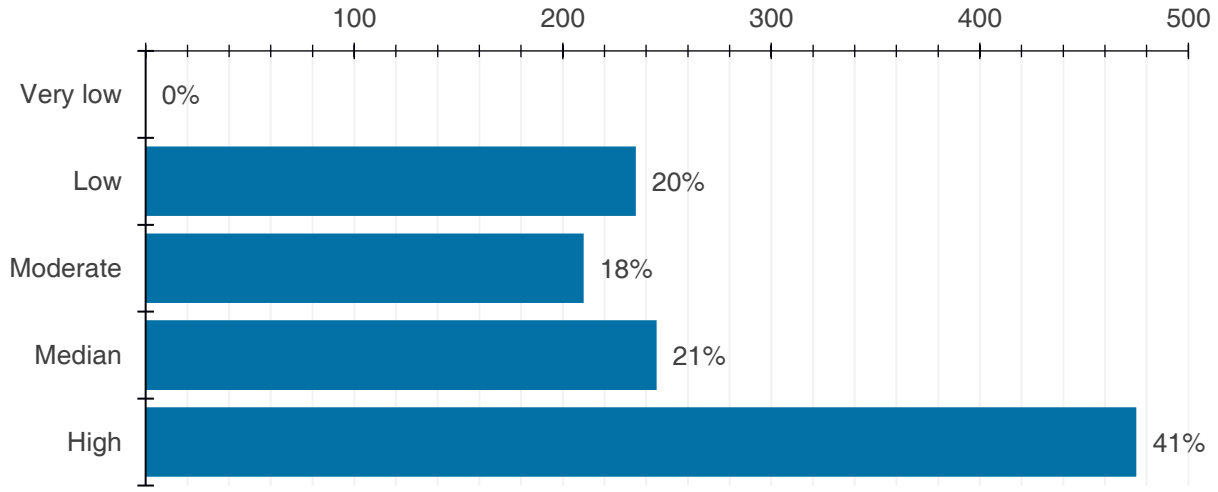
- **Moderate income:** 51-80% AMHI, similar to starting salary for a professional job like a nurse or teacher.

- **Median income:** 81-120% AMHI, representing the 'middle class.'

- **High income:** More than 120% AMHI, the group with most housing wealth.

**Figure 6.9** shows the estimated distribution of households by income category for 2024. The data illustrates a relatively balanced distribution across the low, moderate, and median income categories, while very low income households represent only a small fraction. At the other end of the spectrum, high-income households account for a disproportionately large share of the total, underscoring a notable income divide in the community.

**Figure 6.9: Estimated households by income category, 2024**




Source: Turner Drake analysis derived from Statistics Canada and UBC Housing Assessment Resource Tools program

- Income groups are generally evenly distributed among low- (20%), moderate- (18%), and median (21%) income categories.

- High-income households dominate the distribution, making up 41% (475 households), a considerably larger share than all other individual categories.

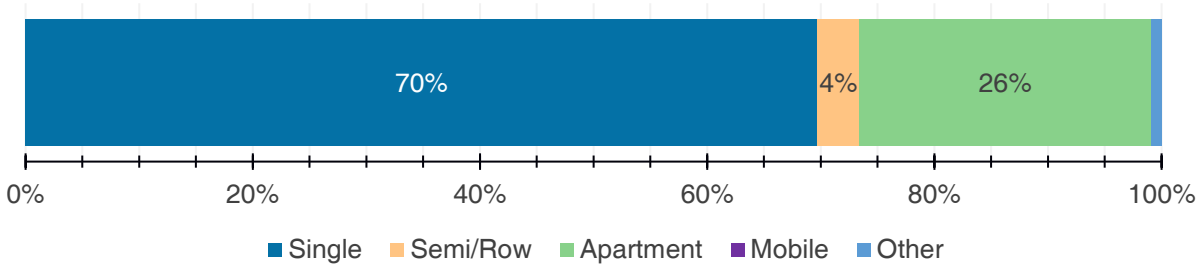
- The prevalence of higher-income households suggests greater overall purchasing power in the community, but also highlights affordability gaps for lower- and moderate-income households.

### 6.3.2 Housing Supply Overview

In 2021, Statistics Canada reported that Lunenburg had a total housing inventory of 1,242 dwellings, of which 1,089 were occupied by a permanent household (i.e., one that lives in the community more than half of the year, also known as a "usual-resident"). Thus, about 12% of Lunenburg inventory was intended for a different use, such as a recreational property, a second home, or for shorter term accommodations, or may have been vacant.

For those dwellings that are permanently occupied, **Figure 6.10** illustrates their distribution by structure type (e.g., single-detached, semi-detached, etc.).

**Figure 6.10: Distribution of inventory by usual-resident occupied dwelling structure type, 2021**



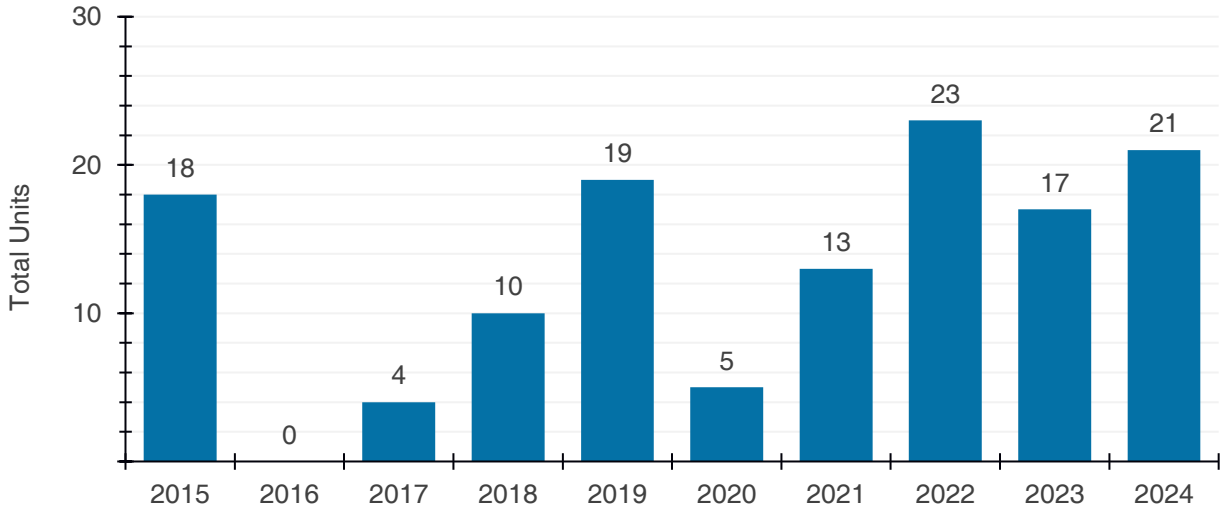

Source: Statistics Canada 2021 Census Profile

- The vast majority of the municipality's dwellings are single-detached dwellings at a 70% share, with the next largest share occupied by apartment dwellings at 26%.

- According to the 2021 Census, about 405 of usual-resident dwellings were renter-occupied, representing about 37% of local households at that time.

**Figure 6.11** shows the number of construction completions in the municipality from 2015 through 2024. The period from 2015-2020 saw relatively large variances in the number of completions, ranging from 0 to 19 depending on the year.

**Figure 6.11: Annual dwelling completions estimates**




Source: derived from the Property Valuation Services Corporation

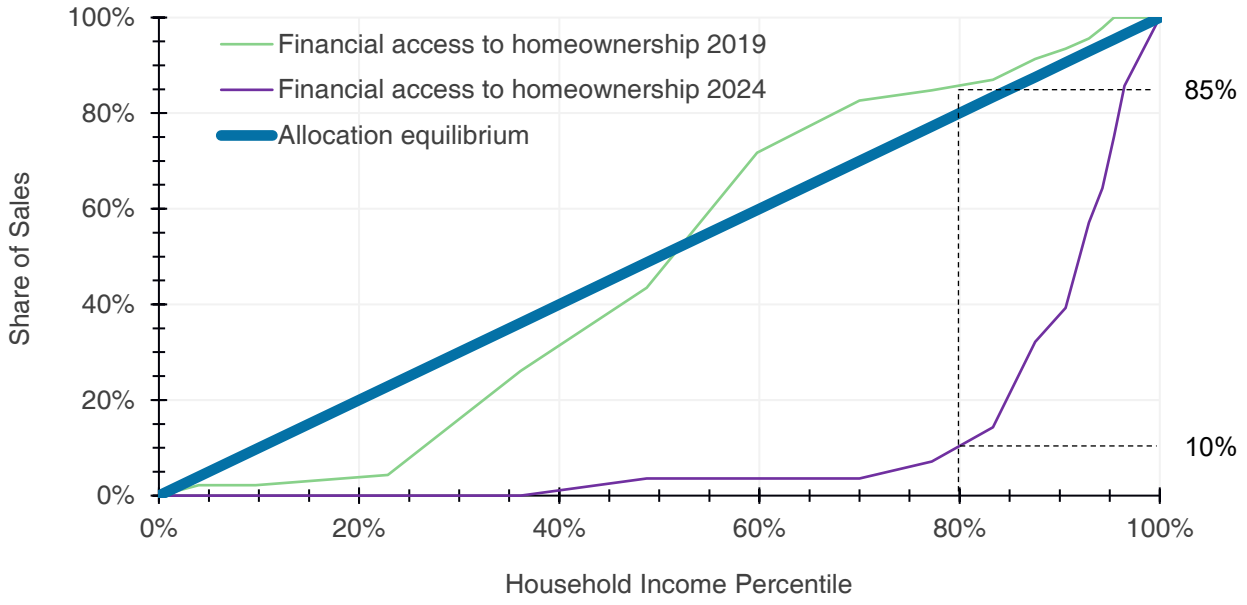
- Since 2020, the trend of variance in completions has continued. 2022 set a period-high of 23, followed by 21 in 2024.

## 6.4 Housing Affordability Analysis

### 6.4.1 Access to Homeownership

**Figure 6.12** illustrates how access to housing has shifted between 2019 and 2024 relative to an estimate of economic equity. Specifically, if we assume that equitable access to housing means that individuals in the 20th income percentile can afford 20% of available dwellings, the actual relationship between renter income distribution (as a proxy for first-time buyers) and housing access can be overlaid to reveal disparities. This comparison highlights the extent of and changes to inequity in the local homeownership market, particularly for first-time buyers.

**Figure 6.12: Share of dwellings affordable by income percentile, as compare to the equitable distribution of sales**




Source: Turner Drake analysis derived from the Property Valuation Services Corporation

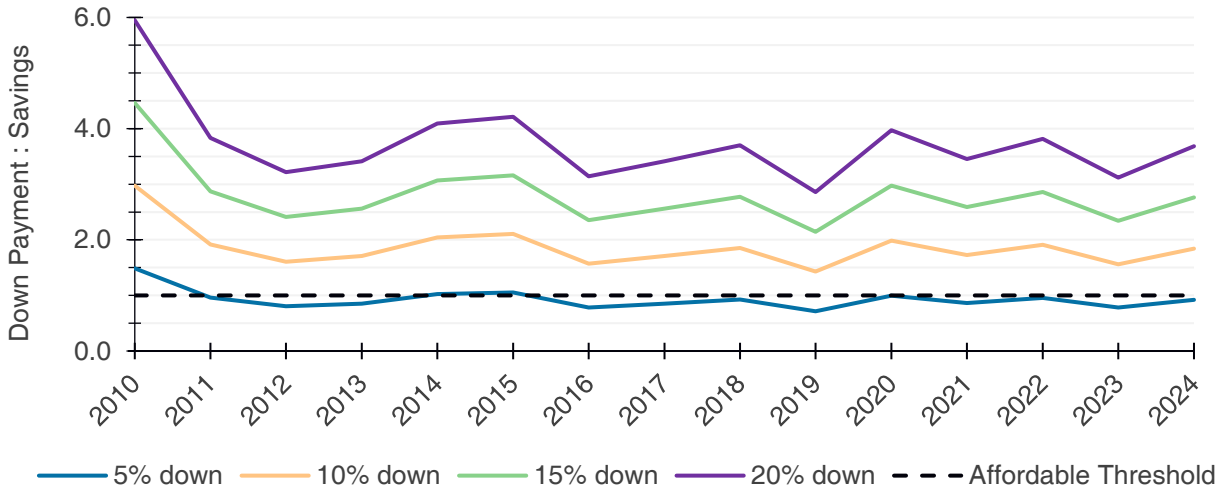
- In 2019, the homeownership market was relatively accessible for new buyers. With a sufficient down payment, households at any income percentile could afford homes priced at a higher percentile of sales. For example, 80% of households could afford 85% of dwellings.

- Since then, housing conditions across much of Nova Scotia have shifted dramatically, driving shelter costs (particularly for ownership) beyond the reach of many more households. With the exception of the highest earners, most income percentiles could no longer afford homes at their equivalent sales percentile, often falling far below. By 2024, 80% of households could afford only 10% of sales, compared to 85% in 2019 – a decline of 75 percentage points.

### 6.4.2 Obstacles to Homeownership for First-Time Buyers / Renters

**Figure 6.13** demonstrates the ratio of the estimated 5-year net savings of a typical 25- to 34-year-old led household (a proxy for a new home-buyer) in a given year compared to the typical down payment in a given year (based on the down payment percentage). A value above 1.0 indicates that the typical 25- to 34-year-old does not have enough built-up savings to cover the payment.

**Figure 6.13: Ratio of down payment required by percent down to estimated savings, 25-34 year olds**

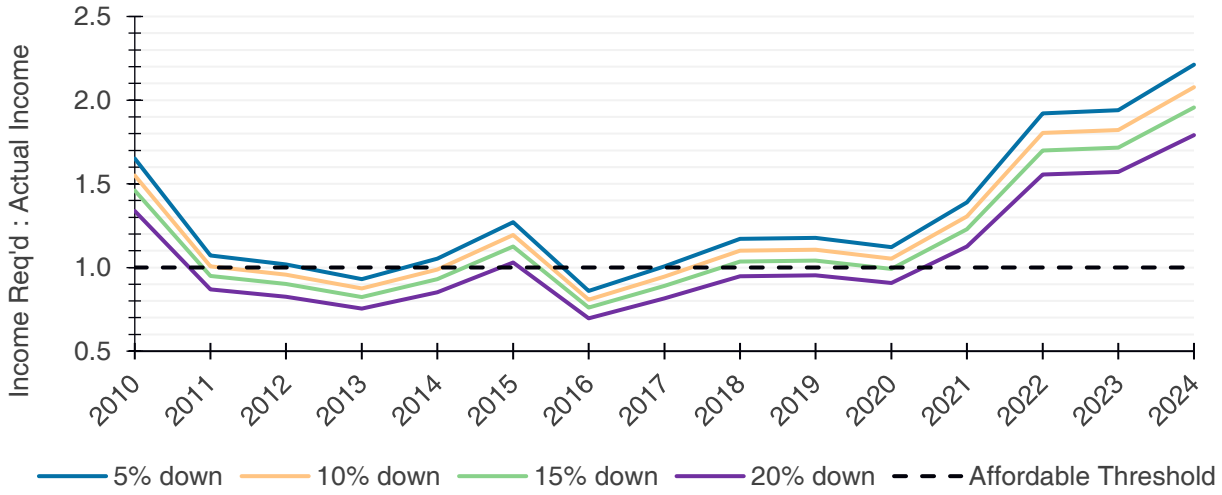



Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

- According to estimates, younger adults typically save enough over five-years to afford the down payment of the typical local dwelling if said payment is 5% down. Contributing higher amounts of equity becomes increasingly expensive.

While lower down payments provide an easier means of entering the market, this does not necessarily equate to an affordable carrying cost. Relatedly, **Figure 6.14** demonstrates the ratio of the estimated income required to reasonably afford the mortgage payments for the typical home in a given year compared to the estimated income of the typical 25- to 34-year-old in a given year (based on the same down payment scenarios as above). A value above 1.0 indicates that the required income is unattainable for the typical young adult led household.

**Figure 6.14: Ratio of income required for mortgage payment to actual income, 25-34 year olds**




Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

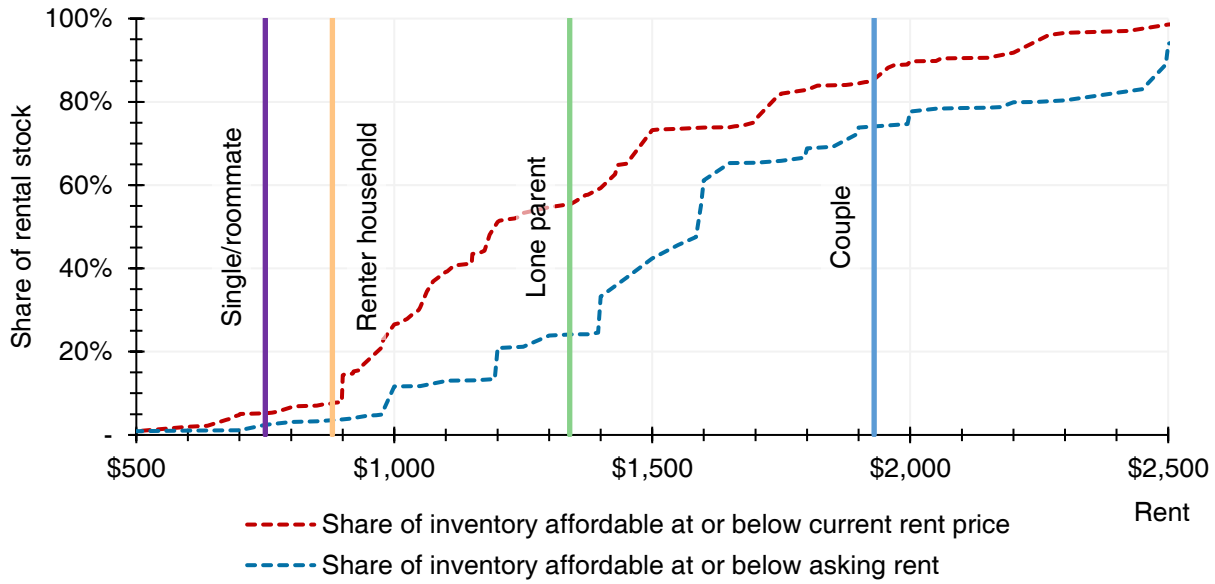
- A 5% down payment allows households to enter the market with less savings but results in higher overall costs compared to buyers contributing more equity on the same home. This creates a clear trade-off between lowering the entry barrier and long-term affordability.

- Historically, the relationship between home prices and local incomes kept housing reasonably affordable, whether buyers put down 5% or 20%. However, sharp price increases after 2020 quickly eroded this balance. By 2024, typical mortgage payments were no longer reasonably affordable relative to the income of a first-time homebuyer, regardless of the amount of equity put into the home.

### 6.4.3 Rent Price Accessibility

**Figure 6.15** illustrates the estimated financial capacity of different local household types to afford various rent levels within the community. Calculations follow Statistics Canada's definition of affordability (spending no more than 30% of before-tax household income on shelter costs) and are based on the previously estimated household incomes. Each household type's affordable rent threshold is compared against the share of the county-wide rental inventory available at or below that rent level. For example, approximately 48% of rental units are listed at $1,585 or less.

**Figure 6.15: Share of county rental stock financially achievable by local households, 2025**




Source: derived from 2025 Turner Drake Housing Market Survey and estimated 2023 before-tax household incomes by tenure

- Based on 2023 estimates, the median renter household could reasonably afford a monthly rent of $880. However, according to asking rents from the 2025 rental housing survey, about half of renter households would be unable to afford roughly 96% of turned over units (i.e., units rented at asking price) without exceeding affordable spending levels. Conditions are better if considering average current rents, but still of concern – 8% of the stock was affordable to the median renter income.

- If a renter household decided to spend 50% of their income on shelter, their monthly rent budget would increase to about $1,465 and they could meet the asking rents of 40% of rental units.

- Renter households are predominantly composed of single individuals or roommates, groups that typically earn lower incomes. These households have the least choice in the rental market.

- Lone-parent households, while generally single-income, can access a slightly larger share of housing within affordable limits. Even so, the median lone parent could afford only about 24% of listed rentals without overspending, versus 55% of rentals at current rates.

- Couple households, more likely to have dual incomes, have the greatest range of housing options, being able to afford approximately 75% of units on market based on the standard affordability threshold.

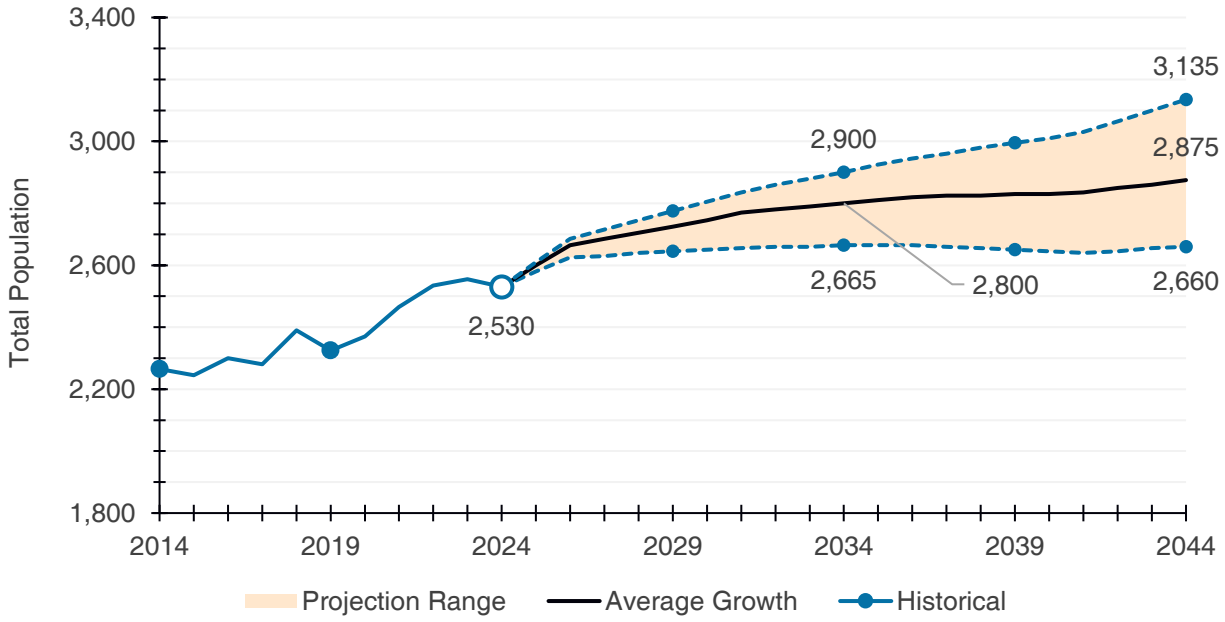
## 6.5 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 6.5.1 Population Projections

**Figure 6.16** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 6.16: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 2,665 and 2,900, representing growth of 5% to 15% over the decade. By 2044, the range may widen to 2,660 to 3,135, or 5% to 24% growth since 2024.

- Under a moderate scenario, the population may grow 11% by 2034 (to 2,800) and 14% by 2044 (to 2,875).

**Table 6.9** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 6.9: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 2,325 | 260 | 170 | 400 | 660 | 660 | 175 |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2024** | 2,530 | 275 | 195 | 465 | 675 | 750 | 175 |
| **5yr % change** | +9% | +6% | +15% | +16% | +2% | +14% | 0% |
| **2034** | 2,800 | 275 | 255 | 525 | 700 | 815 | 225 |
| **10yr % change** | +11% | 0% | +31% | +13% | +4% | +9% | +29% |

Source: Turner Drake analysis derived from Statistics Canada

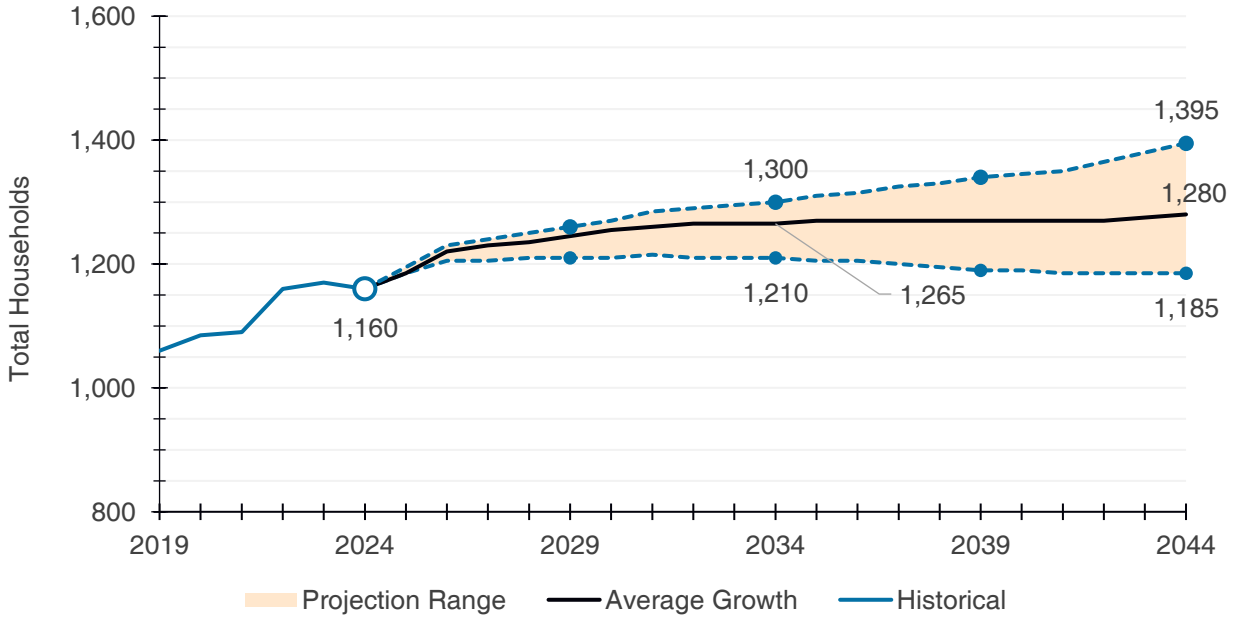
- As mentioned, the total population may expand from 2,530 to 2,800 by 2034, a 11% increase.
- Greatest percentage growth may be among seniors. By 2034, seniors ages 85+ are projected to grow by 29% (175 to 225). Over the same period, seniors 65–84 are anticipated to increase by 9% (750 to 815).
- While growth in seniors signals an aging population, projections suggest that working-age age groups. Persons aged 25 to 44 may grow 13%, signaling a potential continued demand for family-oriented housing.

### 6.5.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or “head”) of a household. For more methodology details, see the Appendices.

Like **Figure 6.16**, **Figure 6.17** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 6.17: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 1,210 and 1,300, representing growth of 4% to 12% over the decade. By 2044, the range may widen to 1,185 to 1,395, or 2% to 20% growth since 2024.

- Under a moderate scenario, total households may grow 9% by 2034 (to 1,265) and 10% by 2044 (to 1,280).

**Table 6.10** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 6.10: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 1,060 | 15 | 205 | 385 | 405 | 55 |
| **2024** | 1,160 | 20 | 235 | 390 | 460 | 55 |
| **5yr % change** | +9% | +33% | +15% | +1% | +14% | 0% |
| **2034** | 1,265 | 25 | 265 | 400 | 505 | 65 |
| **10yr % change** | +9% | +25% | +13% | +3% | +10% | +18% |

Source: Turner Drake analysis derived from Statistics Canada

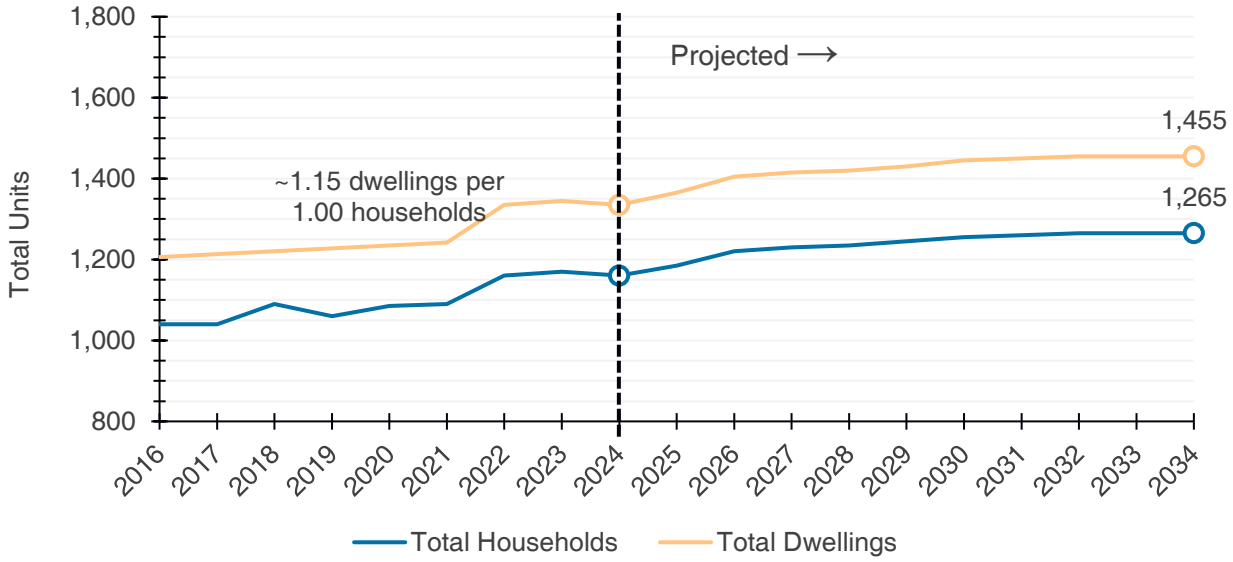
- As mentioned, total households may expand from 1,165 to 1,265 by 2034, a 9% increase. Like historical trends, projections anticipate household growth will outpace population growth, influenced by expansions among all maintainer age groups.

- Notably, by 2034, 65-to-84-year-old senior-led households may expand 10% (460 to 505) and 25-to 44-year-old led households could grow 13% (235 to 265).

### 6.5.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 13% of Lunenburg dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 6.18** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 6.18: Anticipated households versus dwellings**

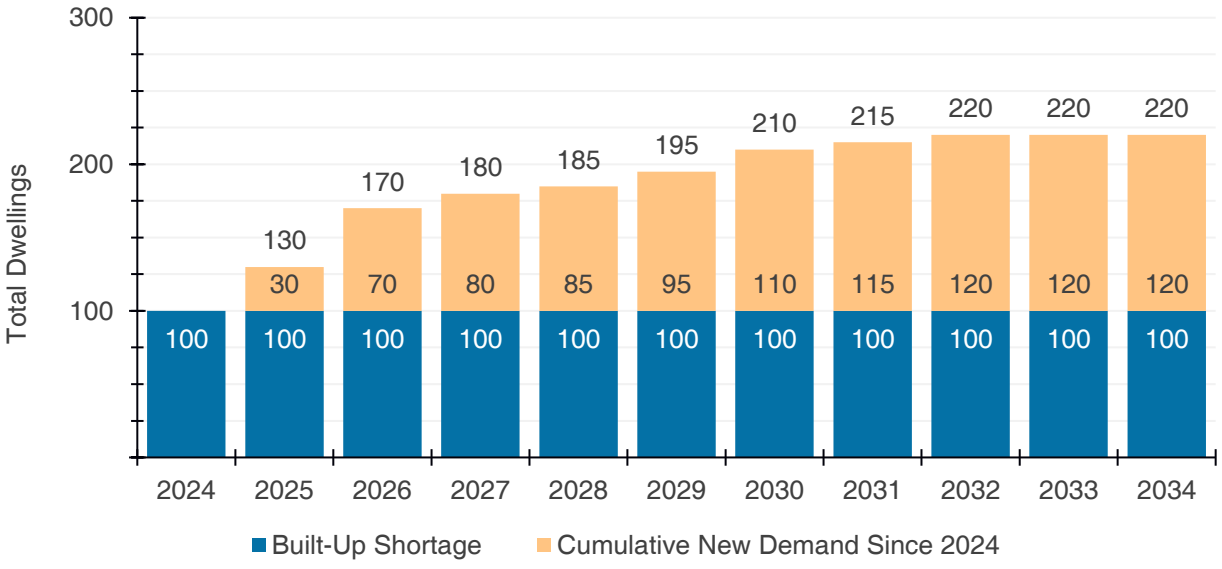



Source: Turner Drake analysis derived from Statistics Canada

- Historically, Lunenburg has about 1.08 dwellings for every household. If applied to household projects, the municipality may demand 1,455 total dwellings by 2034 – an increase of 120 units over a decade (or 12 annually), versus 105 households (~11 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provides further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households – those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 6.19** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 6.19: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

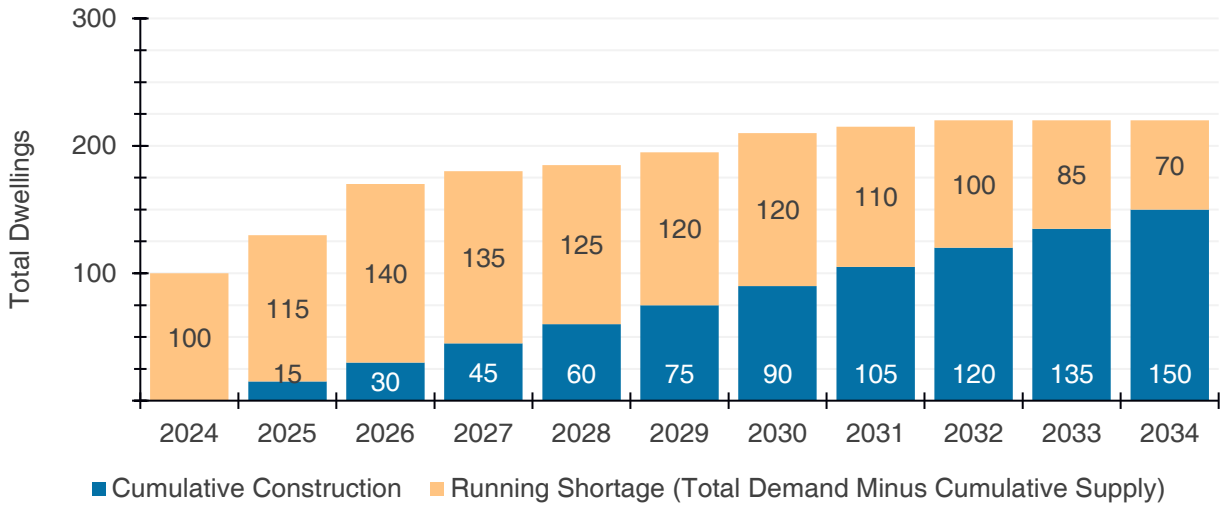



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 100 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, Lunenburg may have a total net new demand of 220 units by 2034.

**Figure 6.20** shows how the aforementioned total demand may compare to anticipate build outs of housing (based on historical trends).

**Figure 6.20: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could reduce to 70 units, indicating a continued (but declining) housing deficit without further intervention. This would require about 7 additional dwellings per year, on top of the 15 already expected annually.

**Table 6.11** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, Lunenburg's total inventory is about 37% rentals (as of 2021). Anticipated growth trends suggest building at a higher share (about 52%) over the next decade.

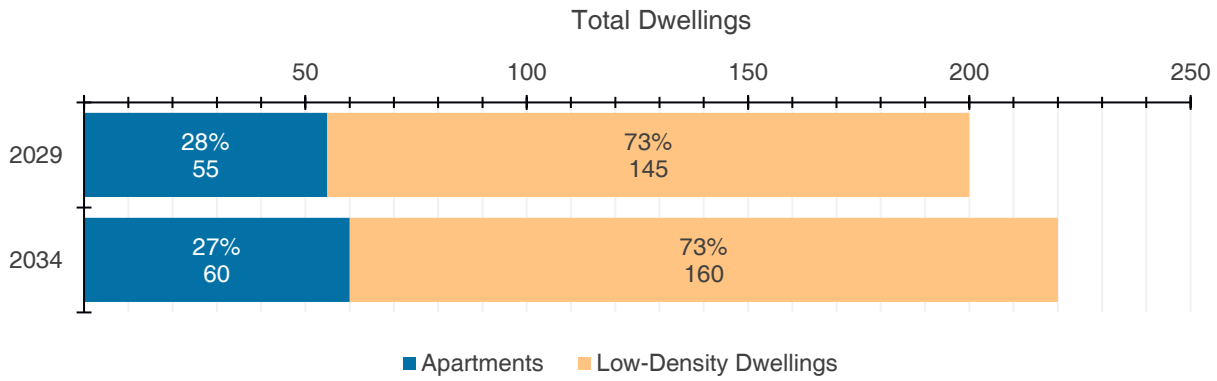
**Table 6.11: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | by 2029 | share | by 2034 | share | by 2029 | share | by 2034 | share |
| **Total** | 100 | | 105 | | 95 | | 115 | |
| **0-/1-Bed.** | 0 | 0% | 0 | 0% | 20 | 21% | 25 | 22% |
| **2-Bed.** | 30 | 30% | 35 | 33% | 55 | 58% | 65 | 57% |
| **3-Bed.** | 35 | 35% | 25 | 24% | 15 | 16% | 20 | 17% |
| **4+ Bed.** | 35 | 35% | 45 | 43% | 5 | 5% | 5 | 4% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 6.21** and **Figure 6.22** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 6.21: Anticipated new dwelling demand by dwelling typology, moderate scenario**

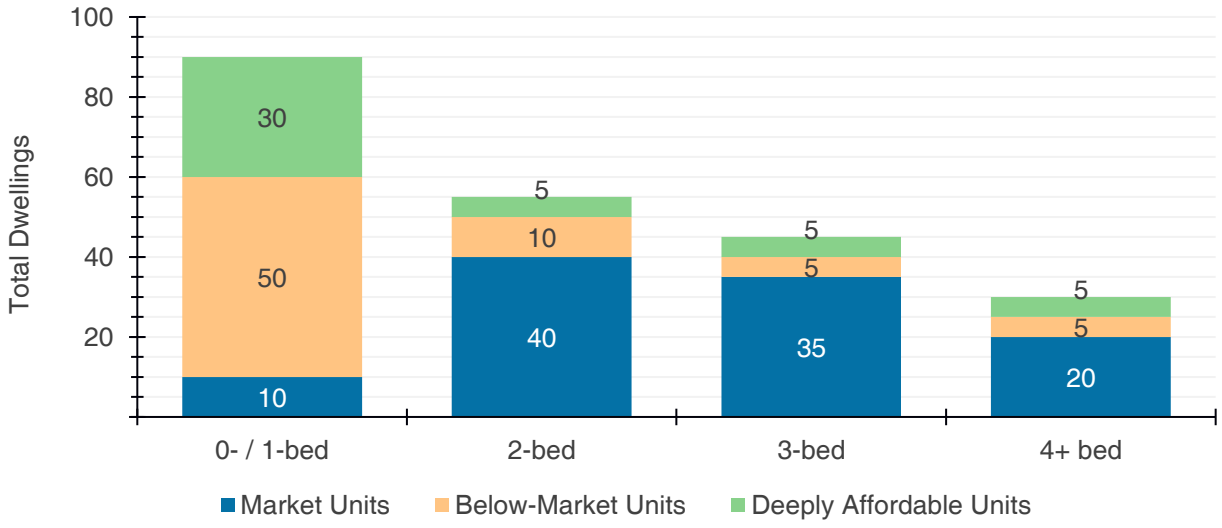



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for lower density homes – unsurprising given the general makeup of Lunenburg. Nevertheless, apartments should also be in demand.

- Based on Core Housing Need influenced calculations, there is a potential local demand for about 115 non-market units (70 below-market units and 45 deeply affordable units).

**Figure 6.22: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

**Figure 6.23: Study Area Boundary – Lunenburg**


Source: The Province of Nova Scotia | Basemap accessed through ESRI ArcPro.

# Section 7 | Town of Bridgewater

## 7.1 Rental Market Overview

This section presents the results of our rental market survey, specific to the Town Bridgewater. For brevity, we refer to this jurisdiction as *"Bridgewater"*. A summation of the conclusions stemming from our research is contained in the **Discussion & Conclusions** section of this document.

### 7.1.1 Rental Market Supply

Bridgewater is the dominant supplier of primary market units in the county. It has a well-established base of purpose-built rental housing relative to the other four jurisdictions. This is driven by its status as the regional service and commercial hub of the South Shore.

The Town also has a number of recently-constructed, purpose-built, rental apartment buildings that have larger unit counts and cater to the higher-end of the rental spectrum. These buildings have premium offerings (tenant amenities, luxury finishes, etc.) that were not common to the regional rental market prior to their arrival. There has also been a substantive amount of renovation and upgrade work undertaken on vacated rental units; recent years have seen demand rise sufficiently to justify the costs of unit upgrades.

Our research delineated 1,406 primary market rental units in Bridgewater. This is by-far the largest figure amongst the five municipalities in the county, and accounts for approximately 60% of the total inventory in the county. **Table 7.1** shows the total primary market unit inventory in Bridgewater, along with the totals for the other jurisdictions in the county.

**Table 7.1: Primary Rental Market Inventory (Bridgewater)**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

**Table 7.2** details our anticipated unit type breakdown for Bridgewater's primary rental market. Having regard to our market survey's high degree of coverage in Bridgewater, we have relied on the unit type mix identified in our survey specific to the town, not the overarching results for the county as a whole.

**Table 7.2: Unit Type Breakdown (Bridgewater)**

| Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|
| 3% | 23% | 68% | 6% |

Source: Derived using Turner Drake's rental market survey and estimated dwelling unit counts

### 7.1.2 Vacancy Rates

Vacancy rates in Bridgewater point to a constrained rental market, with an overall vacancy rate of 3.09%. This indicates strong rental demand and limited turnover, particularly in smaller and more affordable segments of the market. By bedroom type **(Table 7.3)**, Bridgewater exhibits low vacancy rates in 1- and 2-Bedroom units (2.43% and 3.74%), while both studio and three-bedroom units record limited-to-no vacancy. This signals that entry-level and family-sized housing types are in short supply and have low availability. These patterns suggest that Bridgewater's rental supply is nearing full occupancy, particularly within market-based affordable housing stock.

An analysis according to building size reinforces this trend of limited vacancy, as shown in **Table 7.4**. Vacancies are marginal and largely concentrated in the largest building size range (50-199 units, 6.00% vacancy rate). This reflects temporary lease-up periods in newly constructed developments. In contrast, smaller buildings, which make up a substantial share of the Town's established rental stock, show low availability. This indicates that older and smaller-scale rental stock remains almost fully absorbed.

Overall, Bridgewater's low vacancy rate underscores its role as the economic and service hub of Lunenburg County, and sustained population growth has placed major pressures on the rental supply. Despite recent expansions to the rental inventory, vacancies remain well below balanced-market thresholds.

**Table 7.3: Vacancy Rate by Bedroom Type (Bridgewater)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Bridgewater** | 0.00% | 2.43% | 3.74% | 0.00% | 3.09% |
| **Lunenburg County** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Bridgewater** | 0.00% | 2.48% | 3.79% | 0.00% | 3.13% |
| **Lunenburg County** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

Source: Turner Drake & Partners Ltd.

**Table 7.4: Vacancy Rate by Building Size (Bridgewater)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Bridgewater** | 0.00% | 3.23% | 2.54% | 2.63% | 6.00% | 3.09% |
| **Lunenburg County** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd.

### 7.1.3 Rental Rates

A key objective of this project was to quantify market rental rates in Lunenburg County and for each of the individual municipalities within. **Table 7.5** shows the average rent by unit type for Bridgewater and the county as a whole, and **Table 7.6** shows the average rental rates by building size (unit count range). These totals are derived market averages for rental rates (i.e., achieved rent); this is what tenants are currently paying. Asking rental rates are addressed in **Section 7.1.4**. These figures are weighted averages, which ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit inventory.

Our market survey coverage in Bridgewater was highly representative of the overall market; Bridgewater-specific figures can be used reliably in policy and research applications. We do note that the sample size for studio and 3-Bedroom(+) units was lower relative to the other two bedroom-types, and as such, there could be minor variations caused by this bias. On the whole, these rates are expected to be an excellent representation of what the rental market in Bridgewater is currently achieving.

**Table 7.5: Weighted Average Rent by Bedroom Type (Bridgewater)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **Bridgewater** | $976 | $1,251 | $1,479 | $1,830 | $1,434 |
| **Lunenburg County** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **Bridgewater** | $976 | $1,251 | $1,482 | $1,830 | $1,437 |
| **Lunenburg County** | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd.

**Table 7.6: Weighted Average Rent by Building Size (Bridgewater)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **Bridgewater** | $1,181 | $1,212 | $1,336 | $1,388 | $1,968 | $1,434 |
| **Lunenburg County** | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd.

### 7.1.4 Achieved vs Asking Rents

To provide further context on rental rates, we conducted a review of both achieved and asking rates. **Table 7.7** presents the results of this work. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently achieved by said space; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that applies to existing tenancies under periodic leases.

Achieved rates in Bridgewater reflect a market characterized by a mix of long-term tenancies in older-stock buildings, and a substantive amount of newly renovated, and newly constructed units. Older leases that fall under the rent cap will see more gradual rent increases, while the newer units achieve rates that align with current market conditions. On the whole, achieved rents in Bridgewater lag well-behind asking rates.

These findings reflect a common theme identified during our market survey outreach: a large number of tenants in the county, and by extension Bridgewater, are long-term renters who experience slower year-over-year rent growth relative to units on the open market.

**Table 7.7: Achieved vs Asking Rates by Unit Type (Bridgewater)**

| Bridgewater | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $976 | $1,000 | $24 | 2% |
| **1-Bed.** | $1,251 | $1,450 | $199 | 16% |
| **2-Bed.** | $1,479 | $1,800 | $321 | 22% |
| **3-Bed.** | $1,830 | $2,200 | $370 | 20% |
| **Overall** | $1,434 | $1,650 | $216 | 15% |
| **Lunenburg County** | | | | |
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $971 | $1,200 | $229 | 24% |
| **1-Bed.** | $1,159 | $1,500 | $341 | 29% |

| Unit Type | Achieved Rent | Asking Rent* | $ Difference | % Difference |
|---|---|---|---|---|
| **2-Bed.** | $1,417 | $1,800 | $383 | 27% |
| **3-Bed.** | $1,464 | $1,700 | $236 | 16% |
| **Overall** | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | * Figures are weighted averages that have been rounded to the nearest realistic point.

**Figure 7.1: Achieved vs Asking Rent (Bridgewater)**


Source: Turner Drake & Partners Ltd.

### 7.1.5 Secondary Rental Market

The secondary rental market is defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, etc. We estimate that the secondary rental market represents just shy of 26% of the overall rental unit inventory in Bridgewater. **Table 7.8** details these figures.

Bridgewater, in comparison to the remainder of the county, has a substantive base of purpose-built apartment rentals. This results in a smaller share of units provided by secondary market relative to overall rental inventory. The secondary rental inventory in Bridgewater generally takes the form of single-family homes and older properties that have been repurposed into multi-unit dwellings, along with residential spaces above commercial uses in the Town's core.

Our survey recorded no-to-limited vacancy rates for secondary market properties; while this does not mean that there is zero vacancy across the board for these buildings, it illustrates that overall availability for this sector is low. On the whole, we expect that trends in the secondary rental market will generally follow the same themes as those identified through our rental market survey.

**Table 7.8: Secondary Rental Market Inventory (Bridgewater)**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

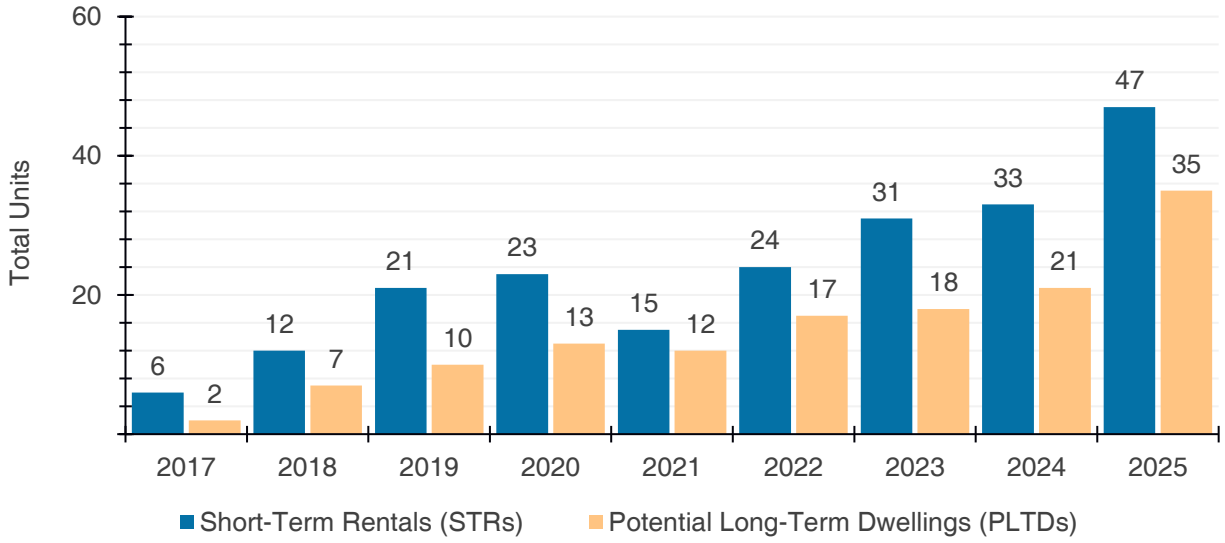
Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

## 7.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 7.2** depicts the changes in STR properties from 2017 to 2025,[20] along with the estimated number of units that were potential long-term dwellings (PLTDs) – meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[21]

**Figure 7.2: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

- Estimates indicate that by 2025, Bridgwater's STR market included approximately 47 properties, of which 35 were PLTDs. PLTDs therefore accounted for about 75% of the total STR inventory.

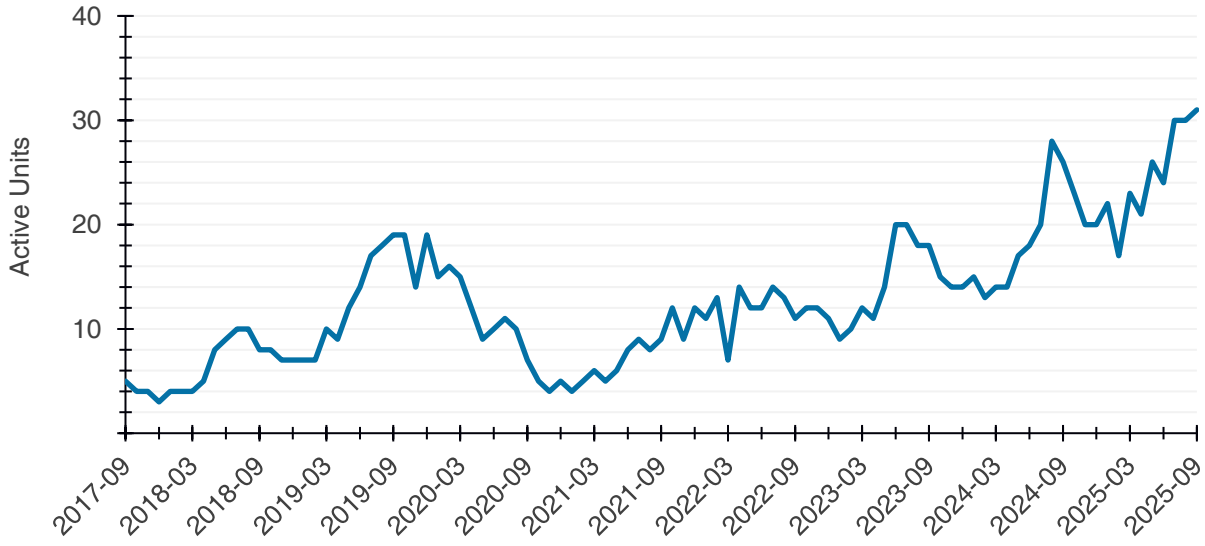
[20] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[21] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

- The 2025 STR total marks continued year-over-year increases (+42%) in overall inventory. PLTDs continued to increase as well and their most recent year-over-year growth (+67%) has been considerably faster than in the previous two years. Consequently, PLTDs reached their highest share of the STR market in 2025 since data collection began.

**Figure 7.3** illustrates monthly STR activity. On top of a sustained overall growth trend for the last several years, this highlights the clear seasonality of STRs across Bridgewater. Activity is lowest during the winter months, rises sharply through early summer, peaks between June and August, and then declines noticeably toward late summer.

**Figure 7.3: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

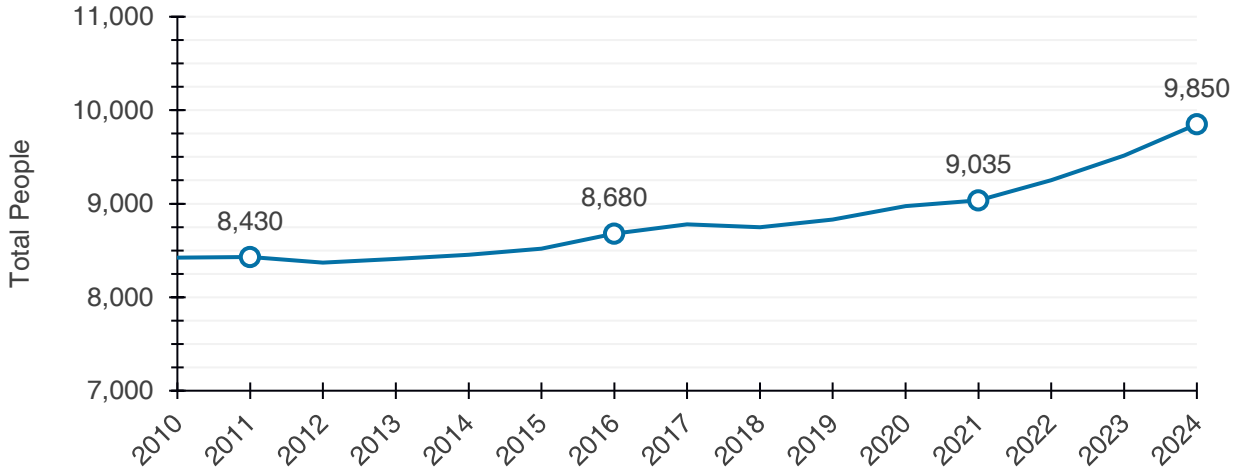
## 7.3 Demographic & Housing Supply Profiles

### 7.3.1 Historical Demographic & Income Profiles

Statistics Canada produces annual total population estimates for municipalities, with the most recent year being 2024. **Figure 7.4** illustrates the annual change in Bridgewater's total population based on these estimates. **Figure 7.5** goes a step further and provides estimates of population change over the last five years by age category.

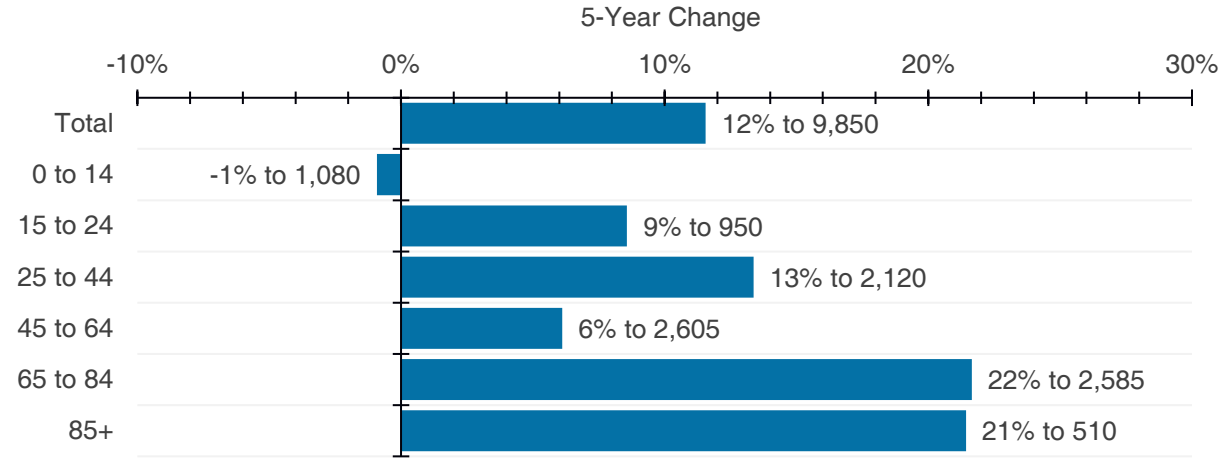
Readers who are familiar with local 2021 Census results will note that the estimated total and the Census total are different. Estimates are typically higher than Census results as Statistics Canada performs post-census adjustments to account for potential errors. The same adjustments are not available for age groups at the municipal level.

**Figure 7.4: Historical estimated total population**




Source: Statistics Canada Table 17-10-0155-01

**Figure 7.5: Percent change to population by age group, 2019 to 2024 estimates***




* Results for 2019 to 2024 combine age group totals from the Census and annual estimates to determine how age groups might have changed over non-Census years.
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Like many Nova Scotian communities, Bridgewater experienced a continuous increase to its total population since about 2016, increasing from 8,680 in that year to 9,850 by 2024 – a near 14% rise.

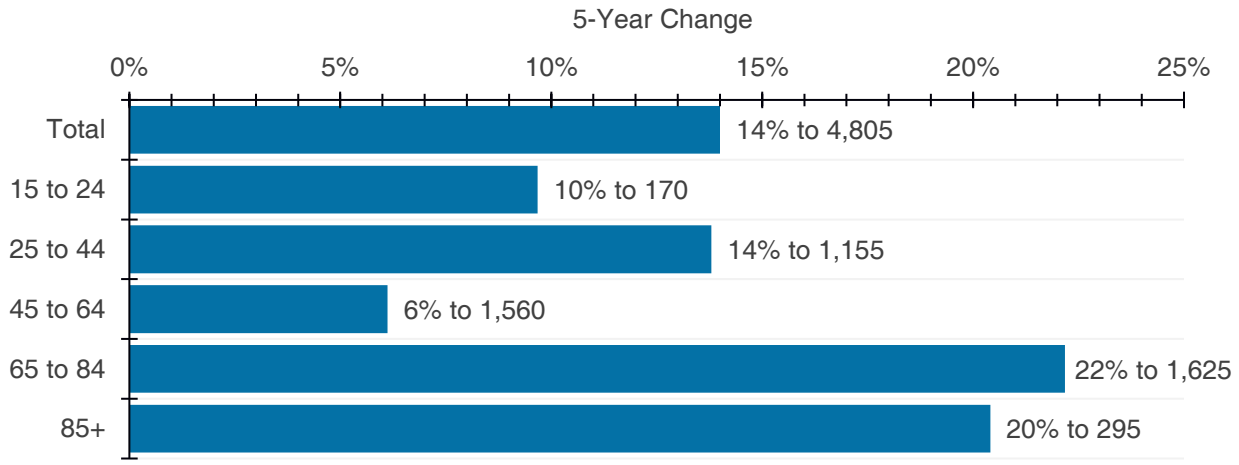
- Over the last five years, the total population increased 12%, with notable relative growth among 25-to-44-, 65-to-84-, and 85-plus-year-olds, based on estimates.

- Seniors represent a considerable and increasing proportion of the local resident base (about 31% in 2024). Even so, growth among 25- to 44-year-olds, accompanied by slight growth among children, suggests local increases are in part due to in-migrating younger couples and families.

As the population increases, so too (most often) do the number of households. **Figure 7.6** shows how household totals by primary household maintainer age category changed over the last five years.

The primary household maintainer is the Census' categorization of the first person in the household responsible for paying the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer. For example, a 25- to 44-year-old maintainer refers to the age of the person who most often "leads" the household financially.

**Figure 7.6: Percent change to households by primary maintainer age group, 2019 to 2024 estimates***



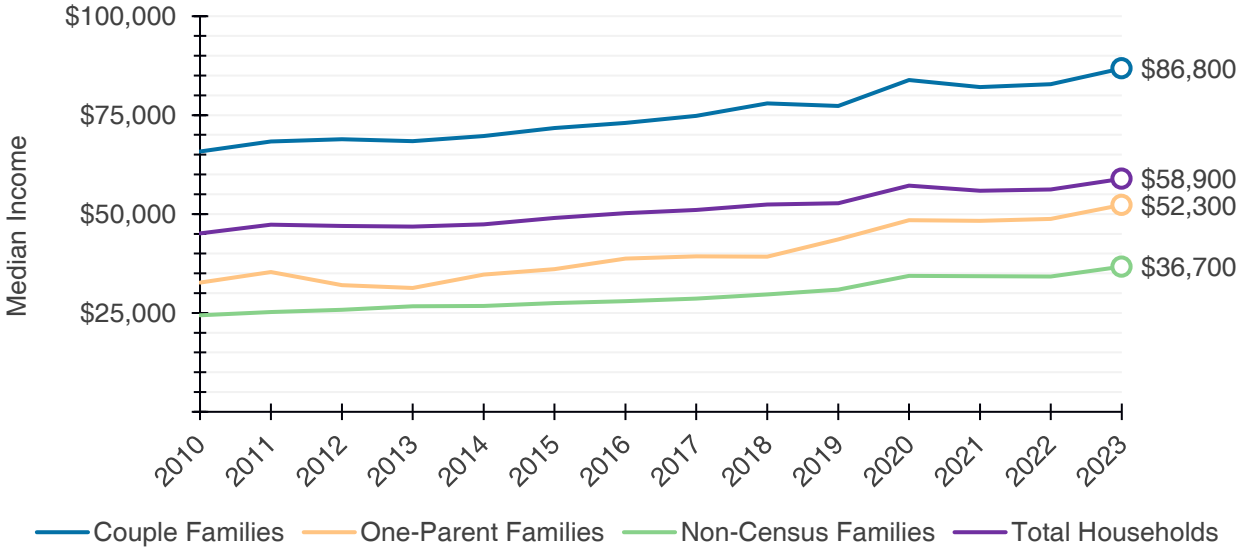

* Household results for 2019 to 2024 perform a similar estimation as for population, but make adjustments based on Census period headship rates (i.e., the number households led by an age group for every person in same age group).
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Total households between 2019 and 2024 increased by an estimated 14%, higher than the rate experienced by the overall population.

- Greater household versus population growth generally reflects an aging household maintainer base. As people or couples age, their dependents move away or partners pass away, leading to small household sizes and, inversely, greater households per capita.

The typical earnings or wealth a household accumulates are largely a function of the household's age. As youth become adults, they begin to earn more income commensurate to their experience. As they age, they are also more likely to form partnerships that lead to dual-income earning circumstances, further increasing their financial capacity. Even further down the road, people begin to retire and no longer earn income, but live off savings and pensions. **Figure 7.7** demonstrates how estimated median before-tax household incomes have changed between 2010 and 2023.

**Figure 7.7: Historical* before-tax household incomes by family type**



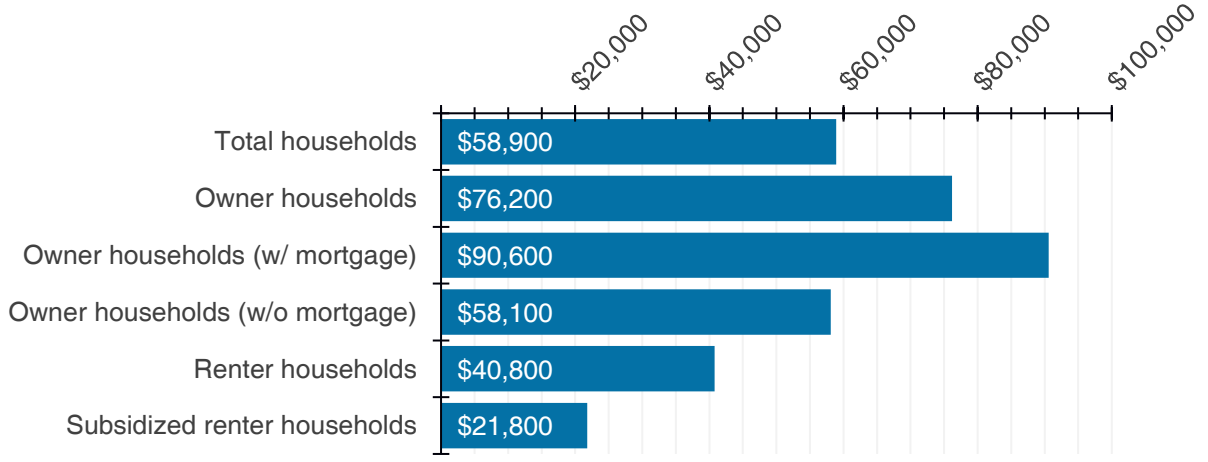

* Total household incomes derived from family incomes. Pre-2021 incomes are from a past Statistics Canada custom data order. Incomes for 2021 to 2023 estimated based on inferred pre-2021 relationship between local and non-CMA provincial income data.
Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- As of 2023, the median household may have earned $58,900 before-tax. Couples (more likely have more than one source of earnings) earned about $86,800, lone-parents earned about $52,300, and non-census families (e.g., single persons or roommates) earned about $36,700.

- Since 2019, incomes rose nearly 12%, with a noticeable bump between 2019 and 2020 (due to the impacts of COVID-19 Pandemic support payments) and between 2022 and 2023.

**Figure 7.8** illustrates estimated median before-tax household incomes by tenure for 2023. The data shows a clear divide between households with the financial capacity to own a home, particularly those owners without mortgages as well as households renting in either the private or subsidized market. While the overall median household income was $58,900 in 2023, tenure appears to strongly influence household income levels, with renters, and especially subsidized renters, earning considerably less than owners.

**Figure 7.8: Estimated before-tax household incomes by tenure, 2023**




Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

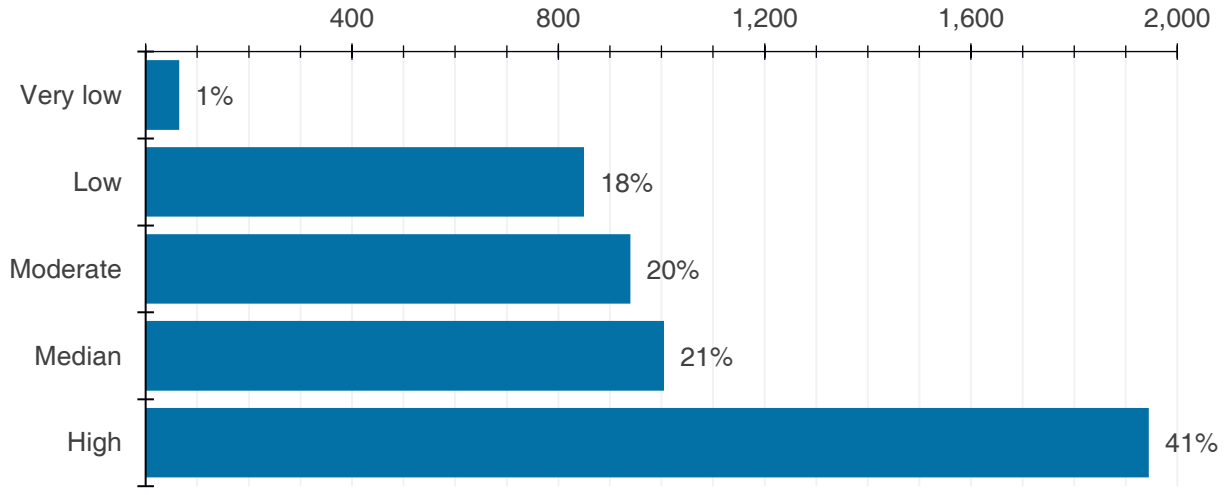
- Owner households with a mortgage (often couples in their employment earning years) report the highest incomes at $90,600, well above the overall median.
- Owner households without a mortgage ($58,100), renter households ($40,800), and subsidized renter households ($21,800) all fall below the total median income.
- The gap between owners and renters is substantial: renter households in the private market show incomes about 46% lower than their owner household counterparts. These disparities highlight the heightened affordability pressures faced by renter and subsidized renter households compared to owners.

UBC's Housing Assessment Resource Tools (HART) initiative defines five household income categories that can help inform the share of households most at risk of housing related financial pressures. HART applied the categories built by governments in the US, Vancouver, and Melbourne. The categories are as follows:

- **Very low income:** 20% or less of area median household income (AMHI), often similar to shelter allowance for income support recipients.
- **Low income:** 21-50% AMHI, generally equivalent to one full-time minimum wage job.
- **Moderate income:** 51-80% AMHI, similar to starting salary for a professional job like a nurse or teacher.
- **Median income:** 81-120% AMHI, representing the 'middle class.'
- **High income:** More than 120% AMHI, the group with most housing wealth.

**Figure 7.9** shows the estimated distribution of households by income category for 2024. The data illustrates a relatively balanced distribution across the low, moderate, and median income categories, while very low income households represent only a small fraction. At the other end of the spectrum, high-income households account for a disproportionately large share of the total, underscoring a notable income divide in the community.

**Figure 7.9: Estimated households by income category, 2024**




Source: Turner Drake analysis derived from Statistics Canada and UBC Housing Assessment Resource Tools program

- Very low-income households represent just 1% (60 households), the smallest share of households by income category.

- Income groups are more evenly distributed among low- (18%), moderate- (20%), and median (21%) income categories.

- High-income households dominate the distribution, making up 41% (1,945 households), a significantly larger share than all other individual categories.

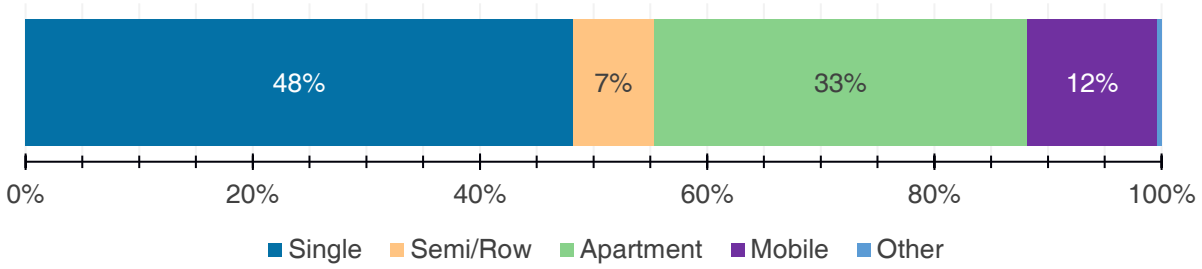
- The prevalence of higher-income households suggests greater overall purchasing power in the community, but also highlights affordability gaps for lower- and moderate-income households.

### 7.3.2 Housing Supply Overview

In 2021, Statistics Canada reported that Bridgewater had a total housing inventory of 4,493 dwellings, of which 4,260 were occupied by a permanent household (i.e., one that lives in the community more than half of the year, also known as a "usual-resident"). Thus, about 5% of Bridgewater inventory was intended for a different use, such as a recreational property, a second home, or for shorter term accommodations, or may have been vacant.

For those dwellings that are permanently occupied, **Figure 7.10** illustrates their distribution by structure type (e.g., single-detached, semi-detached, etc.).

**Figure 7.10: Distribution of inventory by usual-resident occupied dwelling structure type, 2021**



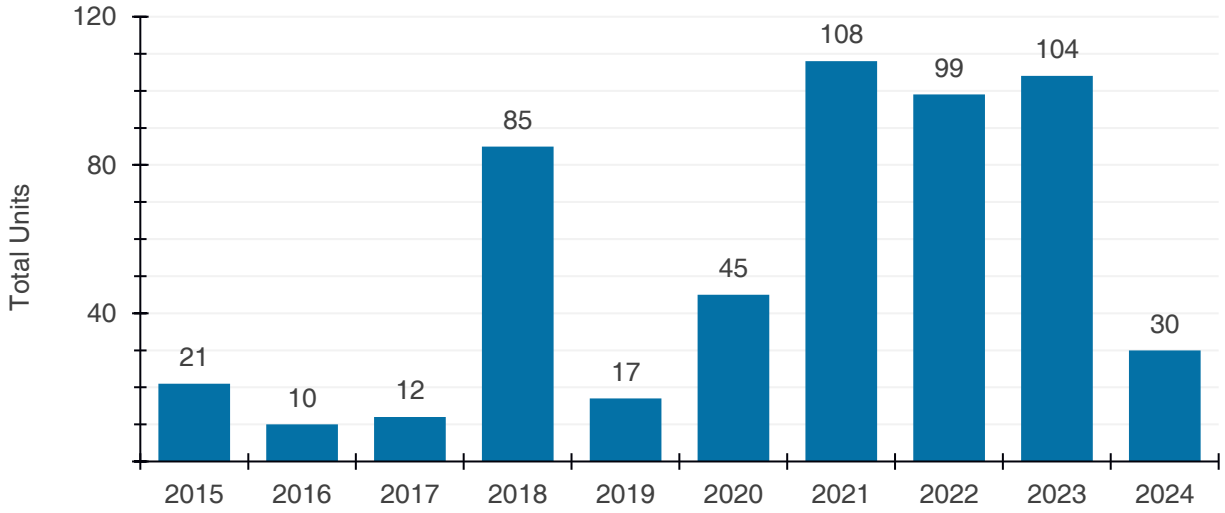

Source: Statistics Canada 2021 Census Profile

- The plurality of the municipality's dwellings are single-detached dwellings at a 48% share, with the next largest share occupied by apartment dwellings at 33%.

- According to the 2021 Census, about 1,790 of usual-resident dwellings were renter-occupied, representing about 42% of local households at that time.

**Figure 7.11** shows the number of construction completions in the municipality from 2015 through 2024. The period from 2015-2020 saw consistency in the number of completions, ranging from 10 to 45 depending on the year, with 2018 being an outlier at 85 completions.

**Figure 7.11: Annual dwelling completions estimates**




Source: derived from the Property Valuation Services Corporation

- Since 2020, Bridgewater experienced increases in dwelling completions, with 2021 setting a period-high of 108, followed by 104 in 2023.

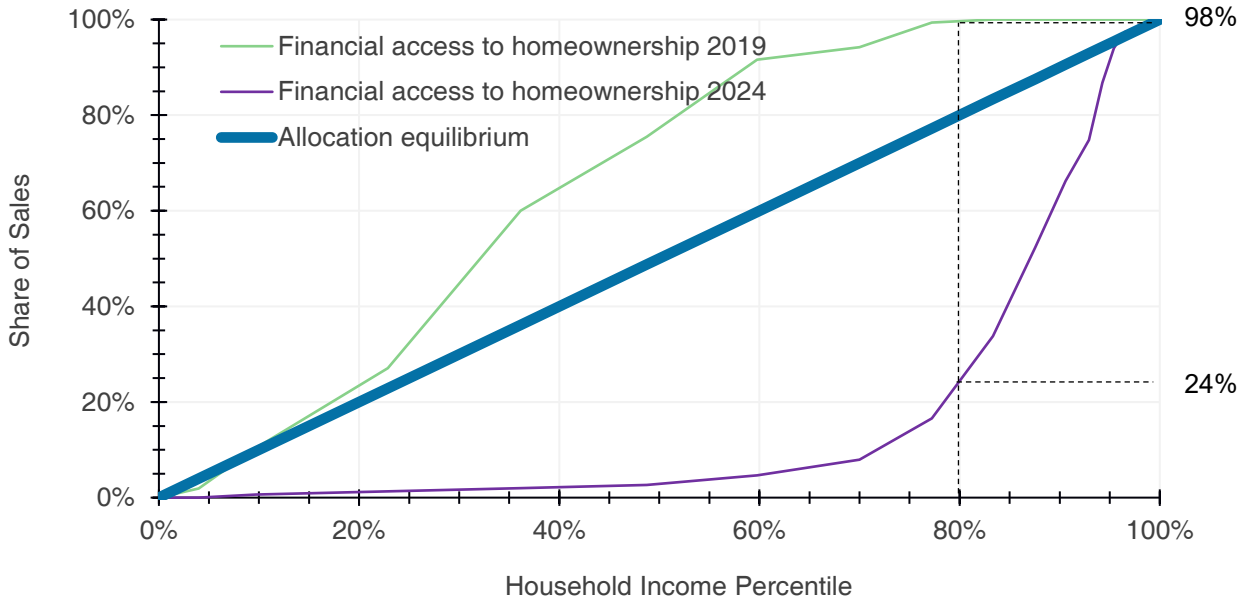
- While 2024 saw decreases relative to 2021 and 2023, construction completions in those years were still slightly higher when compared to 2015-2020.

## 7.4 Housing Affordability Analysis

### 7.4.1 Access to Homeownership

**Figure 7.12** illustrates how access to housing has shifted between 2019 and 2024 relative to an estimate of economic equity. Specifically, if we assume that equitable access to housing means that individuals in the 20th income percentile can afford 20% of available dwellings, the actual relationship between renter income distribution (as a proxy for first-time buyers) and housing access can be overlaid to reveal disparities. This comparison highlights the extent of and changes to inequity in the local homeownership market, particularly for first-time buyers.

**Figure 7.12: Share of dwellings affordable by income percentile, as compare to the equitable distribution of sales**




Source: Turner Drake analysis derived from the Property Valuation Services Corporation

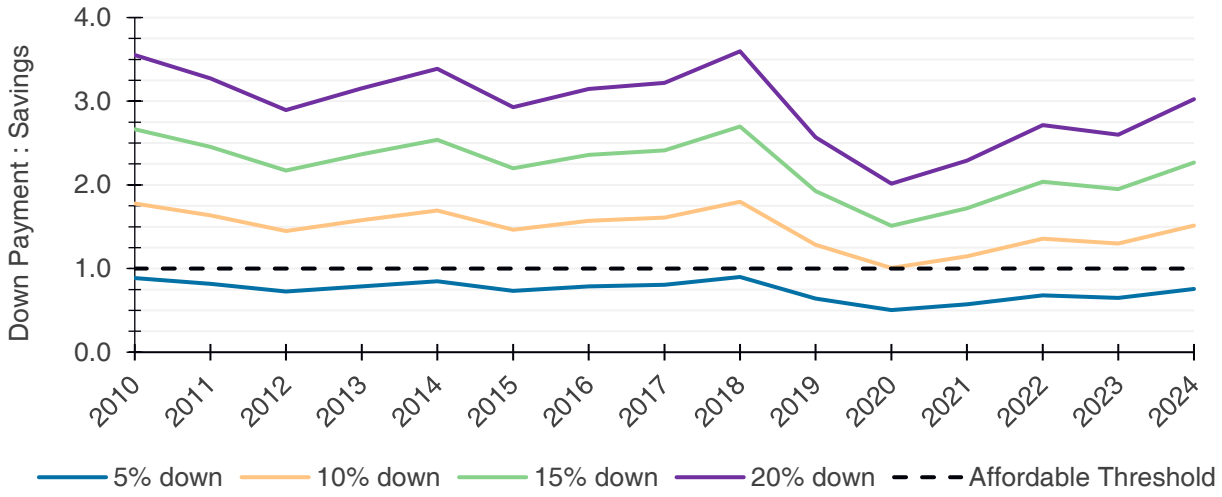
- In 2019, the homeownership market was relatively accessible for new buyers. With a sufficient down payment, households at any income percentile could afford homes priced at a higher percentile of sales. For example, 80% of households could afford 98% of dwellings.

- Since then, housing conditions across much of Nova Scotia have shifted dramatically, driving shelter costs (particularly for ownership) beyond the reach of many more households. With the exception of the highest earners, most income percentiles could no longer afford homes at their equivalent sales percentile, often falling far below. By 2024, 80% of households could afford only 24% of sales, compared to 98% in 2019 – a decline of 74 percentage points.

### 7.4.2 Obstacles to Homeownership for First-Time Buyers / Renters

**Figure 7.13** demonstrates the ratio of the estimated 5-year net savings of a typical 25- to 34-year-old led household (a proxy for a new home-buyer) in a given year compared to the typical down payment in a given year (based on the down payment percentage). A value above 1.0 indicates that the typical 25- to 34-year-old does not have enough built-up savings to cover the payment.

**Figure 7.13: Ratio of down payment required by percent down to estimated savings, 25-34 year olds**

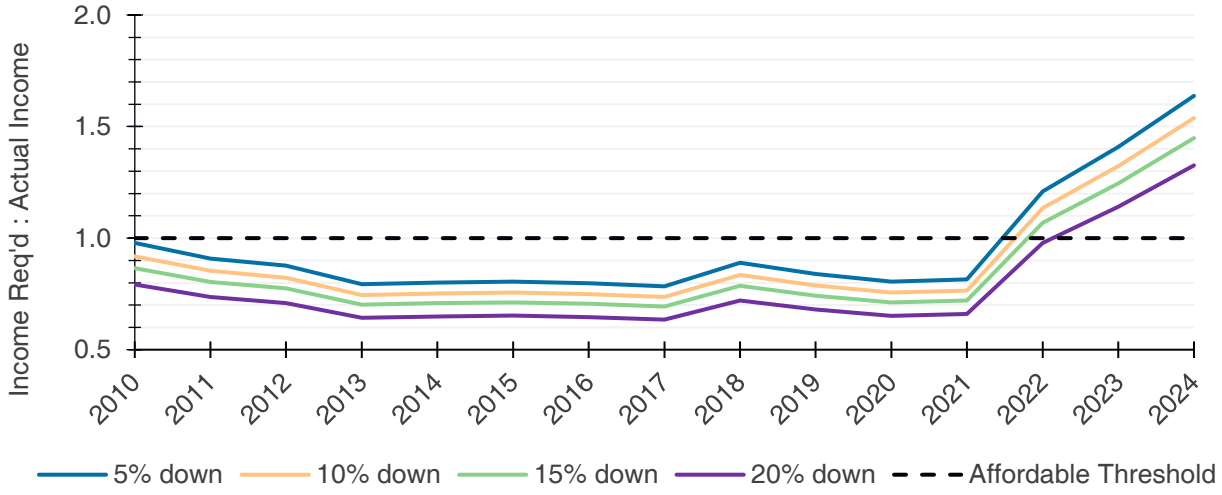



Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

- According to estimates, younger adults typically save enough over five-years to afford the down payment of the typical local dwelling if said payment is 5% down. Contributing higher amounts of equity becomes increasingly expensive.

While lower down payments provide an easier means of entering the market, this does not necessarily equate to an affordable carrying cost. Relatedly, **Figure 7.14** demonstrates the ratio of the estimated income required to reasonably afford the mortgage payments for the typical home in a given year compared to the estimated income of the typical 25- to 34-year-old in a given year (based on the same down payment scenarios as above). A value above 1.0 indicates that the required income is unattainable for the typical young adult led household.

**Figure 7.14: Ratio of income required for mortgage payment to actual income, 25-34 year olds**




Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

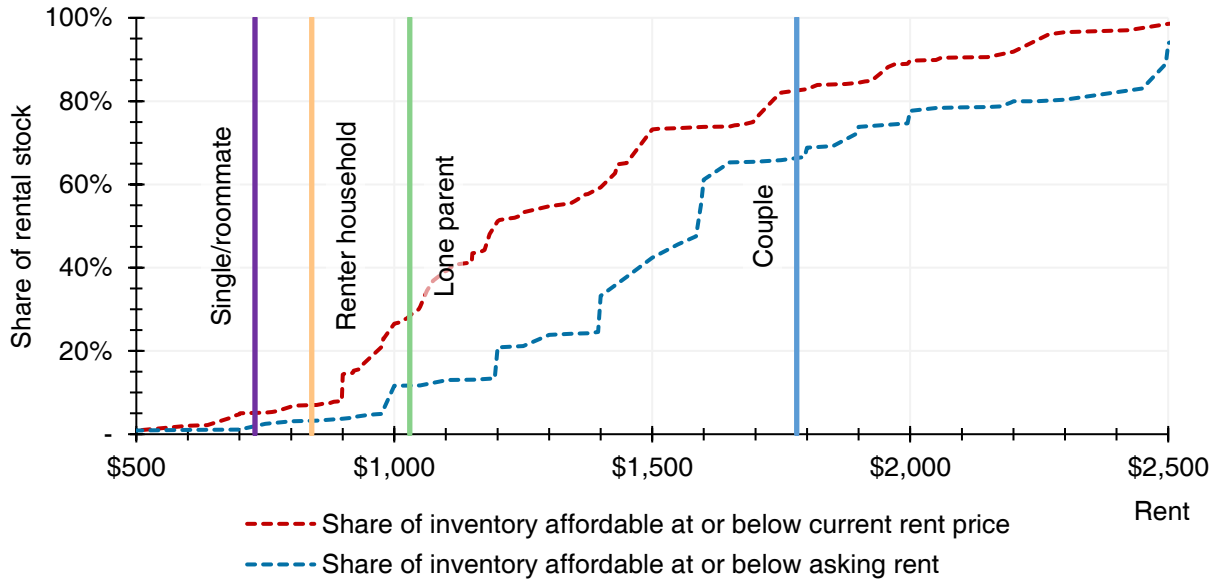
- A 5% down payment allows households to enter the market with less savings but results in higher overall costs compared to buyers contributing more equity on the same home. This creates a clear trade-off between lowering the entry barrier and long-term affordability.

- Historically, the relationship between home prices and local incomes kept housing reasonably affordable, whether buyers put down 5% or 20%. However, sharp price increases after 2020 quickly eroded this balance. By 2024, typical mortgage payments were no longer reasonably affordable relative to the income of a first-time homebuyer, regardless of the equity initially invested.

### 7.4.3 Rent Price Accessibility

**Figure 6.16** illustrates the estimated financial capacity of different local household types to afford various rent levels within the community. Calculations follow Statistics Canada's definition of affordability (spending no more than 30% of before-tax household income on shelter costs) and are based on the previously estimated household incomes. Each household type's affordable rent threshold is compared against the share of the county-wide rental inventory available at or below that rent level. For example, approximately 48% of rental units are listed at $1,585 or less.

**Figure 7.15: Share of county rental stock financially achievable by local households, 2025**




Source: derived from 2025 Turner Drake Housing Market Survey and estimated 2023 before-tax household incomes by tenure

- Based on 2023 estimates, the median renter household could reasonably afford a monthly rent of $840. However, according to asking rents from the 2025 rental housing survey, about half of renter households would be unable to afford roughly 97% of turned over units (i.e., units rented at asking price) without exceeding affordable spending levels. Conditions are marginally better if considering average current rents – 5% of the stock was affordable to the median renter income.

- If a renter household decided to spend 50% of their income on shelter, their monthly rent budget would increase to about $1,400 and they could meet the asking rents of 25% of rental units.

- Renter households are predominantly composed of single individuals or roommates, groups that typically earn lower incomes. These households have the least choice in the rental market.

- Lone-parent households, while generally single-income, can access a slightly larger share of housing within affordable limits. Even so, the median lone parent could afford only about 12% of listed rentals without overspending, versus 28% of rentals at current rates.

- Couple households, more likely to have dual incomes, have the greatest range of housing options, being able to afford approximately 66% of units on market based on the standard affordability threshold.

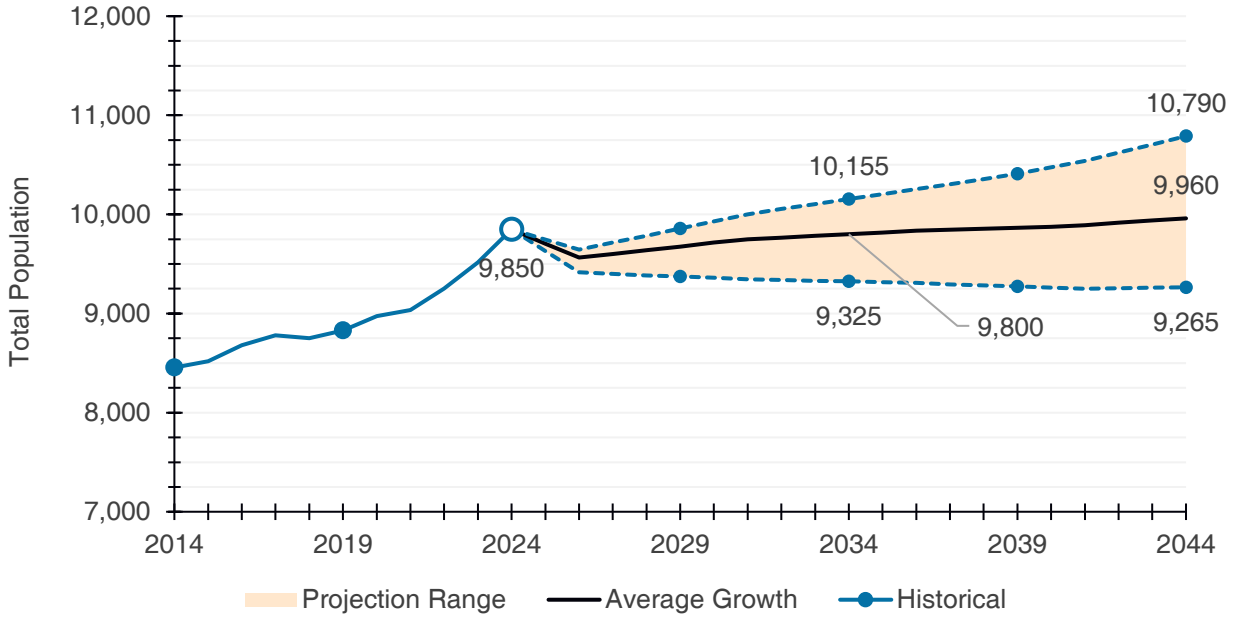
## 7.5 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 7.5.1 Population Projections

**Figure 7.16** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 7.16: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 9,325 and 10,155, representing a loss of 5% and gain of 4% over the decade. By 2044, the range may widen to 9,265 to 10,790, or a -6% to 10% change since 2024.

- Under a moderate scenario, the population may contract less than 1% by 2034 (to 9,800) and expand 1% by 2044 (to 9,960).

**Table 7.9** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 7.9: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 8,830 | 1,090 | 875 | 1,870 | 2,455 | 2,125 | 420 |
| **2024** | 9,850 | 1,080 | 950 | 2,120 | 2,605 | 2,585 | 510 |
| **5yr % change** | +12% | -1% | +9% | +13% | +6% | +22% | +21% |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2034** | 9,800 | 785 | 960 | 1,910 | 2,530 | 2,805 | 815 |
| **10yr % change** | -1% | -27% | +1% | -10% | -3% | +9% | +60% |

Source: Turner Drake analysis derived from Statistics Canada

- As mentioned, the total population may contract from 9,850 to 9,800 by 2034, just shy of a 1% change.

- Growth may be concentrated among seniors. By 2034, seniors ages 85+ are projected to grow by 60% (510 to 815). Over the same period, seniors 65–84 are anticipated to increase by 9% (2,585 to 2,805).

**Important consideration:** As outlined in the methodology (see **Appendices**), population projections can be produced using several valid approaches, each with different strengths and limitations. This report uses a method that incorporates recent federal immigration target changes and their potential influence on Nova Scotia and its municipalities. Other municipalities may use different methods, meaning their results may not align perfectly with those presented here.

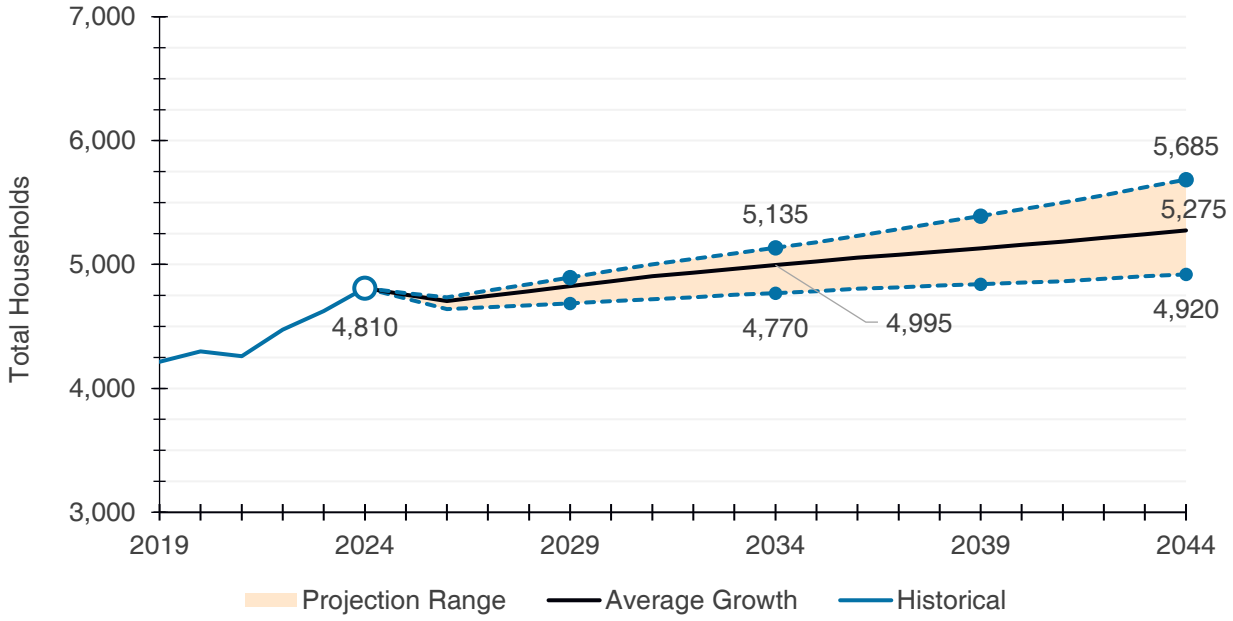
For instance, Bridgewater's early 2025 projections estimate a 2044 population between 10,510 and 12,285 – higher than the figures shown above. This does not mean one set of projections is right and the other wrong; rather, each reflects different underlying assumptions. Projections are also limited in their ability to anticipate future shifts, such as renewed immigration growth or local economic changes (e.g., the Michelin plant expansion). As a result, higher-growth scenarios like Bridgewater's can be particularly valuable for land use and infrastructure planning, as they help municipalities plan proactively rather than reactively.

### 7.5.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head") of a household. For more methodology details, see the Appendices.

Like **Figure 7.16**, **Figure 7.17** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 7.17: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 4,770 and 5,135, representing a change of -1% to 7% over the decade. By 2044, the range may widen to 4,920 to 5,685, or 2% to 18% growth since 2024.

- Under a moderate scenario, total households may expand 4% by 2034 (to 4,995) and 10% by 2044 (to 5,275).

**Table 7.10** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 7.10: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 4,215 | 155 | 1,015 | 1,470 | 1,330 | 245 |
| **2024** | 4,805 | 170 | 1,155 | 1,560 | 1,625 | 295 |
| **5yr % change** | +14% | +10% | +14% | +6% | +22% | +20% |
| **2034** | 4,995 | 170 | 1,060 | 1,510 | 1,780 | 470 |
| **10yr % change** | +4% | 0% | -8% | -3% | +10% | +59% |

Source: Turner Drake analysis derived from Statistics Canada

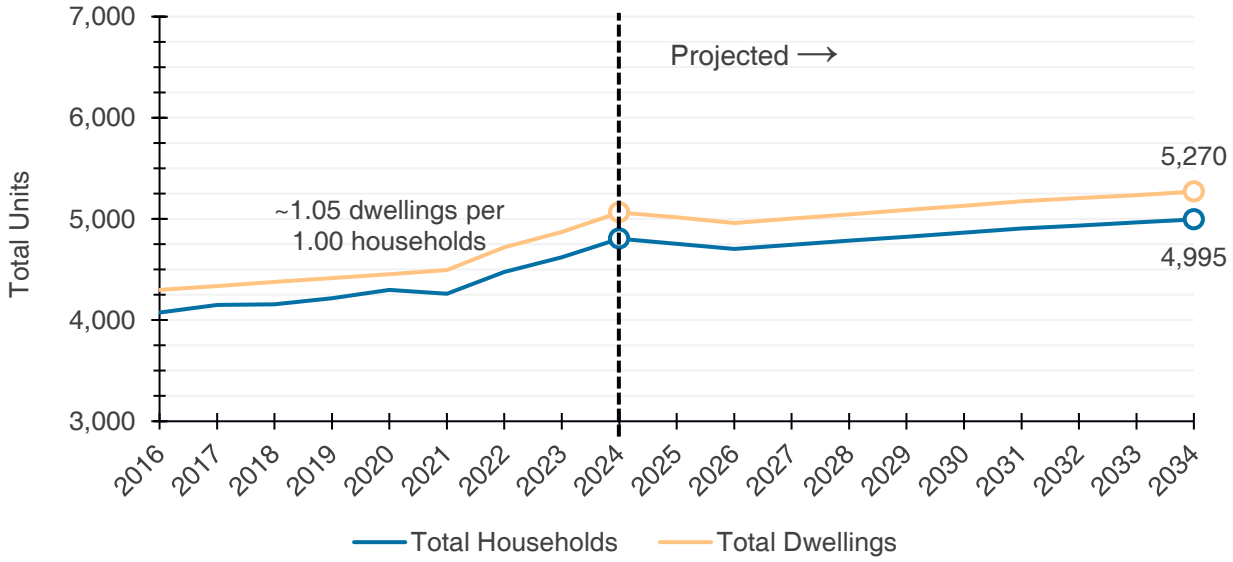
- As mentioned, total households may expand from 4,805 to 4,995, a 4% increase. Like historical trends, projections anticipate household growth will outpace population growth, influenced largely by the notable expansions of seniors and senior-led households (i.e., greater households per capita).

- By 2034, 65-to-84-year-old senior-led households may expand 10% (1,625 to 1,780) and elderly-led households by 59% (295 to 470).

### 7.5.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 5% of Bridgewater dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 7.18** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 7.18: Anticipated households versus dwellings**

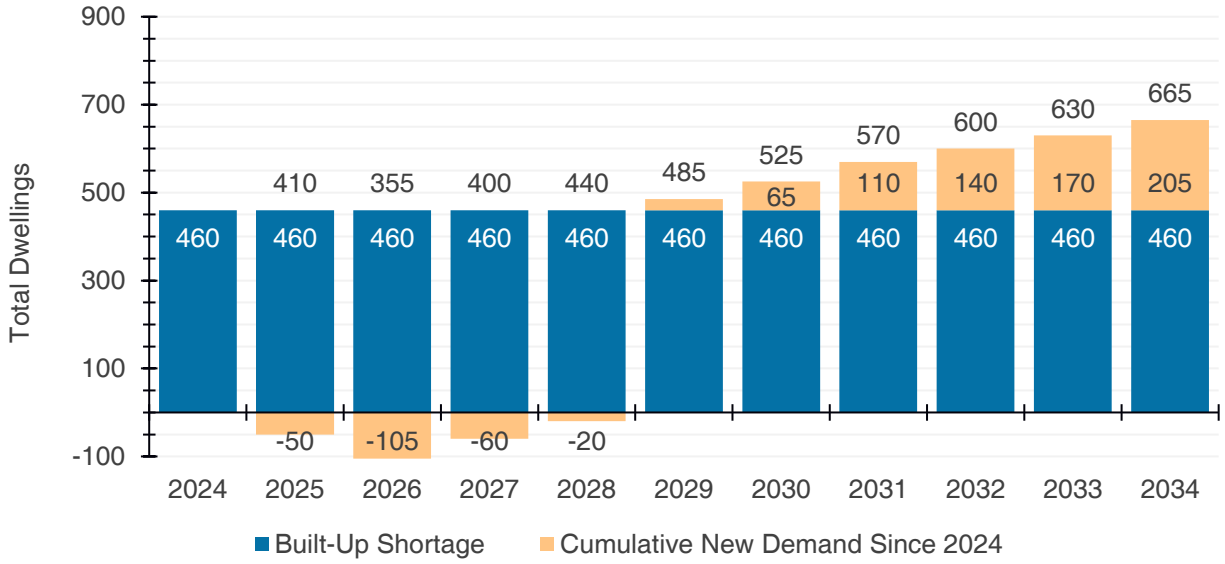



Source: Turner Drake analysis derived from Statistics Canada

- Historically, Bridgewater has about 1.05 dwellings for every household. If applied to household projects, the municipality may demand 5,270 total dwellings by 2034 – an increase of 205 units over a decade (or 20 annually), versus 190 households (19 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provide further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households – those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 7.19** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 7.19: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

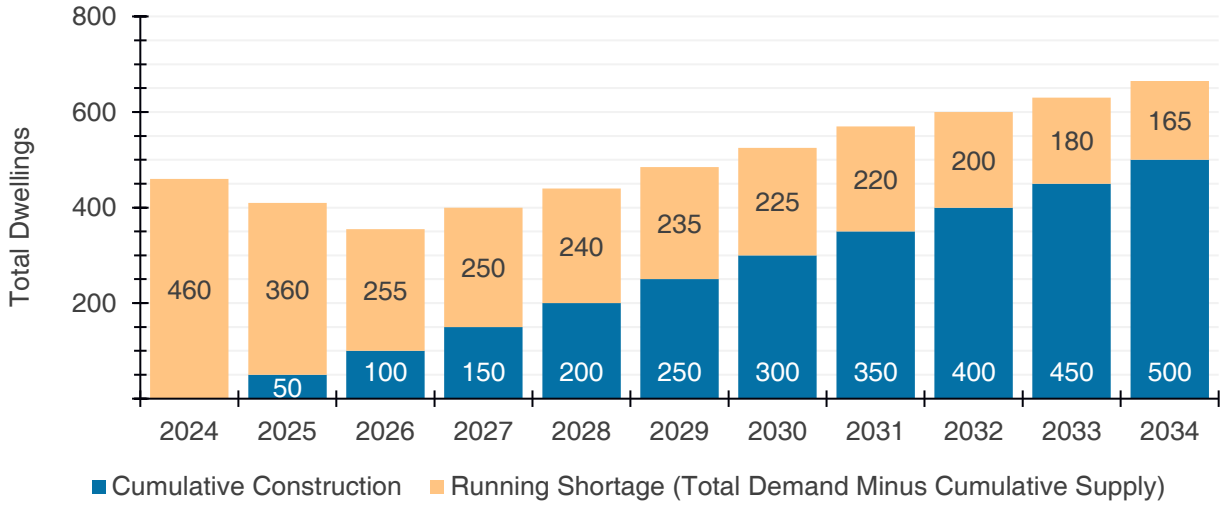



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 460 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, Bridgewater may have a total net new demand of 665 units by 2034, even after a slight decrease in demand in the early parts of the ten-year period.

**Figure 7.20** shows how the aforementioned total demand may compare to anticipate build outs of housing (based on historical trends).

**Figure 7.20: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could decrease to 165 units by 2034, indicating an improving housing deficit. Nevertheless, about 16 additional dwellings are required per year, on top of the 50 already expected annually.

**Table 7.11** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, Bridgewater's total inventory is about 42% rentals (as of 2021). Anticipated growth trends suggest building at a higher share (about 62%) over the next decade.

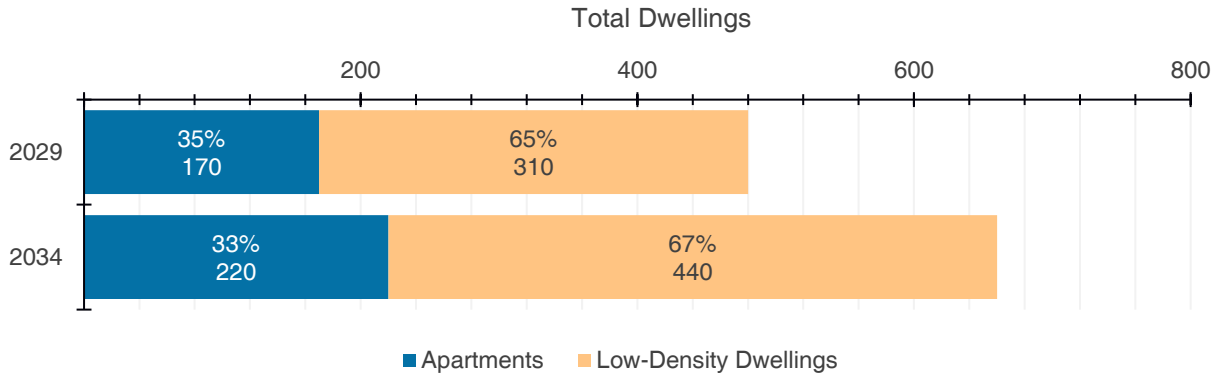
**Table 7.11: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | by 2029 | share | by 2034 | share | by 2029 | share | by 2034 | share |
| **Total** | 200 | | 250 | | 290 | | 410 | |
| **0-/1-Bed.** | 10 | 5% | 15 | 6% | 90 | 31% | 140 | 34% |
| **2-Bed.** | 110 | 55% | 170 | 68% | 190 | 66% | 270 | 66% |
| **3-Bed.** | 25 | 13% | 0 | 0% | 10 | 3% | 0 | 0% |
| **4+ Bed.** | 55 | 28% | 65 | 26% | 0 | 0% | 0 | 0% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 7.21** and **Figure 7.22** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 7.21: Anticipated new dwelling demand by dwelling typology, moderate scenario**

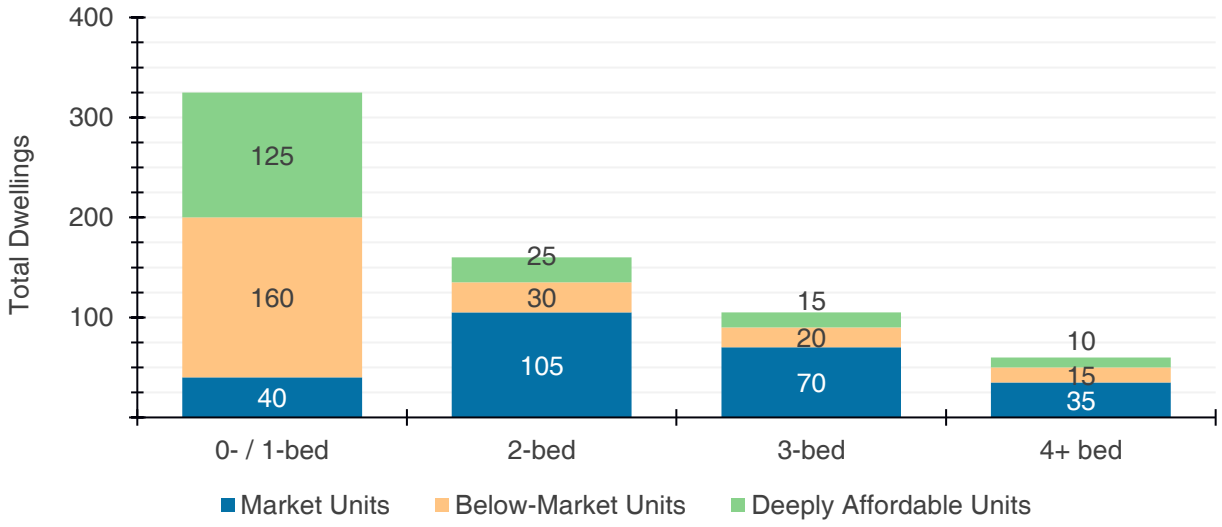



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for lower density homes – unsurprising given the general makeup of Bridgewater. Nevertheless, apartments should also be in demand.

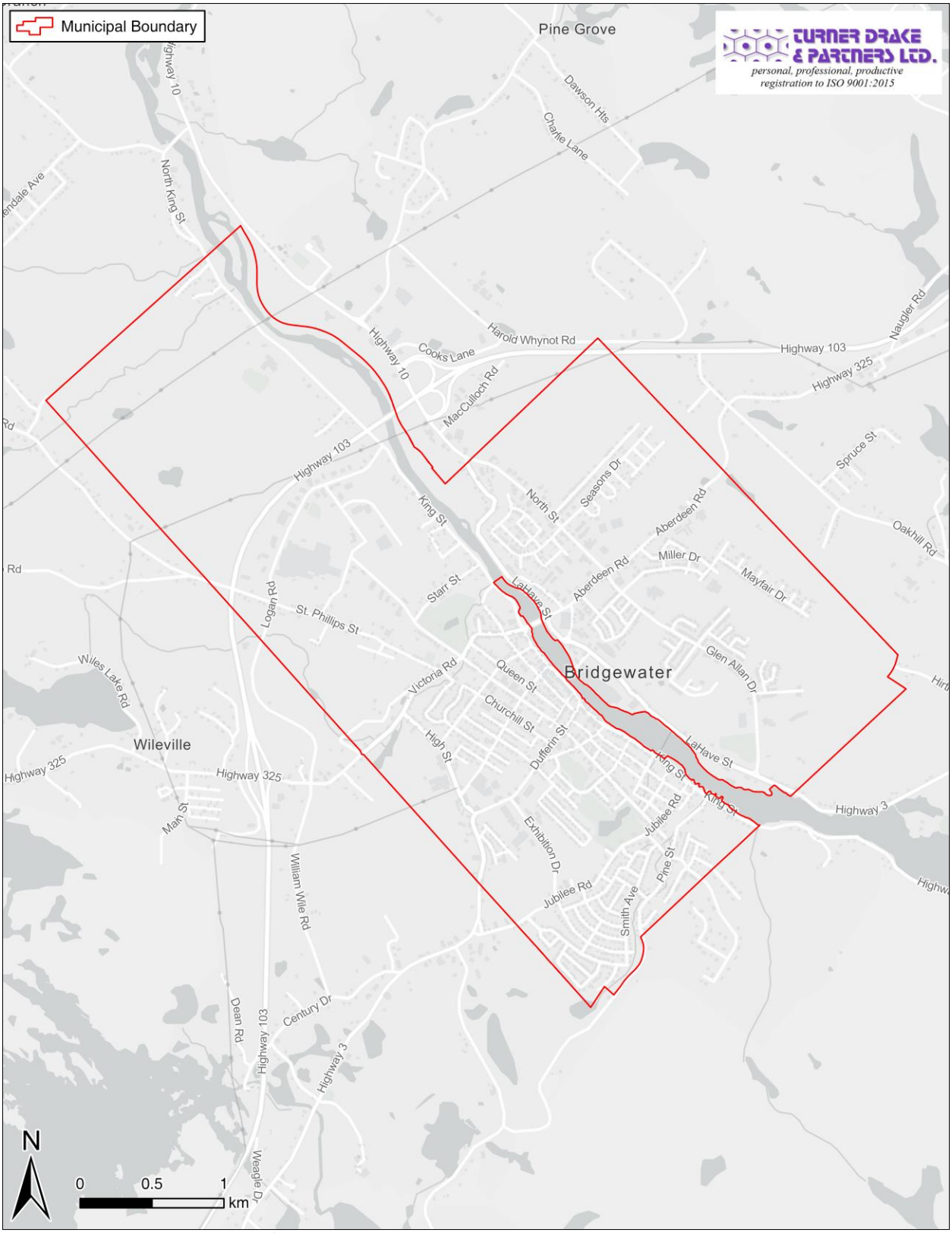
- Based on Core Housing Need influenced calculations, there is a potential local demand for about 405 non-market units (225 below-market units and 180 deeply affordable units).

**Figure 7.22: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

**Figure 7.23: Study Area Map – Bridgewater**




Source: The Province of Nova Scotia | Basemap accessed through ESRI ArcPro.

# Section 8 | Municipality of the District of Lunenburg

## 8.1 Rental Market Overview

This section presents the results of our rental market survey, specific to the Municipality of the District of Lunenburg. For brevity, we refer to this jurisdiction as *"MODL"*. A summation of the conclusions stemming from our research is contained in the **Discussion & Conclusions** section of this document.

While the results of our rental market survey for MODL are statistically valid and reliable, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type, etc.). As such, we recommend the application of the county-wide vacancy and rental rates in MODL for usage in policy and research functions.

### 8.1.1 Rental Market Supply

MODL has a comparatively low supply of primary market rental units; this is to be expected from a largely rural municipality with a tenure-share that is heavily weighted towards home-ownership. Largely, the existing primary market rental stock is typified by older and smaller low-rise buildings. There has also been new construction of rental units immediately proximate to Bridgewater's town boundary (and thereby likely still accessing municipal servicing infrastructure). The primary rental market supply is generally concentrated along the HWY-103 corridor, along with pockets of smaller multi-unit properties along HWY-3, and immediately outside the boundaries of Lunenburg and Mahone Bay. New Germany also sees a relatively small concentration of older-stock primary market rental buildings.

Our research delineated 329 primary market rental units in MODL. This is the second-largest figure amongst the five municipalities in the county, and accounts for approximately 14% of the total inventory. **Table 8.1** shows the total primary market unit inventory in MODL, along with the totals for the other jurisdictions in the county.

**Table 8.1: Primary Rental Market Inventory (MODL)**

| Municipality | Total Inventory | | Share of Inventory (%) | |
|---|---|---|---|---|
| | No. of Units | No. of Buildings | % of Units | % of Buildings |
| **Chester** | 279 | 63 | 12% | 18% |
| **Mahone Bay** | 68 | 17 | 3% | 5% |
| **Lunenburg** | 255 | 49 | 11% | 14% |
| **Bridgewater** | 1,406 | 137 | 60% | 40% |
| **MODL** | 329 | 75 | 14% | 22% |
| **Total** | 2,337 | 341 | --- | --- |

Source: Turner Drake & Partners, Ltd., PVSC, and the Province of Nova Scotia

We expect the distribution of units by bedroom type (i.e., 1-Bed., 2-Bed., etc.) to largely follow the same patterns as at the county-level. As such, we anticipate that the breakdown of primary market unit types for MODL is as follows:

**Table 8.2: Unit Type Breakdown (MODL)**

| Studio | 1-Bed. | 2-Bed. | 3-Bed. |
|---|---|---|---|
| 4% | 24% | 63% | 9% |

Source: Derived using Turner Drake's rental market survey and estimated dwelling unit counts

### 8.1.2 Vacancy Rates

We caution that the reporting on granular data points for this section is done to provide regional context, despite the fact that the concluded figures are biased by small sample sizes. As such, we recommend the application of the county-wide figures for usage in policy and research functions specific to MODL's rental market.

MODL's high vacancy rates should not be interpreted not as a sign of reduced demand, but as a reflection of a recently expanded supply and a small sample size that is distorted by the outsized impact of several newly constructed buildings that temporarily elevate the calculated vacancy rates as their units are absorbed for the first time. The increase in new rental housing represents an important and positive development for the region, providing much-needed stock in an otherwise tight and undersupplied market. Once these new units are fully absorbed, vacancy levels in MODL are expected to stabilize closer to county-wide figures.

**Table 8.3** shows vacancy rates by unit type. We note that no vacancy was recorded for 3-Bedroom units. While this is influenced by the sample size bias, this is also indicative of both a low supply, and relatively full absorption, of larger family-sized units in MODL, particularly in the primary rental market.

**Table 8.4** details vacancy rates by building size range. There is higher vacancy among larger complexes (10-20% in buildings with 20-or-more units), while smaller buildings remain relatively full. This demonstrates the effect of new construction on calculated vacancy rates; recent additions to the market, primarily in the form of new, larger-scale purpose-built rental developments, skew MODL's vacancy rate higher during their initial lease-up phase.

**Table 8.3: Vacancy Rate by Bedroom Type (MODL)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **MODL** | 10.00% | 14.71% | 14.00% | 0.00% | 13.61% |
| **Lunenburg County** | 4.48% | 4.64% | 4.73% | 2.80% | 4.52% |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **MODL** | 10.00% | 15.38% | 14.00% | --- | 14.05% |
| **Lunenburg County** | 4.55% | 4.82% | 4.84% | 3.01% | 4.66% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 8.4: Vacancy Rate by Building Size (MODL)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **MODL** | 0.00% | 7.69% | 0.00% | 10.42% | 21.28% | 13.61% |
| **Lunenburg County** | 0.00% | 5.52% | 2.56% | 3.07% | 10.33% | 4.52% |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 8.1.3 Rental Rates

A key objective of this project was to quantify market rental rates in Lunenburg County, and for each of the individual municipalities within. **Table 8.5** shows the average rent by unit type for MODL and the county as a whole, and **Table 8.6** shows the average rental rates by building size (unit count range).

While the results of our rental market survey for MODL are statistically valid, they are heavily influenced by small sample size bias. This causes variability in the reporting of granular figures (i.e., rental rates by unit type). As such, we recommend the use of the county-wide figures for MODL for policy and research functions, with locally-specific numbers applicable for nuance and context. As MODL has a number of larger, primary market buildings within close proximity to the Town of Bridgewater, we expect that county-wide metrics (which are largely driven by buildings in Bridgewater) will be highly reflective of MODL's current market realities.

These totals are derived market averages for rental rates (i.e., achieved rent); this is what tenants are currently paying. Asking rental rates are addressed in **Section 8.1.4**. These figures are weighted averages, which ensures a more accurate representation of market rents; each building's influence on the overall rates was weighted based on their corresponding share of the total unit inventory. The reported rental rates in MODL generally skewed to the lower-end, though that was largely driven by longer-term tenancies in older rental units.

**Table 8.5: Weighted Average Rent by Bedroom Type (MODL)**

| Entire Market | Studio | 1-Bed. | 2-Bed. | 3-Bed. | Overall |
|---|---|---|---|---|---|
| **MODL** | $955 | $1,018 | $1,161 | $1,913 | $1,753 |
| **Lunenburg County** | $971 | $1,159 | $1,417 | $1,464 | $1,423 |
| **Primary Market (> 2 Units)** | **Studio** | **1-Bed.** | **2-Bed.** | **3-Bed.** | **Overall** |
| **MODL** | $955 | $1,020 | $1,161 | --- | $1,764 |
| **Lunenburg County** | $968 | $1,161 | $1,421 | $1,434 | $1,426 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

**Table 8.6: Weighted Average Rent by Building Size (MODL)**

| Rental Market | < 3 Units | 3-5 Units | 6-19 Units | 20-49 Units | 50-199 Units | Overall |
|---|---|---|---|---|---|---|
| **MODL** | $1,400 | $925 | $1,084 | $975 | $2,500 | $1,753 |
| **Lunenburg County** | $1,324 | $1,261 | $1,272 | $1,334 | $1,935 | $1,423 |

Source: Turner Drake & Partners Ltd. | *"---"* denotes no value recorded.

### 8.1.4 Asking vs Achieved Rents

To provide further context on rental rates, we conducted a review of the difference between asking and achieved rental rates. **Table 8.7** presents the results of this analysis. Asking rents reflect the rate that a landlord would list for a vacant (i.e. turnover) or newly constructed unit; this is what a landlord believes the market can support for a new tenancy under current conditions. This figure does not always represent the final rate tenants pay, but rather the pre-lease price they encounter when entering the market.

Rental rates for turnover units are often considerably higher than the rates currently achieved by said space; rates of increase for existing, and particularly long-term, tenants tend to lag those of the open market. Building operators will often pursue upgrades and/or cosmetic improvements during periods of vacancy in order to reposition on the higher-end of the spectrum, and to ensure that their offerings are in-line with market expectations. Also, Nova Scotia's rent cap does not apply to vacated units, meaning their rental rates may increase beyond the 5% threshold that applies to existing tenancies under periodic leases.

Achieved rates in MODL are lower than asking rates, though both figures are distorted by the small sample size, and the outsized impact of newly constructed units on the overall totals. Regardless of this, we expect that trends in MODL will follow those of the county writ-large; a large number of tenants in the county (particularly in rural areas) are long-term renters who experience lower rates of year-over-year rental increases than units on the open market.

**Table 8.7: Achieved vs Asking Rates by Unit Type (MODL)**

| MODL | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $955 | $1,550 | $595 | 62% |
| **1-Bed.** | $1,018 | $1,850 | $832 | 82% |
| **2-Bed.** | $1,161 | $1,950 | $789 | 68% |
| **3-Bed.** | $1,913 | $2,000 | $87 | 5% |
| **Overall** | $1,753 | $1,800 | $47 | 3% |

| Lunenburg County | | | | |
|---|---|---|---|---|
| **Unit Type** | **Achieved Rent** | **Asking Rent*** | **$ Difference** | **% Difference** |
| **Studio** | $971 | $1,200 | $229 | 24% |
| **1-Bed.** | $1,159 | $1,500 | $341 | 29% |
| **2-Bed.** | $1,417 | $1,800 | $383 | 27% |
| **3-Bed.** | $1,464 | $1,700 | $236 | 16% |
| **Overall** | $1,423 | $1,600 | $177 | 12% |

Source: Turner Drake & Partners Ltd. | * Figures are weighted averages that have been rounded to the nearest realistic point.

**Figure 8.1: Achieved vs Asking Rent (MODL)**


Source: Turner Drake & Partners Ltd.

### 8.1.5 Secondary Rental Market

The secondary rental market is defined by CMHC as rental units in buildings containing fewer than three units, and is primarily comprised of single-detached homes, residential units in mixed-use buildings, accessory suites, larger older-stock homes that have been demised into multi-unit structures, etc. We estimate that the secondary rental market represents just shy of 73% of the overall rental unit inventory in MODL. **Table 8.8** details these figures.

Much of MODL lacks an established base of purpose-built apartment rentals, with the secondary market the de facto market in the municipality. The secondary market supply is often provided through the repurposing and renovation of older housing stock. These units can often carry a rental premium associated with the costs of renovations, limited availability, and the scarcity of comparable offerings. Single-family homes will typically command a higher rental rate than smaller apartment units, partially driven by low availability in the region for family-sized rentals, along with the fact that they are usually larger spaces.

Our survey recorded no-to-limited vacancy rates for secondary market properties; while this does not mean that there is zero vacancy across the board for these buildings, it illustrates that overall availability for this sector is low. There are limited options for those entering the market. On the whole, we expect that trends in the secondary rental market will generally follow the same themes are those identified through our rental market survey.

**Table 8.8: Secondary Rental Market Inventory (MODL)**

| Municipality | Total Inventory (No. of Units) | | | Share of Inventory (%) | |
|---|---|---|---|---|---|
| | Primary Market | Secondary Market* | Total | Primary Market | Secondary Market |
| **Chester** | 279 | 560 | 839 | 33% | 67% |
| **Mahone Bay** | 68 | 65 | 133 | 51% | 49% |
| **Lunenburg** | 255 | 134 | 389 | 66% | 34% |
| **Bridgewater** | 1,406 | 499 | 1,905 | 74% | 26% |
| **MODL** | 329 | 897 | 1,226 | 27% | 73% |
| **Total** | 2,337 | 2,155 | 4,492 | 52% | 48% |

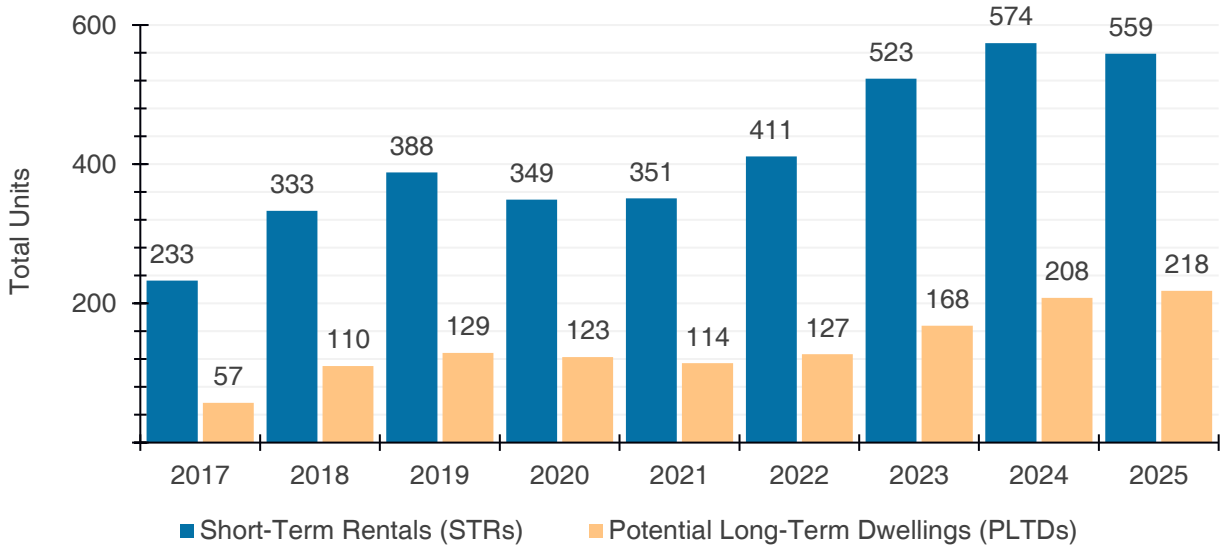
Source: Turner Drake & Partners, Ltd., PVSC, the Province of Nova Scotia, and Environics Analytics (accessed via ESRI ArcPro) | * These are 2024 values, which are the most up-to-date figures available as of this report.

## 8.2 Short-Term Rentals

Short-term rentals (STRs) continue to proliferate, offering a flexible approach to utilizing residential properties for temporary lodging. This trend blurs the distinction between rental housing and commercial hospitality. With the expansion of the STR market comes growing concerns about its impact on the traditional residential real estate sector, particularly whether STRs are displacing long-term housing options, reducing housing supply, and making it more challenging for households to secure permanent residences.

**Figure 8.2** depicts the changes in STR properties from 2017 to 2025,[22] along with the estimated number of units that were potential long-term dwellings (PLTDs) – meaning, if not rented as an STR, they could have been used for permanent occupancy by a homeowner or tenant. Data is sourced from AirDNA™, a company that scrapes monthly information on the STR market from various STR platforms' public-facing websites. Turner Drake derives PLTD estimates from the AirDNA™ data using a modified Statistics Canada methodology.[23]

**Figure 8.2: Historical STRs and PLTDs**




Source: derived from AirDNA™ Property Performance Data

- Estimates indicate that by 2025, MODL's STR market included approximately 559 properties, of which 218 were PLTDs. PLTDs therefore accounted for about 39% of the total STR inventory.

- The 2025 STR total marks the first year-over-year decline (-3%) in overall inventory since the early stages of the COVID-19 pandemic. While PLTDs continued to increase, their growth was considerably slower than in the previous two years (+5% versus a low of +24%). Nevertheless, PLTDs reached their highest share of the STR market in 2025 since data collection began, though only marginally higher than 2024.

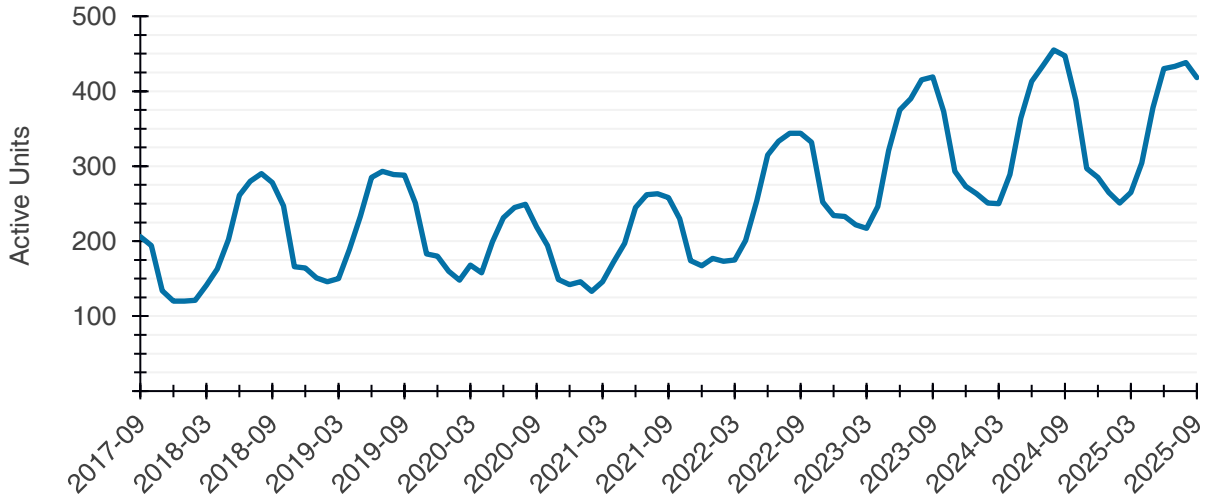
With coastal communities such as Kingsburg, LaHave, and Riverport, MODL serves as a key tourism destination for oceanfront experiences. Accordingly, the impact of STRs is most pronounced in these areas, particularly during peak seasons. **Figure 8.3** illustrates monthly STR activity, highlighting the clear

[22] Annual data reflects the period of October to September. For example, 2025 is October 2024 to September 2025.

[23] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Analysis in Brief: Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

seasonality of STRs across MODL. Activity is lowest during the winter months, rises sharply through early summer, peaks between June and October, and then declines noticeably toward late fall.

**Figure 8.3: Monthly active short-term rentals**




Source: derived from AirDNA™ Property Performance Data

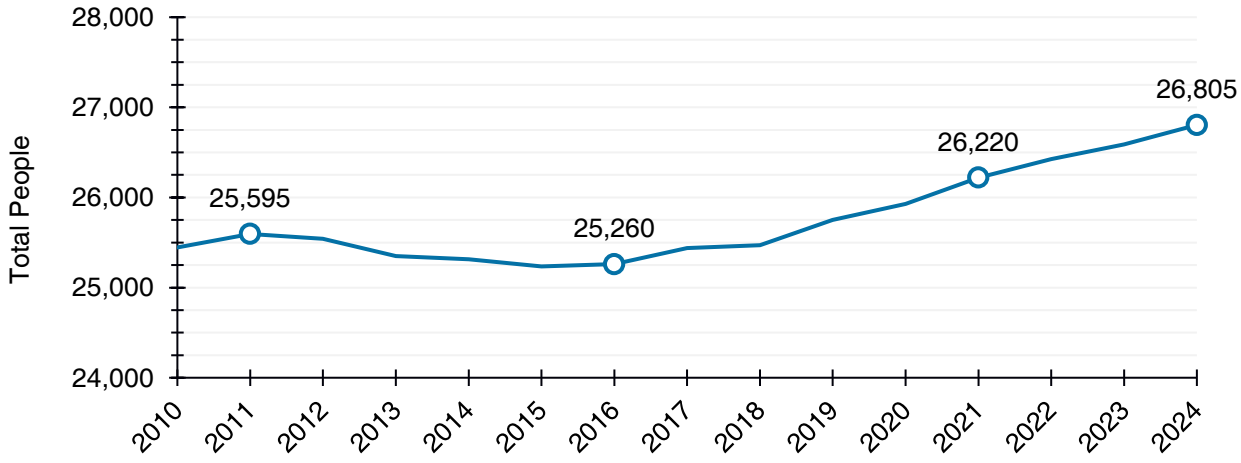
## 8.3 Demographic & Housing Supply Profiles

### 8.3.1 Historical Demographic & Income Profiles

Statistics Canada produces annual total population estimates for municipalities, with the most recent year being 2024. **Figure 8.4** illustrates the annual change in MODL's total population based on these estimates. **Figure 8.5** goes a step further and provides estimates of population change over the last five years by age category.

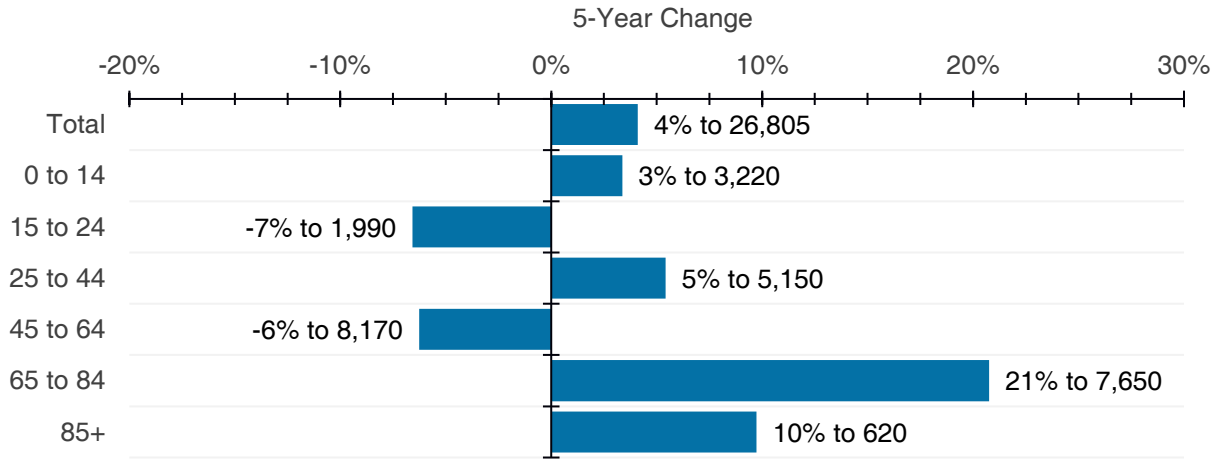
Readers who are familiar with local 2021 Census results will note that the estimated total and the Census total are different. Estimates are typically higher than Census results as Statistics Canada performs post-census adjustments to account for potential errors. The same adjustments are not available for age groups at the municipal level.

**Figure 8.4: Historical estimated total population**




Source: Statistics Canada Table 17-10-0155-01

**Figure 8.5: Percent change to population by age group, 2019 to 2024 estimates***




* Results for 2019 to 2024 combine age group totals from the Census and annual estimates to determine how age groups might have changed over non-Census years.
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Like many Nova Scotian communities, MODL experienced a continuous increase to its total population since about 2016, increasing from 25,260 in that year to 26,805 by 2024 – a 6% rise.

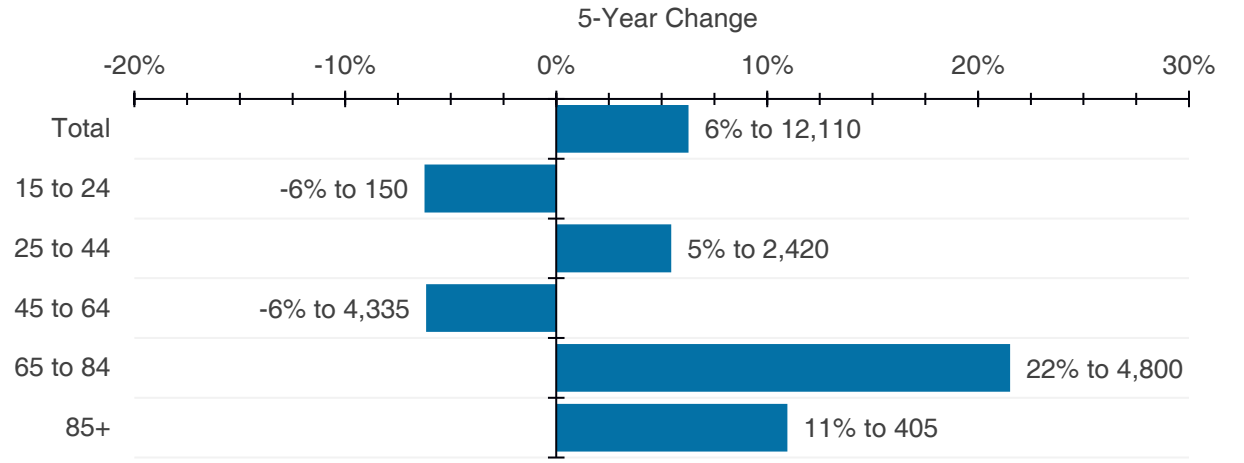
- Over the last five years, the total population increased 4%, with notable relative growth among 25- to 44-, 65- to 84-, and 85-plus-year-olds, based on estimates.

- Seniors represent a considerable and increasing proportion of the local resident base (about 31% in 2024). Even so, growth among 25- to 44-year-olds, accompanied by smaller growth among children, suggests local increases are in part due to in-migrating younger couples and families.

As the population increases, so too (most often) do the number of households. **Figure 8.6** shows how household totals by primary household maintainer age category changed over the last five years.

The primary household maintainer is the Census' categorization of the first person in the household responsible for paying the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer. For example, a 25- to 44-year-old maintainer refers to the age of the person who most often "leads" the household financially.

**Figure 8.6: Percent change to households by primary maintainer age group, 2019 to 2024 estimates***



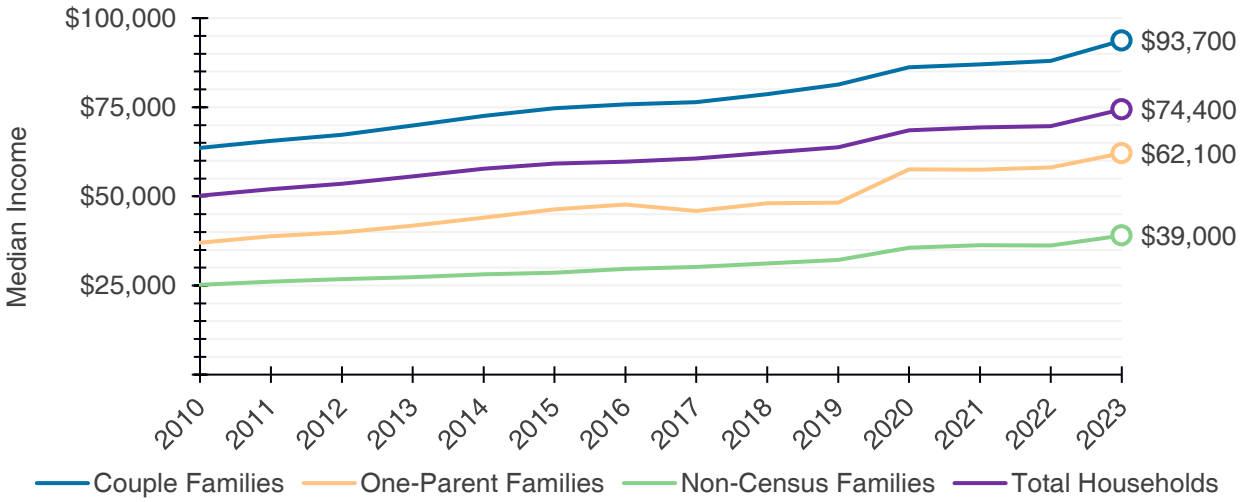

* Household results for 2019 to 2024 perform a similar estimation as for population, but make adjustments based on Census period headship rates (i.e., the number households led by an age group for every person in same age group).
Source: derived from Statistics Canada Table 17-10-0155-01 and Statistics Canada 2016 and 2021 Census profiles

- Total households between 2019 and 2024 increased by an estimated 6%, higher than the rate experienced by the overall population.

- Greater household versus population growth generally reflects an aging household maintainer base. As people or couples age, their dependents move away or partners pass away, leading to small household sizes and, inversely, greater households per capita.

The typical earnings or wealth a household accumulates are largely a function of the household's age. As youth become adults, they begin to earn more income commensurate to their experience. As they age, they are also more likely to form partnerships that lead to dual-income earning circumstances, further increasing their financial capacity. Even further down the road, people begin to retire and no longer earn income, but live off savings and pensions. **Figure 8.7** demonstrates how estimated median before-tax household incomes have changed between 2010 and 2023.

**Figure 8.7: Historical* before-tax household incomes by family type**



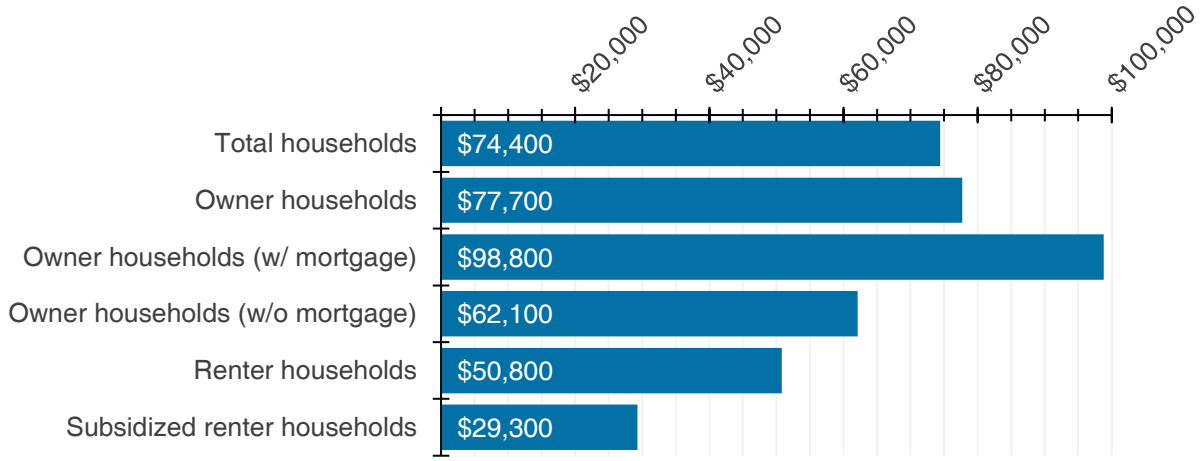

* Total household incomes derived from family incomes. Pre-2021 incomes are from a past Statistics Canada custom data order. Incomes for 2021 to 2023 estimated based on inferred pre-2021 relationship between local and non-CMA provincial income data.
Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- As of 2023, the median household may have earned $74,400 before-tax. Couples (more likely have more than one source of earnings) earned about $93,700, lone-parents earned about $62,100, and non-census families (e.g., single persons or roommates) earned about $39,000.

- Since 2019, incomes rose nearly 17%, with a noticeable bump between 2019 and 2020 (due to the impacts of COVID-19 Pandemic support payments) and between 2022 and 2023.

**Figure 8.8** illustrates estimated median before-tax household incomes by tenure for 2023. The data shows a clear divide between households with the financial capacity to own a home, particularly those owners without mortgages as well as households renting in either the private or subsidized market. While the overall median household income was $74,400 in 2023, tenure appears to strongly influence household income levels, with renters, and especially subsidized renters, earning considerably less than owners.

**Figure 8.8: Estimated before-tax household incomes by tenure, 2023**




Source: derived from Statistics Canada Table 11-10-0012-01 [custom] and Statistics Canada 2021 Census [custom]

- Owner households with a mortgage (often couples in their employment earning years) report the highest incomes at $98,800, well above the overall median.

- Owner households without a mortgage ($62,100), renter households ($50,800), and subsidized renter households ($29,300) all fall below the total median income.

- The gap between owners and renters is substantial: renter households in the private market show incomes about 35% lower than their owner household counterparts. These disparities highlight the heightened affordability pressures faced by renter and subsidized renter households compared to owners.

UBC's Housing Assessment Resource Tools (HART) initiative defines five household income categories that can help inform the share of households most at risk of housing related financial pressures. HART applied the categories built by governments in the US, Vancouver, and Melbourne. The categories are as follows:

- **Very low income:** 20% or less of area median household income (AMHI), often similar to shelter allowance for income support recipients.

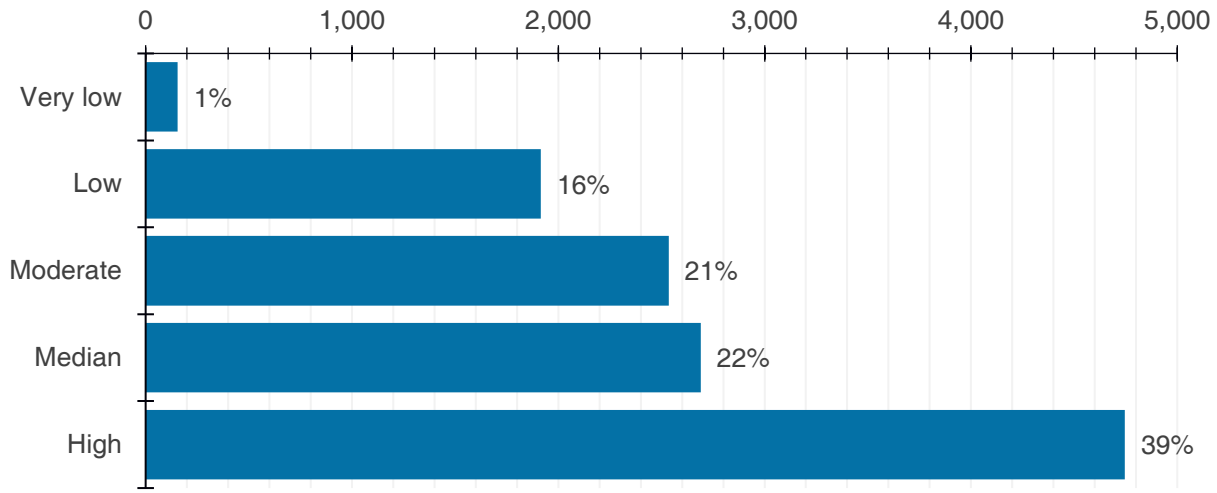
- **Low income:** 21-50% AMHI, generally equivalent to one full-time minimum wage job.

- **Moderate income:** 51-80% AMHI, similar to starting salary for a professional job like a nurse or teacher.

- **Median income:** 81-120% AMHI, representing the 'middle class.'
- **High income:** More than 120% AMHI, the group with most housing wealth.

**Figure** 8.9 shows the estimated distribution of households by income category for 2024. The data illustrates a relatively balanced distribution across the low, moderate, and median income categories, while very low income households represent only a small fraction. At the other end of the spectrum, high-income households account for a disproportionately large share of the total, underscoring a notable income divide in the community.

**Figure 8.9: Estimated households by income category, 2024**




Source: Turner Drake analysis derived from Statistics Canada and UBC Housing Assessment Resource Tools program

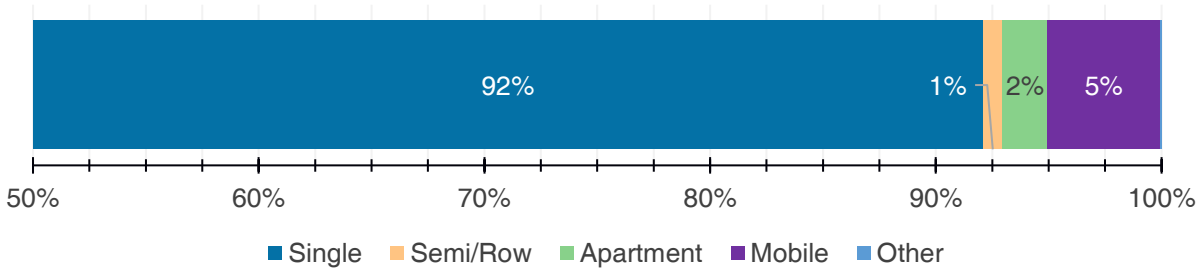
- Very low-income households represent just 1% (155 households), the smallest share of households by income category.
- Income groups are more evenly distributed among low (16%), moderate (21%), and median (22%) income categories.
- High-income households dominate the distribution, making up 39% (4,745 households), a significantly larger share than all other individual categories.
- The prevalence of higher-income households suggests greater overall purchasing power in the community, but also highlights affordability gaps for lower- and moderate-income households.

### 8.3.2 Housing Supply Overview

In 2021, Statistics Canada reported that MODL had a total housing inventory of 14,233 dwellings, of which 11,502 were occupied by a permanent household (i.e., one that lives in the community more than half of the year, also known as a "usual-resident"). Thus, about 19% of MODL's inventory was intended for a different use, such as a recreational property, a second home, or for shorter term accommodations, or may have been vacant.

For those dwellings that are permanently occupied, **Figure 8.10** illustrates their distribution by structure type (e.g., single-detached, semi-detached, etc.).

**Figure 8.10: Distribution of inventory by usual-resident occupied dwelling structure type, 2021**



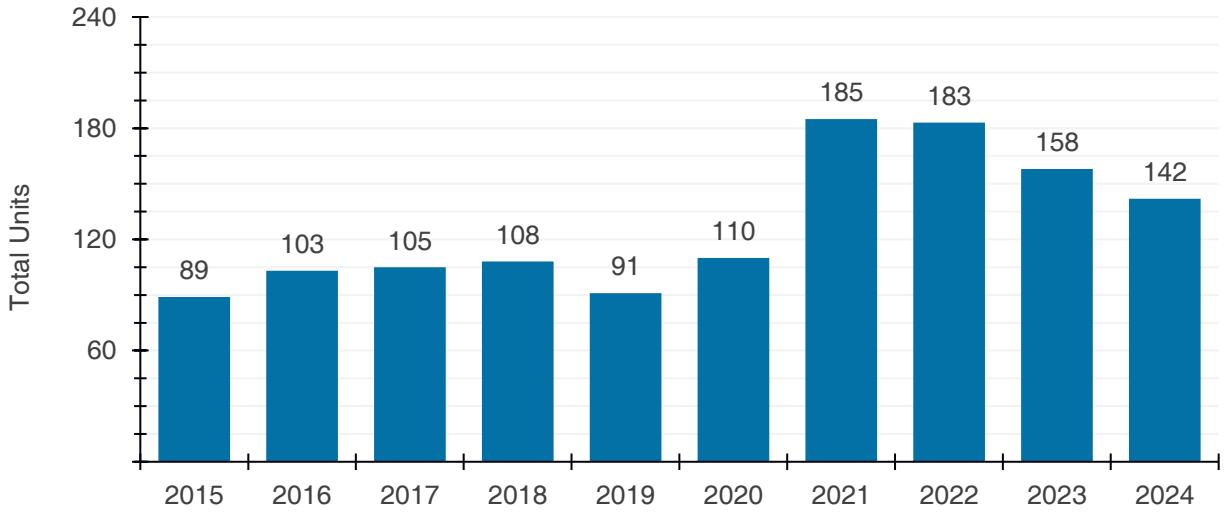

Source: Statistics Canada 2021 Census Profile

- The overwhelming majority of the municipality's dwellings are single-detached dwellings at a 92% share, with the next largest share occupied by mobile dwellings at 5%.

- According to the 2021 Census, about 1,165 of usual-resident dwellings were renter-occupied, representing about 10% of local households at that time.

**Figure 8.11** shows the number of construction completions in the municipality from 2015 through 2024. The period from 2015-2020 saw consistency in the number of completions, ranging from 89 to 110 depending on the year.

**Figure 8.11: Annual dwelling completions estimates**




Source: derived from the Property Valuation Services Corporation

- Since 2020, MODL experienced increases in dwelling completions, with 2021 setting a period-high of 185, followed by 183 in 2022.

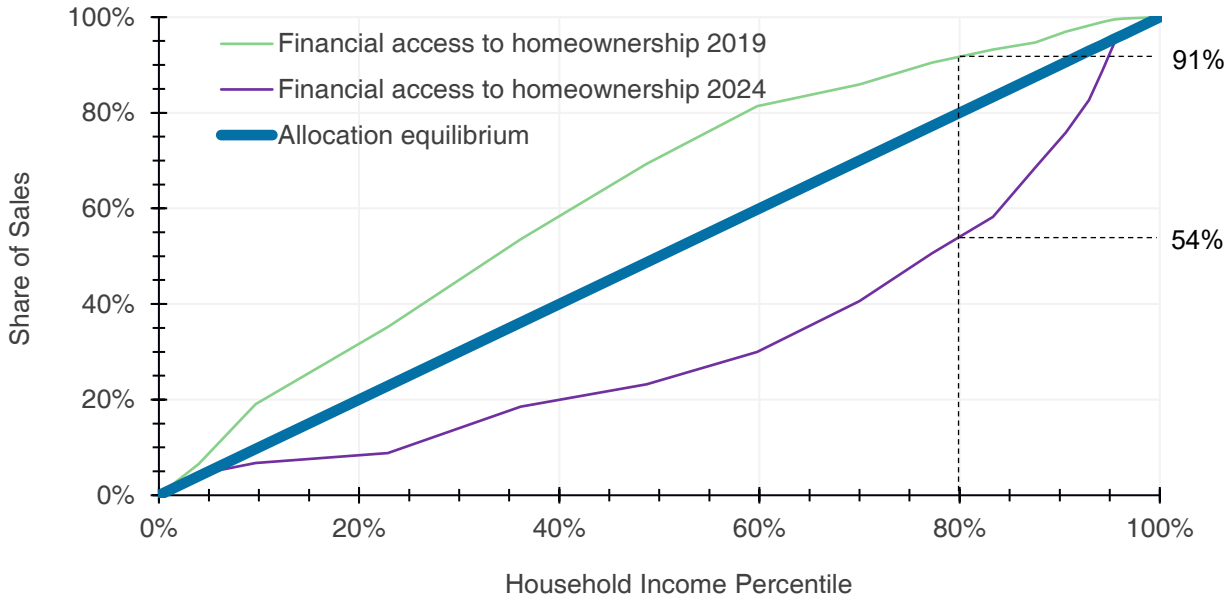
- While 2023 and 2024 saw decreases relative to 2021 and 2022, construction completions in those years were still markedly higher when compared to 2015-2020.

## 8.4 Housing Affordability Analysis

### 8.4.1 Access to Homeownership

**Figure 8.12** illustrates how access to housing has shifted between 2019 and 2024 relative to an estimate of economic equity. Specifically, if we assume that equitable access to housing means that individuals in the 20th income percentile can afford 20% of available dwellings, the actual relationship between renter income distribution (as a proxy for first-time buyers) and housing access can be overlaid to reveal disparities. This comparison highlights the extent of and changes to inequity in the local homeownership market, particularly for first-time buyers.

**Figure 8.12: Share of dwellings affordable by income percentile, as compare to the equitable distribution of sales**




Source: Turner Drake analysis derived from the Property Valuation Services Corporation

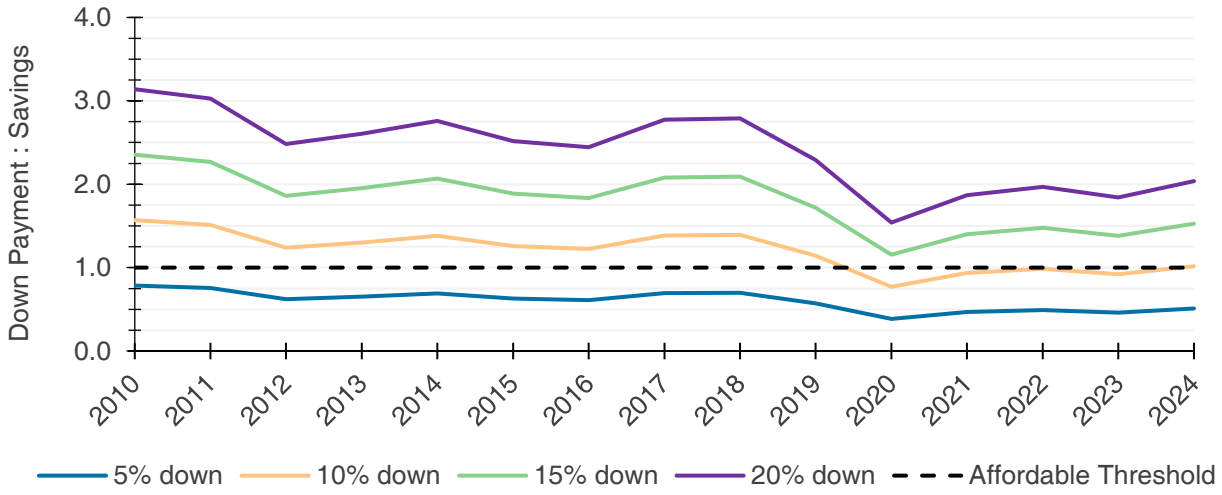
- In 2019, the homeownership market was relatively accessible for new buyers. With a sufficient down payment, households at any income percentile could afford homes priced at a higher percentile of sales. For example, 80% of households could afford 91% of dwellings.

- Since then, housing conditions across much of Nova Scotia have shifted dramatically, driving shelter costs (particularly for ownership) beyond the reach of many more households. With the exception of the highest earners, most income percentiles could no longer afford homes at their equivalent sales percentile, often falling far below. By 2024, 80% of households could afford only 54% of sales, compared to 91% in 2019 – a decline of 37 percentage points.

### 8.4.2 Obstacles to Homeownership for First-Time Buyers / Renters

**Figure 8.13** demonstrates the ratio of the estimated 5-year net savings of a typical 25- to 34-year-old led household (a proxy for a new home-buyer) in a given year compared to the typical down payment in a given year (based on the down payment percentage). A value above 1.0 indicates that the typical 25- to 34-year-old does not have enough built-up savings to cover the payment.

**Figure 8.13: Ratio of down payment required by percent down to estimated savings, 25-34 year olds**

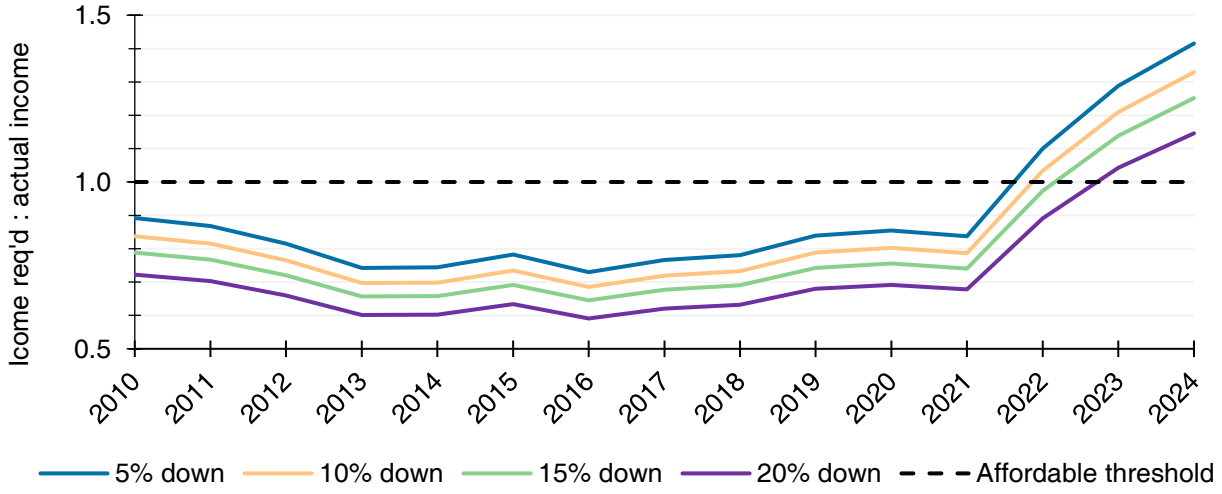



Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

- According to estimates, younger adults typically save enough over five-years to afford the down payment of the typical local dwelling if said payment is either 5% or 10% down. While the former has historically been of least barrier to entry, the latter only became affordable after 2019 – a result of increased forced savings during and after the COVID-19 Pandemic.

While lower down payments provide an easier means of entering the market, this does not necessarily equate to an affordable carrying cost. Relatedly, **Figure 8.14** demonstrates the ratio of the estimated income required to reasonably afford the mortgage payments for the typical home in a given year compared to the estimated income of the typical 25- to 34-year-old in a given year (based on the same down payment scenarios as above). A value above 1.0 indicates that the required income is unattainable for the typical young adult led household.

**Figure 8.14: Ratio of income required for mortgage payment to actual income, 25-34 year olds**




Source: Turner Drake analysis derived from Statistics Canada Table 11-10-0012-01 [custom purchase] and Table 36-10-0588-01

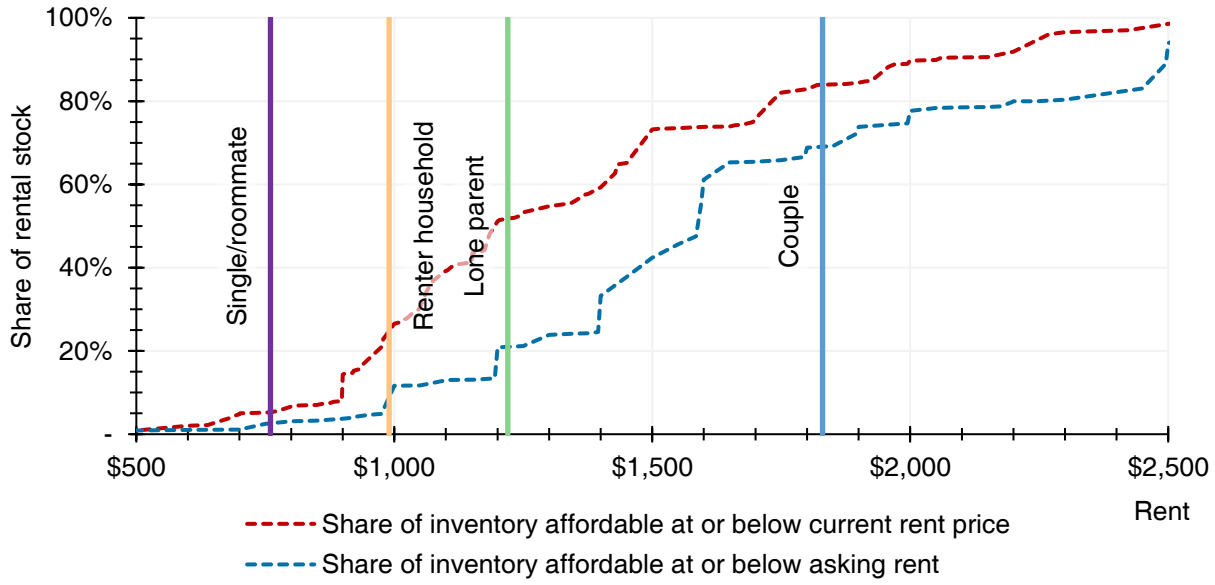
- A 5% down payment allows households to enter the market with less savings but results in higher overall costs compared to buyers contributing more equity on the same home. This creates a clear trade-off between lowering the entry barrier and long-term affordability.

- Historically, the relationship between home prices and local incomes kept housing reasonably affordable, whether buyers put down 5% or 20%. However, sharp price increases after 2020 quickly eroded this balance. By 2024, typical mortgage payments were no longer reasonably affordable relative to the income of a first-time homebuyer.

### 8.4.3 Rent Price Accessibility

**Figure 8.15** illustrates the estimated financial capacity of different local household types to afford various rent levels within the community. Calculations follow Statistics Canada's definition of affordability (spending no more than 30% of before-tax household income on shelter costs) and are based on the previously estimated household incomes. Each household type's affordable rent threshold is compared against the share of the county-wide rental inventory available at or below that rent level. For example, approximately 48% of rental units are listed at $1,585 or less.

**Figure 8.15: Share of county rental stock financially achievable by local household types, 2025**




Source: derived from 2025 Turner Drake Housing Market Survey and estimated 2023 before-tax household incomes by tenure

- Based on 2023 estimates, the median renter household could reasonably afford a monthly rent of $990. However, according to asking rents from the 2025 rental housing survey, about half of renter households would be unable to afford roughly 88% of turned over units (i.e., units rented at asking price) without exceeding affordable spending levels. Conditions are better if considering average current rents, but still of concern; 27% of the stock was affordable to the median renter income.

- If a renter household decided to spend 50% of their income on shelter, their monthly rent budget would increase to about $1,650 and they could meet the asking rents of 65% of rental units.

- Renter households are predominantly composed of single individuals or roommates, groups that typically earn lower incomes. These households have the least choice in the rental market.

- Lone-parent households, while generally single-income, can access a slightly larger share of housing within affordable limits. Even so, the median lone parent could afford only about 21% of listed rentals without overspending, versus 52% of rentals at current rates.

- Couple households, more likely to have dual incomes, have the greatest range of housing options, being able to afford approximately 69% of units on market based on the standard affordability threshold.

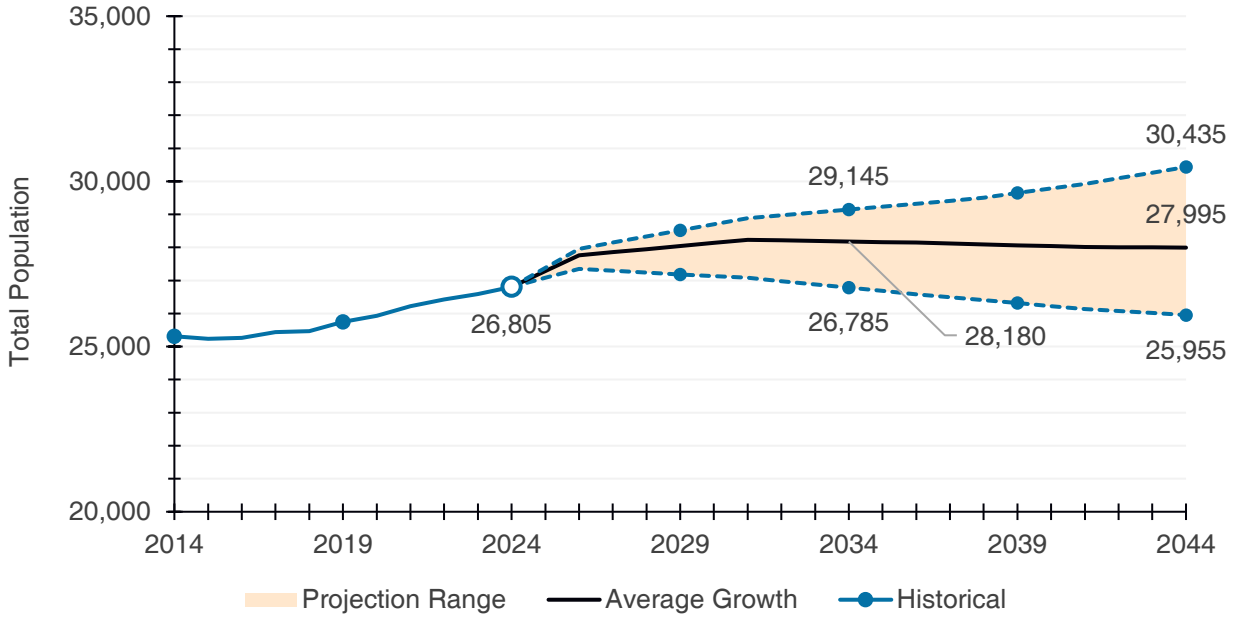
## 8.5 Demographic Projections

Understanding future housing needs requires a close look at population and household projections. These projections provide insight into how many people may wish to live in the community, how households may for, and the pace at which demand for housing may grow.

### 8.5.1 Population Projections

**Figure 8.16** shows possible population futures, ranging from low to high growth, with a moderate scenario as the midpoint. Population projections serve as the primary input for calculating the anticipated total households and total dwelling demand. For methodology details, see the Appendices.

**Figure 8.16: Anticipated range of possible future total populations**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, the population is projected to reach between 26,785 and 29,145, representing a negligible of less than 1% and a gain of 9% over the decade. By 2044, the range may widen to 25,955 to 30,435, or -3% to 14% change since 2024.

- Under a moderate scenario, the population may grow 5% by 2034 (to 28,180) and 4% by 2044 (to 27,995).

**Table 8.9** summarizes how the anticipated population may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 8.9: Anticipated population by defined year and age group, moderate scenario**

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2019** | 25,750 | 3,115 | 2,130 | 4,885 | 8,715 | 6,335 | 565 |
| **2024** | 26,805 | 3,220 | 1,990 | 5,150 | 8,170 | 7,650 | 620 |
| **5yr % change** | +4% | +3% | -7% | +5% | -6% | +21% | +10% |

| | Total | 0 to 14 | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|---|
| **2034** | 28,180 | 3,200 | 1,760 | 4,915 | 7,555 | 9,740 | 1,010 |
| **10yr % change** | +5% | -1% | -12% | -5% | -8% | +27% | +63% |

Source: Turner Drake analysis derived from Statistics Canada

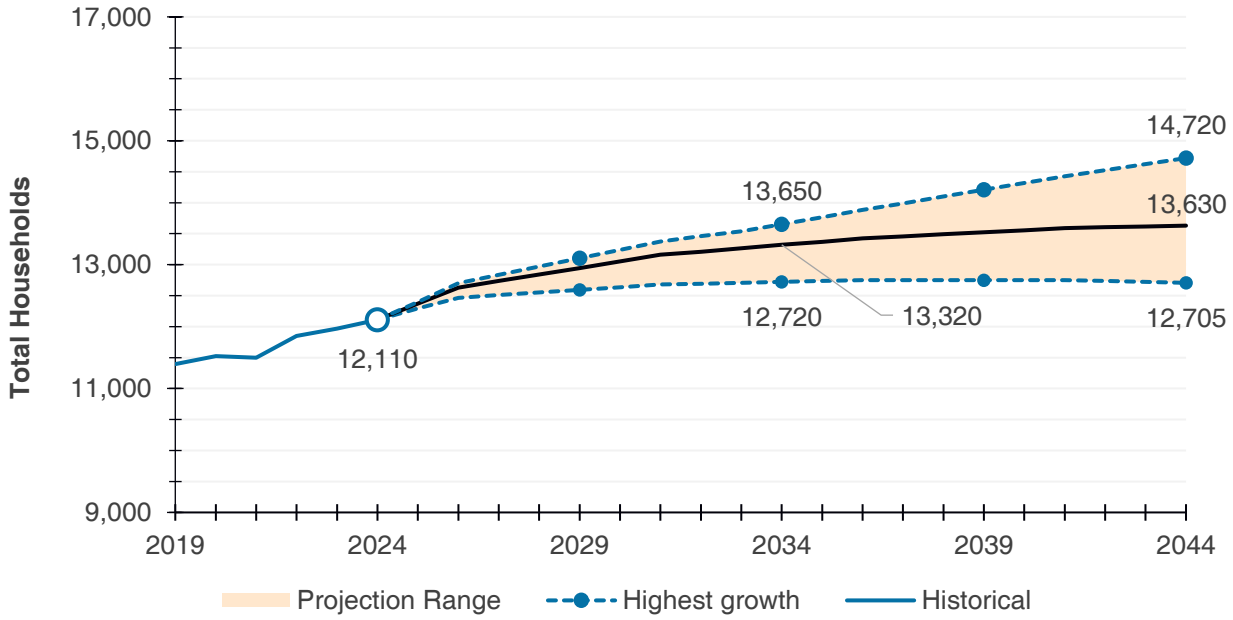
- As mentioned, the total population may expand from 26,805 to 28,180 by 2034, a 5% increase.
- Growth may be concentrated among seniors. By 2034, seniors ages 85+ are projected to grow by 63% (620 to 1,010) and seniors 65–84 are anticipated to increase by 27% (7,650 to 9,740).

### 8.5.2 Household Projections

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head") of a household. For more methodology details, see the Appendices.

Like **Figure 8.16**, **Figure 8.17** demonstrates potential futures for total households, ranging from low to high growth with a moderate / average scenario as the midpoint.

**Figure 8.17: Anticipated range of possible future total households**




Source: Turner Drake analysis derived from Statistics Canada

- By 2034, total households are projected to reach between 12,720 and 13,650, representing growth of 5% to 13% over the decade. By 2044, the range may widen to 12,705 to 14,720, or 5% to 22% growth since 2024.
- Under a moderate scenario, total households may grow 10% by 2034 (to 13,320) and 13% by 2044 (to 13,630).

**Table 8.10** summarizes how the anticipated households may distribute by age group over the next 10 years, based on the average growth scenario.

**Table 8.10: Anticipated households by defined year and maintainer age group, moderate scenario**

| | Total | 15 to 24 | 25 to 44 | 45 to 64 | 65 to 84 | 85+ |
|---|---|---|---|---|---|---|
| **2019** | 11,395 | 160 | 2,295 | 4,620 | 3,950 | 365 |
| **2024** | 12,110 | 150 | 2,420 | 4,335 | 4,800 | 405 |
| **5yr % change** | +6% | -6% | +5% | -6% | +22% | +11% |
| **2034** | 13,320 | 130 | 2,330 | 4,000 | 6,205 | 655 |
| **10yr % change** | +10% | -13% | -4% | -8% | +29% | +62% |

Source: Turner Drake analysis derived from Statistics Canada

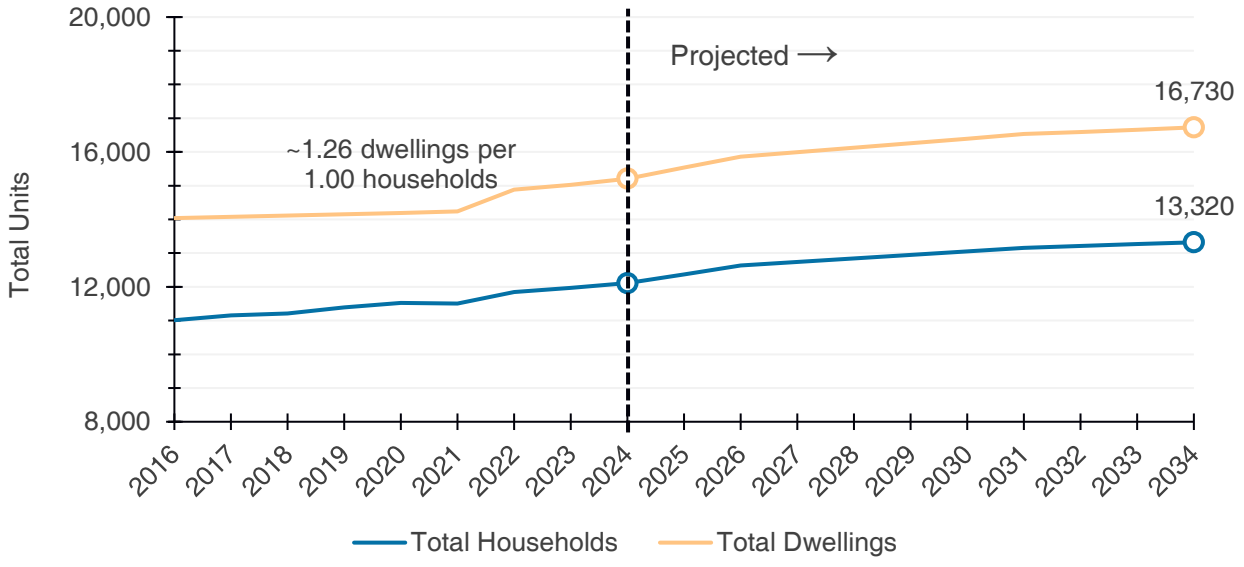
- As mentioned, total households may expand from 12,045 to 13,320 by 2034, a 10% increase. Like historical trends, projections anticipate household growth will outpace population growth, influenced largely by the faster expansions of seniors and senior-led households (i.e., greater households per capita).

- By 2034, 65- to 84-year old senior-led households may expand 29% (4,800 to 6,205) and elderly-led households by 62% (405 to 605).

### 8.5.3 Housing Demand Projections

In general, household growth drives demand for more dwellings, as each new household requires a place to live. However, not all dwellings are occupied by permanent residents. In 2021, about 19% of MODL dwellings were not usually resident-occupied. Since household data only reflects usual-residents, projections do not capture the additional housing needed to serve other markets, such as recreational properties or short-term accommodations. **Figure 8.18** shows how the relationship between households and total dwellings may change over time, using the historical ratio between the two variables.

**Figure 8.18: Anticipated households versus dwellings**

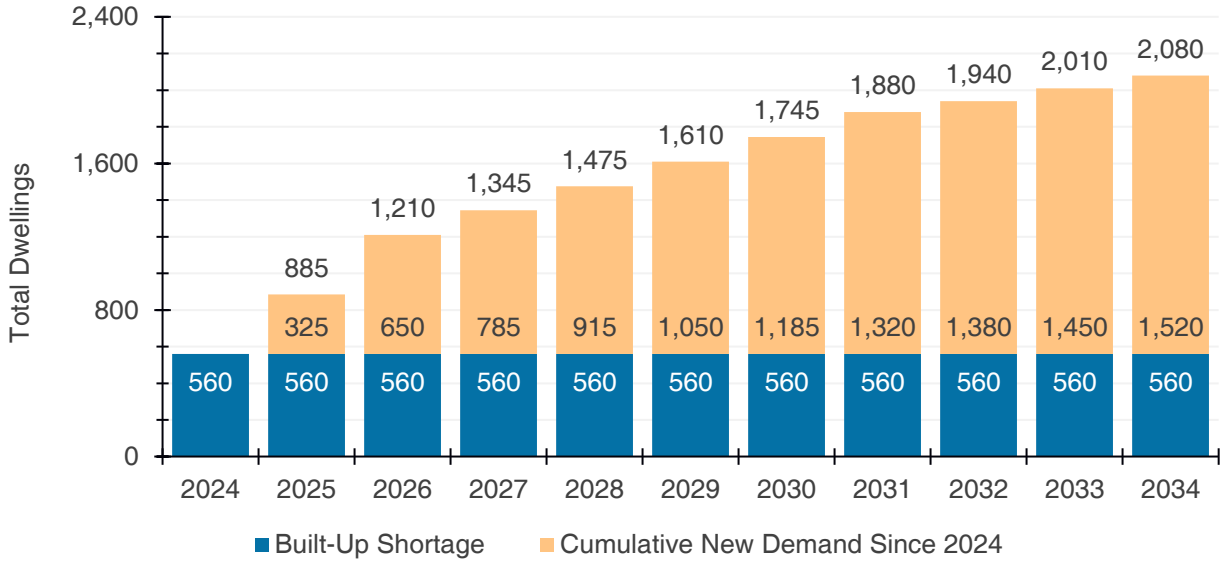



Source: Turner Drake analysis derived from Statistics Canada

- Historically, MODL has about 1.26 dwellings for every household. If applied to household projects, the municipality may demand 16,730 total dwellings by 2034 – an increase of 1,520 units over a decade (or 152 annually), versus 1,210 households (121 annually).

The above outlines anticipated housing demand growth over the foreseeable future. However, this does not account for existing unmet demand. The Appendices provide further detail on its calculation, but in brief, unmet demand mostly reflects suppressed households – those unable to form locally due to unhealthy market conditions, such as high costs or limited supply. **Figure 8.19** demonstrates the impact of a 2024 shortage on overall demand totals over the next decade.

**Figure 8.19: Anticipated dwelling demand and the historical dwelling shortage, moderate scenario**

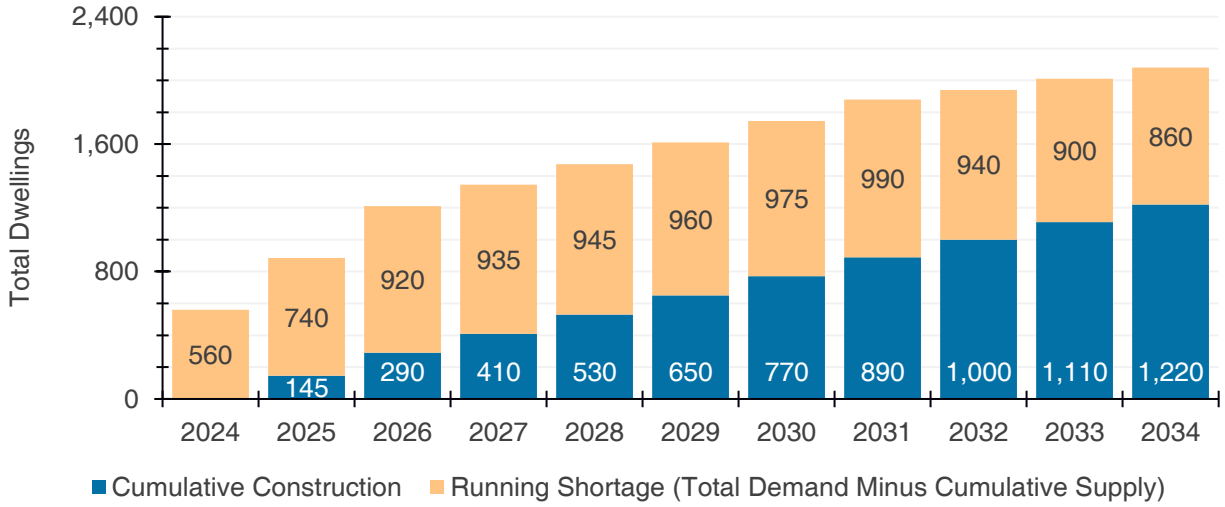



Source: Turner Drake analysis derived from Statistics Canada

- Shortage estimates suggest that about 560 dwellings were needed but were not provided for prior to 2024. Assuming this shortage is a constant over the near-term, MODL may have a total net new demand of 2,080 units by 2034.

**Figure 8.20** shows how the aforementioned total demand may compare to anticipate build outs of housing (based on historical trends).

**Figure 8.20: Anticipated running dwelling shortage**




Source: Turner Drake analysis derived from Statistics Canada and Property Valuation Services Corporation

- After accounting for anticipated supply over the next decade, the 2024 shortage could grow to 860 units, indicating a notable housing deficit without intervention. This would require building about 86 additional dwellings per year, on top of the about 120 already expected annually.

**Table 8.11** breaks down the total demand (inclusive of the shortage) into potential distributions of units by their size (i.e., number of bedrooms) and tenure. While the market will largely respond to consumer preferences through their product offerings, the data offers an insight into what to anticipate in the future and how said future might compare to past construction trends.

For instance, MODL's total inventory is about 10% rentals (as of 2021). Anticipated growth trends suggest building at a slightly higher share (about 18%) over the next decade.

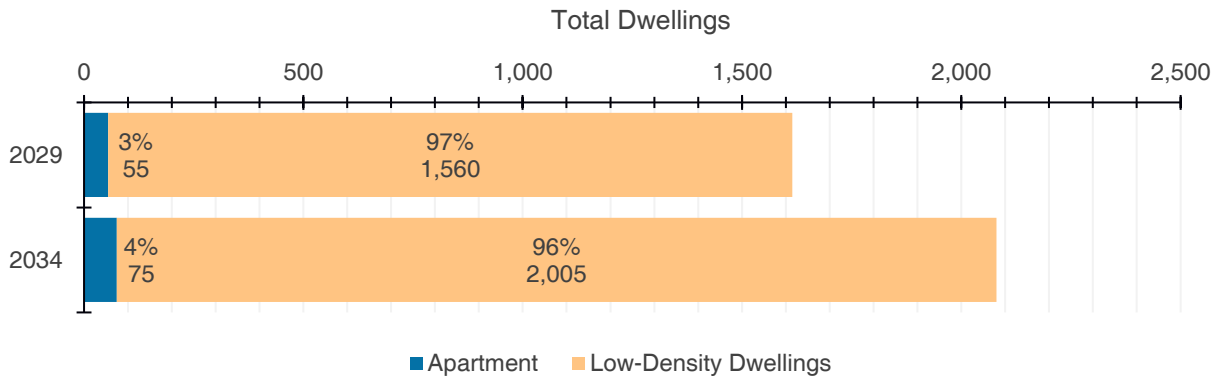
**Table 8.11: Anticipated new dwelling demand by number of bedrooms and tenure, moderate scenario**

| | Owner-occupied | | | | Renter-occupied | | | |
|---|---|---|---|---|---|---|---|---|
| | **by 2029** | **share** | **by 2034** | **share** | **by 2029** | **share** | **by 2034** | **share** |
| **Total** | 1,320 | | 1,700 | | 285 | | 375 | |
| **0-/1-Bed.** | 80 | 6% | 110 | 6% | 75 | 26% | 110 | 29% |
| **2-Bed.** | 635 | 48% | 965 | 57% | 210 | 74% | 265 | 71% |
| **3-Bed.** | 400 | 30% | 375 | 22% | 0 | 0% | 0 | 0% |
| **4+ Bed.** | 205 | 16% | 250 | 15% | 0 | 0% | 0 | 0% |

Source: Turner Drake analysis derived from Statistics Canada

**Figure 8.21** and **Figure 8.22** offer alternative breakdowns of required dwellings. The former demonstrates the potential need across dwelling structure types and the latter shows how they might best distribute across different housing price models (deeply affordable, below-market, and market units).

**Figure 8.21: Anticipated new dwelling demand by dwelling typology, moderate scenario**

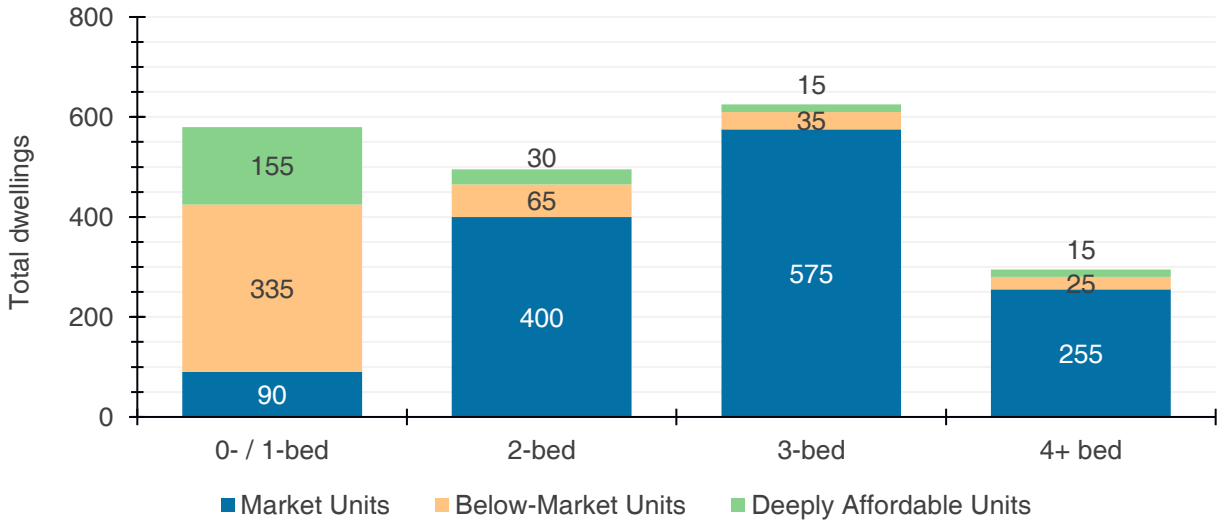



Source: Turner Drake analysis derived from Statistics Canada

- Much of the future demand is estimated to reflect the historical preference for single-detached homes – unsurprising given the more rural nature of MODL. Nevertheless, other low-density typologies (e.g., semi-detached homes or townhouses) could also serve to meet the demand.

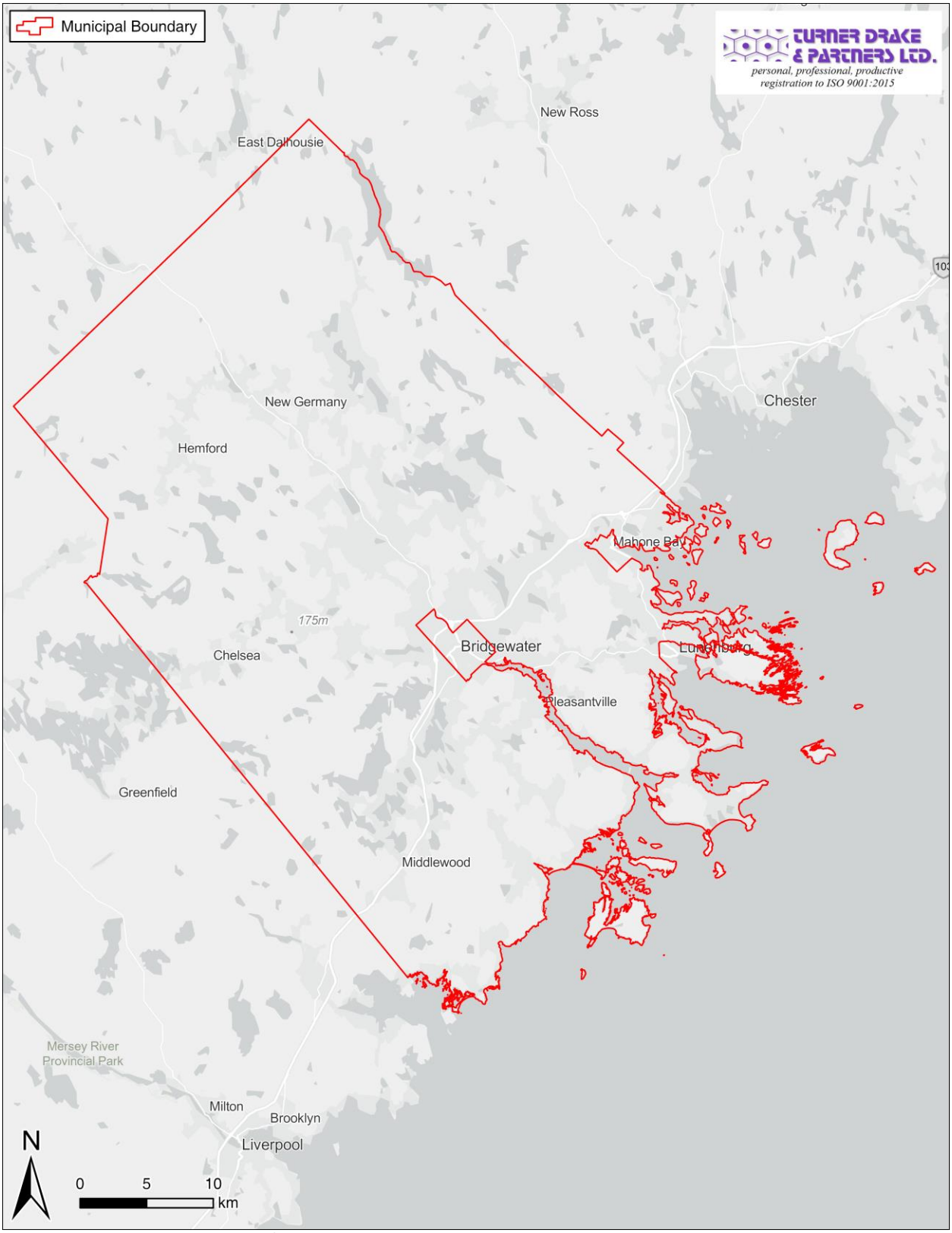
- Based on Core Housing Need influenced calculations, there is a potential local demand for about 675 non-market units (460 below-market units and 215 deeply affordable units).

**Figure 8.22: Anticipated new dwelling demand by number of bedrooms and price model, 2034, moderate scenario**




Source: Turner Drake analysis derived from Statistics Canada

**Figure 8.23: Study Area Map – MODL**




Source: The Province of Nova Scotia | Basemap accessed through ESRI ArcPro.

## CERTIFICATION

**Re: Residential Rental Market Survey & Housing Needs Assessment Updates, Lunenburg County, Nova Scotia**

### I certify that, to the best of my knowledge and belief:

the statements of fact contained in this report are true and correct;

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;

I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;

my engagement in this assignment was not contingent upon developing or reporting predetermined results;

my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report;

I have not made a personal inspection of the study area that is the subject of this report;

no one provided significant professional assistance to the person signing this report other than Jigme Choerab. B.A., MAE; Andrew Scanlan Dickie, B.Comm, M.Plan, LPP, MCIP; Katie Brousseau, BSW, MPlan; Maria Lievano, BEcon., MEc., MDE; Neil Lovitt, B.CD., DULE, LPP, MCIP, CPT; and; George Lee Tannous, B.A., G.Cert. GIS;

the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the applicable requirements of the standards and codes of professional ethics that apply to the reviewer signing this report;

30th October 2025
Date

COLIN RENNIE, B.A., Adv.Dip.GIS

## REVIEWER'S CERTIFICATION

**Re: Residential Rental Market Survey & Housing Needs Assessment Updates, Lunenburg County, Nova Scotia**

### I certify that, to the best of my knowledge and belief:

the statements of fact contained in this report are true and correct;

the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;

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the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the standards and applicable codes of professional ethics of the professional institutes of which I am a member;

I certify that the use of this report is subject to the requirements of the professional institutes of which I am a member, relating to review by their duly authorised representatives;

as of the date of this report, I have completed the requirements of the continuing education programs of the professional institutes of which I am a member.

30th October 2025
Date

NEIL LOVITT, B.CD., DULE, LPP, MCIP, CPT

# Section 9 | Appendices

## 9.1 Key Terms

"**bedrooms**" refer to rooms in a private dwelling that are designed mainly for sleeping purposes even if they are now used for other purposes, such as guest rooms and television rooms. Also included are rooms used as bedrooms now, even if they were not originally built as bedrooms, such as bedrooms in a finished basement. Bedrooms exclude rooms designed for another use during the day such as dining rooms and living rooms even if they may be used for sleeping purposes at night. By definition, one-room private dwellings such as bachelor or studio apartments have zero bedrooms;

"**census**" means a census of population undertaken under the Statistics Act (Canada);

"**census division (CD)**" means the grouping of neighbouring municipalities, joined together for the purposes of regional planning and managing common services (e.g. Lunenburg County);

"**census subdivision (CSD)**" is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes;

"**commuting destination**" refers to whether or not a person commutes to another municipality (i.e., census subdivision), another census division or another province or territory. Commuting refers to the travel of a person between his or her place of residence and his or her usual place of work;

"**dwelling"** is defined as a set of living quarters;

"**dwelling type**" means the structural characteristics or dwelling configuration of a housing unit, such as, but not limited to, the housing unit being a single-detached house, a semi-detached house, a row house, an apartment in a duplex or in a building that has a certain number of storeys, or a mobile home;

> "**single-detached house**" means a single dwelling not attached to any other dwelling or structure (except its own garage or shed). A single-detached house has open space on all sides, and has no dwellings either above it or below it. A mobile home fixed permanently to a foundation is also classified as a single-detached house;
>
> "**semi-detached house**" means one of two dwellings attached side by side (or back to back) to each other, but not attached to any other dwelling or structure (except its own garage or shed). A semi-detached dwelling has no dwellings either above it or below it, and the two units together have open space on all sides;
>
> "**row house**" means one of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses;
>
> "**duplex**" (also known as apartment or flat in a duplex) means one of two dwellings, located one above the other, may or may not be attached to other dwellings or buildings;
>
> "**apartment in a building that has five or more storeys** " means a dwelling unit in a high-rise apartment building which has five or more storeys;
>
> "**apartment in a building that has fewer than five storeys**" means a dwelling unit attached to other dwelling units, commercial units, or other non-residential space in a building that has fewer than five storeys;
>
> "**mobile home**" means a single dwelling, designed and constructed to be transported on its own chassis and capable of being moved to a new location on short notice. It may be placed temporarily on a foundation pad and may be covered by a skirt;

"**household**" refers to a person or group of persons who occupy the same dwelling and do not have a usual place of residence elsewhere in Canada or abroad;

> "**owner household**" refers to a private household where some member of the household owners the dwelling, even if it is still being paid for;
>
> "**renter household**" refers to private households where no member of the household owns their dwelling. The dwelling is considered to be rented even if no cash rent is paid;

"**household maintainer**" refers to whether or not a person residing in the household is responsible for paying the rent, or the mortgage, or the taxes, or the electricity or other services or utilities. Where a number of people may contribute to the payments, more than one person in the household may be identified as a household maintainer. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer;

"**price model**" refers to the means by which a housing provider is able to build and offer a dwelling to be occupied for long-term accommodation, whether for profit or not;

> "**below-market units**" refer to housing with rents or prices fixed at a set percentage below the average market rate in a specific area. CMHC defines this threshold as 80%;
>
> "**deeply affordable units**" refer to housing for the lowest-income earning households, where rent is truly affordable relative to their income, often requiring considerable subsidies. This is largely made up of rent-geared-to-income (RGI) housing, but can also include any social housing, non-profit housing with deep subsidies;
>
> "**market units**" refer to housing (rented or owned) whose prices are set by the private real estate market, driven by supply, demand, and development costs, without direct government subsidies;

"**primary rental market**" means a market for rental housing units in apartment structures containing at least 3 rental housing units that were purpose-built as rental housing;

"**potential long-term dwelling (PLTD)**" refers to a dwelling where, if not rented as an STR, could have been used for permanent occupancy by a homeowner or tenant. To be considered a PLTD, the STR unit must be available or reserve more than half a year, must belong to a portfolio of 2 or more STRs, and must not be classified as a "vacation property," as per Statistics Canada;[24]

"**Rental Market Survey**" refers to the CMHC collection of data samples from all urban areas with populations greater than 10,000 and targets only private apartments with at least three rental units. Among the information provided are median rental prices for units within the primary rental market;

"**secondary rental market**" means a market for rental housing units that were not purpose-built as rental housing;

"**shelter cost**" refers to the average or median monthly total of all shelter expenses paid by households that own or rent their dwelling. Shelter costs for owner households include, where applicable, mortgage payments, property taxes and condominium fees, along with the costs of electricity, heat, water and other municipal services. For renter households, shelter costs include, where applicable, the rent and the costs of electricity, heat, water and other municipal services;

"**short-term rental (STR)**" means the rental of a housing unit, or any part of it, for a period of less than 30 days;

[24] Arbenser, L; Bernard, M-C; Dormer, A; and Vipond, O. (2024, July 30). Short-term rentals in the Canadian housing market. https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2024010-eng.htm

"**tenure**" refers to whether the household owns or rents their private dwelling. The private dwelling may be situated on rented or leased land or be part of a condominium. A household is considered to own their dwelling if some member of the household owns the dwelling even if it is not fully paid for, for example if there is a mortgage or some other claim on it. A household is considered to rent their dwelling if no member of the household owns the dwelling;

"**vacancy**" means a unit that, at the time of the CMHC Rental Market Survey, it is physically unoccupied and available for immediate rental.

## 9.2 Evaluation of Statistical Significance & Survey Coverage

To test the statistical reliability of our survey coverage, the margin of error (MOE) was calculated using the finite population correction (FPC), which accounts for the fact that the survey represents a significant portion of the total population. The formula for calculating MOE for proportions at a 95% confidence level is:

$$MOE = z \times \sqrt{\frac{p(1-p)}{n}} \times \sqrt{\frac{N-n}{N-1}}$$

Where:

- $z = 1.96$ (corresponding to a 95% confidence interval),
- $p = 0.5$ (the most conservative assumption, representing maximum variability),
- $n = 1{,}548$ (the number of surveyed units), and;
- $N = 4{,}352$ (the total number of dwellings according to the 2021 Census).

Note that this process was also run using the total rental market units (buildings with more than two units) sourced via the amalgamation of the property data. In this case, the *N* value was (2,337 units), and the *n* value from our market survey was 1,502. The table below compares rental-tenured dwelling counts for each jurisdiction from the 2021 Census against our rental market survey coverage, specific to the individual unit types. We then outline the statistical validity of the results, specific to each municipality.

**Table 9.1: Survey Coverage Relative to Rental Dwelling Counts from the 2021 Census**

| 2021 Canadian Census | Chester | Mahone Bay | TOL | TOB | MODL | Total |
|---|---|---|---|---|---|---|
| **% of Households that are Rental-Tenured** | 16.0% | 32.0% | 36.0% | 42.0% | 10.1% | 19.40% |
| **Estimated Rental-Tenured Dwelling Counts (based on the 2021 Census)** | | | | | | |
| **Studio** | 15 | 10 | 0 | 25 | 0 | 50 |
| **1-Bed.** | 69 | 29 | 41 | 256 | 73 | 468 |
| **2-Bed.** | 234 | 58 | 142 | 685 | 300 | 1,418 |
| **3-Bed.** | 500 | 80 | 211 | 838 | 787 | 2,416 |
| **Total** | **817** | **176** | **394** | **1,804** | **1,160** | **4,352** |
| **Our Coverage** | **Chester** | **Mahone Bay** | **TOL** | **TOB** | **MODL** | **Total** |
| **Studio** | 0 | 1 | 14 | 32 | 20 | 67 |
| **1-Bed.** | 21 | 4 | 26 | 247 | 68 | 366 |
| **2-Bed.** | 18 | 17 | 116 | 721 | 100 | 972 |
| **3-Bed.** | 61 | 2 | 10 | 67 | 3 | 143 |
| **Total** | 100 | 24 | 166 | 1,067 | 191 | 1,548 |

Source: Turner Drake & Partners Ltd. & Statistics Canada

**Regional Summary (Lunenburg County)**

- At the regional level, our survey achieves excellent statistical reliability (±2%), equivalent to CMHC's "*A – Excellent"* standard.
- This information can be reliably used in place of localized figures for jurisdictions with less survey coverage, and therefore lower reliability thresholds.

**Chester**

- Coverage: 12.2% - moderate-to-low.
- MOE: ±8.6%. Moderate reliability.
- Results are directionally sound, but should be treated with caution for detailed breakdowns.
- Findings for are still useful contextually and for localized nuances, but not for precise quantitative benchmarking.

**Mahone Bay**

- Coverage: 13.6%. Lowest absolute number of surveys (n=24).
- MOE: ±17.5%. Low reliability.
- Interpretation: With a small population (176 dwellings) and a small survey sample, Mahone Bay's results are indicative only, not statistically precise.
- If used alone, use for qualitative insights or to illustrate patterns, not for fine-grained numerical comparison.

**Town of Lunenburg (TOL)**

- Coverage: 42%. Strong coverage for a town its size.
- MOE: ±5.3%. *Good* to *Very Good* reliability (according to CMHC benchmarks).
- With over one-third of local dwellings sampled, Lunenburg data is robust for all high-level indicators (e.g., unit mix, vacancy rates, etc.).
- Estimates can be generalized at the municipal level with high confidence, though smaller subcategories (e.g., studio units) will show wider variability.

**Bridgewater (TOB)**

- Coverage: 59% of all local dwellings surveyed.
- MOE: ±2.1%. Statistically valid, and highly reliable (equivalent to CMHC's *"A – Excellent"* reliability).
- Bridgewater dominates the regional rental market (42% of renter households), and our strong sampling mirrors this. The results here can be treated as highly reliable and directly representative of actual conditions.
- Findings on unit mix, condition, and affordability in TOB can be generalized confidently.

**MODL (Municipality of the District of Lunenburg)**

- Coverage: 16.5%. Moderate coverage.
- MOE: ±6.3%. Good reliability according to CMHC.
- Though coverage is lower, MODL's renter share is also small (10%), so representation aligns well with actual market structure.
- Our data is statistically valid for overall housing patterns but less precise for small sub-populations (e.g., renter-only housing stock).

### 9.2.1 CMHC Reliability Benchmarking

The reliability of our 2025 survey results can also be assessed in relation to the standards used by the Canada Mortgage and Housing Corporation (CMHC) for publishing data in its Rental Market Survey (RMS) and related housing statistics. Overall, when interpreted through CMHC's reliability framework, our 2025 survey demonstrates an *"Excellent"* level of statistical reliability, confirming that its findings are robust, representative, and suitable for both policy and analytical applications across the region.

CMHC uses a measure called the Coefficient of Variation (CV) to evaluate data quality. The CV expresses sampling error as a percentage of the estimate itself and provides a sense of the relative precision of an estimate: smaller CV values indicate higher reliability.

In contrast, our survey reports a margin of error (MOE) of ±2% at a 95% confidence level. The margin of error measures absolute precision, showing the range within which the true value is expected to lie. The CV measures relative precision, indicating how large that potential error is compared to the size of the estimate. These two measures describe the same concept of statistical reliability, but from slightly different perspectives.

To compare the two, we can translate the ±2% margin of error into approximate CV values. The conversion depends on the size of the estimate itself. For example, if the survey estimates that 50% of dwellings in the region have two bedrooms, a ±2% margin of error means the true value is very likely between 48% and 52%. Because this 2% variation is small compared to 50%, the relative error (CV) is only approximately 2%, which CMHC classifies as *"Excellent"*.

This comparison shows that the same absolute level of precision (±2%) can appear more or less reliable depending on the size of the estimate. For our survey's results, where estimates such as the distribution of dwellings by bedroom type, or the proportion of multi-unit structures in each municipality typically fall between 30% and 60%, the equivalent CV values used by CMHC fall in the 2%-3% range, well within their *"A – Excellent"* reliability category. The table below is shown in **Section 1.4.3**, however we have included it here for reference:

| Estimated Percentage | Approximate Relative Error (CV) | CMHC Reliability Code | Interpretation | How the TDP Survey Ranks |
|---|---|---|---|---|
| 50% | 2.00% | A – Excellent | Meets CMHC's highest reliability standard. | ***Turner Drake's 2025 Survey (±2%) falls here*** |
| 30% | 3.40% | A – Excellent | Strong precision, within CMHC's top range. | |
| 20% | 5.10% | B – Very Good | Acceptable for publication, minor variability. | |
| 15% | 6.80% | C – Good | Reliable, moderate sampling variation. | |
| 10% | 10.20% | D – Poor | Use with caution for rare categories. | |
| 8% | 12.80% | D – Poor | Higher relative uncertainty. | |
| 6% | 17.00% | Suppressed () | Below CMHC publication threshold. | |

Source: CMHC | Note: CMHC assigns a level of reliability as follows (the CVs are given in percentages):

- A - If the CV is greater than 0 and less than or equal to 2.5 then the level of reliability is *Excellent*.
- B - If the CV is greater than 2.5 and less than or equal to 5 then the level of reliability is *Very Good*.
- C - If the CV is greater than 5 and less than or equal to 7.5 then the level of reliability is *Good*.
- D - If the CV is greater than 7.5 and less than or equal to 10 then the level of reliability is *Poor*.

## 9.3 Development Scenario Modelling Assumptions

**PROJECT OVERVIEW**

- **Project Type**: Non-market, multi-unit rental development
- **Location Context**: Bridgewater, Nova Scotia
- **Total Building Area**: 37,000 ft.²
    - 27,750 ft.² residential floor area
    - 9,250 ft.² common/amenity/mechanical space
- **Total Units**: 30
    - 15 one-bedroom units (850 ft.² each)
        - 10 market units
        - 5 affordable units
    - 15 two-bedroom units (1,000 ft.² each)
        - 10 market units
        - 5 affordable units
- **Parking**: 30 spaces rented @ $50/month
- **Total project cost:** $11,328,000

**FINANCIAL AND OPERATIONAL ASSUMPTIONS**

- **Construction Cost:** $350 per ft²
- **Servicing:** Assumes fully serviced land; no off-site servicing or infrastructure extension costs included (operating costs such as heat, power, and water are incorporated separately)
- **Funding Assumptions:**
    - 25% equity contribution (AHP requirement)
    - Full uptake of CMHC/CHTC funding streams:
- **CHTC Pre-Development Fund:** $75,000
- **CMHC Seed Funding (forgivable):** $150,000

## 9.4 Methodologies

### 9.4.1 Mortgage Assumptions

| Variable | Assumption |
|---|---|
| Amortization period | 25 years |
| Payment frequency | monthly |
| Interest rate | Prevailing average weekly rate (of a given year) for 5-year fixed mortgage |
| Down payment | 10% |
| CMHC insurance premium | 3.10% |
| Income used for shelter expenses | 30% |
| Ancillary shelter costs (e.g., utilities, insurance, etc) | 25% |
| Direct shelter costs | 100% – ancillary = 75% |

### 9.4.2 Demographic Projections

**Population and households**

The population projection utilizes the Shift-Share method. This approach estimates future population change in a specific area by attributing local population growth to broader trends in a higher-tier geography – in this case, the Province of Nova Scotia.

Using this method, projections start with Statistics Canada's population forecasts for Nova Scotia. These provincial projections are then "shared" across smaller regions (e.g., municipalities) based on each area's historical share of the provincial population and the change in that share over time.

The method typically involves two steps:

- **Base share application:** The community's historical share of the provincial population is applied to future provincial totals. This assumes the local area will grow at the same rate as the province. The shares are applied for each 5-year age group. For instance, if Lunenburg's 15 to 19 year old population hypothetically represented 10% of the provincial population of the same age in 2021, then that relationship is assumed to hold over time.

- **Local adjustment (shift component):** An adjustment is made to address local conditions, such as recent trends in population gain or loss or migration patterns. This captures whether the local area is growing faster or slower than the provincial average. For instance, if local 15 to 19 years old made up 10% of the province's total in 2021, but made up 9% in 2016, then there is a shift that needs to be incorporated for future relationships.

By applying headship rates to projected population figures by age group, analysts can estimate the number of future households in a community. A headship rate refers to the proportion of people within a specific age group who are considered the primary maintainer (or "head" ) of a household.

The process typically involves the following steps:

- **Obtain age-specific population projections:** Use population forecasts broken down by age group (e.g., 15 to 24, 25 to 34, etc.).

- **Apply headship rates:** Multiply the population in each age group by the corresponding headship rate. These rates are based on past Census data and reflect historical patterns of household formation.

- **Sum across age groups:** Add the resulting number of household "heads" across all age groups to estimate the total number of projected households in a given year

This method accounts for demographic trends, such as aging populations or changes in household formation patterns among younger adults, and provides a more nuanced estimate than simply dividing population by average household size.

**Important note:** There are several valid methods for projecting population, each with its own strengths and limitations. The approach used here was selected to account for recent changes to federal immigration targets and their potential influence on Nova Scotia and its municipalities. However, individual municipalities may prefer different methodologies based on what they feel best reflects their local context. Accordingly, the results presented should not be interpreted as a definitive forecast, but rather as one plausible scenario among many, informed by available data and the assumptions applied.

#### Household family types

Statistics Canada provides Public Use Microdata Files (PUMF), offering unique opportunities for data work. These files include anonymized individual-level Census data, which researchers, analysts, and the public can use for statistical analysis while ensuring respondent privacy. However, the sample size of PUMF is much smaller compared to standard Census datasets, making it difficult to conduct analyses at the community level. For this reason – and especially in this context – provincial PUMF data is applied to local datasets to project specific variables.

One of the variables is Household Family Types, which classifies households as either: a couple with children, a couple without children, a lone parent, or a non-census family (e.g., unrelated roommates or a single individual). To project future distributions of family types, we follow these steps:

- Calculate the number of families by type, further broken down by the age of the household's primary maintainer using data from the 2021 and 2011 Census PUMF.
- Establish distributions of family types by age group for both Census years.
- Determine the annual rate of change in family type distributions between the two Census periods.
- Apply the 2021 family type distribution by primary maintainer age to projected household data categorized by maintainer age, adjusted annually by the previously determined rate of change.

### 9.4.3 Dwelling Projections

#### Dwelling shortage

This approach is adapted from the *Guidelines for Housing Needs Reports*,[25] a technical guide developed by the Government of British Columbia. The guide standardizes and prescribes a methodology for estimating local housing demand. Like any demand estimation method, it has its imperfections, but its rationale remains sound and its calculations are simple. While it cannot precisely quantify the true housing shortage – given that this is a fluid concept dependent on how "shortage" is defined – it provides valuable insight into the overall scale of the issue. Four of the data components of the BC method apply to the local shortage calculation:

[25] British Columbia Ministry of Housing. (2024, June). Guidelines for Housing Needs Reports – HNR Method Technical Guidance. https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/tools-for-government/uploads/hnr_method_technical_guidelines.pdf

| Variable | Housing units for: | Intention |
|---|---|---|
| 1 | Households in Severe Core Housing Need | To estimate the number of new units required for those in vulnerable housing situations. Severe need refers to those paying more than 50% of household income on shelter costs. |
| 2 | Individuals experiencing homelessness | To quantify the supply of permanent housing units required for those currently experiencing homelessness. |
| 3 | Suppressed households | To address those households that were unable to form between 2016 and the present due to a constrained housing environment. |
| 4 | Increasing the rental vacancy rate to 3% | To add surplus rental units to restore local vacancy rates to levels representing a healthy and well-functioning rental housing market. Typically, rates between 3% and 5% are considered healthy rates. |

A major difference between this work and BC's guidelines is that, in this case, households in severe housing need are not added to the total shortage calculations. Instead, they are used to determine what share of the shortage should be allocated to non-market alternatives.

### Anticipated dwelling demand

Future net new dwelling demand is calculated using household projections. However, these demographic projections only account for dwellings occupied by a usual resident.

To estimate the "total" dwelling demand, the household projections are adjusted upward to account for the difference between the total number of local dwellings and those occupied by a usual resident.

### Dwelling typology

The methodology for projecting dwelling typology follows the same approach as that used for household family types and household income categories. However, it instead focuses on establishing the relationship between dwelling structure types and the age of the primary maintainer.

A key aspect of the dwelling typology projection is that the relationship it uses is the result of calculations that only include Census responses from individuals or households living in dwellings constructed within the five years prior to the respective Census. Limiting the analysis to recently constructed dwellings emphasizes modern household trends – largely influenced by affordability – rather than reflecting patterns from earlier decades, which heavily favoured single-detached dwellings when they were considerably more affordable

### Dwelling price model

The allocation of dwellings to particular price models is based on anticipated income category distributions and the type of housing demand. For instance, the volume of needed deeply affordable units will be influenced by the share of very low income households, as well as the volume of unhoused persons or households living in severe core housing need.

### Dwelling size

The type of price model applied to a dwelling – market or non-market – does heavily influence the size of the dwelling that is built. For a non-market unit, the size is more so related to actual spatial need; whereas, market housing is much more preference based (i.e., a household may seek out more space than they

functionally need). As such, determining the dwelling size tendencies for households that are more likely to occupy market or non-market housing is important.

*Dwelling size and market housing*

Establishing this relationship mirrors the methodology outlined for dwelling typologies, instead using dwelling size (number of bedrooms) as the category to compare to age of maintainer groups.

*Dwelling size and non-market housing*

To estimate these outcomes, we use 2021 Census PUMF data to estimate maintainer age to total bedroom conversion rates based on National Occupancy Standards (NOS). This methodology draws inspiration from the approach presented in the City of Burnaby's Housing Needs Report from January 2021.[26]

Briefly, Burnaby estimates the demand for particular unit sizes by determining the minimum number of bedrooms needed (as per NOS) based on the number of persons in a household and their relationship (e.g., a studio or one-bedroom unit as the minimum requirement to meet the needs of a couple without children). This approach is particularly useful when addressing non-market housing provision, a notable limitation being that there is limited information about the characteristics of non-market housing occupants. As a proxy, we limited the households studied to those that experienced Core Housing Need in 2021.

[26] City of Burnaby. (2021 January). Housing Needs Report. https://www.burnaby.ca/sites/default/files/acquiadam/2021-07/Housing%20Needs%20Report.pdf