



Middlesex County Attainable Housing Review Housing Needs Assessment

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Executive Summary

After periods of modest population growth and new construction, Middlesex County has seen a shift in the housing market – from a rural community, generally aging and relying on inter-generational growth – to a region sought after by new residents relocating to Middlesex County.

Though the COVID-19 pandemic has been identified as an influence or reason leading to relocating away from major city centres to smaller cities and towns, the increasing cost of housing has been an underlying cause for a longer period. Indeed, the low interest/borrowing rates over the last 5 years have resulted in a surge in home prices in Greater Toronto Area (GTA). As experienced by communities in Middlesex County, this has, in turn, caused a significant impact on smaller, outlying communities. The housing market has pushed the most affordable entry-level homeownership opportunities to the highest price levels in history. Moreover, investors, priced out of the GTA region, are looking for opportunities in the Middlesex County housing market.

Between 2016 and 2021, Middlesex experienced significant population growth. This growth has been brought on by families, young couples, and young single adults in the area. The largest increases were seen in the populations of Lucan-Biddulph (20.9%) and Strathroy-Caradoc (14.4%). The increasing growth of younger population can seemingly 'dilute' average age demographics. However, average age demographics should not be interpreted as a decrease in the number of seniors in the region. Indeed, the senior population continues to grow.



Alongside the population increase, average household income levels pre-tax neared \$100,000, whereas just ten years ago households with annual incomes above \$100,000 only accounted for 2% of the population. Those in the age groups of 15-30 and 44-65 hold the largest growth in the County as of 2021. This data indicates an influx of new younger residents into the County, bringing along higher incomes and a desire for appropriate housing to meet their expectations.

Along with homeownership costs, rental costs have also increased significantly since 2016. MLS rental listings as of August 2022 indicate a lack of one and two-bedroom housing units, whereas three and four-plus-bedroom housing stock dominates the market with an average of \$3,000 monthly in rental costs. Coupled with low vacancy rates, the market is making it very difficult for renters with low or moderate incomes to find anything to rent that is financially viable for them. Homeownership costs rose dramatically in the County over the past few years, with reports indicating Middlesex Centre reaching average home prices of \$1,076,666 and \$771,175 in Strathroy-Caradoc in 2022. However, a result of tightening fiscal policies, home prices have stabilized since July 2022, putting a pause on historic rise in home prices seen since 2018. Despite this, homes are still selling above their asking price in both communities, indicating demand remains high.

Single persons in Middlesex County (Statistics Canada refers to singles as Non-Census Families) are also challenged to have their housing needs met. The median annual income of singles (even with recent income increases) remains just slightly above \$40,000. This group of residents are being priced out of the existing housing market. In addition to this, the a lack of higher-density housing to accommodate singles moving to Middlesex County furthers the precarious housing realities for this group of people.

Not atypical of smaller communities, homeownership rates are higher than rental rates, compared to larger centres. Homeownership in Middlesex County is 82% of households while rental is 18%. Further, the majority of new home construction has been focused on low-density, mostly single-family residential homes. As such, the Middlesex County housing market does not currently provide a lot of options (condominiums, townhouses, etc.) for low or middle-income renters looking to enter the ownership market. In addition, low levels of available housing inventory have created conditions for a challenging market for residents seeking to buy a home for the first time unless they are in the higher income bracket.

There was a 62% increase between 2016 and 2021 in the number of Middlesex County households who are paying more than 30% of their income on housing (a measure of being in affordable housing need). The United Way of Elgin Middlesex reported that 45% of renters are living in unaffordable housing. Rising costs of living and a low inventory of single-bedroom units only further threaten the number of individuals and families experiencing, or near, a state of homelessness.

In summary, the data indicates a direction towards a further strained housing market for future homeowners and renters in Middlesex County, mostly shutting out those of low and medium-income levels who are looking to either rent a unit in their income range or buy their first home. This has impacts on the economic health and development of the County as the labour market required to sustain and grow sectors such as retail, agriculture, manufacturing, and service sector cannot afford to reside in the community. Up until recently, bidding wars and a consistent low average number of days on the market have made homeownership virtually impossible for prospective first-time buyers of low and middle incomes in Middlesex County. Although there has been a significant number of building permits issued, the construction of new dwellings cannot respond to present-day pressures.



1) Demographic Analysis

1.1) Population

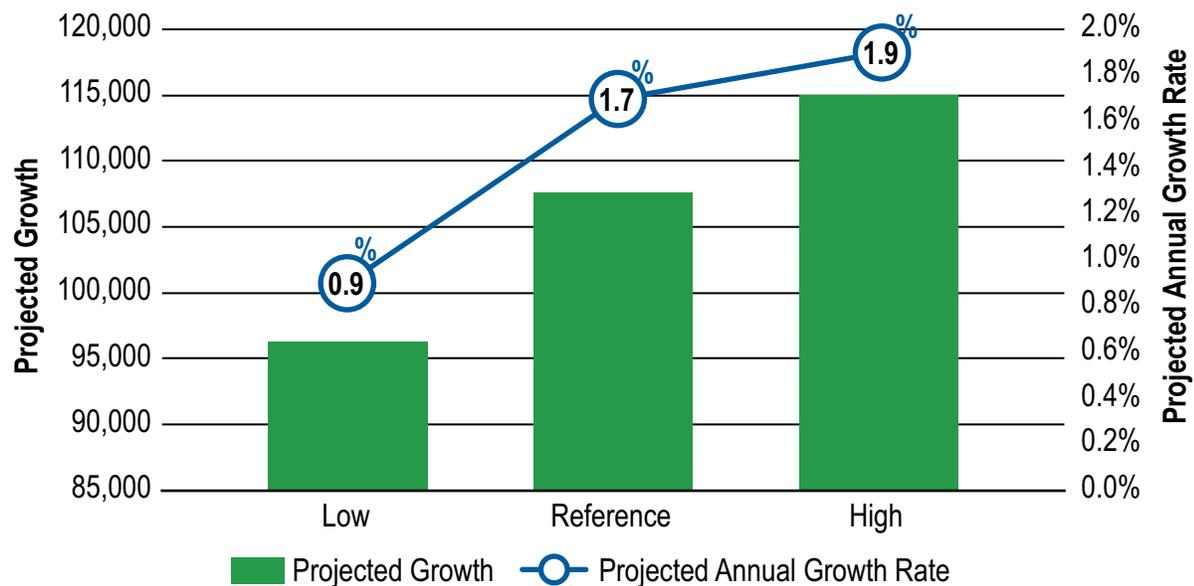
After a relatively low annual growth rate of 0.5% between 2001 and 2016, the County saw a significant annual average increase of 3.3% between 2016 and 2021, to a total population of 78,245. This translates to an increase of 6,730 individuals in comparison to the growth of 755 individuals from 2011 to 2016.

The projected population forecast by Middlesex County indicates a continued significant increase, with an average (mid-range or reference) 36% increase by 2046.

Scenario	Projected Growth	Projected Annual Growth Rate
Low	96,300	0.9%
Reference	107,600	1.7%
High	115,000	1.9%

Source: Population and Housing Projections for Middlesex County, Committee of the Whole, January 19, 2021

Table 1. Projected Population Growth by 2046

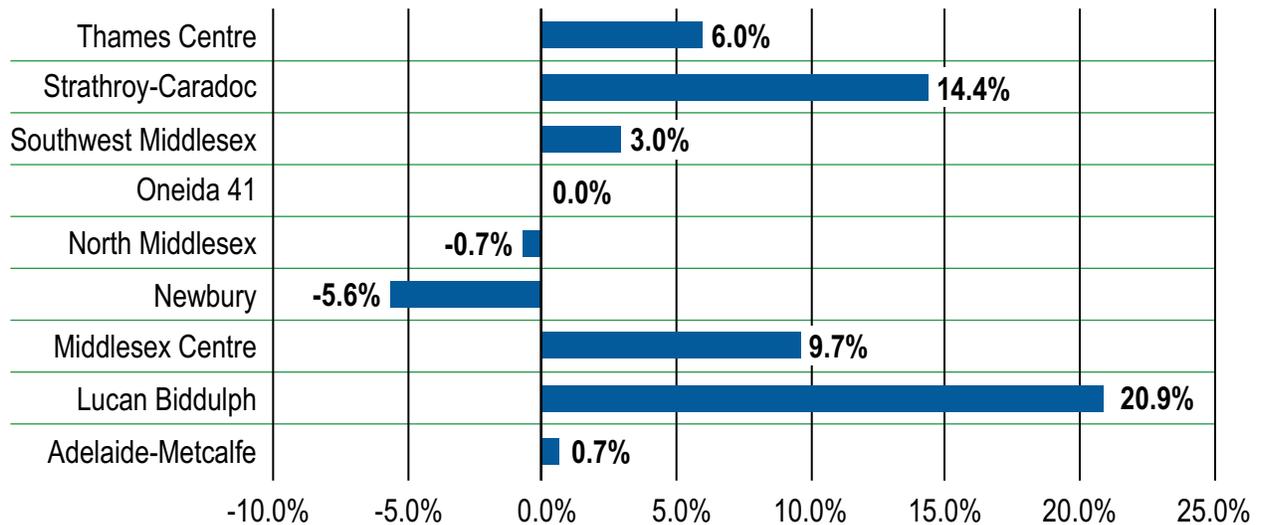


Source: Population and Housing Projections for Middlesex County, Committee of the Whole, January 19, 2021

1.2) Population by Municipality

Notable population increases have been experienced since 2016 in particular municipalities of Middlesex County. Lucan Biddulph, Strathroy-Caradoc and Middlesex Centre top the list of highest growth municipalities in the County; with increases of 20.9%, 14.4% and 9.7% respectively.

Table 2. Population by Municipality, Percentage Change from 2016-2021

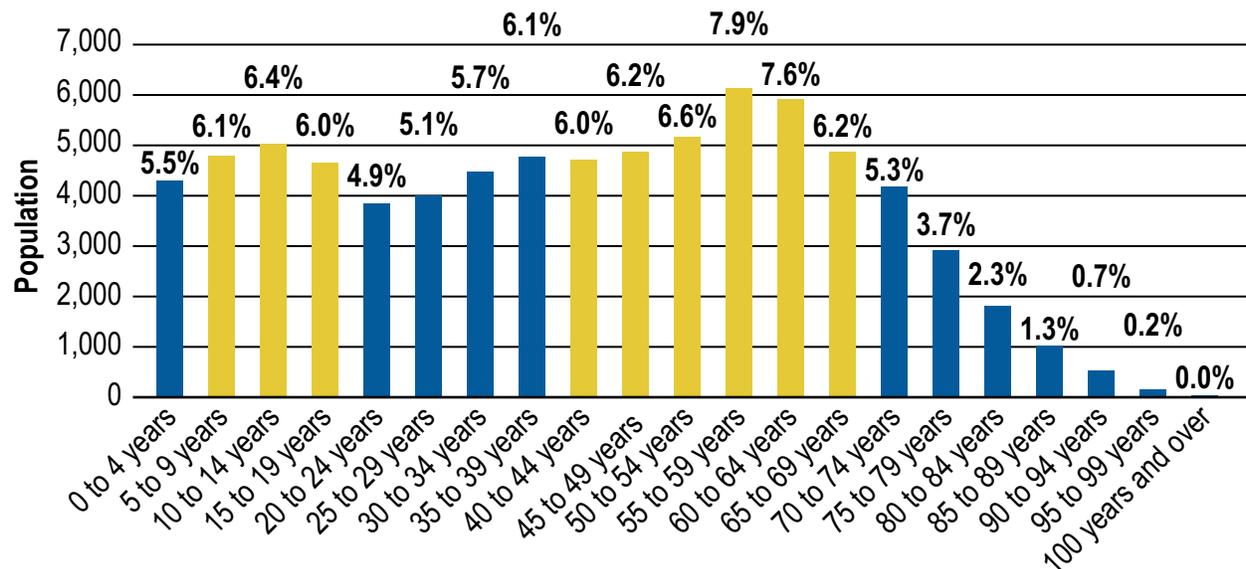


Source: Statistics Canada 2021 Census

1.3) Age

Groups between the ages of 40 to 69 years old represent the largest portion of the Middlesex population and constitute the push for the largest growth since 2016, illustrating a need for senior-based housing in the future. Additionally, younger adults account for a 12.5% increase in population since 2016.

Table 3. Age Distribution in Middlesex County 2021

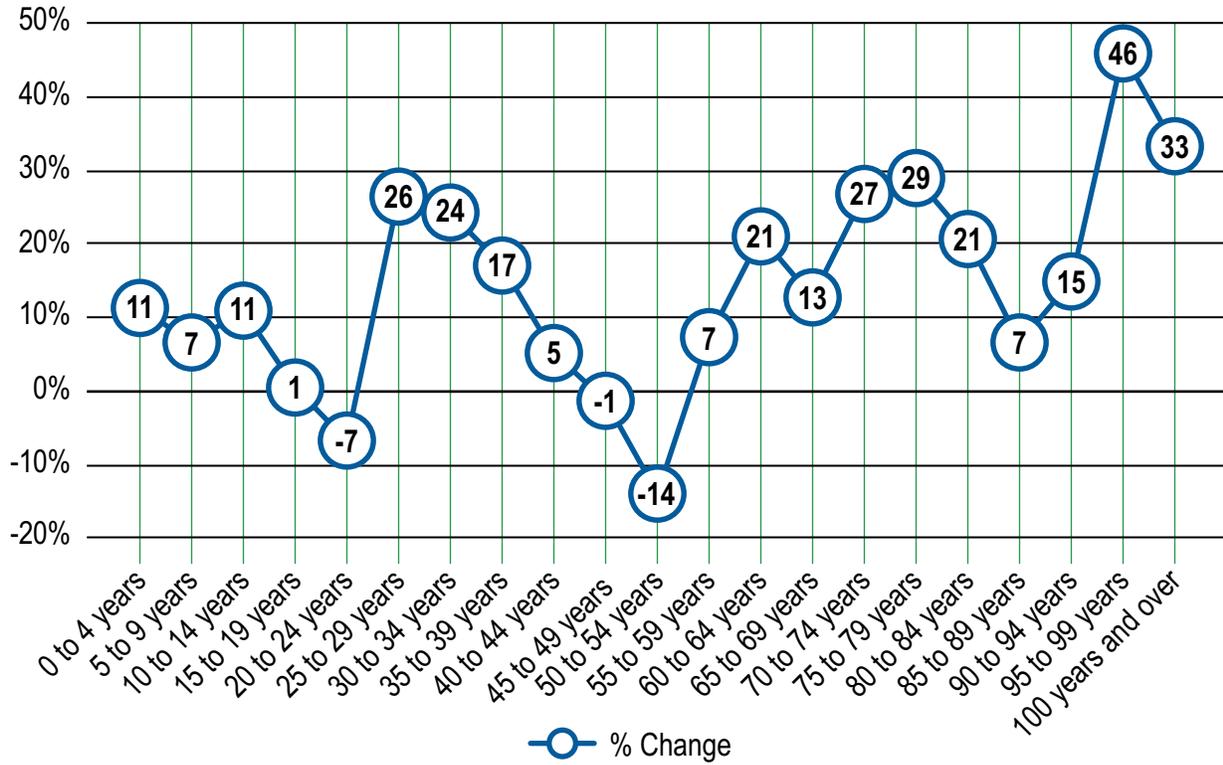


Source: Statistics Canada 2021 Census

Between 2016 to 2021, there was significant growth in young adults and seniors. The age cohort of 70 to 79 years old experienced an increase of over 25%, which illustrates the common understanding that seniors remain in place as they age. Young adults (25 to 34) saw a similar increase in growth rates of over 25%. The 45 to 69 age cohort accounts for a large portion (34.5%) of the population in Middlesex.

These changes in population brackets demonstrate that a significant population shift has occurred and will continue.

Table 4. Population Change from 2016 to 2021



Source: Statistics Canada 2021 Census

1.4) Households

Table 5 offers a breakdown of family characteristics in Middlesex County. The data illustrates that a large majority of people in Middlesex County of 68,670 individuals fall under census families.

Table 5 provides a breakdown of household characteristics in Middlesex County in comparison to London CMA. Middlesex County accounts for more census family households with and without children (over 30%) for both compared to 25% for London CMA. Middlesex County have less single households (20.24%) than London (29.37%), further illustrating the County’s emphasis on family centered households.

Table 5. Household Characteristics in Middlesex County 2021

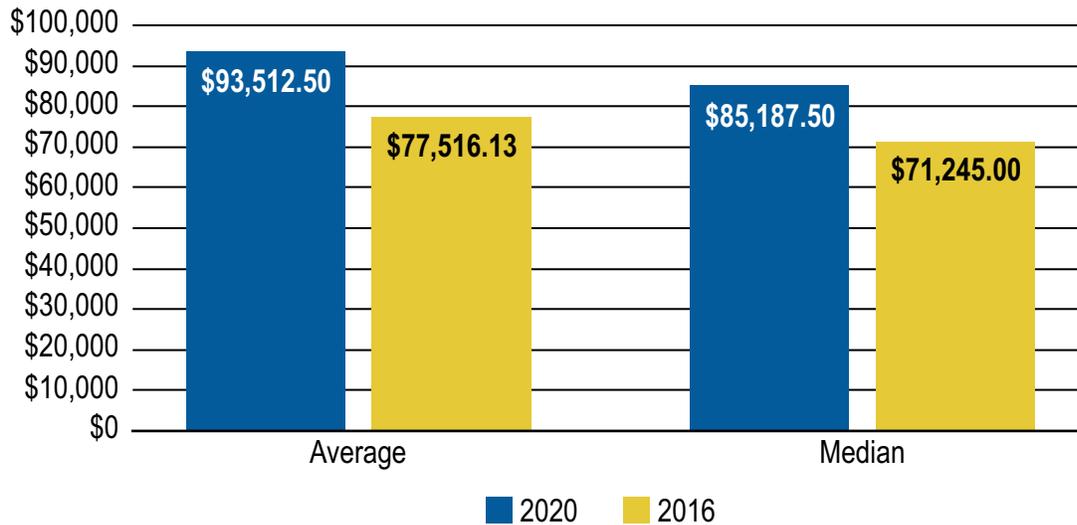
Household Characteristic	Middlesex	Middlesex	London	London
Couple With children	9880	33.49%	56,510	25.43%
Couple Without children	9520	32.27%	55,655	25.04%
One parent family	2045	6.93%	21,170	9.53%
Multi-gen households	670	2.27%	5,090	2.29%
Multi. family households	130	0.44%	965	0.43%
One family with additions	620	2.10%	6,085	2.74%
Two (+) non family	665	2.25%	11,505	5.18%
One-person households	5970	20.24%	65,265	29.37%
Total	29,500		222,245	

Source: Statistics Canada 2021 Census

1.5) Income

Census data indicates an associated 20% increase in the average and median income for all household types between 2015 and 2020. Growth in the number of individuals and families in Middlesex County is contributing to this increase.

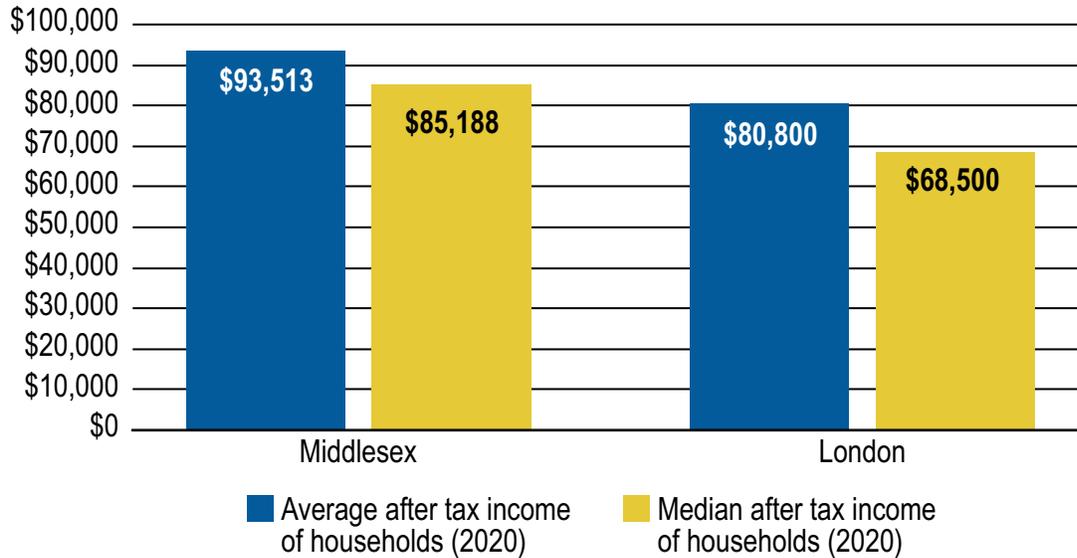
Table 6. Middlesex County Average and Median After-Tax Household Income, 2015 to 2020



Source: Statistics Canada 2021 Census

Average and median incomes are significantly higher in Middlesex County compared to the City of London. There was a difference of \$16,688 for median incomes and \$12,713 for average incomes in 2020.

Table 7. Average and Median After-Tax Household Income, Middlesex and London 2020

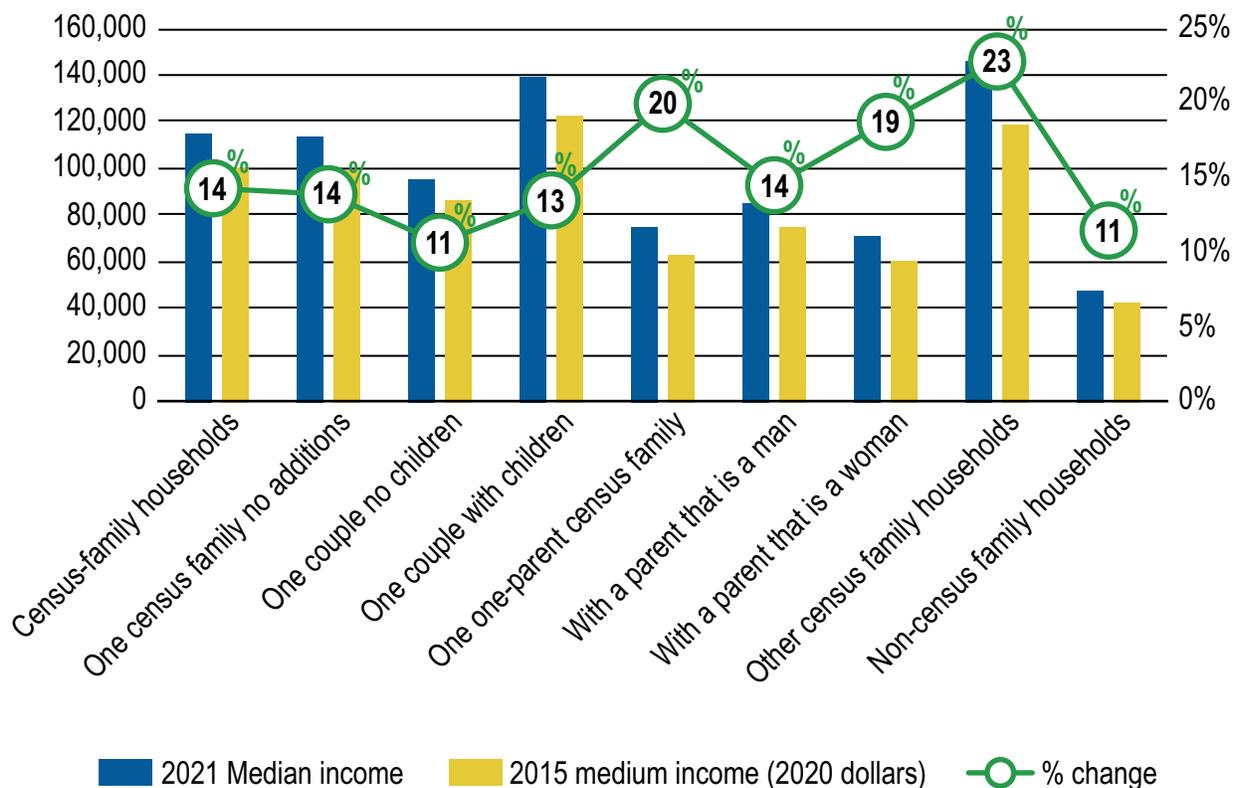


Source: Statistics Canada 2021 Census

Median income levels across all census family types experienced an average increase in income of 15% since 2015. The largest gain was a result of a combination of both single-family households with additional persons and multiple family households, which saw an increase of 23% or \$27,125.

The increase is not for all groups, for example, the median income of Non-Census Family Households (singles) remains slightly above \$40,000. Even with an 11% increase in median income, this group, along with those receiving Ontario Works or Ontario Disability Support Program, will be the first to feel the impacts of rising rents, especially in terms of spending more than 30% of their income in rent. Rental rates rising faster than income and the lack of choice in the market results in renters sacrificing safe, affordable, and appropriate shelter to make ends meet.

Table 8. Median Income for Census Family Type 2015 to 2020



Source: Statistics Canada 2021 Census

Between 2010 and 2020, Middlesex County saw a significant increase in the percentage of reported incomes of \$90,000 or more. The combined after-tax income bracket (\$90,000 to over \$150,000) increased from 2% in 2010 to 57% by 2020.

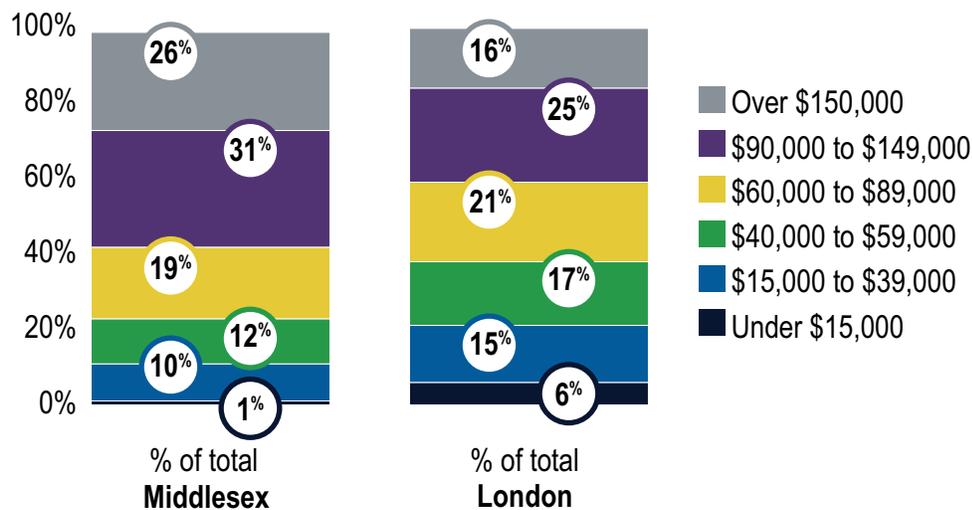
Table 9. Household Income Brackets Percentage Change from 2010 to 2020¹

Year	Under \$15,000	\$15,000 to \$39,999	\$40,000 to \$59,000	\$60,000 to \$89,999	\$90,000 to \$149,000	Over \$150,000
2010	17%	44%	21%	14%	2%	
2015	3%	16%	15%	21%	28%	18%
2020	2%	10%	12%	19%	31%	26%

Source: Statistics Canada Census Profile

Compared to the City of London, it is evident Middlesex County had a larger share of high-income earners in 2020. While 57% of Middlesex County households earned over \$90,000 in 2020, there were 41% of households in London earned \$90,000 or more in 2020².

Table 10. Income Distribution, Middlesex and London 2020



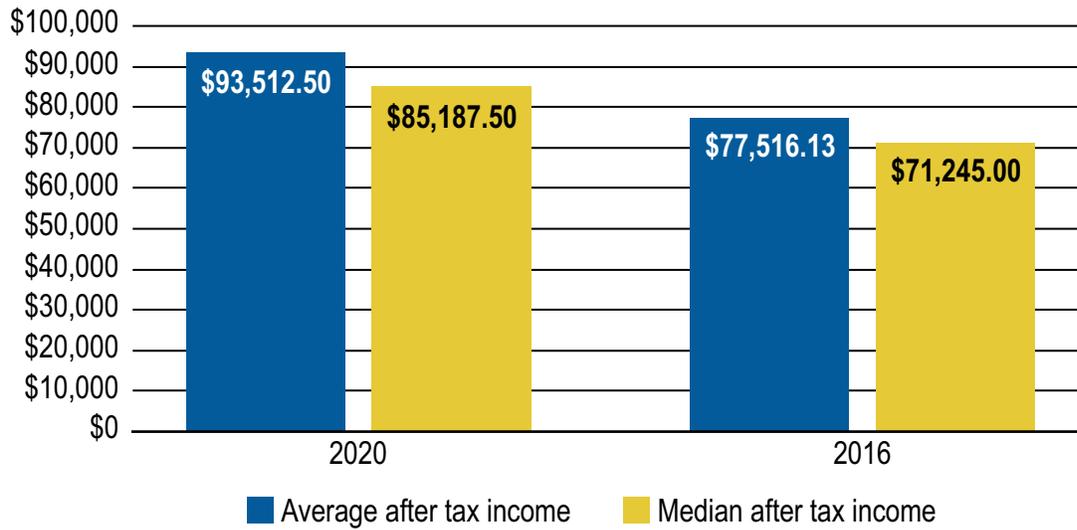
Source: Statistics Canada 2021 Census

1 Table 10 does not account for inflation

2 Canada Emergency Response Benefit (CERB) provided financial support to employed and self-employed Canadians who were directly affected by COVID-19. CERB was distributed to Canadians in early 2020, which may conflate 2020 income statistics

Since 2015, average and median income levels have also risen significantly.

Table 11. Change In Income for All Census Family Types 2015 to 2020



Source: Statistics Canada 2021 Census

The change in income for all census family types is striking when compared to 2010. The chart indicates a clear shift away from primarily low-income households to higher income households since 2010.

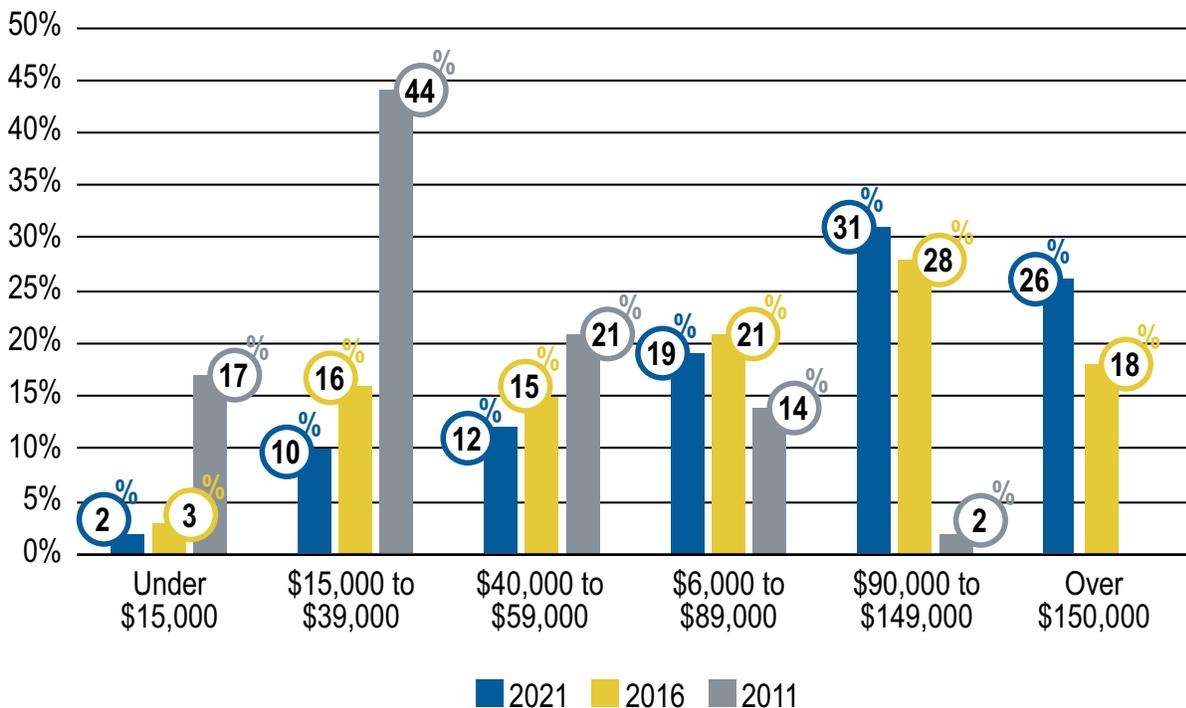
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Canada Emergency Response Benefit (CERB) provided financial support to employed and self-employed Canadians who were directly affected by COVID-19. CERB was distributed to Canadians in early 2020, which may conflate 2020 income statistics.

The impact of increasing salary/income can be viewed as a both a positive and a negative. Increasing salaries/incomes brings economic benefits to the housing market and local businesses. However, the increasing affluence puts pressure on workers with lower incomes (retail, food and accommodation/hotel, and service occupations) to absorb increasing housing costs and more recently, inflationary pressures.

Table 12. Change In Income for All Census Family Types 2010 to 2020

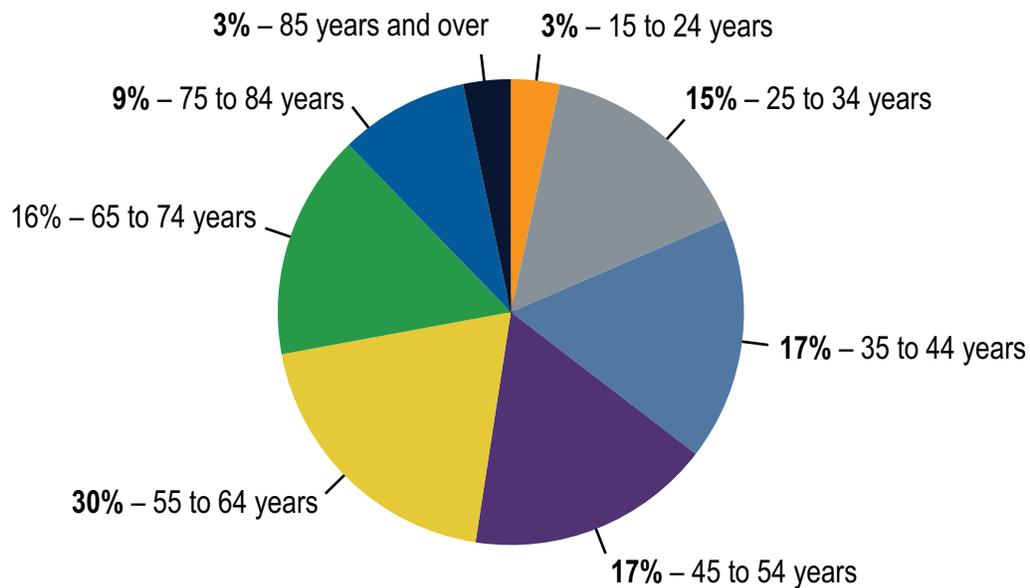
Source: Statistics Canada, 2011, 2016, 2021 Census



1.6) Age and Housing Tenure

The age of the primary household member in Middlesex County is split virtually evenly amongst all age groups, hovering around 15% – 20% for the age range of 25 to 84 years.

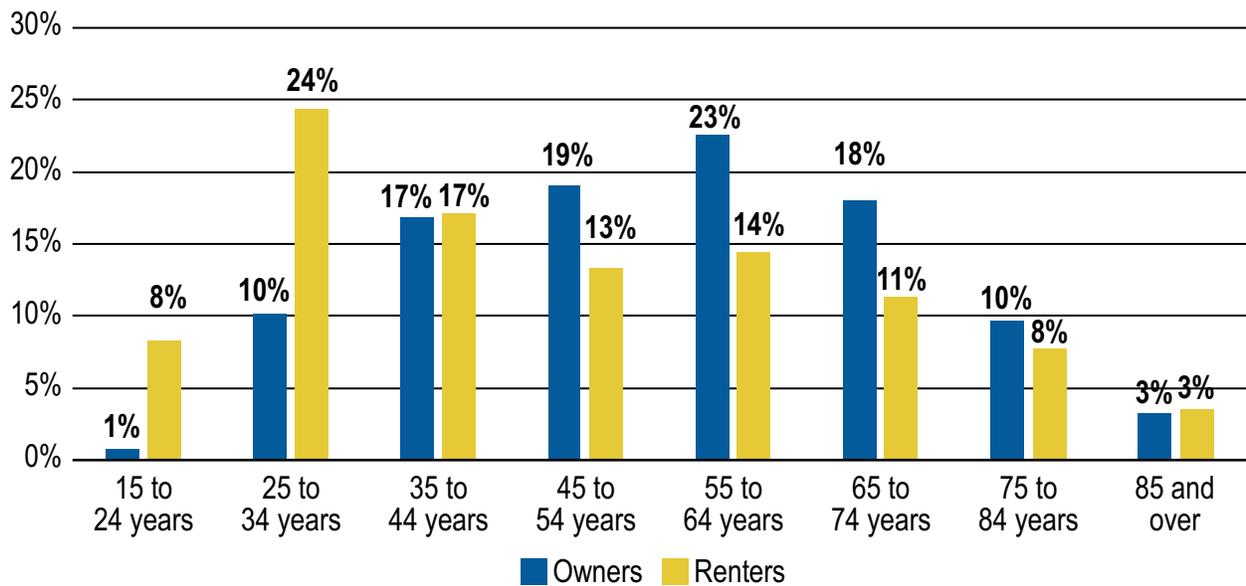
Table 13. Age Of Primary Household Member Middlesex 2020



Source: Statistics Canada 2021 Census

Young adults (between the ages of 15 to 44 years) account for 50% of renter households, as opposed to that age cohort making up only 28% of the homeownership households in Middlesex County. However, 45 and 64 years account for 42% of homeownership, followed by 65 to 74 years, at 31%. This illustrates nearly three-quarters of ownership housing stock in Middlesex County is held primarily by older adults and seniors.

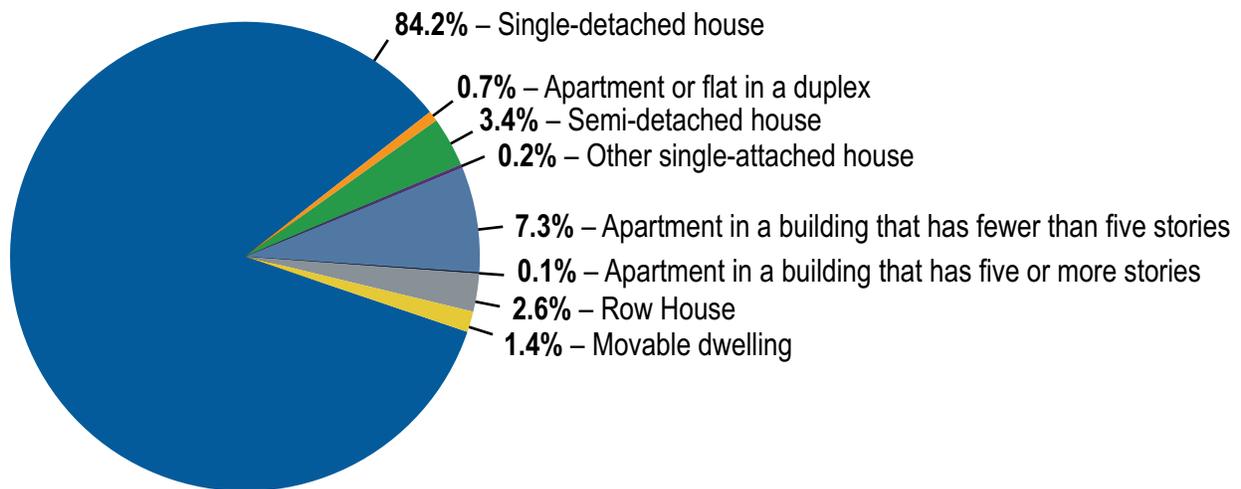
Table 14. Housing Tenure by Age for Middlesex 2020



Source: Statistics Canada 2021 Census

A majority of homeowners occupy single detached housing (84.3%) those of which are predominantly those who are over 45 years old. Considering the low inventory of one and two-bedroom units in Middlesex County, it is a possibility that inter-generational young renters are living with families to mitigate high rental costs. An opportunity for Middlesex County is to focus on single and two-bedroom rental units and lower-cost homeownership options such as townhouses and coach-style homes.

Table 15. Total Occupied Dwellings 2020



Source: Statistics Canada 2021 Census

1.7) Homelessness and Social Housing Waitlist

The pandemic created worsening conditions for the already precarious housing situation for those experiencing homelessness. According to Middlesex County's Homeless Prevention and Housing Plan: 2019 – 2024, between 2018 and 2019, 1648 individuals and families experiencing or at-risk of experiencing homelessness were provided services and supports. Aside from a Domestic Violence Against Women emergency shelter, there are no permanent emergency shelters or transitional and supportive housing units in Middlesex County, making it difficult to accurately capture the extent of homelessness specific to the county. Of the individuals who have connected with social service staff, there are 63 individuals accounted for in the Homeless Individuals and Families Information System (HIFIS) in November 2022 who are in need of or receiving immediate services and supports. Middlesex County has taken steps to begin the implementation of a By Name List to increase accuracy of data collection and integrated service supports related to persons experiencing homelessness in Middlesex County. There are known individuals who are "living rough" (i.e. living in cars, encampments, on the street).

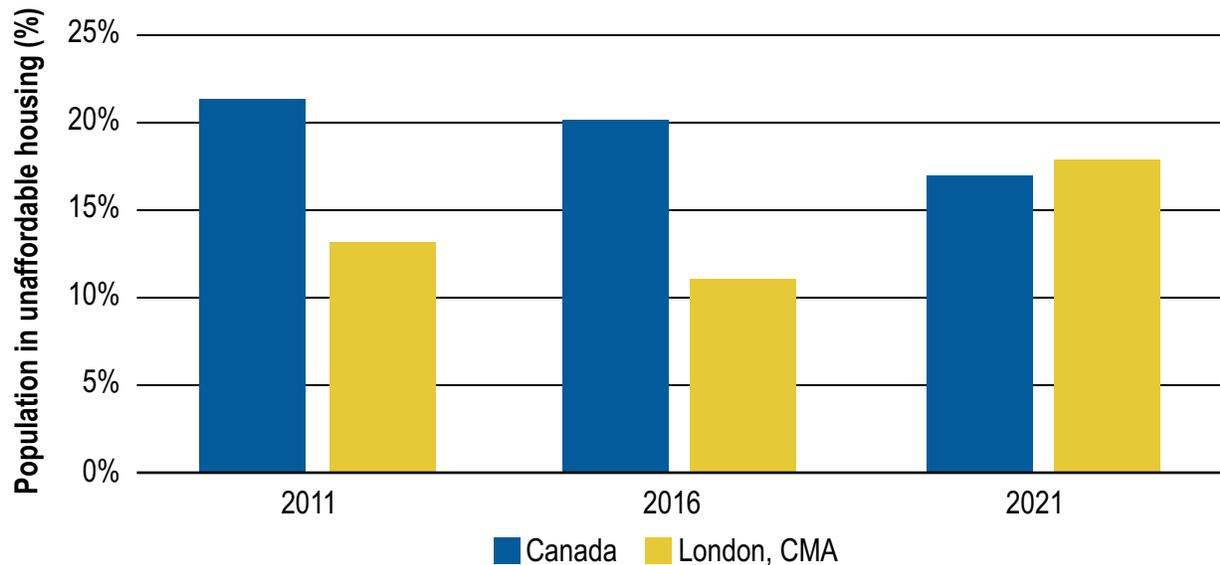
The unaffordable housing landscape is a primary concern for the Middlesex County community. A community-based survey in 2019 revealed the lack of affordable housing (86%) and lack of rental housing (50%) were the most pressing housing issues in Middlesex County³. Housing data reveal that the London CMA, including Middlesex County, saw a 62% increase in those living in unaffordable housing since 2016. This is in contrast to the 11% decrease observed between 2011 and 2016 coupled by the lack of affordable housing as expressed in the community survey, this data indicates a continuing trend of precarious housing situations for Middlesex County residents.

The City of London is the provincially designated Service Manager as it relates to housing for the City of London and Middlesex County. The responsibilities related to homelessness are delivered in the county through contracted service agreements between the City of London and Middlesex County. All provincial funding is received by the City of London. Housing Services costs are shared based on a combination of weighted assessment and actual housing units. The City of London gives Middlesex County an allocation for Homelessness Prevention Program (HPP) that adjusts annually based on provincial funding. In the 2022/2023 funding period, this allocation was \$128,721. The City may also provide an additional allotment to the County for homelessness prevention, in any given year, based on mutual agreement between the City and County. For instance, additional funding was received under the provincial Social Services Relief Funding program (SSRF).

³ Homelessness Prevention and Housing Plan, 2019 – 2024 Middlesex County.

Middlesex County faces many challenges supporting those experiencing homelessness, as the area covered by Middlesex County is vast with limited transportation between communities resulting in services having to include outreach or transportation supports. In addition, there is a crossover of services to some degree between the City of London and Middlesex County as many services are not provided in the County due to limited financial supports.

Table 16. Population in Unaffordable Housing, London CMA 2021



Source: Statistics Canada, Housing Indicators, 2021 Census

Reported in November 2022 for the month of October, 6,123 applicants sit on the waitlist for social housing units for London and Middlesex County with Middlesex County residents being 270 (or 4.4%) of the applicants, an increase from 258 in 2021. A majority (73%) of those are chronological applicants, and 15% are characterized as urgent homeless. Of the applicants residing in Middlesex County, 48% requested a one-bedroom unit, with 23% of applicants to date characterized as urgent homeless, 8% higher than combined London and Middlesex County data.

2) Housing Market Indicators

2.1) Housing Stock

The more recent increase in development across Middlesex County has resulted not only in a greater number of new homes, but also different forms of development. Examples include a 4-hectare development in Komolka of just over 100 town homes priced in the \$400,000 range and would include a community square. In another recent development, CMHC have committed \$10M to support the Municipality of Strathroy-Caradoc to develop 37 new affordable housing and market rental housing units in Mount Brydges, comprising a mix of studio, one- and two-bedroom apartments with 80% designated to be affordable housing.”

According to CMHC’s Starts and Completions Survey, single and row/townhouse units dominate new construction in Middlesex County. There were 731 units completed in 2021, which represent over half of all units completed from 2019-2022.

As per a Watson & Associates report, 86% of residents work in Middlesex County and the City of London, and predictions indicate increasing developmental pressures due to the County’s proximity to London. They also report that new large subdivision developments suggest housing growth will remain strong.

Table 17. Total Starts and Completions 2019 – 2022⁴

Community	Single	Semi	Row	Apartment and Other
Adelaide-Metcalf	26	0	0	0
Middlesex Centre	640	0	213	0
Strathroy-Caradoc	580	6	133	54
Thames Centre	334	0	0	0
Total	1,580	6	346	54
Percent Total	82%	0.3%	18%	3%
Completed	1,435	12	260	94

As of 2021, there are 564 community housing units in Middlesex County including 301 rent-geared-to-income units report to the City of London as the Service Manager. The total number of community housing units includes 159 London Middlesex Community Housing Units and the remainder are private not-for-profit units, all located in Middlesex County.

⁴ Limited CMHC data does not include all Middlesex County municipalities

2.2) Potential housing supply

Middlesex County saw an increase in building permits issued from 1,992 in 2020 to 2,205 permits issued in 2021 (213 permit increase or 10%, year-over-year). The County reached \$558.4 million in construction value permits in 2021; a 39.7% increase from 2020. Rising supply costs and inflation can be attributed to the high value associated with permits issued.

Many municipalities measure the number, and construction value, of permits as an indicator of future housing growth. However, these measures should only be used in retrospect as they are not indicators of future growth. Land speculation, rising construction costs, and volatility in the housing market have a direct impact on future construction timelines/delivery by developers. For instance, permits often lapse, the land is sold or re-zoned, and/or business cases for style and number of units can alter.

Watson & Associates indicate Middlesex's municipal potential housing supply is geared toward low-density housing, accounting for 64% of the entire housing supply. Medium-density (defined as townhouses) housing accounts for 20% and high-density accounts for the remaining 16%. Higher-density housing will be more in need to address younger adults moving into the region, inter-generational growth, and the increasing population of seniors.

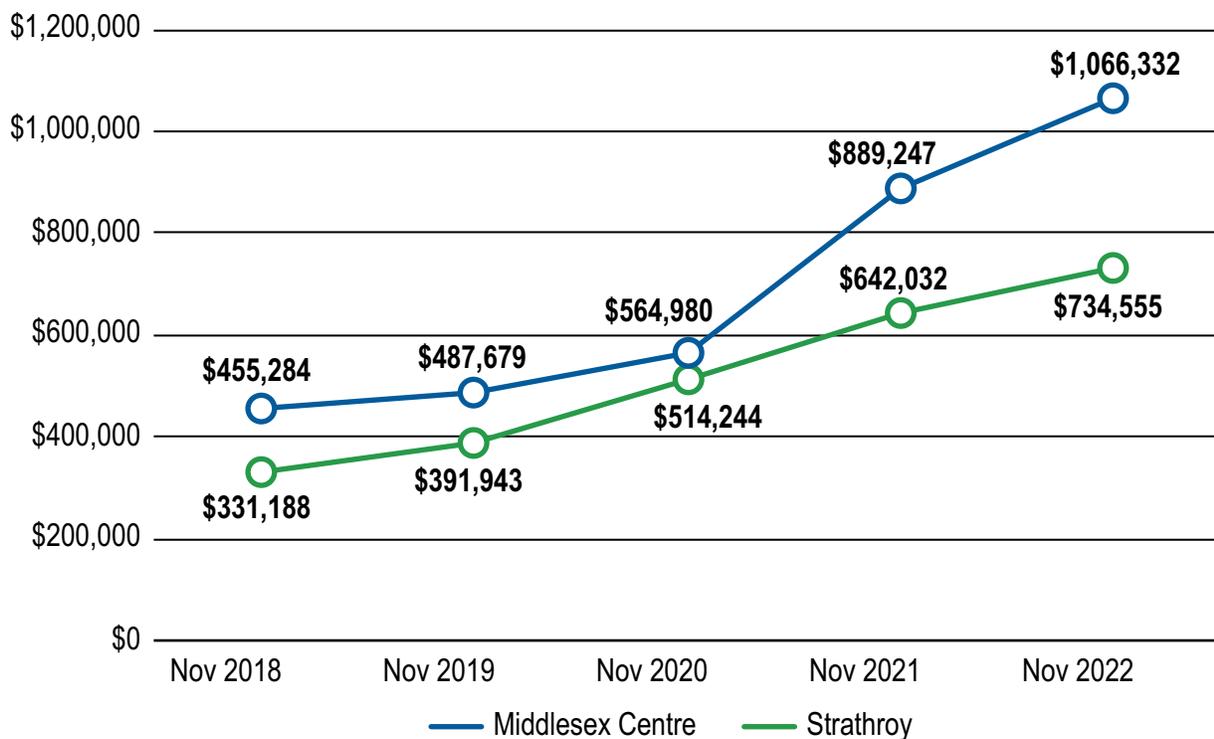
Watson & Associates report an adequate supply of designated residential lands is available to the municipality to accommodate the growing housing demand in both the short-term and long-term. The report indicates that the housing growth will remain strong over the long-term to meet the increasing demand for housing. A projected 6,230 additional households are expected from 2021 to 2046.



2.3) Cost of Ownership

Ownership costs have seen a significant increase in two major areas in Middlesex County. In Middlesex Centre, the average home price hit \$1,066,332 in November 2022, an increase of \$611,048 or 74% since November 2018. Strathroy-Caradoc experienced more dramatic increases, seeing an increase of \$403,367 or 121% in average home prices from November 2018 to 2022 at \$734,555.

Table 18. Middlesex Centre and Strathroy Homeownership Sales Price 2018 - 2022



Source: London St. Thomas Association of Realtors

Changes in ownership prices saw the highest percentage of increase from 2020 to 2022 – an increase of 78% in Strathroy-Caradoc and 94% in Middlesex Centre. This is an important indication of the challenging market on Middlesex County homeownership, compared to a more moderate increase in homeownership prices of 9% and 21% from 2018 to 2019, respectively.

Although home ownership prices remain high, these municipalities have seen a calming of home prices since July 2022 due to post pandemic interest rate increases designed to tackle high levels of inflation. Middlesex Centre and Strathroy-Caradoc saw a 1% and 5% decline in ownership prices from July to November 2022, respectively. Sales to list price ratios remain over 100% despite the drop in home ownership prices, indicating that demand remains high in the face of new fiscal policies. Data indicates a levelling off of home ownership prices between July and November 2022 for both communities. As of November 2022, housing prices remain over \$1 million at \$1,066,332 for Middlesex and \$734,555 Strathroy-Caradoc.

Table 19. Middlesex Centre Year to Date Ownership Sales Price July 2018 to November 2022

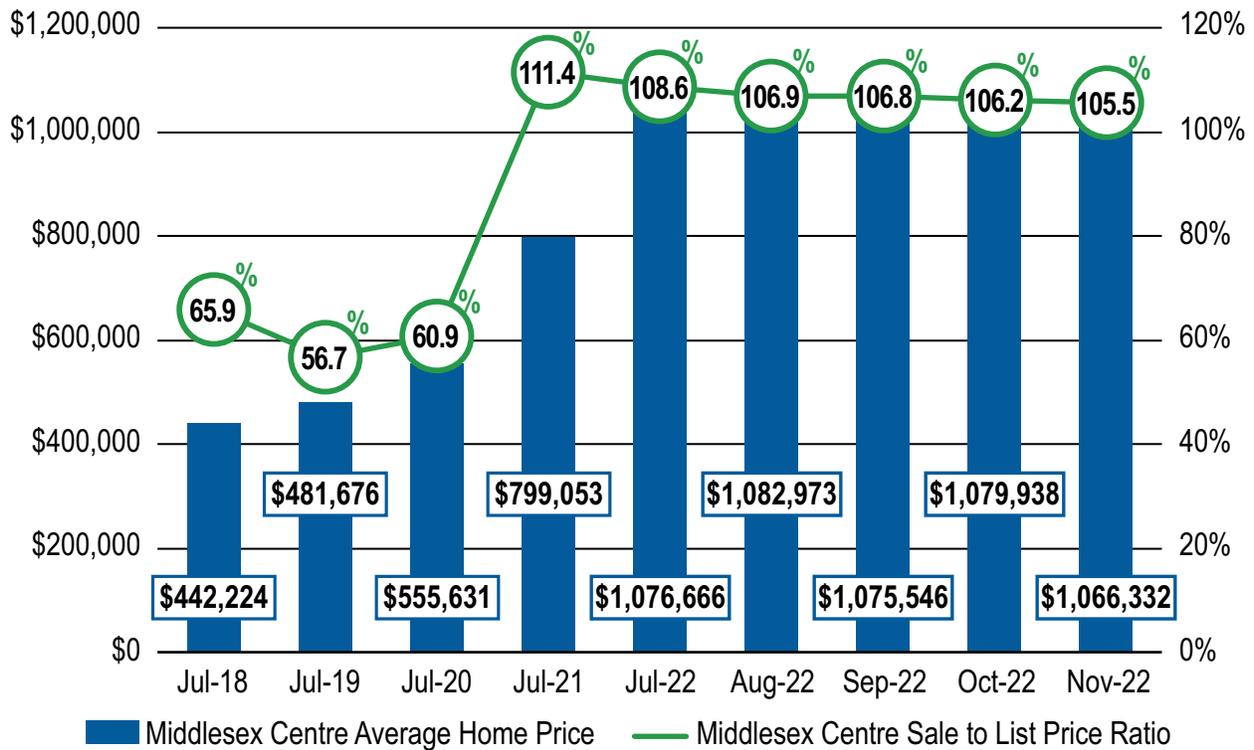
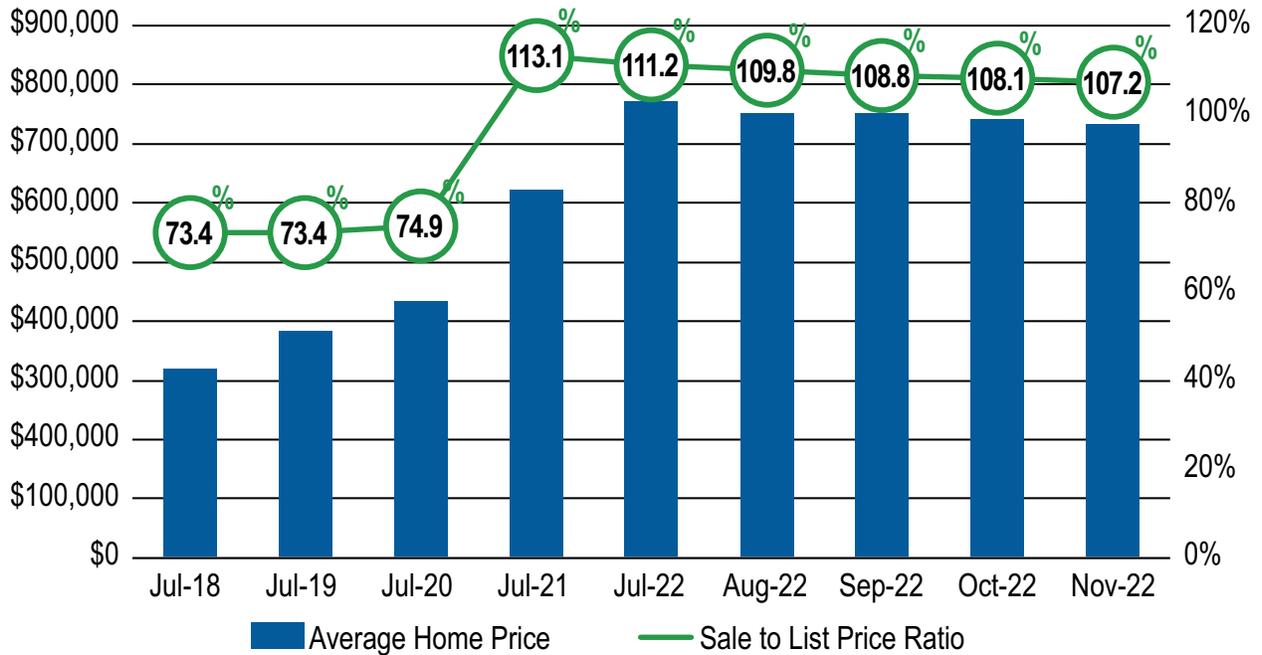


Table 20. Strathroy-Caradoc Year to Date Ownership Sales Price July 2018 to November 2022



The table below indicates the number of active listings for the months of July 2022 to November 2022, where no dramatic change can be observed during this time. This indicates that fiscal policies designed to tackle the housing boom have been effective in slowing down the rising housing costs.

Table 21. Number of Active Listings from July and November 2022 for Middlesex Centre and Strathroy-Caradoc

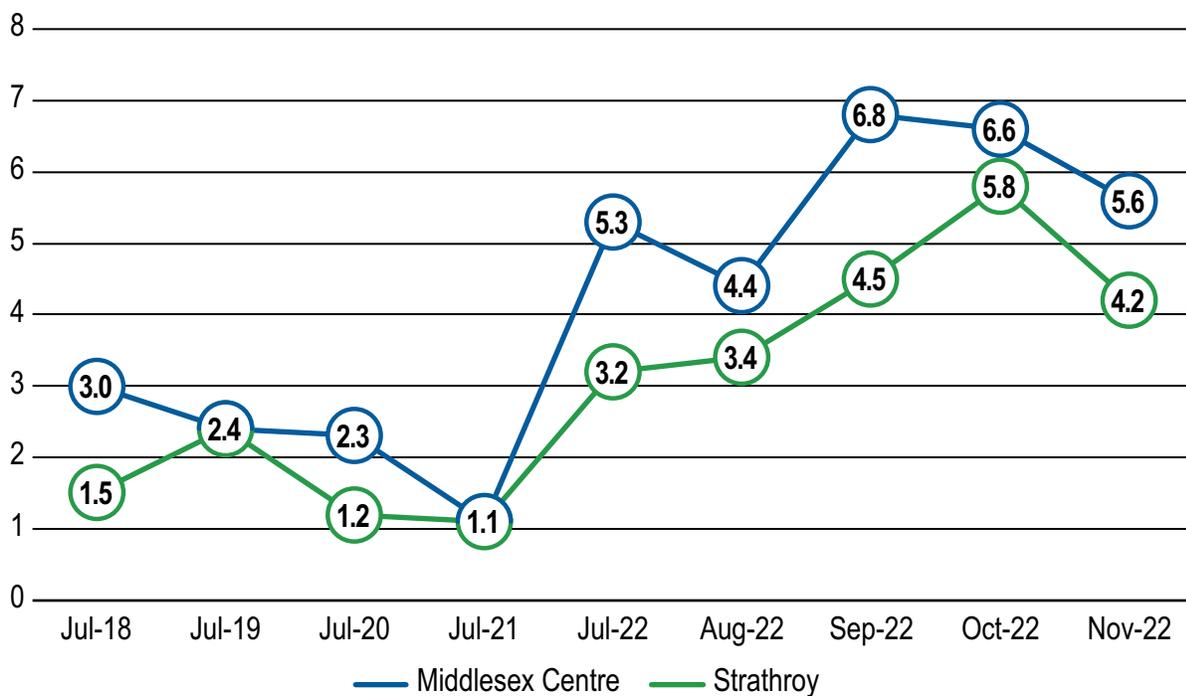
	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022
Middlesex Centre	79	80	95	99	101
Strathroy-Caradoc	94	85	95	104	88

2.4) Months of Inventory and Future Projections

The chart below illustrates the change in months of inventory year-to-year from July 2018 to July 2022, and monthly to November 2022. Months of inventory indicate the number of months it would take for all current MLS listings to sell given no new listings come to the market. Comparing yearly data and month to month change from July 2022 illustrates a dramatic change in the market since 2018. Both Middlesex Centre and Strathroy-Caradoc a low months of inventory hovering around 1 and 2.4 respectfully. This trend illustrated a sustained demand for housing in these regions, and can be seen when looking at a boom of housing prices. It was clear that low inventory coupled with population increases has resulted in quick home sales, rising housing prices, and a heated housing market.

When comparing the boom of 2020 to 2022 data, an indication of a cooling off of the housing market is evident. The low months of inventory ignited bidding wars that allowed sellers in the county to obtain high home ownership prices. Since July 2022, months of inventory have significantly increased to a healthy level of above 6 and 4 months for Middlesex Centre and Strathroy-Caradoc respectfully. This rise in months of inventory indicates the market has shifted from a seller's market of 2020 and 2021, to a buyer's market, where buyers have more market power to negotiate home sales prices, which is illustrated by the modest drop in home ownership prices in Table 21 and 22.

Table 22. Year-to-Date Months of Inventory, Middlesex Centre and Strathroy-Caradoc July 2018 to November 2022



Source: London St. Thomas Association of Realtors

Although ownership prices remain high, a recent RBC Economics report indicated a softening of the housing market due to recent increases in interest rates. This cooling of the market was projected to continue into late fall as the market adjusts to the interest hikes, with reports of continuous decline in the MLS Home Price Index (1.4% since August 2022). RBC reports the Bank of Canada is likely to tighten their interest rates further by year-end and projected home resales may fall by 23% this year and further in 2023. The table below indicates current monthly mortgage payments with 20% down at for average home prices in January, August, and November 2022 for Middlesex and Strathroy-Caradoc. The table accounts for varying interest rates at these time periods for a 30-year loan term. It is noteworthy that even with recent modest decreases in purchase prices. The cost of carrying the mortgage has increased significantly (approximately \$500-\$700 per month in the past 5 months) due to the increase in interest rates.

Table 23. Average Mortgage Costs Affordability for January, August and November 2022 with 20% Down Payment

	January Average Home Price	20% Down	January Monthly Mortgage at 3.5%	August Average Home Price	20% Down	August Monthly Mortgage at 4.5%	November Average Home Price	20% Down	November Monthly Mortgage at 6%
Middlesex Centre	\$981,818	\$196,364	\$3,527.04	\$1,082,973	\$216,595	\$4,389.81	\$1,066,332	\$213,266	\$5,114.56
Strathroy- Caradoc	\$758,641	\$151,728	\$2,725.31	\$751,971	\$150,394	\$3,048.10	\$734,555	\$146,911	\$3,523.22

3) Affordability Indicators

3.1) Core Housing Need: Rental and Homeownership

A household in core housing need is one whose dwelling is considered unsuitable, inadequate, or unaffordable and whose income levels are such that they could not afford alternative suitable and adequate housing in their community. Core housing need was derived by two methods. The first identified whether the household was living in a dwelling considered unsuitable, inadequate, or unaffordable. Housing suitability identified whether the dwelling had enough bedrooms according to its size and composition. Housing adequacy was assessed based on the dwelling condition not being reported as in need of major repairs. A shelter-cost-to-income ratio of less than 30% was required to deem the housing affordable. The second stage established whether the household could be expected to have affordable access to suitable and adequate alternative housing by comparing the household's total income to an income threshold based on local housing costs. Only those households who could not afford alternative housing would be considered in core housing need.

The table below indicates a shelter-cost-to-income ratios for Middlesex County. As of 2021, there are 1,450 renters and 2,085 owners who are living in unaffordable housing. The largest groups of those live in Strathroy-Caradoc, with 720 renters and 575 owners, and Middlesex Centre with 195 renters and 590 owners.

Table 24. Housing Unaffordability by Tenure for Middlesex County 2021

	Owner	Renter	The renter with Subsidized Housing
Spending over 30% of income on shelter	2,085	1,450	105

Source: Statistics Canada, 2021 Census



3.2) Ownership and Rental Costs

The table below illustrates rental and ownership affordability for all income levels, where red boxes indicate unaffordability and green indicate affordability. Ownership costs relative to income deciles illustrate that affordability is limited to highest income earners for Middlesex who earn over \$232,700. Strathroy-Caradoc illustrates a similar picture, where ownership is limited to the second highest and highest income earners of over \$143,800.

Table 25. Income Decile and Ownership Affordability for Middlesex County for November 2022

Income Decile	Decile	Monthly Affordable Housing at 30% of Income	November Mortgage Payments	Difference
Lowest Decile	\$13,600	\$340	\$5,114.56	+\$4,774.56
Second Decile	\$28,500	\$713	\$5,114.56	+\$4,401.56
Third Decile	\$39,800	\$995	\$5,114.56	+\$4,119.56
Fourth Decile	\$51,600	\$1,290	\$5,114.56	+\$3,824.56
Fifth Decile	\$63,900	\$1,598	\$5,114.56	+\$3,516.56
Sixth Decile	\$77,100	\$1,928	\$5,114.56	+\$3,186.56
Seventh Decile	\$93,100	\$2,328	\$5,114.56	+\$2,786.56
Eighth Decile	\$113,600	\$2,840	\$5,114.56	+\$2,274.56
Ninth Decile	\$143,800	\$3,595	\$5,114.56	+\$1,519.56
Highest Decile	\$232,700+	\$5,818	\$5,114.56	-\$703.44

Table 26. Income Decile and Ownership Affordability for Strathroy-Caradoc for November 2022

Income Decile	Decile	Monthly Affordable Housing at 30% of Income	November Mortgage Payments	Difference
Lowest Decile	\$13,600	\$340	\$3,523.22	+\$3,183.22
Second Decile	\$28,500	\$713	\$3,523.22	+\$2,810.22
Third Decile	\$39,800	\$995	\$3,523.22	+\$2,528.22
Fourth Decile	\$51,600	\$1,290	\$3,523.22	+\$2,233.22
Fifth Decile	\$63,900	\$1,598	\$3,523.22	+\$1,925.22
Sixth Decile	\$77,100	\$1,928	\$3,523.22	+\$1,595.22
Seventh Decile	\$93,100	\$2,328	\$3,523.22	+\$1,195.22
Eighth Decile	\$113,600	\$2,840	\$3,523.22	+\$683.22
Ninth Decile	\$143,800	\$3,595	\$3,523.22	-\$71.78
Highest Decile	\$232,700+	\$5,818	\$3,523.22	-\$2,294.78



Table 28 illustrates unaffordability for renters, where rent column average indicates average rents for all unit sizes taken from CMHC, MLS, and other rental websites such as Trovit, Zumper and Kijiji for the month of September 2022. Low-income earners are shut out of the rental market. In both MLS/Other and CMHC data, only moderate and high-income earners can afford an average of a two-bedroom unit. Although estimating average rental market costs are difficult due to limited reporting data in the county, low inventory across all unit types, in particular one-bedroom units, continues to drive up the unaffordable rental market in Middlesex.

Table 27. Income Decile and Rental Affordability for Middlesex County 2021

Income Decile	Decile	Average Rent (CMHC)	Average Rent (MLS)	Average Rent (Other)
Lowest Decile	\$13,600	\$1,191	\$2,804	\$2,363
Second Decile	\$28,500	\$1,191	\$2,804	\$2,363
Third Decile	\$39,800	\$1,191	\$2,804	\$2,363
Fourth Decile	\$51,600	\$1,191	\$2,804	\$2,363
Fifth Decile	\$63,900	\$1,191	\$2,804	\$2,363
Sixth Decile	\$77,100	\$1,191	\$2,804	\$2,363
Seventh Decile	\$93,100	\$1,191	\$2,804	\$2,363
Eighth Decile	\$113,600	\$1,191	\$2,804	\$2,363
Ninth Decile	\$143,800	\$1,191	\$2,804	\$2,363
Highest Decile	\$232,700+	\$1,191	\$2,804	\$2,363

3.3) Ontario Works and Ontario Disability Support Program

The table below indicates the affordability of allocated shelter costs for Ontario Works (OW) and Ontario Disability Support Program (ODSP) compared to CMHC data. OW and ODSP income rates are among the lowest income earners in the Province.

Bachelor-sized units at a monthly rental rate of \$780 are only affordable for ODSP recipients for couples or for households of two or more. However, bachelor-sized units are not appropriate for singles or couples with children. This is a concerning picture as there are no available bachelor units in the conventional rental market at this rate, and would not be suitable for families living with children.

Table 28. Affordability for Those Receiving Ontario Works and Ontario Disability Support Program as of September 2022

Family Size	OW Max Housing Allowance	ODSP Max Housing Allowance	London CMA Average Market Rent CMHC5
Single	\$390	\$522	\$780
Single Parent – 1 Child	\$642	\$821	\$1,036
Single Parent – 2 Children	\$697	\$889	\$1,410
Couple	\$642	\$821	\$1,036
Couple – 1 Child	\$697	\$889	\$1,246
Couple – 2 Children	\$756	\$961	\$1,410

⁵ London CMA average market rent based on unit sizes in Table 30



3.4) Minimum Wage

Affordability for minimum wage workers (at \$15.50/hour) indicates unaffordability for all bedroom sizes, notably surpassing half of the affordable monthly rent for one-bedroom units and nearly doubling for two-bedroom units.

Table 29. Affordability for Persons Making Minimum Wage 2022

Type of Unit	Strathroy Average Market Rent CMHC6	London CMA Average Market Rent CMHC	Minimum Wage Affordability Monthly Rent for a Single Income Household	Difference
Bachelor	N/A	\$780	\$678	+\$102
One Bedroom	N/A	\$1,036	\$678	+\$358
Two Bedroom	\$1,158	\$1,276	\$678	+\$480/+\$598
Three Bedroom	N/A	\$1,410	\$678	+\$732
Total Average	N/A	\$1,191	\$678	+\$513

Couples, both earning minimum wage, are only able to afford bachelor and one-bedroom units with current average market rents according to CMHC data however, there are very few of those advertised for rent in Middlesex County.

6 Strathroy is the only community in Middlesex County which specific CMHC data is available

4) Summary

With a growing population and the effects of the COVID-19 pandemic, it is evident that Middlesex County continues to experience significant demand on their housing markets. With an influx of new, younger residents to the County, and rising interest rates coupled with high housing costs, the data reveals a continued strain on the ability for Middlesex County to provide affordable, suitable and adequate housing for its residents. Those moving into the County are bringing with them higher incomes, further straining the housing market as houses continue to sell over 100% of their asking prices. Residents most in need continue to face precarious housing conditions, where those earning minimum wage are virtually shutout of affordable housing according to CMHC statistics of average market rent.

