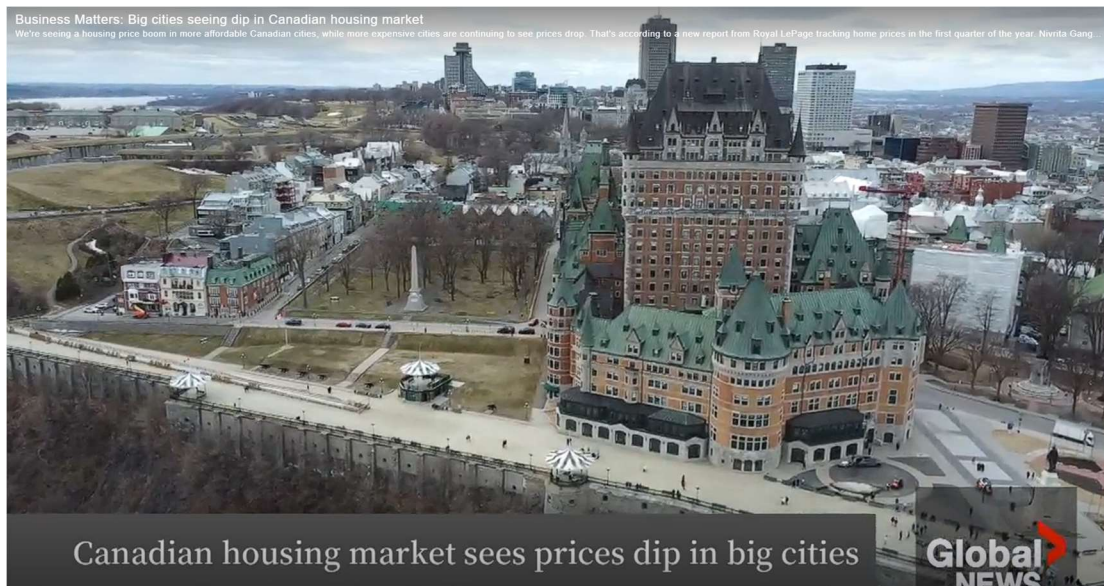


1 in 5 landlords offering incentives as rental vacancies rise in Canada

By Uday Rana Global News | May 28, 2026 1:51 pm

Business Matters: Big cities seeing dip in Canadian housing market



We're seeing a housing price boom in more affordable Canadian cities, while more expensive cities are continuing to see prices drop. That's according to a new report from Royal LePage tracking home prices in the first quarter of the year. Nivrita Ganguly has this story and more in Business Matters for April 17, 2026 – Apr 17, 2026

If you're looking for a good deal on your rent from your landlord, now might be a good time. With rents falling and vacancy rates rising across Canada in a soft rental market, landlords are looking to sweeten the deal for their tenants by offering them incentives, a new report shows.

Around one in five rental listings on Rentals.ca now offers some form of incentive, including free rent, reduced parking fees, internet packages, gift cards and cash bonuses, a new report from Rentals.ca and Urbanation shows.

This is especially the case in the Greater Toronto and Hamilton Area (GTHA), one of Canada's most expensive housing markets. In 2024, only 32 per cent of newly completed purpose-built rental projects offered some kind of incentive in the first three months of the year.



In May, the average rent in Canada across all property types fell to \$2,027, marking the 19th consecutive month of rent declines.

The most common kind of incentive offered to renters was two months of free rent, with nearly half (47 per cent) of projects offering those incentives. On average, this effectively means reduced rents of around 13 per cent.

“Rental incentives have become far more common as supply increases and vacancy rates rise across many major markets,” said Shaun Hildebrand, president of Urbanation.

“For renters, these promotions can represent meaningful savings and improved affordability, while for property managers, incentives are increasingly being used as a competitive tool to attract tenants and complete lease-ups in a softer market environment,” he added.

In some markets, the rate of vacancy has doubled. In Ottawa, purpose-built rental buildings had a 3.2 per cent vacancy rate, double the rate compared to the same period in 2024.