



T H E

RETIREMENT HOME

MARKET STUDY



2004 SHERBROOKE



HOME TO CANADIANS
Canada

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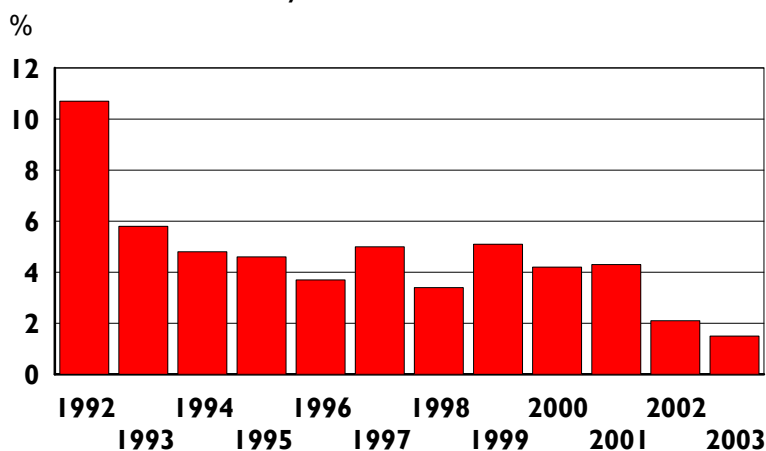
Sherbrooke

Census Metropolitan Area

Housing shortage persists

The scarcity of housing that had been prevailing on the private retirement home market since the mid-1990s turned into a shortage in 2002. At that time, the vacancy rate attained 2.1 per cent in the Sherbrooke census metropolitan area (CMA). One year later, there was still a shortage, as the percentage of unoccupied units fell once again, reaching 1.5 per cent in October 2003.

Housing Shortage Has Been Lasting for Two Years
Vacancy Rate - Sherbrooke CMA



Source: CMHC

In order to increase the fluidity of the market and achieve a better balance between supply and demand, the retirement housing stock would need some new units. The addition of about a hundred dwellings would be a breath of fresh air for the market, without jeopardizing its financial viability.

Aging of the population favours increase in demand

A combination of the projected increase in the number of people aged 75 years or older and the percentage of this cohort living in private retirement homes provides an approximation of the demand for privately initiated housing for seniors. However, this approach has two limitations. First, it assumes that seniors will retain the same behaviour in terms of their decision to move into a retirement home. Second, it conceals the problem caused by the lack of available dwellings on the market, which results in a latent demand. Despite its limitations, this approach is still a good way of assessing annual demand.

According to the forecasts of the Institut de la statistique du Québec (ISQ), the Sherbrooke CMA had 10,589 people aged 75 years or older in 2003. Our survey revealed that, at the same time, 2,366 individuals¹ from this group lived in private retirement homes. Consequently, it is estimated that 22 per cent of people aged 75 years or older lived in private residences in 2003.

Percentage of People Aged 75 Years or Older Living in Private Retirement Homes

	Number of Occupied Private Retirement Housing Units	Number of People Aged 75 Years or Older	% of People Aged 75 Years or Older Living in Retirement Homes
2003	2,366	10,589	22 %

As well, the ISQ anticipates that the cohort aged 75 years or older will grow by 287 individuals per year over the period from 2001 to 2006.

In the Sherbrooke CMA, annual demand for dwellings in private retirement homes would therefore be 65 units for the period from 2001 to 2006. These units will be added to the hundred or so dwellings that are currently missing to bring the market back to a balanced situation.

¹ This figure is based on the following assumptions: there is only one occupant per apartment, and all retirement housing units are occupied by people aged 75 years or older.

Housing supply stagnates

The construction of the most recent private retirement housing project dates back to the year 2000. A developer had then converted a former factory into a retirement home with 200 apartments.

As we have just seen, the retirement housing stock has not grown since 2001, while demand has been rising as a result of the aging of the population. This situation is largely responsible for the persistent lack of available dwellings for seniors.

While several projects have been in the air, some for months or even years, we think that one or two retirement homes could be started in 2004 and result in the addition of 150 to 200 units, according to an optimistic scenario. Since these dwellings will only be available for occupancy in 2005, it will not be any easier for seniors seeking a unit in a private retirement home this year.

These conditions greatly differ from the situation prevailing in the Montréal CMA. In this area, construction literally exploded, as the number of units built went from about 1,000 in 2001 and 2002 to 4,000 in 2003. It should be pointed out, though, that the private retirement home market is relatively less developed in the Montréal area than in Sherbrooke. In fact, in 2002, there were seven people aged 75 years or older for every private retirement housing unit in Montréal, compared to four to one in Sherbrooke².

In the Sherbrooke area, an increase in the supply of dwellings for pre-retirees and/or people aged 50 years or older has been noted in the past year. Since these units are not intended exclusively for people aged 65 years or older, they cannot be included in the retirement housing stock or, consequently, in our statistics. The projects announced in this market segment include a building with 36 apartments in Rock Forest, a protected community in Fleurimont (on a lot that will be fenced) to be developed in several phases, and a 70-unit rental project in the northern district of Sherbrooke.

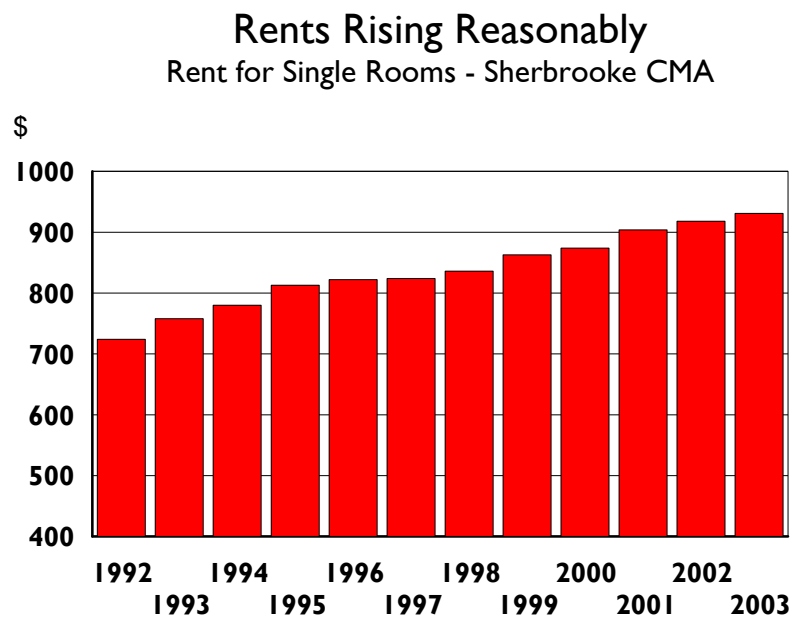
As a result of this trend, we had to withdraw two residences from the private retirement housing stock. At the time of the last survey, we were effectively advised that their age criteria had been eased. Something rather unusual in Quebec, Sherbrooke will have, as of July 2004, a rental project providing mandatory hotel services with no age criteria.

² The actual difference is slightly less significant than it appears at first glance since, in Montréal, the stock comprises projects with 20 or more units while, in Sherbrooke, it covers projects with 10 or more units.

The optimistic scenario forecasting the construction of 150 to 200 units, to be started in 2004 and completed in 2005, will not jeopardize the financial viability of the overall private retirement home market. In fact, the market would be able to absorb these additional units rapidly, given the current lack of dwellings on the market (around 100 units) and the projected increase in annual demand (about 65 units per year).

Reasonable rental increases

The scarcity of dwellings available for rent is favourable to owners of retirement homes. In such a context, a steady increase in rents could have been expected. However, this was not the case. Between 2002 and 2003, the average rent for room-and-board units went up by \$13 per month, or 1.4 per cent. This rise was well below inflation, which attained 3.1 per cent between October 2002 and September 2003.



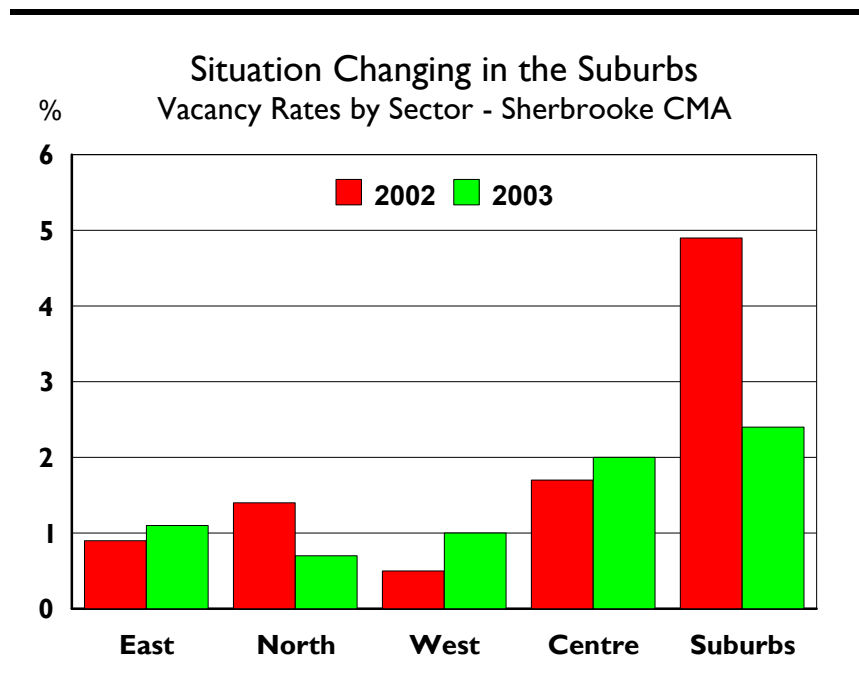
Source : CMHC

The average rent for room-and-board units has now reached \$931 per month. This type of dwelling therefore remains the least expensive option for seniors living in private retirement homes, since bachelor apartments rent for an average of \$985 per month. For one-bedroom and two-bedroom apartments, the average rents were \$1,010 and \$1,110, respectively.

Suburbs benefit from lower vacancy rates

In 2002, even with the scarcity of available units within the overall Sherbrooke CMA, retirement homes located in the suburbs³ had nearly 5 per cent of their dwellings unoccupied. At the same time, on the territory of the former city of Sherbrooke, the vacancy rate stood at just 1.2 per cent.

In the twelve months that followed, the gap narrowed between the suburbs and the former city of Sherbrooke. In fact, while the vacancy rate stayed constant in the city, it fell from 4.9 per cent to 2.4 per cent in the suburbs. It was therefore through the suburbs that the scarcity intensified.



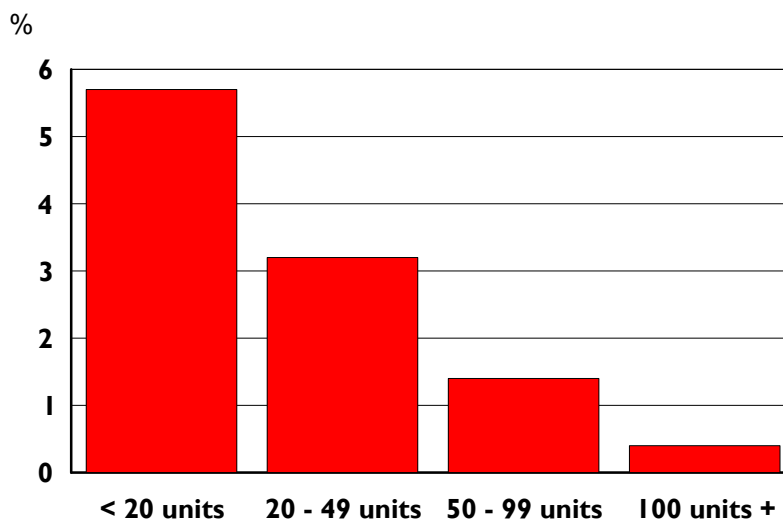
Source : CMHC

Given the high concentration of room-and-board units in the suburbs, the greater scarcity of dwellings there brought about a decrease in the room-and-board vacancy rate for the overall Sherbrooke CMA. Between October 2002 and October 2003, the proportion of unoccupied rooms fell from 3.6 per cent to 2.0 per cent in the Sherbrooke area. In the apartment segment, the situation remained rather stable, as the vacancy rate went from 0.7 per cent to 1.0 per cent over the same period.

³ These are in fact the suburbs as defined before the 2002 municipal merger that expanded the territory of the city of Sherbrooke (see the description of the zones on page 18).

Even with slightly better results in 2003, projects with fewer than 20 room-and-board units still had the highest vacancy rate, at 5.7 per cent. The situation is not critical, though, as this market segment is balanced (vacancy rate of around 6 per cent).

No Shortage in Smaller Room-and-Board Homes Vacancy Rate for Beds - Sherbrooke CMA - 2003



Source : CMHC

Ability to pay: not a problem in the short term

According to the 2001 census data, Sherbrooke residents aged 65 years or older had an average income of \$20,815. While this level is appreciable, it is 4 per cent below the average for all Quebec residents of the same age. The income of senior households in the Sherbrooke area is slowly rising as, between 1995 and 2000, it went up by 8 per cent.

Again according to the latest Statistics Canada census, in 2000, nearly one quarter (23 per cent) of people aged 65 years or older had an annual income under \$12,000 in the Sherbrooke CMA. For these people who have no financial or real estate assets, access to life in a retirement home is limited, since the average rent for a room-and-board unit was \$931 per month in 2003 (\$875 in 2000).

Statistics Canada does not publish statistics concerning the income of seniors aged 75 years or older. However, a study by the Conseil des aînés⁴ revealed that, in 1997, people aged 75 years or older had a higher average income than those aged 65 years or older. This result may be due to the fact that seniors who have Registered Retirement Savings Plans (RRSPs) must convert them into Registered Retirement Income Funds (RRIFs) on their 70th birthday. Then, every year, they must necessarily withdraw from their RRIFs certain amounts that are added to their income. This finding from the study by the Conseil des aînés prompted us to use the income statistics for people aged 65 years or older as the lower income limit for people aged 75 years or older.

Income of People Aged 65 Years or Older - Sherbrooke CMA 1996 and 2001 Censuses

	1995	%*	2000	%*
Under \$12,000	4,595	29%	4,125	23%
\$12,000 to \$14,999	3,415	22%	3,445	19%
\$15,000 to \$19,999	3,340	21%	4,380	24%
\$20,000 to \$29,999	2,265	14%	3,100	17%
\$30,000 to \$39,999	980	6%	1,365	8%
\$40,000 to \$49,999	575	4%	670	4%
\$50,000 to \$59,999	180	1%	320	2%
\$60,000 or over	315	2%	480	3%
Number of people with an income	15,665		17,885	
Average income	19,260		20,815	
Median income	14,835		16,220	

(*) Rounded

The Survey of Financial Security conducted by Statistics Canada revealed that, in 1999, nearly one in two Quebec households (46 per cent) continued to save after the normal age of retirement, that is, 65 years. As a result, many seniors did not need to dip into their assets to live. This survey also showed that, for 67 per cent of seniors, government transfers were the main source of income. Private pensions represented the main source of income for only 20 per cent of seniors. Investment income was the bread and butter of just 6 per cent of people aged 65 years or older, as were salaries.

⁴ *La réalité des aînés québécois*, study published by the Conseil des aînés in 2001, p. 65.

This great ability to save on the part of seniors, when the life cycle would rather suppose a disinvestment at this age, is bringing specialists to think⁵ that they can have an income significantly below that of younger people and still maintain a similar standard of living. In fact, according to certain actuaries⁶, a retired couple who no longer has a mortgage to pay and lives only on Canada Pension Plan (CPP), Old Age Security (OAS) and Guaranteed Income Supplement (GIS) benefits and tax credits would have a consumable income of \$24,000—equivalent to that of a middle-income family earning \$63,400, after deducting taxes, retirement savings and monthly mortgage payments.

The data provided in the two preceding paragraphs suggests that seniors could spend a significant portion of their income on housing, without overly compromising their quality of life.

In light of these facts, it can be estimated on the basis of the statistics from the latest census that, in the Sherbrooke CMA, 77 per cent of people aged 75 years or over had a sufficient income to move into a retirement home, at least into a room-and-board unit⁷. This group of 7,470 people represents the upper limit, as the shelter-to-income ratio can attain, for those who are the least well-off, 87 per cent of their declared income⁸. It should not be forgotten, though, that many seniors have financial or real estate assets that they can liquidate to get additional income. In the short term, it can therefore be concluded that ability to pay is not significantly limiting demand on the Sherbrooke market, provided that the project charges rents that are within the average.

For retirement homes with rental scales well outside the average, a more detailed analysis will be required. The table below illustrates the decrease in the number of potential clients according to the minimum income required to live in a specific project. This number could even be greater if it were assumed that the percentage of people living in retirement homes increases with income.

⁵“Finances in the Golden Years”, *Perspectives*, Statistics Canada, November 2003, p. 6.

⁶Idem. p. 7

⁷As for apartments, 59 per cent of people aged 75 years or older had a sufficient income in 2000 to move into a bachelor or one-bedroom apartment (maximum shelter-to-income ratio of 85 per cent).

⁸Income and rent from 2000.

Upper Income Classes for People Aged 75 Years or Older* Sherbrooke CMA - 2000

Income	% of People Aged 75 Years or Older*	Number of People Aged 75 Years or Older	22% of People Aged 75 Years or Older**	Minimum Monthly Income
\$20,000 or over	34%	3,300	725	\$1,665
\$30,000 or over	17%	1,650	365	\$2,500
\$40,000 or over	9%	875	190	\$3,335

* See the assumption formulated above: the income for people aged 65 years or older is used to estimate that for people aged 75 years or older.

** We saw that 22 per cent of people aged 75 years or older lived in private retirement homes in 2003.

No relief in sight for the market in 2004

The choice will remain limited for seniors who will decide to move into a private retirement home in 2004, as the vacancy rates will either stay close to their current levels or decrease slightly once again.

Even though unoccupied dwellings are already scarce, no new retirement homes should be opening their doors from now until the next survey, which will take place in October 2004. The situation will improve in 2005, however, when over a hundred units are expected to arrive on the market.

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MARKET TIGHT EVERYWHERE... OR ALMOST

In the six census metropolitan areas (CMAs) across Quebec, retirement home market conditions were tight everywhere, except in the Saguenay CMA. In fact, while all other centres posted vacancy rates ranging from 0.6 per cent to 3.3 per cent, this proportion reached a high point of 7.7 per cent in the Saguenay CMA.

It was in apartment retirement homes that the difference between the Saguenay area and the other centres was most marked. Apartment residences registered a vacancy rate of nearly 11 per cent in this area while, in the other five CMAs, shortages were observed (from 0.8 per cent to 1.8 per cent of apartments were vacant). This situation is very recent in the Saguenay area, as the apartment vacancy rate stood at just 0.4 per cent in 2002. This increase was due to the arrival of many units intended for seniors within a short time. Fortunately, this situation should be only temporary. Right from the next CMHC survey, in the fall of 2004, the retirement home market should be more balanced in the Saguenay CMA, with a vacancy rate between 4 per cent and 5 per cent.

As for room-and-board retirement homes, none of the CMAs in Quebec were above the balanced level, estimated at about 6 per cent. In Gatineau, residences of this type were quite scarce, posting a vacancy rate of barely 0.5 per cent. Once again, the Saguenay area had the highest vacancy rate, with 5.3 per cent of its rooms available for rent.

Market Tight Almost Everywhere

Vacancy Rates in 2003 (%)

CMA	Rooms	Apts.	Total
Montréal	3.2	1.1	1.7
Québec	3.4	1.2	1.9
Gatineau	0.5	0.8	0.6
Sherbrooke	2.0	1.0	1.5
Trois-Rivières	4.7	1.8	3.3
Saguenay	5.3	10.9	7.7

Source: CMHC

FINANCIAL CONTEXT STILL FAVOURABLE

Wealth: seniors rank first

Having accumulated significant assets and still benefiting from non-negligible income, seniors continue to enjoy a favourable financial context. According to the results of the 2001 Census and the latest Survey of Financial Security conducted by Statistics Canada, Canadian families whose major income earner was a senior registered the highest net worth of all family unit types (\$202,000). By comparison, in 1999, this value stood at \$155,000, more than double that of younger families (\$69,000).

In addition to this value, there are the *non-financial* assets, the main component of which is the residence. The survey revealed that around 70 per cent of older Canadians own a principal residence with a median value between \$120,000 and \$130,000. Another important factor is that few elderly families are in debt (27 per cent in 1999, compared to 62 per cent for people aged from 55 to 64 years and to 77 per cent for those aged from 45 to 50 years). Among this group, 82 per cent said that they were comfortable with their level of debt. As well, the debt per \$100 of assets was \$3 for elderly families and \$14 for younger ones.

As for tomorrow's seniors, the Survey of Financial Security revealed that 25 per cent of family units whose major income earner was aged from 45 to 64 years had no private retirement assets or had not sufficiently saved up for their retirement. This situation was more marked among renters. Also, the wealth of unattached individuals (all categories combined) was much less significant.

Income: smaller but not negligible

The most striking fact associated with retirement is the decrease in income. According to the results of the Survey of Financial Security, families whose major income earner was a senior had a clearly lower median after-tax income (\$32,000) than other families (\$43,000). Government transfers are the principal source of income of a significant majority of seniors, that is, 67 per cent. It would appear that there are only 20 per cent of seniors whose income comes mainly from private pensions.

However, for 46 per cent of elderly families, income exceeds expenses. They are therefore still saving. In addition, according to the Survey of Financial Security, in economic families, less than 5 per cent of seniors had an income below the low-income threshold. For seniors living alone, this proportion rose to around 20 per cent.

Expenses: essentials above all

After 65 years of age, Quebec residents concentrate their spending on essential goods and services. The latest data compiled by the Institut de la statistique du Québec revealed that, in relation to the other age groups, seniors spend less on accessories, personal care and recreation and use a greater percentage of their income for food, housing and health care.

As for housing-related expenses, renters aged 65 years or older spend from 30 per cent to 50 per cent of their income on housing. Overall, 21 per cent of households aged from 65 to 74 years and 12 per cent of households aged 75 years or older still have a mortgage to pay off.

Table 1

Apartment Vacancy Rates (%) by Unit Size Private Retirement Homes with 10 or More Units Sherbrooke CMA					
Year	Studio	1-Bedroom	2-Bedroom*	3-Bedroom	Total
1998	4.7	0.5	1.8	confidential	2.3
1999	2.0	7.0	11.3	confidential	5.9
2000	3.0	0.8	1.3*	n.a.	1.6
2001	2.8	3.4	1.6*	n.a.	3.0
2002	0.2	1.1	0.4*	n.a.	0.7
2003	0.8	1.2	0.6*	n.a.	1.0
* Reflects the vacancy rate for units with 2 or more bedrooms since the October 2000 survey.					

Table 2

Number of Apartments and Residences by Building Size* Private Retirement Homes with 10 or More Units Sherbrooke CMA								
Building size	2000		2001		2002		2003	
	Apts.	Res.	Apts.	Res.	Apts.	Res.	Apts.	Res.
Under 50 units	85	5	87	5	133	5	125	3
50 or more units	911	12	1,128	13	1,247	11	915	8
Total	996	17	1,215	18	1,380	16	1,040	11
* Building size is determined by the sum of the number of beds and apartments.								

Table 3

Apartment Vacancy Rates (%) by Building Size* Private Retirement Homes with 10 or More units Sherbrooke CMA					
Building size	1999	2000	2001	2002	2003
Under 50 units	6.7	5.9	1.1	2.3	2.4
50 or more units	5.8	1.2	3.1	0.6	0.8
Total	5.9	1.6	3.0	0.7	1.0
<i>* Since 2000, building size is determined by the sum of the number of beds and apartments. Previously, it was determined by the sum of the number of rooms and apartments.</i>					

Table 4

Number of Rooms and Residences by Building Size* Private Retirement Homes with 10 or More Units Sherbrooke - CMA								
Building size	2000		2001		2002		2003	
	Rooms	Res.	Rooms	Res.	Rooms	Res.	Rooms	Res.
Under 20 units	73	5	74	5	91	6	70	5
20 to 49 units	386	11	432	12	452	12	432	11
50 to 99 units	422	9	458	9	472	9	581	10
100 units or more	495	4	405	3	277	2	280	2
Total	1,376	29	1,369	29	1,292	29	1,363	28
<i>* Building size is determined by the sum of the number of beds and apartments.</i>								

Table 5

Room Vacancy Rates (%)** by Building Size* Private Retirement Homes with 10 or More Units Sherbrooke CMA					
Building Size	1999	2000**	2001**	2002**	2003**
Under 20 units	19.5	26.3	23.2	6.6	5.7
20 to 49 units	6.4	8.4	7.9	1.8	3.2
50 to 99 units	2.9	5.5	3.6	4.4	1.4
100 or more units	0.5	1.4	1.0	4.0	0.4
Total	4.4	6.0	5.4	3.6	2.0
<i>* Since 2000, building size is determined by the sum of the number of beds and apartments. Previously, it was determined by the sum of the number of rooms and apartments.</i> <i>** Since 2000, the figures rather refer to bed vacancy rates.</i>					

Table 6

Number of Units* and Residences by Location Private Retirement Homes with 10 or More Units Sherbrooke CMA						
Sector**	2001 Units	2001 Residences	2002 Units	2002 Residences	2003 Units	2003 Residences
East District	650	7	644	7	644	7
North District	754	8	726	7	455	5
West District	192	4	192	4	191	4
Centre District	480	7	479	7	497	7
City of Sherbrooke	2,076	26	2,041	25	1,787	23
Suburbs	571	10	631	12	616	11
Sherbrooke CMA	2,647	36	2,672	37	2,403	34
<i>* The number of units represents the sum of the number of beds and apartments.</i> <i>** Geographic territory from before the January 2002 municipal merger.</i>						

Table 7

Unit Vacancy Rates (%)* by Location Private Retirement Homes with 10 or More Units Sherbrooke CMA					
Sector**	1999	2000*	2001*	2002*	2003*
East District	9.2	2.2	3.7	0.9	1.1
North District	2.7	5.0	3.1	1.4	0.7
West District	5.9	3.0	3.1	0.5	1
Centre District	4.7	6.1	6.0	1.7	2.0
City of Sherbrooke	5.4	4.0	4.0	1.2	1.2
Suburbs	3.8	4.9	5.4	4.9	2.4
Sherbrooke CMA	5.1	4.2	4.3	2.1	1.5
* Since 2000, the number of units represents the sum of the number of beds and apartments. ** Geographic territory from before the January 2002 municipal merger.					

Table 8

Vacancy Rates (%) by Unit Type Private Retirement Homes with 10 or More Units Sherbrooke CMA			
Year	Rooms*	Apartments	Total
1992	8.7	14.1	10.7
1993	8.7	1.0	5.8
1994	6.2	2.4	4.8
1995	5.9	2.1	4.6
1996	5.4	1.3	3.7
1997	6.6	2.5	5.0
1998	4.0	2.3	3.4
1999	4.4	5.9	5.1
2000*	6.0	1.6	4.2
2001*	5.4	3.0	4.3
2002*	3.6	0.7	2.1
2003*	2.0	1.0	1.5
* Since 2000, the vacancy rate was calculated using the number of beds rather than the number of rooms.			

Table 9

Average Monthly Rent for a Single Room (\$) Private Retirement Homes with 10 or More Units Sherbrooke CMA	
Year	Single room (\$)
1992	724
1993	758
1994	780
1995	813
1996	822
1997	824
1998	836
1999	863
2000	874
2001	904
2002	918
2003	931

Methodology

The **survey universe** includes all privately initiated retirement homes with 10 or more units, enumerated in the Sherbrooke census metropolitan area. The survey is conducted in October every year, and the retirement homes covered must have been in operation for at least three months.

The data collected on vacancy rates and rents was compiled by building type, building size, market zone and dwelling type, among other factors.

The **rent data** corresponds to the actual amount paid by tenants for their dwelling. Certain services such as meals, care and recreational activities may be included in the monthly rental rates. Monthly rents indicated in this publication reflect the average rent for the different dwellings, regardless of the services included.

Apartment retirement homes are divided into three categories, according to the type of meal service offered. As a result, in certain residences, the rental rates include meal service charges. When the meal service is optional, tenants can purchase a pass that entitles them to a certain number of meals or they can pay for their meals individually. The amount so paid is not included in the monthly rent. Finally, there may also be no meal service available.

In the case of room-and-board retirement homes, meals are included in the rental rates. As well, for double occupancy or other types of rooms, the rates are based on the rent paid by each tenant and not on the total rent paid for the room.

It should be noted that the survey does not aim to measure changes in rents, but rather to provide an indication of rent levels. As well, in each zone, the average rents may be strongly influenced by the presence of retirement homes where the rents are very different from the average, which explains some of the disparities between the zones.

The results for apartment retirement homes also take into account the apartments found in **mixed retirement homes** (including both apartments and rooms). Likewise, the results for room-and-board retirement homes take into account the rooms contained in mixed retirement homes.

Market Zones

Zone 1 : East District

North: City Limits, South: City limits, East: City Limits and West: St-François River

Zone 2 : Central District

North: St-François River, South: Galt West and Wellington, East: St-François River and West: Belvédère and Queen North

Zone 3 : West District

North: Magog River and Galt West, South: City limits, East: Wellington South and West: Magog River

Zone 4 : North District

North: City Limits, South: Magog River, East: St-François River and Queen North

Suburbs: Ascot Corner, Ascot, Bromptonville, Brompton Township, Deauville, Hatley Township, Ascot Township, Fleurimont, Compton Station, Lennoxville, North Hatley, Rock Forest, St-Denis-de-Brompton, St-Élie-d'Orford, Stoke and Waterville.

Definitions

Retirement home: A housing project intended for and serving clients whose average age is 65 years or older. The project must not be linked to the public health system (admission is not controlled by the government or its representatives). The dwellings can be either apartments or rooms. Retirement homes can offer a variety of support services (supervision, medical care, housekeeping, etc.).

Apartment retirement home: A building providing self-contained dwellings, that is, units with a full kitchen and bathroom. A meal service may be mandatory (included in the rental rates), optional (for an additional charge) or unavailable.

Room-and-board retirement home: A building providing single occupancy, double occupancy or other types of rooms. As applicable, the bathroom may be private or shared. This type of retirement home offers meals.

Mixed retirement home: A building providing both apartments and rooms.

Privately initiated retirement home: A building owned by an individual or a private company and not directly subsidized by a public agency. Conversely, all publicly initiated retirement homes, such as low-rent housing and buildings owned and administered by CMHC, the Société d'habitation du Québec (SHQ), a municipal housing bureau or a non-profit organization (NPO), are excluded.

Vacancy: A unit is considered to be vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Acknowledgment

The retirement home market survey could not have been conducted without the valuable cooperation of the owners and managers of these retirement homes. We greatly acknowledge their hard work and assistance in providing timely and accurate information.

Confidentiality

The retirement home market survey aims to produce reliable statistics to provide an overview of the market in order to facilitate decision making for the various housing sector stakeholders. All the information collected on vacant units, services and rents is strictly confidential and never disclosed individually. The results are published in the form of averages for all retirement homes in a given category or survey zone.

As well, the survey results are confidential if they are compiled from a universe comprising fewer than three buildings.

This CMHC report gives the results of the annual survey conducted in the fall of 2003 on the privately initiated retirement home market in the Sherbrooke metropolitan area. This annual report presents vacancy rates, rents and an analysis of the main results derived from the information provided by the people in charge questioned at the time of the survey.

These CMHC survey results are the most comprehensive data on the retirement home market in the Quebec metropolitan area. They are useful to lenders, mortgage brokers, property managers, investors, appraisers, owners, tenants, housing advisors and decision makers, various government departments and agencies, as well as several related industries.

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