



T H E

RETIREMENT HOME

MARKET STUDY



2005 SHERBROOKE

Retirement Home Market Study

2005 Sherbrooke

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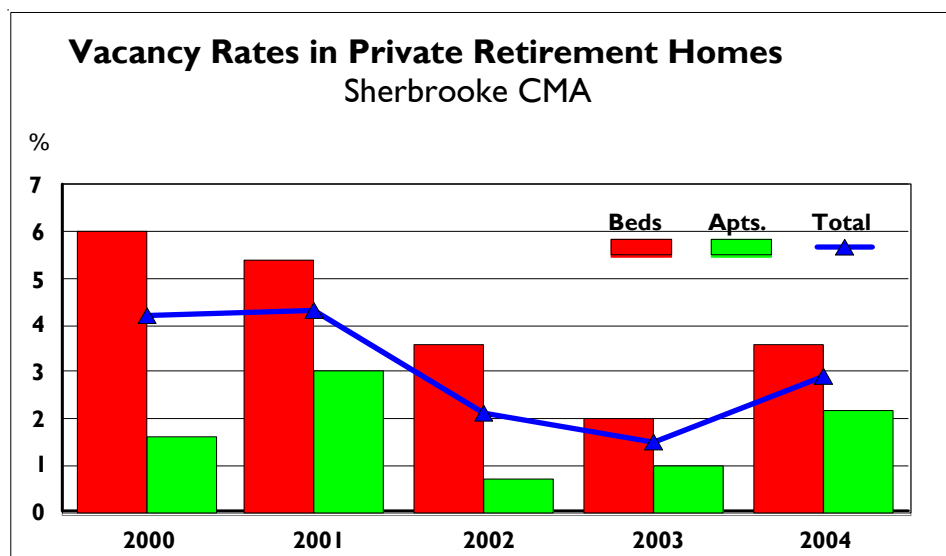
Sherbrooke

Census Metropolitan Area

Retirement housing units still renting well

The results of our latest retirement home market survey, conducted in the fall of 2004, show that retirement housing units are still renting very well. Only 2.2 per cent of apartments and 3.6 per cent of beds were unoccupied at the time of our survey. Out of a stock of 2,335 units, there were consequently 25 apartments and 43 beds still waiting for occupants.

While the choice of vacant retirement housing units remains limited, their availability is starting to grow. In fact, between 2003 and 2004, the overall vacancy rate rose slightly, from 1.5 per cent to 2.9 per cent.



Source: CMHC

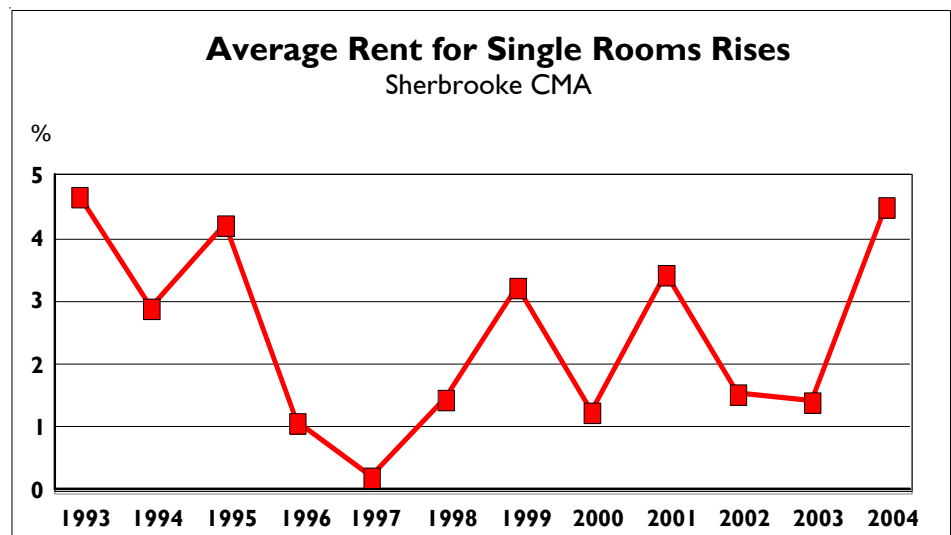
Part of this increase resulted from changes in the stock of retirement homes surveyed. First, four housing projects were withdrawn from housing stock. One now reserves 100% of its places for the public system, another targets a broader client group and the last two are owned by non-profit organizations. Since most of these projects are closely akin to social housing, where unoccupied units are generally scarce, their withdrawal put upward pressure on the vacancy rate. Second, the retirement homes that were recently added to the stock are positioned in a more difficult niche: existing apartments with a mandatory meal service. Once again, the final impact on the vacancy rate was upward.

While several retirement housing projects are on the drawing board or have even already been marketed in newspapers, no newly built private retirement homes were added to the stock in 2004. Two projects were started, however, and they will be ready to rent out during 2005.

The small rise in the vacancy rate may also be attributable to an increase in the supply of housing types that compete with retirement homes. In fact, the year 2004 was marked by a strong production of condominiums, a housing type that can sometimes be a good substitute for apartments for very independent seniors. As well, several luxury rental housing projects, offering a living environment similar to that provided by retirement homes, have also been built recently.

Average rent for rooms posts strong increase

The small increase in the vacancy rate for room-and-board units did not prevent the average rent for single rooms from posting a strong increase, a sign that the market still remains tight. However, since the change in rents is influenced by the level of services offered, part of the increase could be attributable to the presence of residents requiring more care. The hike of 4.5 per cent observed in 2004 was the largest since 1996.



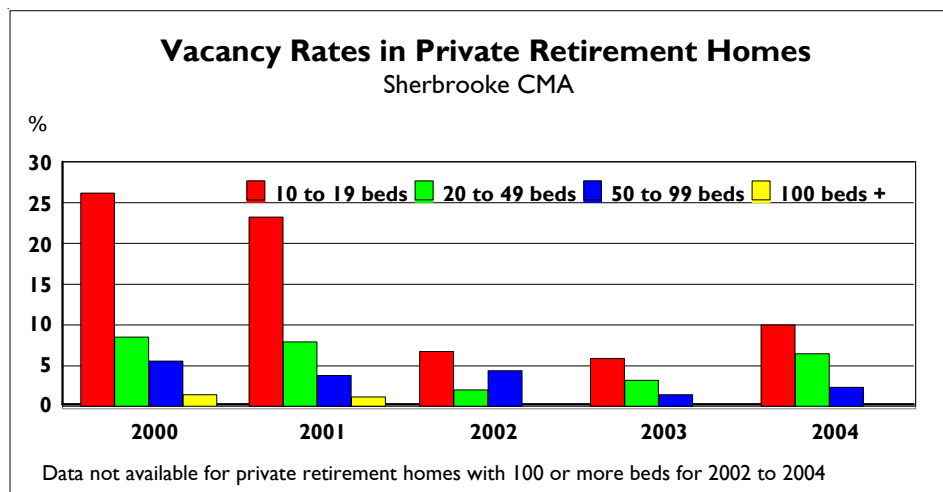
Source: CMHC

Since the rent for a single room is \$973 per month, an income above \$12,000 is needed to occupy this type of unit. At the time of the latest census in 2001, more than half of all seniors had a sufficient income¹ to rent a room-and-board unit, since the median income for this age group was \$16,220 in the Sherbrooke census metropolitan area (CMA).

¹Considering that a maximum of 72 per cent ($\$973 \times 12 / \$16,220$) of income is spent on housing and food.

Difficult situation for smaller rooming retirement homes

Room-and-board retirement homes with 10 to 19 units have a high vacancy rate (10 per cent), up from 2003 (5.7 per cent). While there is a surplus of units in this market segment, the situation is not as difficult, however, as in the year 2000, when the vacancy rate stood at 26.3 per cent. Still, this housing type remains vulnerable and sees its rental performance deteriorate as soon as demand weakens. There are five retirement homes in this market niche (fewer than 20 units), over a total of 25 room-and-board retirement homes.



Source: CMHC

Midsize rooming retirement homes, with 20 to 49 beds, also saw their situation deteriorate significantly between the last two surveys. In fact, the percentage of unoccupied units went from 3.2 per cent in 2003 up to 6.4 per cent in 2004. The situation is more comfortable than for the smallest residences, though, as the market is better balanced.

As for large retirement homes, the increase in the vacancy rate was small, as this proportion rose from 1.4 per cent to 2.2 per cent for residences with 50 to 99 beds.

In general, the room-and-board segment of the retirement home market houses clients who are older and less independent than those who live in apartment residences. It is therefore logical to note that these frailer clients, who opt for rooms, first turn to larger retirement homes, when they have the means², to get better access to a wide range of services. The economies of scale made possible by a large number of units explain why larger projects offer a broader range of services.

² Single rooms rent for an average of \$963 in retirement homes with 50 to 99 beds, compared to \$846 in retirement homes with 10 to 19 beds.

Services that vary with the type of retirement home

A comparison between the services provided in room-and-board residences and those offered in apartment retirement homes reveals an interesting distinction. While rooming residences better meet the needs of less independent clients, 24-hour medical services are less often available in these projects (28 per cent) than in apartment retirement homes (50 per cent). Once again, this result is attributable to the size of the residences, as the apartment retirement housing stock has a greater proportion of larger projects.

While there is little difference in terms of rental performance between retirement homes that offer permanent (24-hour) medical care and those that provide limited services, the vacancy rates are still slightly lower in the first case.

Vacancy Rates by Retirement Home Type and by Health Care Service Option

Retirement home type	24-hour care	Limited care
Apartment	2.0%	3.3%
Room-and-board	3.0%	4.0%

As well, rooming residences more frequently provide services related to basic needs, such as bedding, furniture, housekeeping and clothes cleaning. Conversely, a greater proportion of apartment retirement homes offer services associated with a more active lifestyle, like a footpath, convenience store, swimming pool and banking counter.

Vacancy rates higher for large apartments

The increase in the vacancy rate for apartments between 2003 and 2004 was almost entirely due to a rise in apartments with two or more bedrooms that remained vacant. For this type of dwelling, the percentage of unoccupied units climbed from 0.6 per cent to 5.7 per cent during this period. For the other apartment types, the vacancy rates remained practically stable, at 0.8 per cent for bachelor units and 1.4 per cent for one-bedroom apartments.

The stock of large apartments (two or more bedrooms) is the one that posted the greatest increase between the last two surveys, rising from 172 to 265 units. The situation may therefore recover rapidly if it turns out that the newly marketed apartments in 2004 are well positioned in relation to the competition from existing units. It should be mentioned, though, that the strong production of traditional rental housing units was focused on

large dwellings, which could have made the absorption of similar apartments in retirement homes more difficult.

Projects with 50 to 99 units were the hardest hit by the increase in the vacancy rate, as the percentage of vacant apartments in these residences went up from 3.9 per cent to 5.5 per cent between 2003 and 2004. Six of the twelve retirement homes that have apartments are in this building size category and account for 21 per cent of the supply of apartments³. Vacant units remained very scarce in large projects (100 or more units), with less than 1 unoccupied apartment out of 100.

Retirement housing stock has almost as many apartments as beds

The retirement housing stock in the Sherbrooke CMA is composed of 2,335 units, with beds accounting for 51 per cent and apartments representing 49 per cent. This almost equal division between the two dwelling types is typical of markets located in smaller metropolitan areas. In Montréal and Québec, apartments represent two thirds (66 per cent) of the supply of retirement housing units.

In the Sherbrooke CMA, the apartments are concentrated in the eastern and central districts of the former city of Sherbrooke, where the construction of new units has mainly taken place. The eastern district has 616 apartments, while the central district has 237. Consequently, the eastern district alone accounts for 54 per cent of the supply of retirement apartments. The northern district is known for being home to many seniors, especially close to the Carrefour de l'Estrie. It can be noted, however, that many of them live in traditional rental housing, as the retirement homes in this district have only 182 apartments to offer.

The supply of room-and-board units is distributed more evenly among the different sectors. The districts of the former city of Sherbrooke have stocks varying between 160 to 272 beds. The suburbs, with 402 beds, account for 33 per cent of the supply in the overall CMA.

Central district stands out

Vacancy rates went up in all market zones across the CMA, with the exception of the central district of the former city of Sherbrooke, where the proportion of unoccupied units went down from 2.0 per cent to 1.7 per cent between 2003 and 2004.

³ This result is possible, as the size of a project is determined by the sum of its apartments and beds.

The western district showed the greatest increase, followed by the eastern and northern districts, and then the suburbs. The western district now has the highest vacancy rate, at 3.7 per cent. Since the stock there is composed mainly of beds, for which the balanced rate is considered to be about 6 per cent, this district also presents a scarcity of vacant units for seniors.

Sector*	Vacancy Rate (%)		Change (percentage points)
	2003	2004	
East District	1.1	3.2	2.1
North District	0.7	2.6	1.9
West District	1.0	3.7	2.7
Centre District	2.0	1.7	-0.3
Suburbs	2.4	3.3	0.9
Sherbrooke CMA	1.5	2.9	1.4

* Geographic territory before the January 2002 municipal merger

New housing projects arriving in 2005 will drive up the vacancy rate

It is currently estimated that some 200 new private retirement housing units will be added to the existing stock during this year. Such a quantity of dwellings represents over two years of demand. However, since supply on the market has been scarce for the last few years, a pent-up demand has accumulated, such that new units should be absorbed at a faster pace than on a balanced market. In the short term, though, the vacancy rate is still expected to rise and could go over the 5-per-cent mark for the first time since the beginning of the decade.

In Sherbrooke, just over one in two seniors lives with family*

At the time of the 2001 census, 15,880 people aged 65 years or older were enumerated in the new city of Sherbrooke. Out of this number, 57 per cent lived with their family, that is, their spouse and/or their children, and 37 per cent lived alone. Only 4 per cent of seniors lived with a relative, such as a cousin. Finally, just 2 per cent of people aged 65 years or older shared their rental accommodations with non-relatives.

The borough of Fleurimont has the largest number of people aged 65 years or older living alone, with 2,100 such individuals. In this borough, just like in the borough of Mont-Bellevue, greater proportions of seniors live alone, at 41 per cent and 40 per cent, respectively, compared to 37 per cent for the city overall. Living alone predisposes older people to moving into a retirement home because there is no one there to help when they begin to get frail, and also because the death of a spouse and the desire for more

social activity⁴ are among the most frequently cited reasons to explain the move from personal home to retirement housing. A good part of the demand for private retirement homes will therefore come from these two boroughs, and also from the borough of Jacques-Cartier, which has a large number of people aged 75 years or older (2,005). Aging is also a factor that predisposes people to living in a residential care home.

The borough of Lennoxville has the oldest population, with 12 per cent of people aged 75 years or older, compared to 7 per cent for the city of Sherbrooke overall. Since this borough is not very populous, though, there are just slightly more people aged 75 years or older (570) there than in the borough of Rock Forest–Saint-Élie–Deauville (515), which is considered to be young, with only 2 per cent of very old people.

Distribution of Seniors by Age and by Borough

Borough	People Aged 65 Years or Older		People Aged 75 Years or Older	
	Total	Living Alone	Total	% of Total Population
Brompton	515	135	225	4%
Fleurimont	5,150	2,100	2,430	6%
Lennoxville	830	310	570	12%
Mont-Bellevue	3,435	1,360	1,370	4%
Rock Forest–Saint-Élie–Deauville	1,610	370	515	2%
Jacques-Cartier	4,340	1,605	2,005	7%
City of Sherbrooke Total	15,880	5,880	7,115	5%

The sharing of rental accommodations by non-relative seniors is a marginal phenomenon, as only 365 people aged 65 years or older live this way in Sherbrooke. However, it would be worthwhile to develop this type of living arrangement in order to allow people to age at home—an idea that has been understood by the group Les Habitations partagées, founded in the late 1980s in the Saguenay and Outaouais areas.

* Data provided by the city of Sherbrooke

Source: Statistics Canada, 2001 Census

⁴ Source: Housing for Older Canadians : The definitive guide to the over-55 market, NHA 2184.

How long will it be possible to build housing adapted to the needs of seniors?

While this question may seem strange at first, it soon becomes relevant after thinking about it for a few moments.

Over the long term, housing demand is dependent on demographics. As long as household formation will be positive from one year to the next, there will be a need for more housing since, by definition, one household corresponds to one inhabited dwelling. In the context of a falling birth rate and a possible decrease in the population in the long term, will the need for new housing come to an end one day?

The Institut de la statistique du Québec (ISQ), which provides demographic projections, anticipates that the number of households will continue to grow in the Sherbrooke CMA over its entire analysis period, that is, until 2026. There would consequently not be any reason for residential construction to stop during this period in Sherbrooke.

However, the ISQ data indicates that housing production is bound to decline significantly. In fact, this provincial agency has estimated the number of new households in the area at 1,310 for 2004, compared to just 342 at the end of the forecast horizon. It should therefore be expected that residential construction will slow down considerably over the long term, failing which the number of unoccupied dwellings will increase.

During the forecast period, the formation of households aged 75 years or older will pick up the pace, rising from 174 per year in 2004 to 511 per year in 2026. At that time, total household formation will be only 342 for the Sherbrooke CMA overall. If new housing production follows total household formation, the housing stock will be renewed at a slower pace than the growth in senior households, as 342 new dwellings would be built while 511 households aged 75 years or older would be added. Since people aged 75 years or older often require dwellings adapted to their needs as they get frail, it has to be questioned whether it will be possible to fully meet the growing demand for such units with the new housing production. If not, it may be necessary to renovate the existing housing stock, which sometimes represents a major challenge (installing an elevator, widening hallways and doorways, etc.).

Projected Household Growth According to the Institut de la statistique du Québec Sherbrooke CMA - Reference Scenario

Year	Total	75 years or older
2005	1,226	204
2006	1,082	189
2007	954	193
2008	900	164
2021	536	474
2022	497	515
2023	425	503
2024	427	557
2025	402	523
2026	342	511

It is around 2021-2022 that senior household formation will catch up with total household formation. From then on, the margin available to develop housing adapted to the needs of the many seniors will be reduced considerably. This is why the next 15 years will be the prime period to build housing that will meet the needs of an aging client group, when they will arrive on the market.

Pilot study on private residential care homes in the Estrie area: how many and for whom?

Research conducted by Pauline Gervais, doctoral candidate in gerontology, under the direction of Dr. Réjean Hébert and Dr. Michel Tousignant, from the Research Centre on Aging of the Sherbrooke Geriatric University Institute.

In Quebec, around 80,000 people live in collective dwellings that provide different assistance services. Unless these resources hold the permit issued by the Minister of Health and Social Services (R.S.Q., c. S-4.2, s. 437), they cannot accommodate frail persons.

Until now, no Quebec studies had surveyed and established the functional autonomy profile of seniors living in private residential care homes (PRCHs) on a territory, other than in low-rent housing and housing cooperatives. Our study surveyed 28 PRCHs and drew up a picture of their 479 residents. The data was collected in November 2003 from the managers of 25 residences housing seniors in the regional county municipalities (MRCs) of Coaticook and du Granit, located in the Estrie area. The level of functional autonomy and needs of the clients were measured using a Functional Autonomy Measuring System (SMAF), an instrument included in the Multiclientele Assessment Tool adopted by Quebec's Ministère de la Santé et des Services sociaux to assess the needs of frail persons and determine the institutional or home care services that they require. The SMAF assesses 29 functions involved in daily living activities, mobility, communication, mental functions and household tasks. A classification method is used to group individuals assessed according to common and mutually exclusive functional autonomy characteristics. The results are expressed in the form of 14 profiles (ISO-SMAF profiles), each corresponding to a group of comparable subjects with similar levels of autonomy and needs.

In all, the PRCHs in the two MRCs have 628 places, 541 of which were occupied at the time the data was collected. The average age of the residents was 83 years, and nine in ten people were over 75 years. Most of the tenants lived alone (77 per cent), and three in four lived in rooms, with no bathroom, or in one-and-a-half room units, with a bathroom. The average length of stay in the PRCH was two years, and the majority of the residents (80 per cent) previously lived in the MRC. According to our data, nearly half of the clients were substantially frail (profiles 4 and over). More than half of the residents needed help to perform household tasks (profiles 1, 2 and 3), 26 per cent had predominant motor impairments (profiles 4, 6 and 9), 16 per cent had predominant mental impairments (profiles 5, 7, 8 and 10) and 2 per cent had mixed impairments (profiles 11, 12, 13 and 14), representing a very high level of need (Figure 1).

Figure 3: Distribution of Available Places by PRCH Size

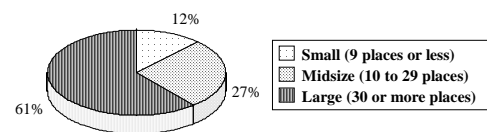
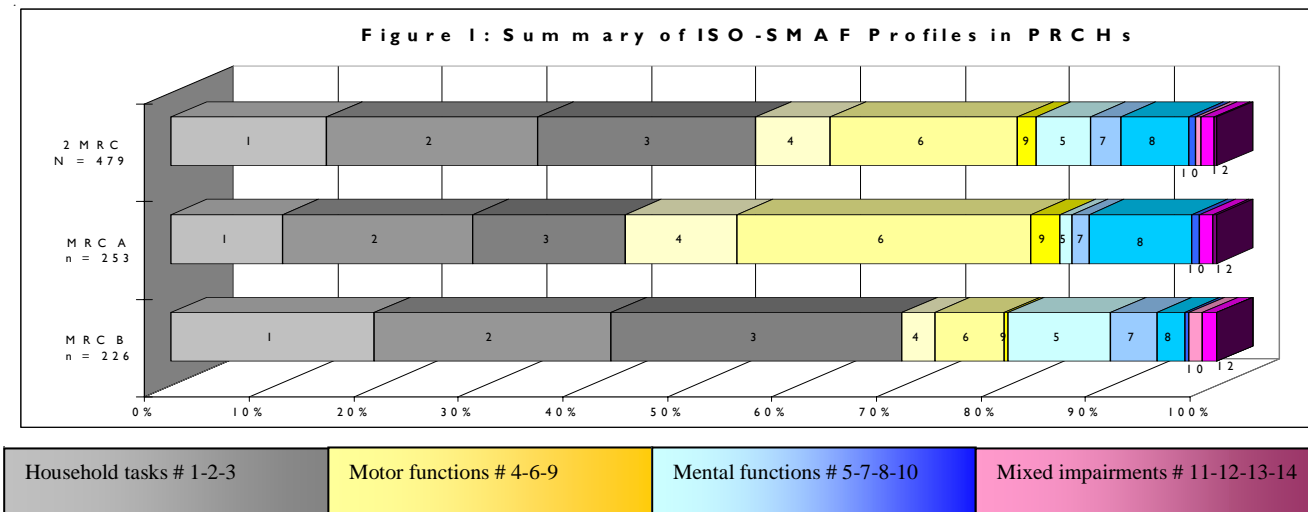


Figure 1: Summary of ISO-SMAF Profiles in PRCHs



Private residential care homes: services offered and housing costs

This study, conducted in the MRCs of Coaticook and du Granit, tested a survey methodology to assess to functional autonomy and needs of people living in PRCHs. Information on the services offered and the rental rates charged was also collected (Table 1). This exercise also revealed that rents rose with PRCH size and that costs were higher for 1½-room and 2½-room units. Some of our analyses raised a hypothesis to the effect that the overall rental rate is subject to the tenant's level of functional autonomy. A research project that we intend to conduct over the coming months will therefore comprise two parts, one concerning the autonomy and needs of PRCH clients and the second concerning the costs related to this type of home. The region targeted for this project is the Estrie area, as the age structure there is comparable to that of Quebec overall, with the exception of the major metropolitan areas. It is estimated that some 5,000 people live in 130 PRCHs in the Estrie area, or nearly 11 per cent of people aged 65 years or older. The study will aim to answer these two questions: 1) What is the functional autonomy profile (ISO-SMAF profile) of seniors living in PRCHs in the Estrie area? and 2) With equal functional autonomy profiles, what portions of the costs related to the disabilities are assumed by the private system and by public system?

The first part of the survey will consist in drawing up an inventory of the homes that are eligible for the study and securing the cooperation of the owners. The methodology that served for the pilot project will be used to assess the clients and gather information on the PRCH characteristics, the range of services offered and the prices of the services and housing units. The collection of data on the costs and funding of the services will require the cooperation of the owners, a sample of residents, local community service centres (CLSCs) and other public system partners. The anticipated results are summarized in Table 3. They will also be compared with the data from public home care resources from each MRC and the overall area studied.

Table 1: Average Housing Costs in PRCHs		
By PRCH size	Rent	Standard Deviation
9 places or less	\$822.97	(306.60)
10 to 29 places	\$845.27	(157.41)
30 or more places	\$966.49	(192.62)
By unit type		
Room	\$798.80	(81.72)
1.5	\$964.53	(150.56)
2.5	\$1,102.22	(268.65)
3.5	\$868.39	(424.48)
4.5	\$770.62	(63.00)

Table 3: Anticipated Results	
PRCH characteristics	
Socio-demographic characteristics of residents	
Relative distribution of ISO-SMAF profiles	
<ul style="list-style-type: none"> o PRCH size o Length of stay o Age group 	
Client weight index (ILC)	
Distribution of daily hours of care and services required	
List of services provided by the PRCHs	
<ul style="list-style-type: none"> o Weekly frequency o Cost of services 	
Average cost of housing units	
<ul style="list-style-type: none"> 1. PRCH size 2. Unit size 3. ISO-SMAF profile 	
List of services provided by the CLSCs	
<ul style="list-style-type: none"> 1. Types of services – resources involved 2. Frequency and length of interventions 	
Public funding (tax credit)	

The results obtained will provide a regional picture of the clients living in collective dwellings and identify the costs associated with housing and services in PRCHs. For the owners of the homes, as well as for managers and health care workers, this study provides a first opportunity to know about the autonomy profile and needs of people living in PRCHs.

To order the report *Profils d'autonomie fonctionnelle des personnes âgées vivant dans les résidences privées d'hébergement en Estrie*, contact Lucie Duquette at (819) 829-7131 or go to www.cdrv.ca. You may also download this document from www.prisma-qc.ca.

Table 1.1

**Universe of Apartments for Seniors
By Building Size - In Number of Buildings and Units*
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2001 to 2004**

Building size	2001		2002		2003		2004	
	Apts.	Res.	Apts.	Res.	Apts.	Res.	Apts.	Res.
Under 50 units	87	5	133	5	125	3	76	2
50 to 99 units	234	7	229	6	77	4	237	6
100 or more units	890	5	1,018	5	838	4	829	4
Total	1,211	17	1,380	16	1,040	11	1,142	12

* Building size is determined by the sum of the number of beds and apartments.

Source: CMHC

Table 1.2

**Universe of Apartments for Seniors
By Bedroom Type - In Number of Units
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2003 to 2004**

Type	2003	2004
Studio	378	387
1-bedroom	490	490
2-bedroom +	172	265
Total	1,040	1,142

Source : CMHC

Table 1.3

**Universe of Room-and-Board for Seniors
By Building Size - In Number of Buildings and Beds *
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2001 to 2004**

Building size	2001		2002		2003		2004	
	Rooms	Res.	Rooms	Res.	Rooms	Res.	Rooms	Res.
Under 20 units	74	5	91	6	70	5	70	5
20 to 49 units	432	12	452	12	432	11	393	10
50 to 99 units	458	9	472	9	581	10	450	8
100 units or more	405	3	277	2	280	2	280	2
Total	1,369	29	1,292	29	1,363	28	1,193	25

* The number of units represents the sum of the number of beds and apartments.
Source : CMHC

Table 1.4

**Universe of Retirement Homes for Seniors
By Detailed Zone
Number of Units* and Residences
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2002 to 2004**

Sector **	2002		2003		2004	
	Units	Res.	Units	Res.	Units	Res.
East District	644	7	644	7	804	9
North District	726	7	455	5	454	5
West District	192	4	191	4	191	4
Centre District	479	7	497	7	408	6
City of Sherbrooke	2,041	25	1,787	23	1,857	24
Suburbs	631	12	616	11	478	8
Sherbrooke CMA	2,672	37	2,403	34	2,335	32

* The number of units represents the sum of the number of beds and apartments.

** Geographic territory from before the January 2002 municipal merger.

Source : CMHC

Table 1.5

**Universe of Retirement Homes for Seniors
By Detailed Zone - In Number of Units
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2004**

Sector *	Beds	Apartments
East District	188	616
North District	272	182
West District	160	31
Centre District	171	237
City of Sherbrooke	791	1,066
Suburbs	402	76
Sherbrooke CMA	1,193	1,142

* Geographic territory from before the January 2002 municipal merger.
Source : CMHC

Table 2.1

Vacancy Rates of Apartments for Seniors (%)
By Building Size*
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2000 to 2004

Building size	2000	2001	2002	2003	2004
Under 50 units	5.9	1.1	2.3	2.4	**
50 to 99 units	0.4	0.4	3.1	3.9	5.5
100 or more units	1.5	3.8	0.0	0.5	0.8
Total	1.6	3.0	0.7	1.0	2.2

* Building size is determined by the sum of the number of beds and apartments.

** Data confidential.

Source: CMHC

Table 2.2

Vacancy Rates of Apartments for Seniors (%)
By Bedroom Type
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
1998 to 2004

Year	Studio	1-bedroom	2-bedroom + *	Total
1998	4.7	0.5	1.8 *	2.3
1999	2.0	7.0	11.3 *	5.9
2000	3.0	0.8	1.3	1.6
2001	2.8	3.4	1.6	3.0
2002	0.2	1.1	0.4	0.7
2003	0.8	1.2	0.6	1.0
2004	0.8	1.4	5.7	2.2

* For the 1998 and 1999 surveys, reflects the vacancy rate for units with 2 bedrooms.

Source: CMHC

Table 2.3

Vacancy Rates of Room-and-Board for Seniors (%)
By Building Size*
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2000 to 2004

Building size	2000	2001	2002	2003	2004
Under 20 units	26.3	23.2	6.6	5.7	10.0
20 to 49 units	8.4	7.9	1.8	3.2	6.4
50 to 99 units	5.5	3.6	4.4	1.4	2.2
100 units or more	1.4	1.0	**	**	**
Total	6.0	5.4	3.6	2.0	3.6

* The number of units represents the sum of the number of beds and apartments.

** Data confidential.

Source: CMHC

Table 2.4

Vacancy Rates of Retirement Home for Seniors (%)
By Unit Type
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
1992 to 2004

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
2004*	3.6	2.2	2.9

* Since 2000, the vacancy rate was calculated using the number of beds rather than the number of rooms.

Source: CMHC

Table 2.5

Vacancy Rates of Retirement Homes for Seniors (%)
By Detailed Zone
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2000 to 2004

Sector *	2000	2001	2002	2003	2004
East District	2.2	3.7	0.9	1.1	3.2
North District	5.0	3.1	1.4	0.7	2.6
West District	3.0	3.1	0.5	1.0	3.7
Centre District	6.1	6.0	1.7	2.0	1.7
City of Sherbrooke	4.0	4.0	1.2	1.2	2.8
Suburbs	4.9	5.4	4.9	2.4	3.3
Sherbrooke CMA	4.2	4.3	2.1	1.5	2.9

* Geographic territory from before the January 2002 municipal merger.
Source : CMHC

Table 3.1

Average Monthly Rent for a Single Room (\$)
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
1992 to 2004

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
2004	973

Source: CMHC

Table 4.1

Features
Percentage of Residences Offering a Specific Service
Private Retirement Homes with 10 or More Units
Sherbrooke CMA
2004

Services	Apartment	Room-and-board
Cable television	75%	100%
Worship service	92%	100%
Banking counter	42%	16%
Hairdresser	67%	84%
Convenience store	33%	8%
Swimming Pool	33%	0%
Footpath	50%	16%
Bedding	50%	92%
Clothes cleaning	33%	80%
24-hour on-site medical care	50%	28%
Limited medical care (visits)	42%	68%
Housekeeping	83%	100%
Furniture	67%	96%
Indoor parking	25%	4%
Outdoor parking	100%	96%
Supervision	92%	100%
Intercom system	92%	100%
Transportation system	25%	48%
Other services	58%	40%

Source: CMHC

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. However, some tables make a distinction between rents for apartments with mandatory meals (included in the rent), optional meals (excluded from the rent) and unavailable meals.

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.

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.

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.

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 2004 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 Sherbrooke 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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