



T H E

RETIREMENT HOME

MARKET STUDY



2002 QUÉBEC



HOME TO CANADIANS
Canada

Québec

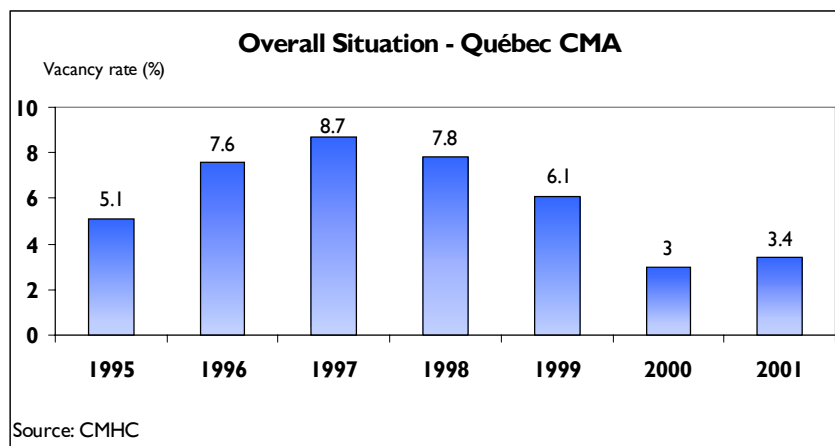
Metropolitan Area

Highlights

- The proportion of retirement housing units that are vacant in the Québec census metropolitan area has risen slightly since October 2000, reaching 3.4 per cent in October 2001.
- In apartment retirement homes, the situation remained stable, as their vacancy rate stood at 1.6 per cent in October 2001.
- Room-and-board residences saw an increase in their number of available units. At the time of the annual survey, in October 2001, 7.7 per cent of beds were vacant.

Proportion of available units on the rise

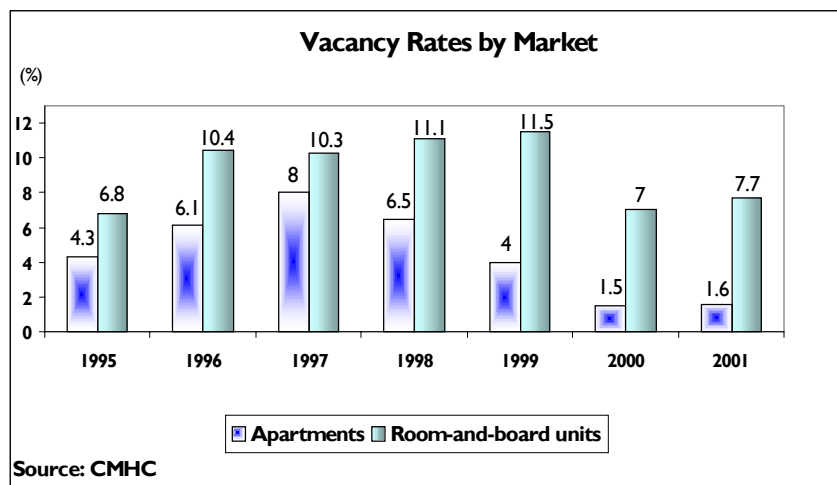
The annual retirement home market survey, conducted in October 2001, revealed that the percentage of available units is slightly on the rise in the Québec census metropolitan (CMA). In fact, an overall vacancy rate of 3.4 per cent was recorded, compared to 3.0 per cent in 2000. The 50 additional units available on the market in 2001 put an end to the downward trend in the overall vacancy rate that began in 1998.



Apartment retirement homes, which account for 70 per cent of the total retirement housing stock, remained in the same situation as in October 2000. The 2001 survey revealed that their vacancy rate stood at 1.6 per cent, compared 1.5 per cent one year earlier. As such, this market segment stayed under the balanced level¹ of around 4 per cent.

¹ The balanced level represents the vacancy rate observed in a situation where neither tenants nor landlords favoured. In the case of apartments, the balanced level is about 4 per cent while, for room-and-board units, it is around 6 per cent, given the higher occupant turnover rate.

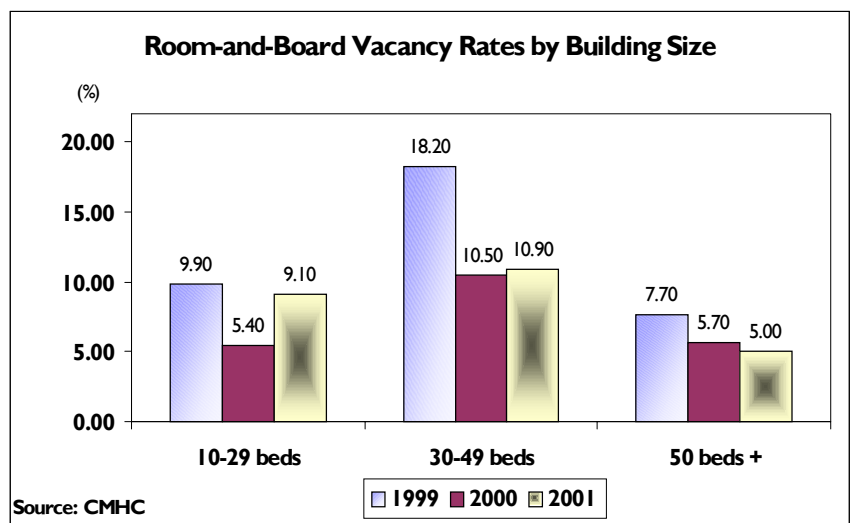
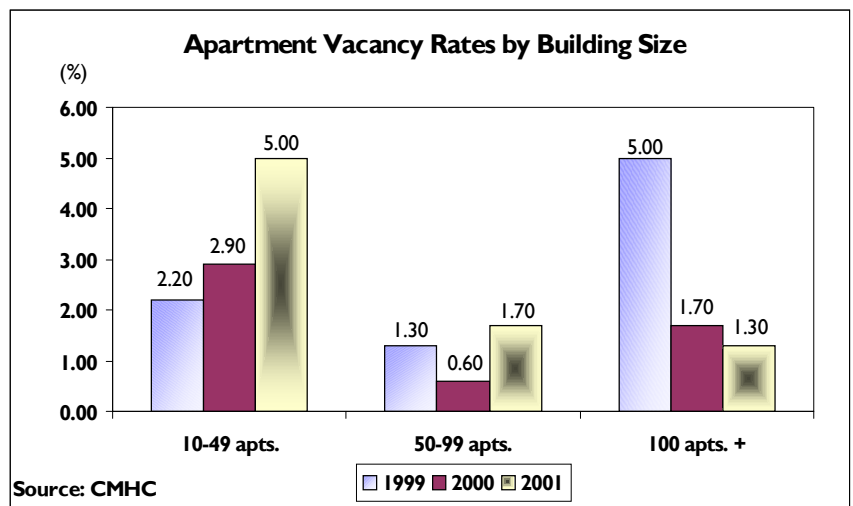
The greatest change occurred in the room-and-board segment, where 182 vacant beds were enumerated, for an increase of 40 units. The vacancy rate reached 7.7 per cent of all beds, in comparison with 7.1 per cent in 2000. This market segment is therefore moving away from the balanced level of around 6 per cent.



The imbalance was due to the single-occupancy room category, which represents 97 per cent of the stock. The vacancy rate for units of this type was 7.9 per cent, compared to 6.8 per cent 12 months earlier. The improvement observed in the double room category, for which the vacancy rate went from 13.3 per cent in 2000 to just 3.9 per cent in 2001, was not sufficient to counter the imbalance.

Larger buildings performing better

A common trend affecting both apartment and room-and-board retirement homes is that clients prefer larger buildings, since these projects can generally offer a wider range of services and enhanced security. In fact, major differences can be observed between the vacancy rates for large and small structures. The greatest gap can be noted on the apartment retirement home market, where buildings with 10 to 49 units registered a vacancy rate of 7.1 per cent, compared to 1.2 per cent for retirement homes with 50 to 99 units and 1.3 per cent for those with over 100 units. In addition, only large buildings with at least 100 apartments and room-and-board residences with 50 or more rooms saw their vacancy rates decrease at the time of the survey conducted in 2001.

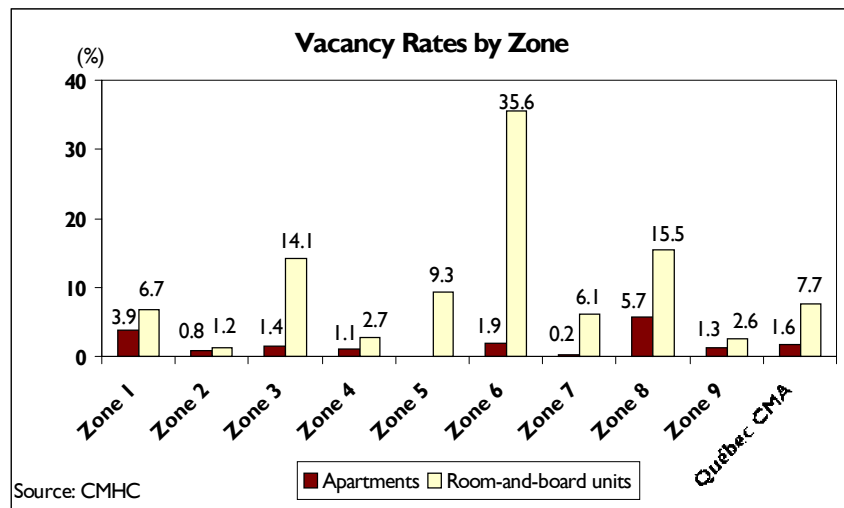


Meal service: tenants prefer having a choice

Certain types of retirement homes cannot give tenants a choice with regard to their meal service. This is the case for room-and-board residences (where meals must necessarily be included in the rent) and for apartment retirement homes with no cafeteria. However, apartment residences with a cafeteria can offer meals on a mandatory or optional basis. The buildings most in demand are those where the meal service is optional. The vacancy rate in this category fell to 0.7 per cent from 1.6 per cent in October 2000. Conversely, in retirement homes with a mandatory meal service, the vacancy rate went up from 1.4 per cent in 2000 to 2.4 per cent in 2001. This level was twice as high as that for buildings with no cafeteria, in which 1.2 per cent of units were unoccupied. The results obtained show that residents prefer to have a choice for their meal service, while having the possibility to use the cafeteria, as needed.

Certain zones experiencing difficulties

Some of the nine zones² making up the Québec CMA are highly sought, while others are experiencing greater difficulty in renting out their available units. For room-and-board retirement homes, zone 6 (Charlesbourg, Lac Beauport, Stoneham-Tewkesbury) had the highest vacancy rate (35.5 per cent) in the Québec CMA, up in relation to October 2000 (19.1 per cent), followed by zone 8 (Charny, Saint-Romuald, Saint-Jean-Chrysostôme, Saint-Nicolas, etc.) with 15.5 per cent of vacancies and zone 3 (Québec-des-Rivières, Ancienne-Lorette), where 14.1 per cent of beds were available.



On the apartment retirement home market, zone 8, with a vacancy rate of 5.7 per cent, up over October 2000 (1.1 per cent), ended up in last place in the Québec CMA. This turnaround in the situation reflects the problems observed in one residence in this zone. It was followed by zone 1 (Basse-Ville) where, with 3.9 per cent of apartments available for rent, the market was balanced. The other zones all had vacancy rates below 2 per cent.

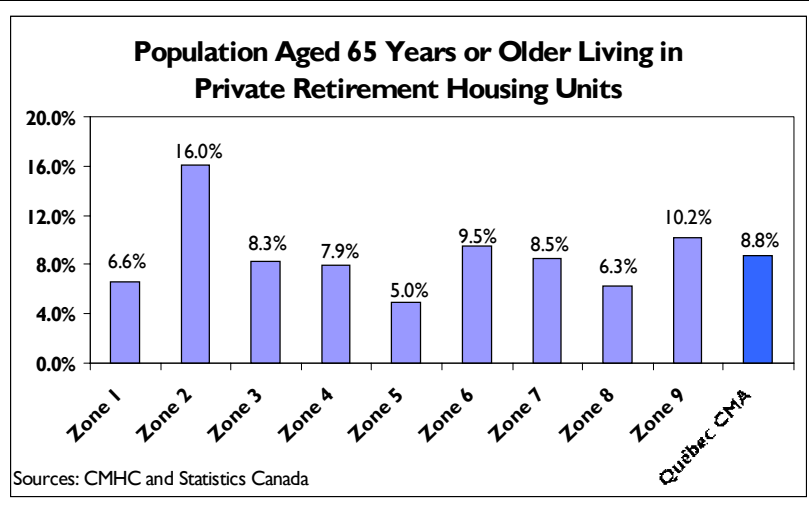
Haute-Ville sector stands out

The Québec Haute-Ville sector (zone 2), which offers a multitude of services and is situated close to the Plains of Abraham and the old part of Québec, is the location of choice of senior clients. On the apartment retirement home market, the vacancy rate in this sector fell by half from last year, reaching 0.8 per cent, which put it in second place behind zone 7 (Beauport, Boischâtel, Île d'Orléans, etc.), where the vacancy rate attained 0.2 per cent. In the room-and-board segment, zone 2 easily ranked first with just 1.2 per cent of its beds vacant, compared to 3.9 per cent in 2000.

² See the list of the nine zones on page 22

Zone 2 has the highest concentration of seniors living in retirement homes

The Haute-Ville sector, in addition to posting an excellent rental performance, is the zone with the largest retirement housing stock in the Québec CMA, in proportion to its senior population. In fact, the ratio³ of seniors to occupied housing units in this zone is 16 per cent. This concentration is twice as high as the national average⁴ of 8 per cent. This is also the highest level out of the nine zones, as the average for the Québec CMA is 8.8 per cent. This result is attributable to the appeal of the Québec Haute-Ville sector. Indeed, the retirement homes in this sector attract not only seniors living in this zone but also people coming from elsewhere.



Among the other zones, two deserve particular attention: zone 5 (Val-Bélair, St-Émile, Loretteville, etc.) and zone 8. These two zones have ratios (seniors to occupied units) of 5.0 per cent and 6.3 per cent, respectively. These are the two lowest levels in the Québec CMA. This situation is due to the fact that they have a lower concentration of services, such as health care, major shopping centres, etc.

³ This ratio is population aged 65 years or older (2001 census) / occupied private retirement housing units

⁴ Source: *Housing for Older Canadians: The Definitive Guide to the Over-55 Market*, 1999, published by CMHC

**Retirement
home market
outlook**

A demographic analysis of the Québec CMA reveals a significant aging of the population over the next 10 to 15 years. The growth in the 65 years or older age group will bring about an increase in the need for retirement housing by about 150 units⁵ annually until 2006. Then, the pace should pick up, reaching a need for around 290 units per year for the period from 2006 to 2011. Investors are attracted by the future growth potential of this market and the low vacancy rates observed on the apartment market. In fact, since the 2001 survey, construction has gotten under way on several retirement homes, for a total of about 200 apartments, and other projects are already on the table. The arrival of these new units should help the apartment retirement home market move closer to its balanced level of around 4 per cent.

Finally, it should be noted that, over the next 10 years, the growth in the senior population will come more from group the 65 to 74 years' age group than the 75 years or older segment. This trend differs from that observed in recent years when the growth in the 75 years or older group dominated. Developers will therefore have to adapt their products to younger and autonomous clients who will eventually get older and than, they will need more specialized services, particularly in the area of health care.

⁵ The number of additional units is based on the demographic projections established by CMHC, considering that around 8 per cent of people aged 65 years or older live in private retirement homes.

People living in retirement homes are satisfied with their choices

A Canada-wide user satisfaction study of housing options was conducted by CMHC. The sample comprised a total of 24 case studies spread among six categories.

One of the main findings of the study was that respondents were very satisfied with their current housing. The majority, i.e. 70 per cent, said that they were very happy living there and 88 per cent said that they would repeat the move if they had to do it over.

The study also identified other interesting results concerning the retirement home market. With regard to where the clients came from, the survey revealed that 44 per cent of the respondents had previously lived in the same town or city as their current residence, 21 per cent had lived in the surrounding area, 27 per cent had come from elsewhere in the province, 7 per cent from another province and 1 per cent from another country.

The most common reasons that respondents had for leaving their previous home were changes in health or physical strength (28 per cent), the difficulty of looking after a residence (20 per cent) and a wish to be with others of the same age (21 per cent).

Residents were influenced by several criteria in the choice of their current home. At the top of the list were the quality of the dwelling (40 per cent) and the attractiveness of the project (39 per cent), followed by the closeness to facilities and services (36 per cent), the services available on the premises (36 per cent) and the recreational facilities and activities (31 per cent). The human touch was also important in the choice of a residence. Friends or relatives living there or children or relatives living nearby are reasons that motivated the choice of 27 per cent of the respondents.

These results were drawn from the publication "Research Highlights" Issue 83. To get a copy, visit CMHC's Web site (www.cmhc.ca/publications/en/rh-pr/index.html).

What CMHC's experience reveals about operating retirement homes¹

The private retirement home market offers a varied choice of housing projects, which can be grouped into four major categories: room-and-board, apartment with services, apartment without services and long-term care. The following results cover the first three categories, which represent the largest number of privately initiated housing units.

It can first be noted that the greater the services component, the smaller the unit floor area tends to be. A room-and-board unit offers an average floor area of 40 square metres, while an apartment without services is twice as large. The presence of common areas in housing projects with a wide range of services partly offsets the small size of the units themselves. Occupants generally have access to a community room, a dining room, common lounges and sometimes even arts and crafts premises, an exercise room or else a library.

**Characteristics of Retirement Homes Located in Quebec¹
2000 - 2001**

	Room-and-board units	Apartments with services	Apartments without services
Average rent (\$)	1,000	1,200	900
Average floor area (m ²)	40	62	80
Average apartment size	N/A	2,6 rooms (from 2 to 3 rooms)	3 rooms (from 2 to 4 rooms)
Average number of units in the building	78 (from 30 to 187)	175 (from 55 to 429)	325 (from 200 to 465)
Total expenses (% of income) ²	60%	54%	42%
« Salary » item (\$/unit/month)	265	260	115
« Food » item (\$/unit/month)	110	85	N/A

In apartment retirement homes, there is \$300 difference in rents per month, depending on whether services are offered or not. In project without services, the average rent is \$900, compared to \$1,200 in projects with services, where residents can, for example, buy meals, receive care, have access to recreational equipment, etc. The \$300 gap is not just linked to the presence or absence of services, it is also attributable to the size of the units. Apartments without services generally have two to four rooms, while those with services have two to three. The size of the units also explains why rooms with services, for which the average rent is \$1,000 per month, are more affordable than apartments with services.

Continued page 9

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The increase in operating expenses is generally proportional to the quantity of services offered. As such, room-and-board retirement homes have the highest ratio of operating expenses to income (see note 2), at 60 per cent. In apartment retirement homes with services, this ratio is 54 per cent, while it is around 42 per cent in apartment buildings without services. The “salary” item is the main component of the operating expenses, regardless of the type of retirement home, followed by the “food” item, where applicable. It should be noted that the salary portion more than doubles when retirement homes offer meal services; this is also because the services offered in such residences are generally more complete. It should further be noted that the average age of the occupants is higher in retirement homes of this type.

Economies of scale can of course be realized when buildings are large. As well, projects where the quality of the construction and the services offered are above average will have higher operating expenses-to-income ratios than other retirement homes on the market. It should also be mentioned that the smaller a project, the higher the expenses-to-income ratio. In general, this is why it is difficult to make retirement homes with services profitable when they have fewer than 75 to 100 units.

¹ *Drawn from an analysis of 46 private housing projects with loans recently insured by CMHC.*

² *Gross operating expenses as a percentage of gross rental income (residential portion only).*

Table I.1

Universe of Apartments for Seniors by Building Size - In Number of Buildings and Units Private Retirement Homes with 10 or More units Québec CMA 1999 to 2001								
Year	10 to 49 units		50 to 99 units		100 or more units		Total	
	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units
1999*	15	388	14	999	23	3,473	55	4,869
2000	16	381	22	1,496	23	3,551	61	5,428
2001	15	323	25	1,607	26	3,787	66	5,717

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table I.2

Universe of Apartments for Seniors by Unit Size - In Number of Units Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001				
Year	Studio	1-bedroom	2-bedroom +	Total
1999*	1,929	2,429	511	4,869
2000	2,187	2,523	718	5,428
2001	2,044	2,865	808	5,717

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 1.3

Universe of Apartments for Seniors by Meal Service Formula Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001								
Year	Unavailable		Optional		Mandatory		Total	
	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units
1999*	--	--	18	2,365	37	2,504	55	4,869
2000	4	274	18	2,374	39	2,780	61	5,428
2001	5	346	19	2,429	42	2,942	66	5,717

--: Data not available, confidential or change of classification between surveys.
* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 1.4

Universe of Room-and-Board for Seniors by Building Size - In Number of Buildings and Beds Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001								
Year	10 to 29 units		30 to 49 units		50 or more units		Total	
	# Bldgs.	# Beds	# Bldgs.	# Beds	# Bldgs.	# Beds	# Bldgs.	# Beds
1999*	49	832	15	510	12	600	114	2,228
2000	45	739	18	601	13	682	76	2,022
2001	45	751	18	600	20	1,034	83	2,385

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 1.5

Universe of Room-and-Board for Seniors by Occupation Type - In Number of Beds Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001			
Year	Single occupancy	Double occupancy +	Total
	# Beds	# Beds	# Beds
1999*	2,088	140	2,228
2000	1,924	98	2,022
2001	2,309	76	2,385

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 1.6

Universe of Retirement homes for Seniors by Market Zone - In Number of Buildings Private Retirement Homes with 10 or More Units Québec CMA 2001				
Zone	Apartments	Room-and-Board	Mixed*	Total
1-Québec Basse-Ville, Vanier	7	8	3	18
2- Québec Haute-Ville	5	6	3	14
3-Québec-des-Rivières, Anc.-Loret.	4	2	2	8
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	6	6	5	17
5-Val-Bélair, St-Émile, Loretteville, etc.	2	6	0	8
6-Charlesbourg, Stoneham, etc.	13	5	1	19
7-Beauport, Boischatel, Île d'Orléans, etc.	3	18	2	23
8-Charny, St-Romuald, St-Jean-Chrys., etc.	2	9	1	12
9-Lévis, Pintendre, etc.	5	4	2	11
Québec CMA	47	64	19	130

* Buildings including apartments and rooms.
Source: CMHC

Table 1.7

Universe of Retirement homes for Seniors by Market Zone - In Number of Units Private Retirement Homes with 10 or More Units Québec CMA 2001			
Zone	Apartments	Room-and-Board*	Total
1-Québec Basse-Ville, Vanier	763	308	1,071
2- Québec Haute-Ville	1,178	345	1,523
3-Québec-des-Rivières, Anc.-Loret.	507	127	634
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	1,063	290	1,353
5-Val-Bélair, St-Émile, Loretteville, etc.	146	117	263
6-Charlesbourg, Stoneham, etc.	975	104	1,079
7-Beauport, Boischatel, Île d'Orléans, etc.	433	601	1,034
8-Charny, St-Romuald, St-Jean-Chrys., etc.	106	263	369
9-Lévis, Pintendre, etc.	546	192	738
Québec CMA	5,717	2,347	7,326
* Including units in mixed retirement homes. Source: CMHC			

Table 2.1

Vacancy Rates of Apartments for Seniors by Building Size Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001				
Year	10 to 49 units	50 to 99 units	100 or more units	Total
1999*	--	2.7%	4.8%	4.1%
2000	2.9%	0.6%	1.7%	1.5%
2001	7.1%	1.2%	1.3%	1.6%

* For these years, the total included buildings with fewer than 10 units.
 -- Data not available, confidential or change of classification between surveys.
Source: CMHC

Table 2.2

Vacancy Rates of Apartments for Seniors by Unit Size Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001				
Year	Studio	1-bedroom	2-bedroom +	Total
1999*	5.0%	3.3%	4.5%	4.1%
2000	2.1%	1.0%	1.3%	1.5%
2001	1.8%	1.7%	0.7%	1.6%

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 2.3

Vacancy Rates of Apartments for Seniors by Meal Service Formula Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001				
Year	Unavailable	Optional	Mandatory	Total
1999*	--	4.4%	3.8%	4.1%
2000	--	1.6%	1.4%	1.5%
2001	1.2%	0.7%	2.4%	1.6%

* For these years, the total included buildings with fewer than 10 units.
 --: Data not available, confidential or change of classification between surveys.
 Source: CMHC

Table 2.4

Vacancy Rates of Apartments for Seniors by Market Zone and Unit Size Private Retirement Homes with 10 or More Units Québec CMA 2001								
Zone	Studio	No. of units	1-bed-room	No. of units	2-bed-room +	No. of units	Total	No. of units
1-Québec Basse-Ville, Vanier	4.1%	395	3.9%	282	3.5%	86	3.9%	763
2- Québec Haute-Ville	1.1%	453	0.9%	583	0.0%	142	0.8%	1,178
3-Québec-des-Rivières, Anc.-Loret.	1.6%	186	1.1%	279	2.4%	42	1.4%	507
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	1.7%	234	1.0%	676	0.7%	153	1.1%	1,063
5-Val-Bélair, St-Émile, Loretteville, etc.	--	35	--	102	--	9	--	146
6-Charlesbourg, Stoneham, etc.	1.6%	316	3.6%	357	0.3%	302	1.9%	975
7-Beauport, Boischatel, Île d'Orléans, etc.	0.0%	126	0.4 %	268	--	39	0.2%	433
8-Charny, St-Romuald, St-Jean-Chrys., etc.	5.0%	40	6.3%	63	--	3	5.7%	106
9-Lévis, Pintendre, etc.	0.4%	259	2.4%	255	--	32	1.3%	546
Québec CMA	1.8%	2,044	1.7%	2,865	0.7%	808	1.6%	5,717

--: Data not available, confidential or change of classification between surveys.
 Source: CMHC

Table 2.5

Vacancy Rates of Room-and-Board for Seniors by Building Size Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001				
Year	10 to 29 beds	30 to 49 beds	50 or more beds	Total
1999*	--	--	--	11.6%
2000	5.4%	10.6%	5.7%	7.1%
2001	9.1%	10.9%	5.0%	7.7%

* For these years, the total included buildings with fewer than 10 units.
 --: Data not available, confidential or change of classification between surveys.
Source: CMHC

Table 2.6

Vacancy Rates of Room-and-Board for Seniors by Occupancy Type Private Retirement Homes with 10 or More Units Québec CMA 1999 to 2001		
Year	Single occupancy	Double occupancy +
1999*	12.2%	5.7%
2000	6.8%	13.3%
2001	7.9%	3.9%

* For these years, the total included buildings with fewer than 10 units.
Source: CMHC

Table 2.7

Vacancy Rates of Room-and-Board for Seniors by Market Zone and Occupancy Type Private Retirement Homes with 10 or More Units Québec CMA 2001						
Zone	Single occupancy	No. of beds	Double occupancy +	No. of beds	Total	No. of beds
1-Québec Basse-Ville, Vanier	7.0%	302	0.0%	12	6.7%	314
2- Québec Haute-Ville	1.2%	345	--	0	1.2%	345
3-Québec-des-Rivières, Anc.-Loret.	14.3%	126	0.0%	2	14.1%	128
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	2.8%	288	0.0%	4	2.7%	292
5-Val-Bélair, St-Émile, Loretteville, etc.	9.5%	116	0.0%	2	9.3%	118
6-Charlesbourg, Stoneham, etc.	35.6%	104	--	0	35.6%	104
7-Beauport, Boischâtel, Île d'Orléans, etc.	6.2%	582	5.3%	38	6.1%	620
8-Charny, St-Romuald, St-Jean-Chrys., etc.	16.1%	255	6.3%	16	15.5%	271
9-Lévis, Pintendre, etc.	2.6%	191	0.0%	2	2.6%	193
Québec CMA	7.9%	2,309	3.9%	76	7.7%	2,385
--: Data not available, confidential or change of classification between surveys. Source: CMHC						

Table 3.1

Average Apartment Rents* for Seniors by Unit Size and Meal Service Formula Private Retirement Homes with 10 or More Units Québec CMA 2001			
Type	Unavailable	Optional	Mandatory
Studio	--	\$603	\$1,093
1-bedroom	\$848	\$938	\$1,423
2-bedroom +	\$1,048	\$1,123	\$1,653
Total	\$968	\$884	\$1,279
--: Data not available, confidential or change of classification between surveys. *All services combined Source: CMHC			

Table 3.2

Average Apartment Rents* for Seniors by Market Zone and Unit Size Private Retirement Homes with 10 or More Units Québec CMA 2001						
Zone	Studio	No. of units	1-bed-room	No. of units	2-bed-room+	No. of units
1-Québec Basse-Ville, Vanier	\$969	395	\$1,070	282	\$1,278	86
2- Québec Haute-Ville	\$864	453	\$1,305	583	\$1,552	142
3-Québec-des-Rivières, Anc.-Loret.	\$885	186	\$1,215	279	\$1,458	42
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	\$880	234	\$1,068	676	\$1,170	153
5-Val-Bélair, St-Émile, Loretteville, etc.	\$891	35	\$1,024	102	\$1,250	9
6-Charlesbourg, Stoneham, etc.	\$1,090	316	\$1,107	357	\$1,045	302
7-Beauport, Boischatel, Île d'Orléans, etc.	\$923	126	\$1,075	268	\$1,272	39
8-Charny, St-Romuald, St-Jean-Chrys., etc.	\$970	40	\$1,228	63	\$1,630	3
9-Lévis, Pintendre, etc.	\$986	259	\$1,293	255	\$1,341	32
Québec CMA	\$945	2,044	\$1,158	2,865	\$1,232	808
--: Data not available, confidential or change of classification between surveys. * All services combined Source: CMHC						

Table 3.3

Average Room-and-Board Rents* for Seniors by Market Zone and Occupancy Type Private Retirement Homes with 10 or More Units Québec CMA 2001				
Zone	Single occupancy	# beds	Double occupancy +	# beds
1-Québec Basse-Ville, Vanier	\$1,019	302	\$771	12
2- Québec Haute-Ville	\$1,455	345	--	0
3-Québec-des-Rivières, Anc.-Loret.	\$886	126	\$900	2
4-Ste-Foy, Sillery, Cap-Rouge, St-Aug	\$1,809	288	\$1,100	4
5-Val-Bélair, St-Émile, Loretteville, etc.	\$970	116	\$1,250	2
6-Charlesbourg, Stoneham, etc.	\$912	104	--	0
7-Beauport, Boischatel, Île d'Orléans, etc.	\$1,185	582	\$937	38
8-Charny, St-Romuald, St-Jean-Chrys., etc.	\$893	255	\$871	16
9-Lévis, Pintendre, etc.	\$903	191	\$800	2
Québec CMA	\$1,176	2,309	\$909	76
<i>---: Data not available, confidential or change of classification between surveys.</i>				
<i>Source: CMHC</i>				

Table 4.1

Features Percentage of Residences Offering a Specific Service Private Retirement Homes with 10 or More Units Québec CMA 2001		
Service	Apartment	Room-and-board
Cable television	95%	98%
Worship service	94%	86%
Banking counter	70%	25%
Hairdresser	82%	79%
Convenience store	30%	8%
Swimming Pool	18%	4%
Footpath	53%	58%
Bedding	32%	74%
Clothes cleaning	48%	91%
24-hour on-site medical care	62%	65%
Limited medical care (visits)	44%	41%
Housekeeping	85%	100%
Furniture	35%	59%
Indoor parking	30%	6%
Outdoor parking	97%	93%
Supervision	94%	100%
Intercom system	92%	96%
Transportation system	50%	40%
Other services	5%	1%
Source: CMHC		

Methodology

The **survey universe** includes all privately initiated retirement homes with 10 or more units, enumerated in the Québec 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.

Market Zone

Zone 1 : Basse-Ville de Québec (Limoilou, Saint-Roch, Saint-Sauveur), Vanier

Zone 2 : Haute-Ville de Québec (Saint-Jean-Baptiste, Champlain, Montcalm)

Zone 3 : Québec des Rivières (Neufchâtel, Duberger, Les Saules, Lebourgneuf), Ancienne-Lorette

Zone 4 : Sainte-Foy, Sillery, Cap-Rouge, Saint-Augustin

Zone 5 : Val-Bélair, Saint-Émile, Loretteville, Lac-Saint-Charles, Lac-Delage, Valcartier, Shannon, Lac-Saint-Joseph, Sainte-Catherine-de-la-J.C., Fossambault

Zone 6 : Charlesbourg, Lac Beauport, Stoneham-Tewkesbury

Zone 7 : Beauport, Sainte-Brigitte-de-Laval, Boischâtel, L'Ange-Gardien, Château-Richer, Île d'Orléans

Zone 8 : Charny, Saint-Romuald, Saint-Jean-Chrysostôme, Saint-Nicolas, Saint-Rédempteur, Breakeyville, Saint-Lambert, Saint-Étienne

Zone 9 : Lévis, Pintendre, Saint-Joseph-de-Lévy, Saint-Étienne-de-Beaumont

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 2001 on the privately initiated retirement home market in the Quebec 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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