



T H E

# RETIREMENT HOME

MARKET STUDY



2006 SAGUENAY

# **Retirement Home Market Study**

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**2006 Saguenay**

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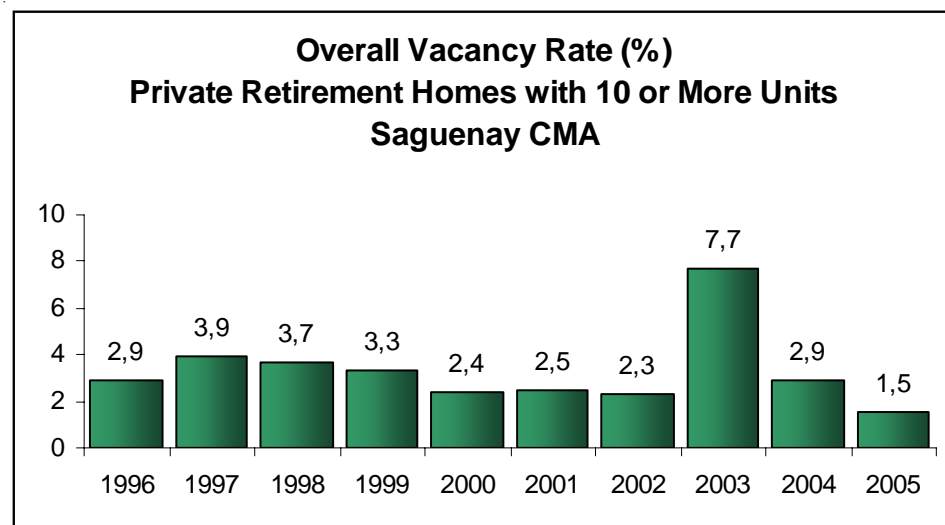
# Saguenay

## Census Metropolitan Area

### Retirement home market tightens

According to the survey conducted by Canada Mortgage and Housing Corporation in the fall of 2005, the overall vacancy rate attained 1.5 per cent in the Saguenay census metropolitan area (CMA). This was a decrease of more than one percentage point in relation to the October 2004 survey results. At that time, the rate was 2.9 per cent. The retirement home market therefore tightened between the 2004 and 2005 surveys, and this situation was attributable to the status quo in the supply over this period. In fact, no new units intended for this client group were added to the existing universe between October 2004 and October 2005. It should be recalled that 270 units were added to the universe in 2003, which temporarily drove up the overall vacancy rate to 7.7 per cent. The stable supply and a higher demand resulting from the increase in the senior population therefore led to a decrease in the vacancy rate.

Before going into the details of the October 2005 survey results analysis, it is important to know the composition of the retirement housing universe. On the Saguenay CMA territory, there are 1,694 units divided among 28 retirement homes. Out of these units, 794 are qualified as apartments, and 900 are room-and-board units. As an indication, for a unit to be considered as an apartment in the CMHC survey, it must be equipped with a full kitchen, that is, with a full-size refrigerator and range, in addition to having a private bathroom.

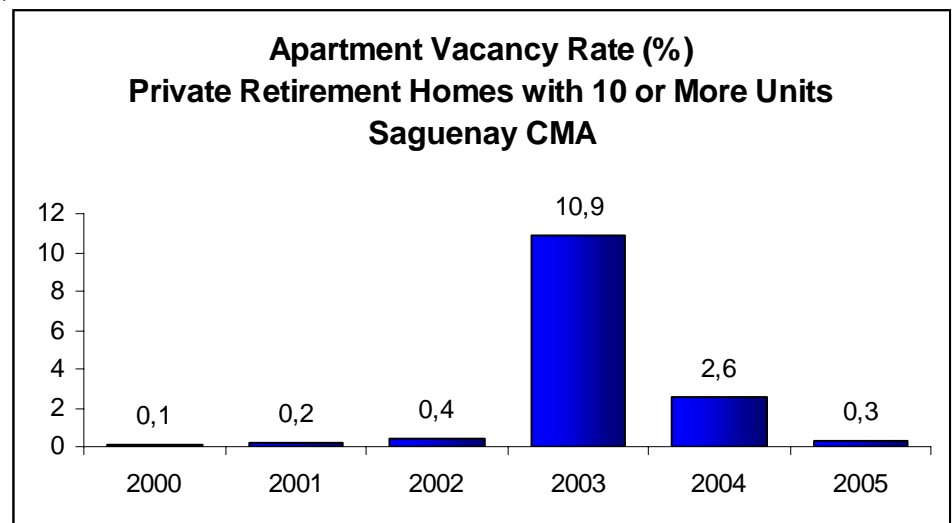


Source : CMHC

The borough of Chicoutimi has the majority of the retirement homes, with 859 units, or 51 per cent of the total in the area, followed by the borough of Jonquière, with 724 units, representing 43 per cent of the supply on the territory. La Baie comes in far behind with only 6 per cent of the units in the area (111), despite the fact that this borough is home to just over 12 per cent of the seniors (75 years or older) in the CMA. It is interesting to note that there are no apartment retirement homes in the borough of La Baie.

## Apartment retirement home market

Even if the apartment segment accounts for nearly half of the units in the area, this market is relatively concentrated. There are only 8 retirement homes of this type in the Saguenay CMA, out of a total of 28, and all 8 are operated in the boroughs of Chicoutimi (3 residences) or Jonquière (5 residences). Out of these 8 retirement homes (some contain both apartments and room-and-board units), only 2 have fewer than 70 rental units. Most are therefore large retirement homes, and their size allows them, through economies of scales, to offer a wide range of services that smaller residences are not always able to provide.



Source : CMHC

This advantage seems to have an impact on the popularity of these retirement homes, as their vacancy rate reached 0.3 per cent. In absolute terms, there are 2 vacant units out of a total of 794. A comparison between the October 2004 and October 2005 results reveals that the apartment retirement home market has tightened, as the vacancy rate went down from 2.6 per cent to 0.3 per cent and this decrease extended to all apartment size categories. The current vacancy rate (0.3 per cent) is such that the area is once again experiencing a shortage. It should be recalled that the theoretical balanced level, representing a situation where neither tenants nor landlords are favoured, is around 4 per cent for retirement homes of this type.

The low vacancy rate for apartment retirement homes somewhat limits the analysis in that almost all the units are rented out and no specific trends emerge from the results. The highlight is no doubt the shortage of apartment units in the area.

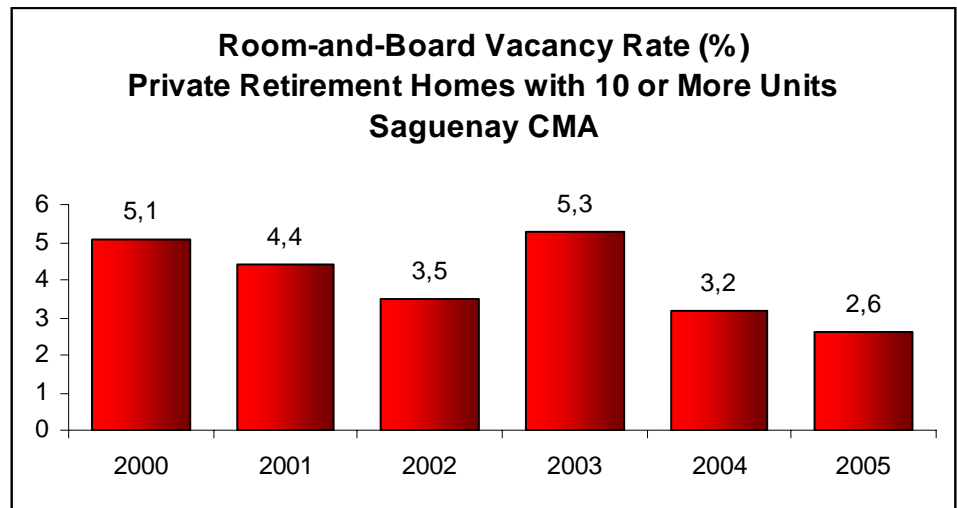
To conclude, let's take a look at the rental rates for apartments on the market. But before giving the detailed figures, it should be mentioned that these rents vary with the care and services provided to residents. Consequently, it is difficult to establish the exact increase in rents from one year to the next. Keeping in mind that the rent is defined as the sum of the costs for the shelter and the services provided, the October 2005 survey results show that it costs on average \$900 per month for a bachelor apartment (+4.0 per cent vs 2004), \$1,314 for a one-bedroom apartment (+2.3 per cent) and \$1,624 for an apartment with two or more bedrooms (+3.2 per cent).

## **Room-and-board retirement home market**

The room-and-board retirement home market segment is much less concentrated than the apartment residence market. In all, 20 of the 28 retirement homes offer units of this type across the Saguenay CMA; there are 9 in Chicoutimi, 9 in Jonquière and 2 in La Baie. Contrary to the apartment retirement home market segment, room-and-board residences are smaller. In fact, 61 per cent of these buildings have fewer than 50 units. There are more landlords on the market and, as a result, a wider choice of buildings and locations for tenants.

As indicated by the "board" component of room-and-board retirement homes, the meal service is mandatory for tenants. Even if the intended clients come from the same pool as for apartment residences, in reality, they are relatively different. They are effectively less independent and often require specific care or services. This is therefore a very particular niche and, as a result, the vacancy rate is slightly higher than for apartment retirement homes. In fact, the vacancy rate for room-and-board residences reached 2.6 per cent in 2005, down from the rate of 3.2 per cent observed in October 2004. In concrete terms, there were 23 vacant beds out of a stock of 900. The status quo in the supply since the end of 2003 explains the tightening of this market over the last two years. The vacancy rate for room-and-board retirement homes reveals a shortage, as the theoretical balanced level is around 6 per cent for units of this type.

A review of the results by building size reveals that larger residences are quite popular. In fact, the vacancy rates reached 0.2 per cent for larger buildings (50 or more beds), 1.8 per cent for mid-size projects (30 to 49 beds), and 10.6 per cent for smaller structures (10 to 29 beds). As mentioned earlier, larger retirement homes benefit from the economies of scale achieved through the distribution of costs among a greater number of units, which enables these residences to offer a broader range of services.



Source : CMHC

The market conditions by geographic sector represented another interesting result. The tightest sector was the borough of Chicoutimi, with a vacancy rate of 0.6 per cent. The situation was much less tight in the borough of Jonquière, where this proportion attained 4.7 per cent, or slightly more than one percentage point below the theoretical balanced level of around 6 per cent. For reasons of confidentiality (only two retirement homes are in operation in this sector), the results cannot be disclosed for the borough of La Baie.

Tenants in room-and-board retirement homes paid on average \$965 per person for a single-occupancy room (+2.8 per cent vs 2004) and \$781 for a double-occupancy room (+2.2 per cent). Here again, the rental rates are directly related to the services and care provided to the tenants.

## What should be expected in 2006?

The 2005 survey results therefore paint the picture of a tight market for retirement homes. We mentioned that there is a shortage of units, in both the apartment and room-and-board retirement home market segments. These comments outline the situation that prevailed at a specific time (October 2005), and it can already be said that the market has changed since then. In fact, two retirement home projects were announced at the end of 2005 in the borough of Jonquière, one of which is already under construction. Depending on the project completion dates, at least 103 units should be added to the existing housing stock for the October 2006 survey. The arrival of these units should allow the market to ease somewhat, in addition to meeting the demand resulting from the aging of the population. The vacancy rate should therefore rise from now until the next survey (October 2006), but the extent of this increase will depend on the completion dates of the projects under construction. For these retirement homes to be included in the October 2006 survey, the construction must be completed by June 30, 2006; otherwise, they will only form part of the survey universe in 2007. As a result, the overall vacancy rate could be between 3 per cent and 5 per cent at the time of the October 2007 survey.



## Potential for retirement housing in Saguenay

The retirement home market is booming, and the keen interest in this market on the part of developers is palpable. There are even some new players attempting to capture a share of the market, which should post strong growth over the coming decades. To understand and assess the optimal relation between the supply of retirement homes (number of units offered) and the changes in the demand (number of units requested) over the coming years, let's take a look at how the demand will evolve over the decades to come.

First of all, given that most retirement home clients are people aged 75 years or older, we will examine the demographic projections for this population segment to determine the theoretical changes in demand. However, since not all people aged 75 years or older live in retirement homes, the percentage of those who chose this housing type—what we call the penetration rate—must be determined. Unfortunately, there is no absolute rate. In fact, the rates vary from one area to another. For the Saguenay CMA, the penetration rate reached 18 per cent in October 2005, but the proportions are not the same throughout the area. For example, these rates attained 23 per cent in Chicoutimi, 22 per cent in Jonquière and 10 per cent in La Baie.

We therefore use a rate range to forecast the changes in demand over the coming years. Given that the market is currently tight and that the overall vacancy rate reached 1.5 per cent, we believe that the use of a penetration rate range from 18 per cent to 22 per cent would help the market to ease and move closer to a balanced level, in addition to meeting the additional demand attributable to the aging of the population.

The results presented in the table below show that, on the retirement home market, demand will rise over the next 20 years, but at different rates over the years. In fact, the increase in demand resulting from the aging of the population will be slightly more rapid over the next five years (2006 to 2011) than during the following period (2011 to 2016). Subsequently, the entry of the baby boomer cohort into the group aged 75 years or older will drive up demand to another level, as it could more than double over a ten-year period, rising from a minimum of 50 units per year to 120 units between 2011 and 2021.

In closing, it is important to keep in mind that the figures presented in this section are based on the demographic projections of the Institut de la statistique du Québec. Other factors will influence the retirement home market over the coming years, such as migration, changes on the labour market, etc., and the results may vary accordingly.

### Growth in the Population Aged 75 Years or Older and Annual Potential Demand for Retirement Housing Units – Saguenay CMA

	2006-2011	2011-2016	2016-2021	2021-2026
<b>Growth in the population aged 75 years or older</b>	+1,570	+1,350	+2,560	+3,330
<b>Annual potential demand*</b>	55 to 70	50 to 60	90 to 115	120 to 150

\* The annual potential demand is based on a penetration rate range from 18 per cent to 22 per cent.

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## Regional results

The results of the latest retirement home market survey conducted across the province of Quebec revealed different situations, depending on the CMAs. First of all, the retirement home penetration rates<sup>1</sup> are more than twice as high in some CMAs as in others, and the vacancy rates also vary from one area to another. Before reviewing these results, it is important to mention that, for smaller CMAs, both the penetration and vacancy rates are more sensitive to marginal increases in supply (that is, in construction). The results must therefore be analyzed in a specific context.

The Sherbrooke area had the highest penetration rate (24.2 per cent). Developers have been at the forefront of the retirement home construction sector, offering innovative products sometimes targeted to a broader client group. In 2005, the vacancy rates reached 2.2 per cent for apartments and 3.6 per cent for room-and-board units. According to the 2005 survey, rooms still accounted for 45 per cent of the retirement housing units in this area.

The Trois-Rivières area followed with a penetration rate of 22.5 per cent.

The vacancy rate for apartment retirement homes went down by close to six tenths of a percentage point to 1.9 per cent, from 2.5 per cent in the fall of 2004. In the room-and-board retirement home segment, the proportion of vacant units fell to 5.6 per cent in 2005, from 6.3 per cent one year earlier.

In the Québec area, the penetration rate attained 20.0 per cent, with a significant proportion of apartment retirement homes. The recent increase in the number of vacant units in apartment residences caused the vacancy rate to climb to 3.1 per cent in the fall of 2005. In the room-and-board retirement home segment, the proportion of unoccupied units rose slightly, reaching 6.2 per cent in the fall of 2005.

The Saguenay area posted a penetration rate of 18.3 per cent. The overall vacancy rate was 1.5 per cent in October 2005, down from 2.9 per cent one year earlier. It was the status quo in supply that accounted for the tighter market conditions, as no new units were added to the universe between the October 2004 and 2005 surveys. Stable supply and a higher demand resulting from the increase in

the senior population therefore led to a decrease in the vacancy rate.

In Montréal, the penetration rate was estimated at 14.3 per cent. In 2005, for a third straight year, construction got under way on several new retirement homes in Greater Montréal. In all, over 2,600 new units were added to the retirement housing stock, which drove up the vacancy rates in both apartment residences (to 4.0 per cent) and room-and-board homes (to 4.5 per cent).

The Gatineau area, which has a younger population, had a penetration rate of 11.1 per cent. The overall vacancy rate of 0.9 per cent was not very different from the level observed the year before (0.6 per cent). The vacancy rate for apartment retirement homes went from 9.0 per cent in 2002 to 0.8 per cent in 2003 and then fell to 0.3 per cent in 2004. In 2005, there were no vacancies in residences of this type.

<sup>1</sup> The penetration rate is the ratio between the supply of retirement housing units and the population aged 75 years or older.

	Sherbrooke	Trois-Rivières	Québec	Saguenay	Montréal	Gatineau
<b>Population in 2005</b>						
75 years or older	11,198	10,907	45,725	9,274	218,094	11,162
<b>Housing stock</b>						
Apartments	1,477	1,230	6,044	794	22,334	506
Rooms	1,232	1,219	3,109	900	8,935	729
Total	2,709	2,449	9,153	1,694	31,269	1,235
<b>Vacancy rates (%)</b>						
Apartments	2.2	1.9	3.1	2.6	4.0	0.0
Rooms	3.6	5.6	6.2	0.3	4.5	1.5
Total	3.1	3.7	4.2	1.5	4.1	0.9
<b>Penetration rate (%)</b>						
	24.2	22.5	20.0	18.3	14.3	11.1

Source: CMHC, Statistics Canada

**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  
Saguenay CMA  
2000 to 2005**

Year	10 to 49 units		50 to 99 units		100 or more units		Total	
	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units
2000	2	12	4	224	4	473	10	709
2001	0	0	2	116	4	473	6	589
2002	0	0	2	12	4	518	6	530
2003	---	---	2	8	4	709	7	728
2004	---	---	3	83	4	709	8	803
2005	---	---	3	83	4	700	8	794

Source: CMHC

--: Data confidential because less than 3 buildings.

**Table 1.2**

**Universe of Apartments for Seniors  
By Bedroom Type - In Number of Units  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2000 to 2005**

Year	Studio	1-bedroom	2-bedroom +	Total
2000	366	296	47	709
2001	322	224	43	589
2002	246	245	39	530
2003	246	379	103	728
2004	271	414	118	803
2005	292	405	97	794

Source: CMHC

**Table 1.3**

**Universe of Apartments for Seniors  
By Meal Service Formula  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2000 to 2005**

Year	Unavailable		Optional		Mandatory		Total	
	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units	# Bldgs.	# Units
2000	0	0	4	473	6	236	10	709
2001	0	0	4	473	2	116	6	589
2002	0	0	5	525	1	5	6	530
2003	---	---	5	716	---	---	7	728
2004	---	---	5	716	---	---	8	803
2005	---	---	5	707	---	---	8	794

Source: CMHC

---: Data confidential because less than 3 buildings.

**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  
Saguenay CMA  
2000 to 2005**

Year	10 to 29 units		30 to 49 units		50 or more units		Total	
	# Bldgs.	# Beds	# Bldgs.	# Beds	# Bldgs.	# Beds	# Bldgs.	# Beds
2000	8	157	7	255	3	190	18	602
2001	8	149	6	205	7	400	21	754
2002	9	171	7	250	8	472	24	893
2003	10	202	6	222	9	502	25	926
2004	9	174	6	221	9	502	24	897
2005	8	170	6	222	9	508	23	900

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  
Saguenay CMA  
2000 to 2005**

Year	Single occupancy	Double occupancy +	Total
	# Beds	# Beds	# Beds
2000	510	92	602
2001	662	92	754
2002	815	78	893
2003	840	86	926
2004	817	80	897
2005	828	72	900

Source: CMHC

**Table 1.6**

**Universe of Retirement Homes for Seniors  
By Detailed Zone - In Number of Buildings  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

Zones	Apartment*	Room-and-Board*	Total
1 - Chicoutimi	3	9	12
2 - Jonquière	5	9	14
3- La Baie	0	2	2
<b>Saguenay CMA</b>	<b>8</b>	<b>20</b>	<b>28</b>

\* Including units in mixed retirement homes.

Source: CMHC

**Table 1.7**

**Universe of Retirement Homes for Seniors  
By Detailed Zone - In Number of Units  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

<b>Zones</b>	<b>Apartment*</b>	<b>Room-and-Board*</b>	<b>Total</b>
<b>1 - Chicoutimi</b>	<b>496</b>	<b>363</b>	<b>859</b>
<b>2 - Jonquière</b>	<b>298</b>	<b>426</b>	<b>724</b>
<b>3 - La Baie</b>	<b>0</b>	<b>111</b>	<b>111</b>
<b>Saguenay CMA</b>	<b>794</b>	<b>900</b>	<b>1,694</b>

\* 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  
Saguenay CMA  
2000 to 2005**

Year	10 to 49 units	50 to 99 units	100 or more units	Total
2000	8.3%	0.0%	0.0%	0.1%
2001	---	0.0%	0.2%	0.2%
2002	---	---	0.4%	0.4%
2003	---	---	11.0%	10.9%
2004	---	---	2.1%	2.6%
2005	---	0.0%	0.1%	0.3%

--: Data confidential because less than 3 buildings..

Source: CMHC

**Table 2.2**

**Vacancy Rates of Apartments for Seniors  
By Bedroom Type  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2000 to 2005**

Year	Studio	1-bedroom	2-bedroom +	Total
2000	0.0%	0.3%	0.0%	0.1%
2001	0.3%	0.0%	0.0%	0.2%
2002	0.4%	0.0%	2.6%	0.4%
2003	2.8%	19.0%	0.0%	10.9%
2004	2.2%	2.7%	3.4%	2.6%
2005	0.3%	0.2%	0.0%	0.3%

Source: CMHC

**Table 2.3**

**Vacancy Rates of Apartments for Seniors  
By Meal Service Formula  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2000 to 2005**

Year	Unavailable	Optional	Mandatory	Total
2000	---	0.0%	---	0.1%
2001	---	0.2%	---	0.2%
2002	---	0.4%	---	0.4%
2003	---	10.9%	---	10.9%
2004	---	2.1%	---	2.6%
2005	---	0.1%	---	0.3%

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

Source: CMHC

**Table 2.4**

**Vacancy Rates of Apartments for Seniors  
By Detailed Zone and Bedroom Type  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

Zones	Studio	no. of units	1-bedroom	no. of units	2-bedroom +	no. of units	Total	no. of units
1 - Chicoutimi	0.5%	192	0.0%	248	0.0%	56	0.2%	496
2 - Jonquière	---	---	0.6%	157	0.0%	41	0.3%	298
3 - La Baie	---	---	---	---	---	---	---	---
<b>SAGUENAY MÉTRO</b>	<b>0.3%</b>	<b>292</b>	<b>0.2%</b>	<b>405</b>	<b>0.0%</b>	<b>97</b>	<b>0.3%</b>	<b>794</b>

Note: Including units in mixed retirement homes.

--: Data confidential because less than 3 buildings.

Source: CMHC



**Table 2.5**

**Vacancy Rates of Room-and-Board for Seniors  
By Building Size  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2000 to 2005**

Year	10 to 29 beds	30 to 49 beds	50 or more beds	Total
2000	3.2%	8.6%	2.1%	5.1%
2001	4.0%	10.0%	1.5%	4.4%
2002	5.8%	7.6%	0.4%	3.5%
2003	5.4%	8.6%	3.8%	5.3%
2004	4.6%	8.1%	0.6%	3.2%
2005	10.6%	1.8%	0.2%	2.6%

Source: CMHC

**Table 2.6**

**Vacancy Rates of Room-and-Board for Seniors  
By Detailed Zone and Occupancy Type  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

Zones	Single occupancy	No. of beds	Double occupancy +	No. of beds	Total	No. of beds
1 - Chicoutimi	0.6%	317	0.0%	46	0.6%	363
2 - Jonquière	5.0%	400	0.0%	26	4.7%	426
3 - La Baie	---	---	---	---	---	---
<b>SAGUENAY CMA</b>	<b>2.8%</b>	<b>828</b>	<b>0.0%</b>	<b>72</b>	<b>2.6%</b>	<b>900</b>

--: Data confidential because less than 3 buildings.

Source: CMHC

**Table 3.1**

**Average Apartment Rents\* for Seniors  
By Meal Service Formula  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2001 and 2005**

Type	Unavailable	Optional	Mandatory
2001	---	\$1,025	---
2002	---	\$1,046	---
2003	---	\$1,159	---
2004	---	\$1,165	---
2005	---	\$1,181	---

\* All services combined.

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

Source: CMHC

**Table 3.2**

**Average Apartment Rents\* for Seniors  
By Detailed Zone and Bedroom Type  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

Zones	Studio	No. of units	1-bedroom	No. of units	2-bedroom+	No. of units
1 - Chicoutimi	\$811	192	\$1,294	248	\$1,564	56
2 - Jonquière	---	---	\$1,347	157	\$1,706	41
3 - La Baie	---	---	---	---	---	---
<b>SAGUENAY CMA</b>	<b>\$900</b>	<b>292</b>	<b>\$1,314</b>	<b>405</b>	<b>\$1,624</b>	<b>97</b>

\* All services combined.

--: Data confidential because less than 3 buildings.

Source: CMHC

**Table 3.3**

**Average Room-and-Board Rents\* for Seniors  
By Detailed Zone and Occupancy Type  
Private Retirement Homes with 10 or More Units  
Saguenay CMA  
2005**

<b>Zones</b>	<b>Single occupancy</b>	<b># beds</b>	<b>Double occupancy +</b>	<b># beds</b>
<b>1 - Chicoutimi</b>	<b>\$961</b>	317	<b>\$750</b>	46
<b>2 - Jonquière</b>	<b>\$976</b>	400	<b>\$836</b>	26
<b>3 - La Baie</b>	---	---	---	---
<b>SAGUENAY CMA</b>	<b>\$965</b>	828	<b>\$781</b>	72

\* All services combined.

--: Data confidential because less than 3 buildings.

Source: CMHC

**Table 4.1**

**Features**  
**Percentage of Residences Offering a Specific Service**  
**Private Retirement Homes with 10 or More Units**  
**Saguenay CMA**  
**2005**

Services	Apartment	Room-and-board
Cable television	100%	100%
Worship service	75%	96%
Banking counter	38%	9%
Hairdresser	63%	70%
Convenience store	63%	4%
Swimming Pool	38%	13%
Footpath	63%	30%
Bedding	13%	57%
Clothes cleaning	13%	74%
24-hour on-site medical care	75%	52%
Limited medical care (visits)	25%	48%
Housekeeping	88%	100%
Furniture	0%	22%
Indoor parking	38%	4%
Outdoor parking	100%	100%
Supervision	88%	100%
Intercom system	100%	96%
Transportation system	63%	48%
Other services	38%	57%

Source: CMHC

## **Methodology**

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

The market zones corresponds to the limits of the stated municipalities. We also include, to Saguenay: Saint-Fulgence, Saint-Honoré, Shipshaw and Canton Tremblay; and to Jonquière : Lac-Kénogami, Larouche and Laterrière.

## **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 2005 on the privately initiated retirement home market in the Saguenay 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 Saguenay 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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