Seniors’ Housing in BC

May 14th, 2015

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Market Analyst
▸ Demographics

▸ Housing Choices

▸ 2014 BC Seniors Housing

▸ Housing Market Survey
Canadians are living longer
Population is aging
Housing needs are evolving
# Life Expectancy Increasing

<table>
<thead>
<tr>
<th>Year</th>
<th>Baby boys</th>
<th>Baby girls</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>72 years</td>
<td>79 years</td>
</tr>
<tr>
<td>1996</td>
<td>75 years</td>
<td>81 years</td>
</tr>
<tr>
<td>2006</td>
<td>78 years</td>
<td>83 years</td>
</tr>
<tr>
<td>2041</td>
<td>81 years</td>
<td>86 years</td>
</tr>
</tbody>
</table>

Source: Health Canada, in collaboration with Interdepartmental Committee on Aging and Seniors Issues, Government of Canada, Minister of Public Works and Government Services Canada
Silent Generation and Baby Boomers

- **Silent Generation (1926-1945)**
  - 11% of BC’s population

- **The Baby-Boomers (1946-1965)**
  - 27% of BC’s population
Aging Population Will Drive Housing Needs

Population by Age Group – British Columbia - Thousands

Aging Population Will Drive Housing Needs

Population by Age Group – British Columbia - Thousands

Aging Population Will Drive Housing Needs

Population by Age Group – British Columbia - Thousands

Estimated Population Aged 75+ = ~356,000

Capture rate = 8.2%
Proportion of the Population Aged 75+
Living in Senior’s Residences

Housing Options for Older Canadians

Stay
(adapt existing home and lifestyle)

Go
(move to seniors’ facility)
Seniors’ Living Arrangements in Canada

Population aged 75+
317,000
(100%)

Living in collective
dwellings
39,000
(12%)

Living in private
dwellings
278,000
(88%)

Nursing homes, chronic care, or long-term care hospitals
(7.5%)

Residences for senior citizens
(4%)

Other collective residences e.g. hostels, shelters, etc.
(0.5%)

7% of the population

Source: CMHC, adapted from Census 2011
2014 British Columbia Seniors Housing Survey
## Seniors’ Housing Survey Definitions

<table>
<thead>
<tr>
<th>Independent Housing Space</th>
<th>Non-Market Space</th>
<th>Heavy Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent housing</td>
<td>Rent is less than market rent</td>
<td>Full-time professional care</td>
</tr>
<tr>
<td>&lt;1.5 hours of care per day</td>
<td>Resident is subsidized</td>
<td>&gt;1.5 hours of care per day</td>
</tr>
<tr>
<td>Some combination of:</td>
<td></td>
<td>Some combination of:</td>
</tr>
<tr>
<td>› Meals</td>
<td></td>
<td>› Meals</td>
</tr>
<tr>
<td>› Housekeeping</td>
<td></td>
<td>› Housekeeping</td>
</tr>
<tr>
<td>› 24-hour response</td>
<td></td>
<td>› 24-hour response</td>
</tr>
<tr>
<td>› Social Activities</td>
<td></td>
<td>› Social Activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>› Personal Care (grooming, mobility, medication)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>› Examples of conditions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>› Alzheimer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>› Dementia</td>
</tr>
</tbody>
</table>

Source: CMHC Seniors’ Housing Survey 2014
Total Number of Spaces = ~29,500

Type of Space in BC

- Independent Living Spaces: 56%
- Non-Market Spaces: 19%
- Heavy Care Spaces*: 25%
- Independent Living Spaces: 56%

Vacancy Rate = 6.8%

Vacancy Rate = 1.5%
Average Rent = $5,999

Vacancy Rate = 10.9%
Average Rent = $2,811

*There are more than 21,000 heavy care units in residences which offer care to 100% of units (such as nursing homes, long term care homes, extended/multi-level care homes.

Source: CMHC Seniors’ Housing Survey 2014
Heavy Care
### Seniors with Disability

<table>
<thead>
<tr>
<th>Age Group</th>
<th>% with any activity limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC (15+)</td>
<td>15%</td>
</tr>
<tr>
<td>65 - 74</td>
<td><strong>27%</strong></td>
</tr>
<tr>
<td>75+</td>
<td><strong>44%</strong></td>
</tr>
</tbody>
</table>

Source: CMHC, adapted from Statistics Canada
Average Rent for Heavy Care Units

- B.C. Overall: $5,999
- Lower Mainland: $6,075
- Vancouver Island/Coast: $6,153
- Thompson/Okanagan: $5,464

Source: CMHC Seniors' Housing Survey 2014
BC Rents Move Higher

Total Average Rent – All Bedroom types
BC – Heavy Care Spaces

Source: CMHC
Demand for Heavy Care Space Remains Strong

Vacancy Rate (%)

Heavy Care

<table>
<thead>
<tr>
<th>Area</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Mainland</td>
<td>2.3</td>
<td>0.8</td>
</tr>
<tr>
<td>Vancouver Island / Okanagan</td>
<td>1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Thompson / Shuswap</td>
<td>2.3</td>
<td>3.5</td>
</tr>
<tr>
<td>Other BC</td>
<td>2</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Source: CMHC Seniors' Housing Survey 2013, 2014
Independent Living Space
Supply in BC is Growing

Universe of Independent Living Spaces

Source: CMHC Seniors’ Housing Survey 2009 - 2014
Universe of Independent Living Units
British Columbia - 2014

65% One Bedroom Units
21% Bachelor
14% Two Bed.

Source: CMHC. Note: One bedroom plus den units are included in one the bedroom category.
Average Rent Levels in British Columbia

Average Rent ($)

- Bachelor: $2,020
- 1 Bed: $2,876
- 2 Bed: $3,726

Source: CMHC Seniors Housing Survey, 2014
Lower Mainland Rents Highest

Average Rent for Independent Living Units

- Lower Mainland: $3,051
- Vancouver Island/Coast: $2,964
- Thompson/Okanagan: $2,348
- Other BC: $2,131

Source: CMHC Seniors' Housing Survey 2014
Lower Mainland Vacancy Rates Highest in BC

Vacancy Rate (%) - Independent Living Units

- Lower Mainland: 12.1 in 2013, 12 in 2014
- Vancouver Island / Central Coast: 10.1 in 2013, 9.4 in 2014
- Okanagan / Thompson / Shuswap: 12.4 in 2013, 11.4 in 2014
- Other BC: 8 in 2013, 6.1 in 2014

Source: CMHC Seniors’ Housing Survey 2013, 2014
BC Rents Move Higher

Total Average Rent – All Bedroom types
Lower Mainland and BC – Independent Living Spaces

Source: CMHC
Rents and Vacancy Rate in Lower Mainland
Highest Rent in Vancouver Coastal

North Shore $4,863
Vancouver $3,987
Richmond $2,968
Surrey/Delta $2,839
S Surrey/W Rock $3,390
Burnaby $2,328
Tri Cities $2,260

Maple Ridge Pitt Meadows $2,551
Langley $2,815
Lower Mainland $3,051

Abbotsford-Mission $2,448
Chilliwack/Hope/Agassiz $2,241

Source: CMHC October 2014 Senior Housing Survey
Double-Digit Vacancy Rates in Most Areas

Source: CMHC October 2014 Senior Housing Survey
What about Canada?
Capture Rate =

Percent of Seniors 75+
Living in the Survey Universe*

* Includes standard and non-standard units

Source: CMHC Seniors’ Housing Survey 2014
BC Rents Relatively High

Source: CMHC Seniors' Housing Survey 2014
BC Vacancy Rate Relatively High

Source: CMHC Seniors’ Housing Survey 2014
Seniors are a large and growing population.

Aging populations and economic and housing market conditions fuel demand for seniors housing.

Seniors housing will continue to evolve in response to changing needs and preferences.
Any Questions?
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Thank you!