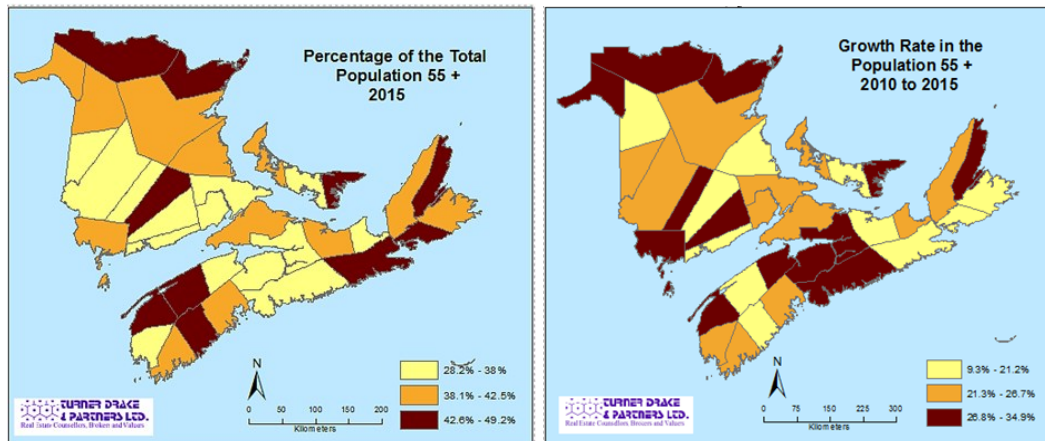


Subject: Where are all the Boomers moving?

Comments: The oldest of the baby boom generation reached retirement age in 2011. Statistics Canada projects that by 2036, *there will be twice as many seniors as there are today, representing about one quarter of the total population in Canada.* As people age, their housing demands are likely to change due to medical, financial and family circumstances. Seniors' housing options therefore require consideration of demographic trends, the local economy and the community's role in the regional housing market.

In the Maritime Region, the majority of seniors (aged 55+) live in Census Metropolitan areas (CMAs) and Census Agglomeration (CA) areas, but seniors are overrepresented outside CMAs (see Map 1 below). The proportion of seniors relative to the total population in rural areas is higher than in CMAs/CAs. This is not surprising, given the propensity of new immigrants to locate in the CMAs and young people to migrate from rural communities to urban cores. However, the senior population (aged 55+) is projected to grow fastest in CMAs and CAs. Map 2 illustrates what the Maritime housing market will have to contend with demographically in the coming years.



Map 1 Credit: Turner Drake and Partners Ltd. Map 2 Credit: Turner Drake and Partners Ltd.

About 14.5% of households with maintainers aged 55 (+) in the Maritime Region relocated in the five years preceding the 2011 Census. 4.1% of such households chose intra-provincial migration with CMAs as their favoured destination, followed by CAs and others. The mobility rates of senior households are significantly lower than non-senior households (at 46%). Statistics also reveal that a large majority of seniors choose to age in their current communities.

Overall, the Maritime Provinces' senior population (aged 55+) is not only increasing but shifting towards urban cores. The assumption that baby boomers will continue to maintain their large family homes after retirement seems out of step with demographic reality. The Canadian Mortgage and Housing Corporation's study of housing trends sees continued demand for condominiums and smaller homes from an increasingly senior population who primarily live in or near urban areas in the Maritime Region.

According to new research conducted by CBRE Global Investors, the spotlight on rental apartment residents started to shine on the aging boomers in recent years. Downsizing and empty-nesting certainly contribute to such trend. In the Maritime Region, rental apartments accounted for one-third of all starts last year, compared to only 17% ten years ago. This number will continue to grow for the next couple of years.

Selling a house for many hundreds of thousands of dollars and then investing that money safely can make many boomers feel financially secure. The plus side for renting an apartment after selling a principal residence, is reduced property tax and lower maintenance costs. However, there is also a strong debate about whether renting an apartment after selling the family home, is the best financial option for baby boomers in the long run.

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