



SENIORS HOUSING OPERATING PERFORMANCE

CANADA

Powered by Cushman & Wakefield's
Seniors Housing Analytics Initiative

SEPTEMBER 2025

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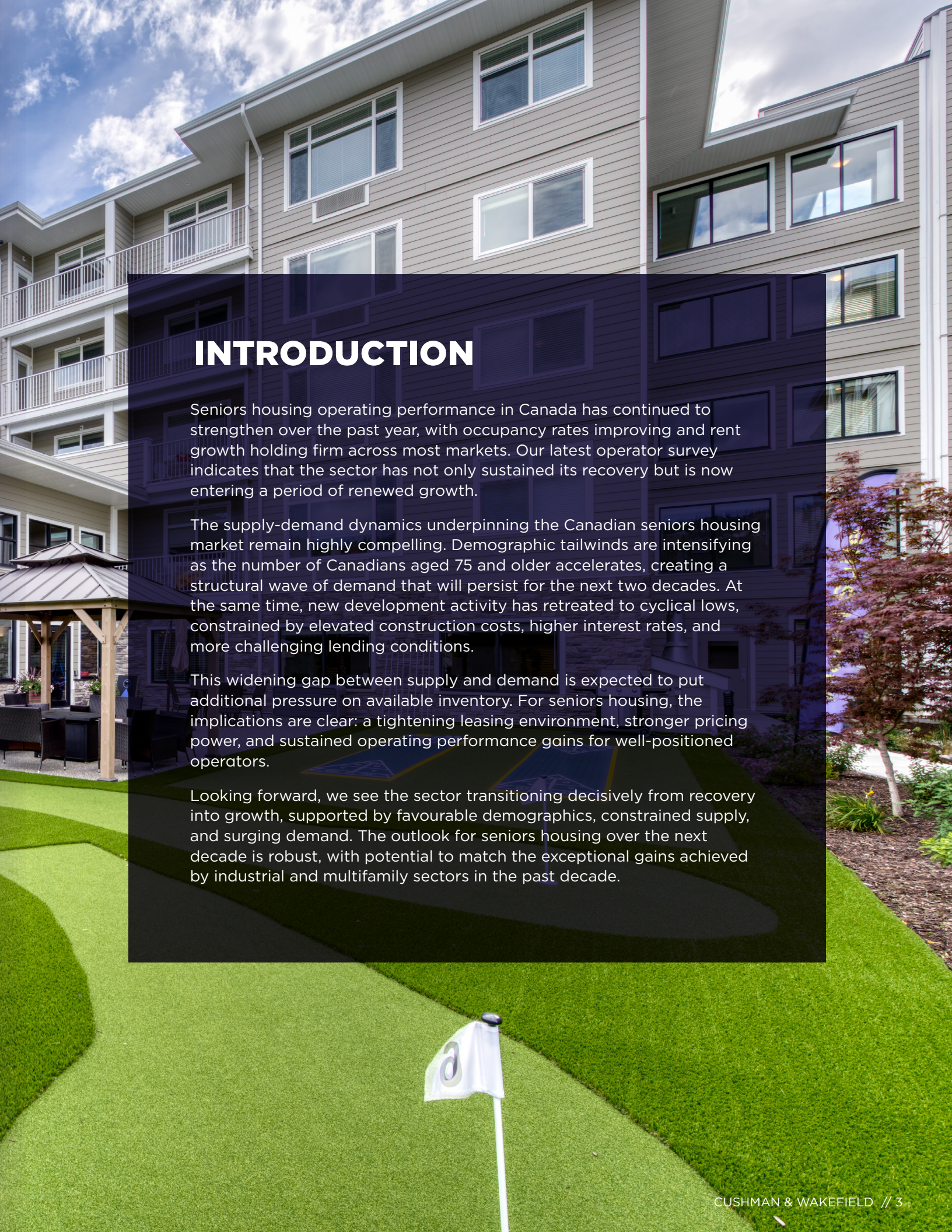
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ON THE COVER AND THROUGHOUT:

Regency Valleywood Retirement Resort.
Kelowna, British Columbia. Opened 2025.



INTRODUCTION

Seniors housing operating performance in Canada has continued to strengthen over the past year, with occupancy rates improving and rent growth holding firm across most markets. Our latest operator survey indicates that the sector has not only sustained its recovery but is now entering a period of renewed growth.

The supply-demand dynamics underpinning the Canadian seniors housing market remain highly compelling. Demographic tailwinds are intensifying as the number of Canadians aged 75 and older accelerates, creating a structural wave of demand that will persist for the next two decades. At the same time, new development activity has retreated to cyclical lows, constrained by elevated construction costs, higher interest rates, and more challenging lending conditions.

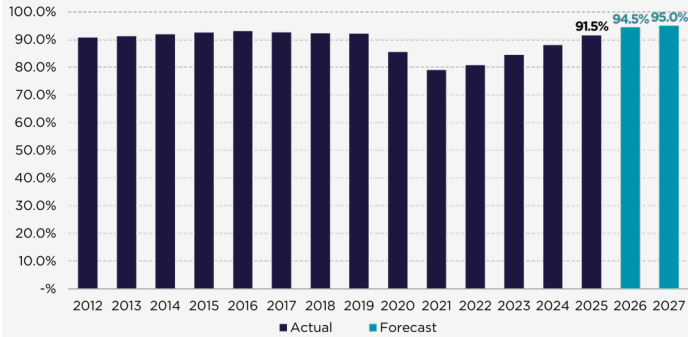
This widening gap between supply and demand is expected to put additional pressure on available inventory. For seniors housing, the implications are clear: a tightening leasing environment, stronger pricing power, and sustained operating performance gains for well-positioned operators.

Looking forward, we see the sector transitioning decisively from recovery into growth, supported by favourable demographics, constrained supply, and surging demand. The outlook for seniors housing over the next decade is robust, with potential to match the exceptional gains achieved by industrial and multifamily sectors in the past decade.

SECTOR SUMMARY

National seniors housing occupancy continues on a steady path of growth. By year end the market will have surpassed its pre-pandemic occupancy on a national basis

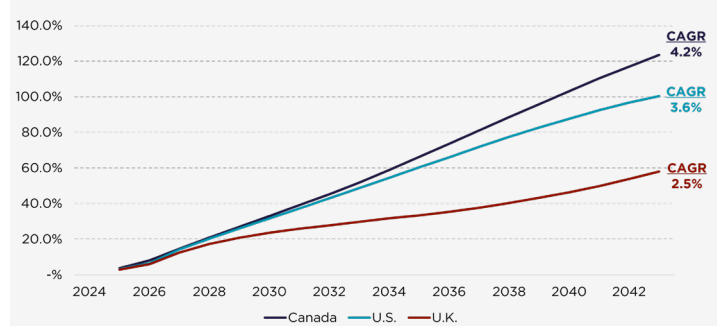
OCCUPANCY FORECAST



Source: Cushman & Wakefield ULC and CMHC Seniors Housing Report (Time period adjustment (t-1) for CMHC survey year data lag)

Demand for seniors housing is being driven by structural shifts in the age and composition of Canada's population

PROJECTED CUMULATIVE GROWTH IN POPULATION AGE 80+

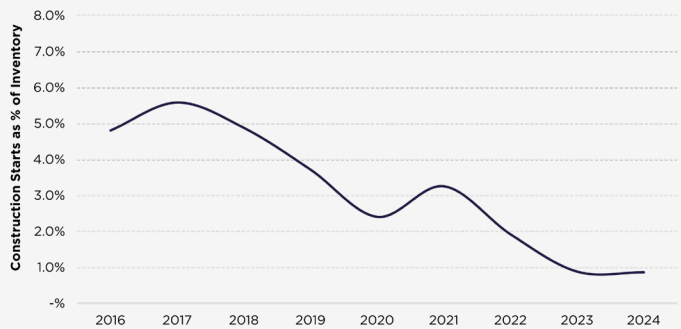


Source: Canada: StatsCAN, Table: 17-10-0057-01, Projection scenario M4: medium-growth 7, January 2025. U.S. Census Bureau: 2023 National Population Projections Datasets, November 2023. U.K. Office for National Statistics, 2021-based Interim National Population Projections, January 2024.

Inflation and higher interest rates have driven material increases in the cost to build new product, crowding out investment in development at a time when the increased supply is needed

CONSTRUCTION STARTS AS % OF INVENTORY (UNITS)

CANADA

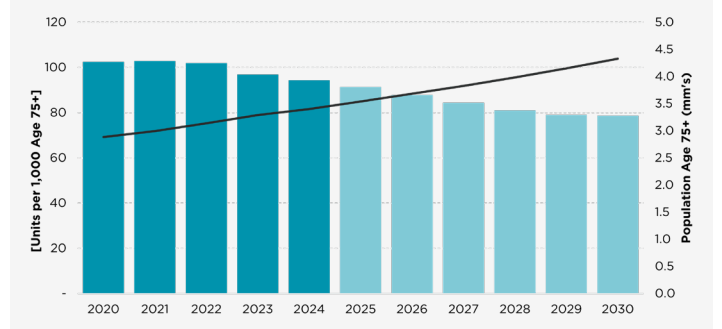


Source: Cushman & Wakefield ULC
Metric: Projects which commenced construction in the period (measured by units) as a percentage of the existing units of inventory (Sample based on C&W Construction Index)

The current rate of construction starts is not keeping pace with the rate of required replacement. It is unlikely that the rate of supply growth will keep pace with demand, leading to a tighter rental market

TOTAL SUPPLY FORECAST: UNITS PER 1,000 AGE 75+

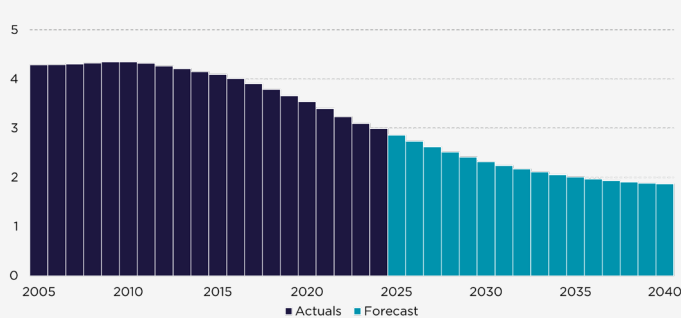
SENIORS HOUSING (IL/AL/MC)



Source: Cushman & Wakefield ULC

The declining ratio of available family caregivers per senior will make it more challenging to age at home, further bolstering the needs-driven demand for seniors housing

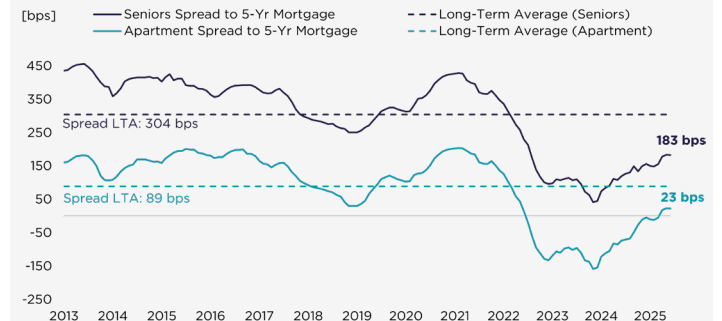
RATIO OF CAREGIVER POPULATION (AGE 45-64) TO ELDERLY POPULATION (AGE 75+)



Sources: Cushman & Wakefield ULC and StatsCAN

Investors' cost of capital is trending back to its historical mean as the cost of borrowing pulls back from the highest levels in over a decade

CAP RATE SPREADS TO CONVENTIONAL 5-YEAR MORTGAGE RATES



Sources: Bank of Canada and Cushman & Wakefield ULC
Quoted cap rates reflect simple average of 'VECTOM' markets

KEY THEMES FROM 2025 SURVEY

Occupancy Recovery in Line with Expectations

From a pre-pandemic national seniors housing occupancy level of approximately 92%, the sector experienced a sharp decline to ~78% by Q2 2021, driven largely by government-imposed leasing restrictions during the height of the pandemic. Since that trough, occupancies have steadily rebounded across most markets nationwide, and by year-end, national occupancy is expected to surpass its pre-pandemic benchmark.

Across the 17 markets we survey, occupancy rose by roughly 3.5 percentage points over the past year, reaching ~91.5% at Q2 2025. Positive net absorption has been recorded in 16 of 17 markets since 2021, with Durham holding steady at its 2021 level.

Markets Facing Lower Net Absorption

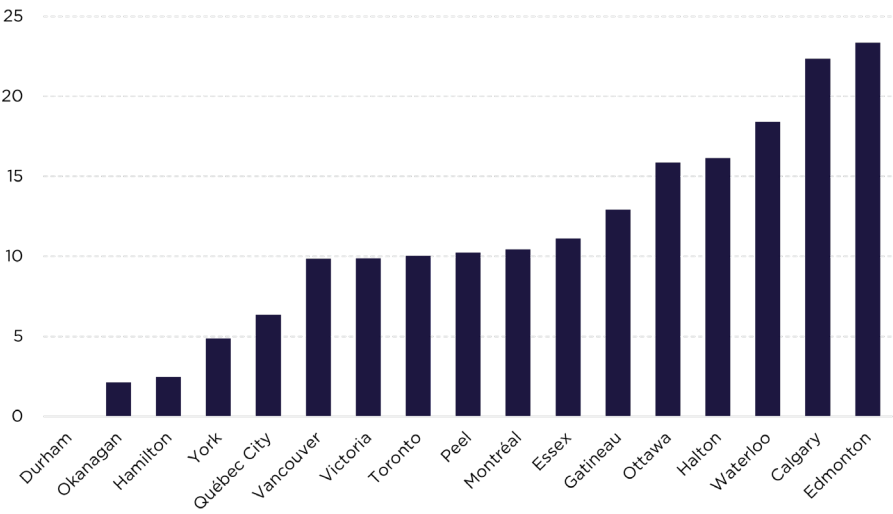
Although new seniors housing supply has been relatively limited nationwide in recent years, select markets have seen more pronounced levels of new entrants—Durham Region, Ontario being a notable example. Since the start of 2021, when national occupancy hit its pandemic low, Durham’s seniors housing inventory has expanded by more than 40% with the addition of eight residences totaling over 1,400 units. As a result, the region has faced the dual challenge of absorbing significant new supply alongside the 10 to 15 percentage point occupancy drag from COVID-19. Encouragingly, many communities in Durham are now performing well, with new developments steadily leasing up—pointing to a more positive outlook ahead.

While the Hamilton and Okanagan regions also have reported lower net absorption rates since 2021, we note overall occupancy in these markets troughed out at 85% and 88% respectively, so they did not have as much ground to make up relative to markets like Durham which dropped as low as 78% occupancy.

National Forecast

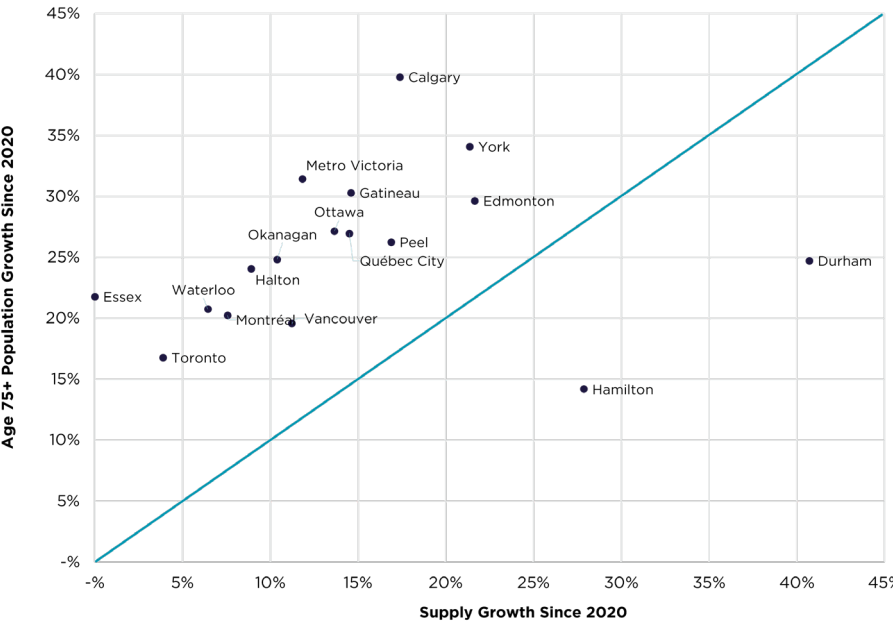
Overall, we project continued upward momentum, with national occupancy forecast to reach 95% by year-end 2026.

NET OCCUPANCY ABSORPTION SINCE 2021 (PERCENTAGE POINTS)



Source: Cushman & Wakefield ULC

SENIORS HOUSING SUPPLY GROWTH VS. AGE 75+ POPULATION GROWTH SINCE 2020



Source: Cushman & Wakefield ULC

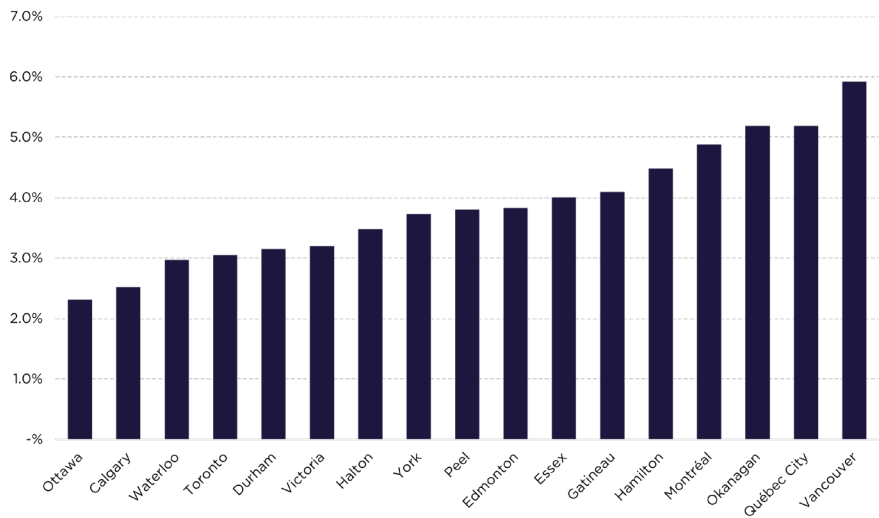
KEY THEMES FROM 2025 SURVEY

Rent Growth Continues to Outpace Historical Norms in Most Markets

Favourable supply-and-demand dynamics in the seniors housing sector have translated into sustained gains in both occupancy and rental performance. Nationally, average rents rose in the range of 3% to 6% year-over-year in 2025, reinforcing the strength of the recovery.

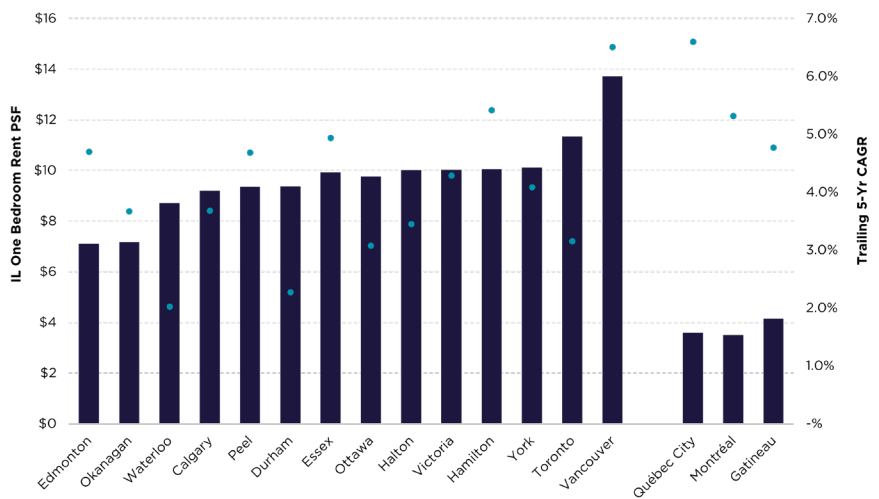
Looking ahead, we anticipate that above-trend rent growth will emerge as a defining feature of the asset class, supported by declining vacancy rates and a structural imbalance between the stagnant rate of new supply growth and the growing demand base—echoing patterns seen across the broader Canadian housing market.

AVERAGE RENT GROWTH (TRAILING 5-YEAR CAGR)



Source: Cushman & Wakefield ULC

IL ONE BEDROOM RENT PER SQUARE FOOT (PSF)



Source: Cushman & Wakefield ULC



AVAILABILITY OF CARE SECTOR RELATED WORKERS

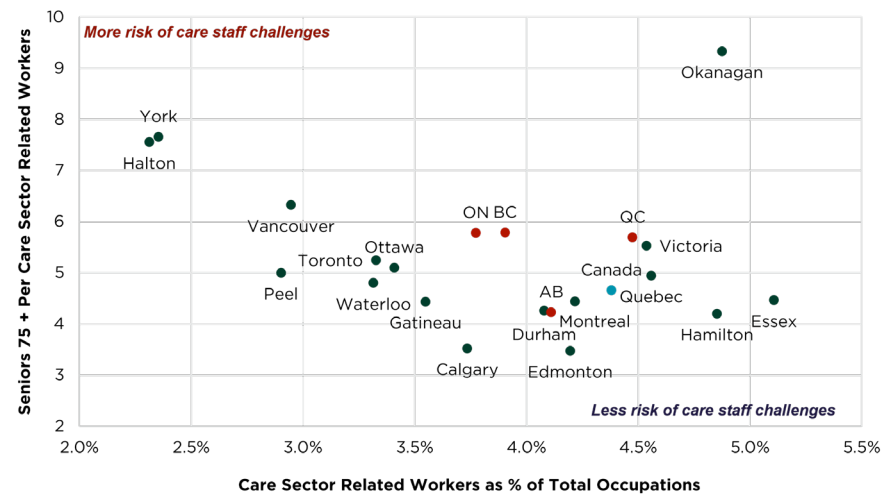
Occupancy Recovery in Line with Expectations

As Canada’s healthcare system continues to face mounting strain, the rapidly expanding population of older seniors is intensifying demand for services. This surge is amplifying existing workforce challenges, particularly in recruiting and retaining highly trained care and support staff. Seniors housing and healthcare operators across the country continue to report recruitment and retention as an ongoing focus. While professional seniors housing operators are actively developing programs to mitigate this risk, it continues to present a challenge that is expected to persist in the coming years.

To determine where the labour scarcity risk for care sector related workers is greatest, we have grouped the following occupations identified within Canada’s census data under the term “Care Sector Related Workers”, including nurses, licensed practical nurses, nurse practitioners, nurse aides and a full range of allied health professionals who work across the healthcare sector. To be clear, the available census data does not differentiate between workers who are employed in seniors housing vs. other healthcare settings including hospitals and residential care homes. Therefore, the available Care Sector Related Worker labour pool identified may be qualified to work in a seniors housing setting but may choose employment with a non-seniors related employer. We acknowledge the analysis is not perfect, but it is intended to highlight broader macro themes and enable comparisons between markets. *Cushman & Wakefield market feasibility studies now include an analysis on the reported availability of Care Sector Related Workers within the designated market area relative to provincial and national comparatives.*

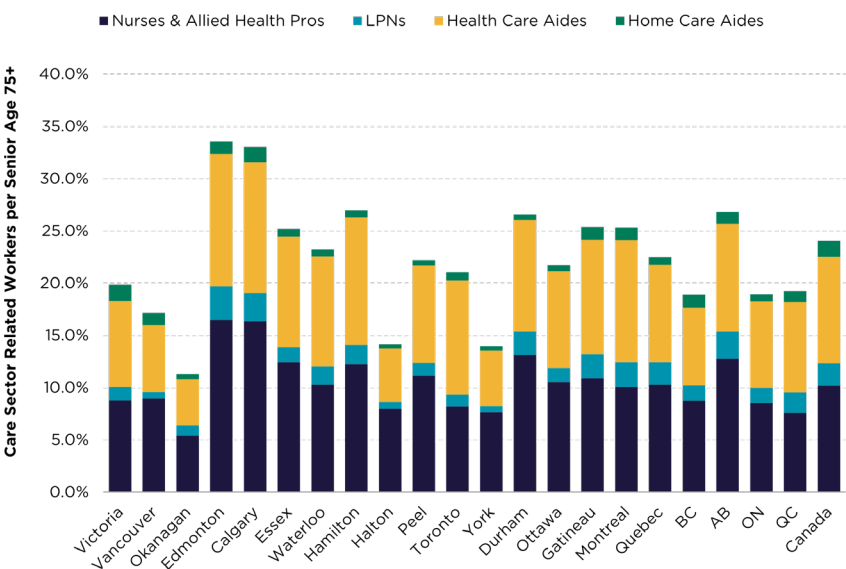
The above analysis reveals that York Region and Halton Region exhibit the highest ratios of seniors age 75+ to Care Sector Related Workers, coupled with the lowest proportion of these workers within the overall labour force. This dual pressure of elevated demand from seniors and limited care related workers indicates a potential heightened risk of care staffing challenges in these areas. In contrast, regions such as Calgary, Edmonton, and Hamilton demonstrate potentially more favourable conditions.

INCIDENCE OF CARE SECTOR RELATED WORKERS PER SENIOR AND AS A % OF TOTAL OCCUPATIONS



Sources: Cushman & Wakefield ULC, Environics Analytics and Statistics Canada

CARE SECTOR RELATED WORKERS PER SENIOR AGE 75+



Sources: Cushman & Wakefield ULC, Environics Analytics and Statistics Canada

Addressing the Challenge and Mitigating Risk

Professional seniors housing operators are effectively mitigating labour risk through a broad set of strategies: building talent pipelines via campus recruitment and partnerships, tapping foreign-trained workers, and streamlining onboarding to speed integration. Retention is strengthened by fostering culture, engagement, recognition, and competitive compensation, while technology improves efficiency and allows staff to focus on care. Together, these initiatives are creating a more resilient workforce to meet the sector’s growing demand.

ANALOGY TO INDUSTRIAL REAL ESTATE RECENT MARKET RALLY

While the industrial and apartment sectors have recently experienced slowing rent growth, for the past decade these have been two of the most sought-after asset classes by commercial real estate investors. Both sectors have touted strong rent growth underpinned by growing user demand (industrial: facilitating commerce generated by online retail; apartments: high immigration) against a backdrop of limited supply growth.

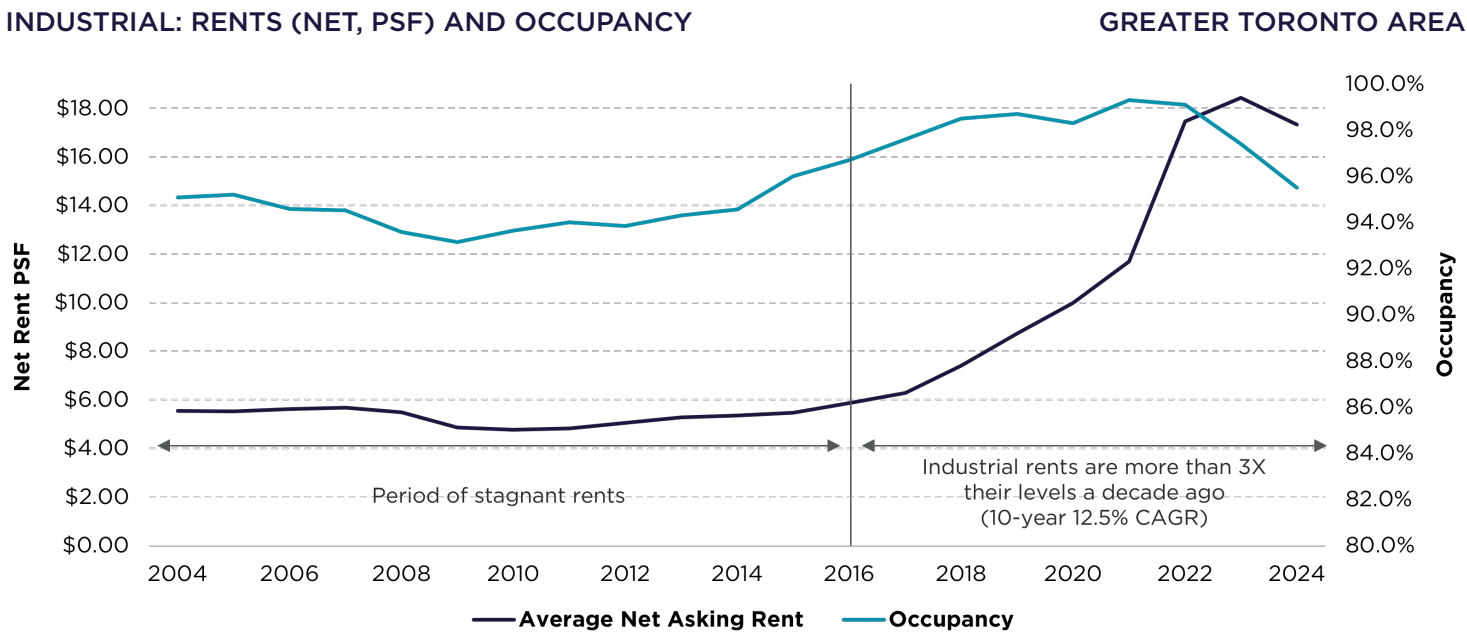
We are increasingly drawing comparisons between the current set of favourable seniors housing market dynamics to the outlook for the industrial real estate sector circa 2016/17.

Prior to 2016, net asking rents for industrial buildings in the Greater Toronto Area stagnated for well over a decade. Rates of user demand and new supply growth were both low and as a result, rents did not move much.

Post-2016, industrial rents took off, driven by the transformational “Amazon-effect” and increased user demand due to online retailing, which later accelerated post-2019 as these trends were magnified due to the pandemic.

Despite a pullback in industrial occupancy and rents since 2023 and more recently negative impacts on leasing velocity from tariff related concerns, the industrial sector has had a phenomenal run over the past decade, which was driven by exponential growth in user demand and a supply side that was initially slow to catch-up.

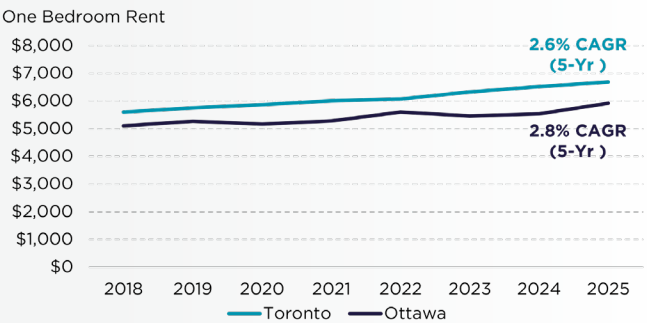
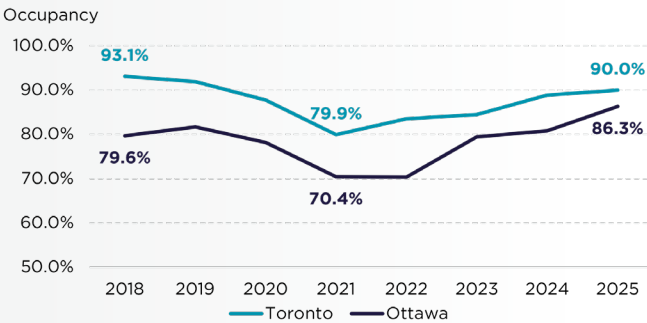
Sounds a lot like seniors housing today.



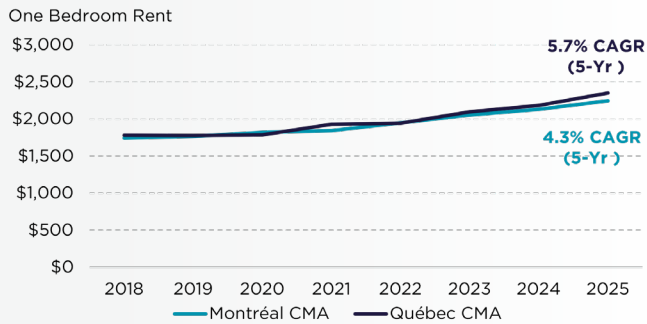
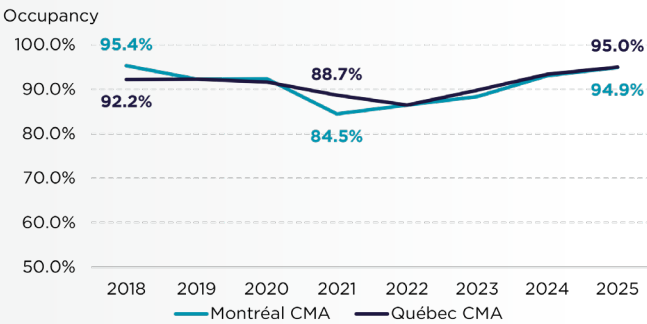
Source: Cushman & Wakefield ULC

PRIMARY MARKETS: OCCUPANCY AND RENT GROWTH

TORONTO / OTTAWA

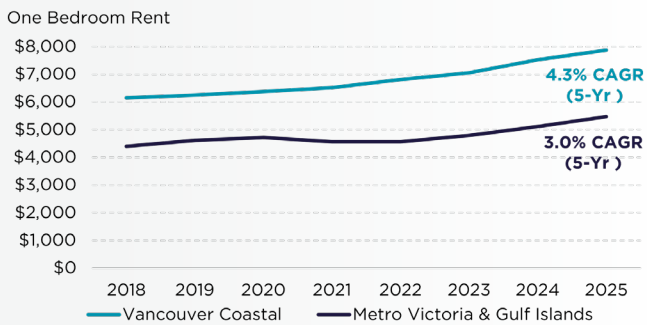
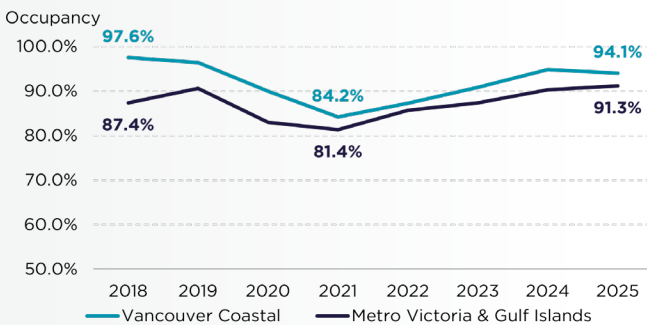


MONTRÉAL / QUÉBEC

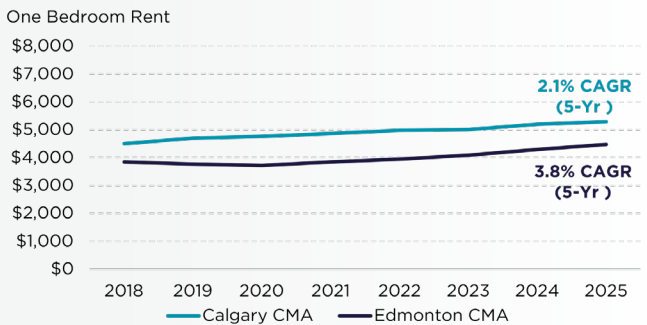
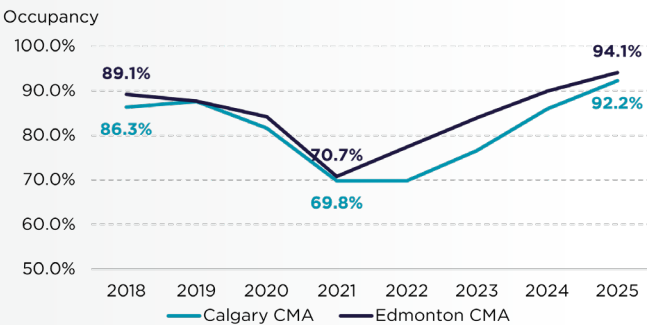


Note: Average rents reflect typical ISL service package (i.e., including daily meals and weekly housekeeping) except for reported Montréal and Québec rents, which exclude the services component

VANCOUVER / VICTORIA & GULF ISLANDS

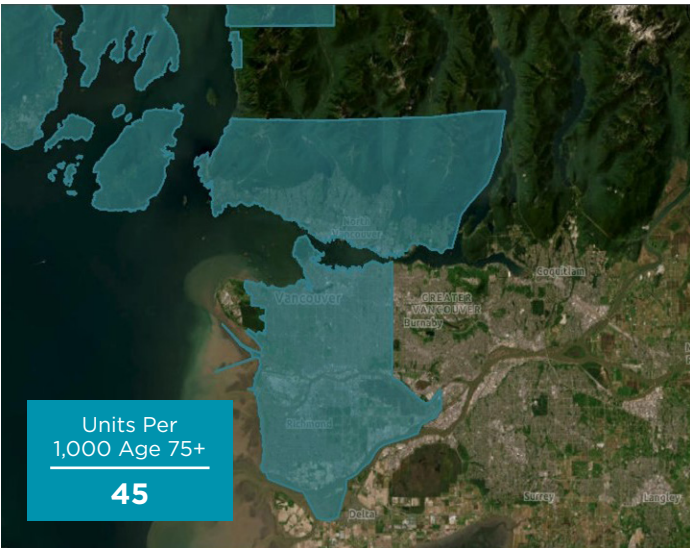
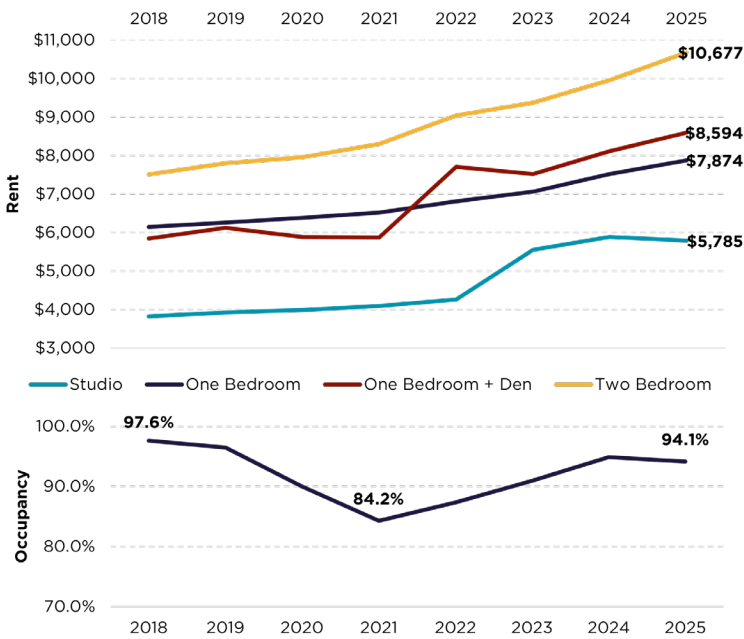


CALGARY / EDMONTON



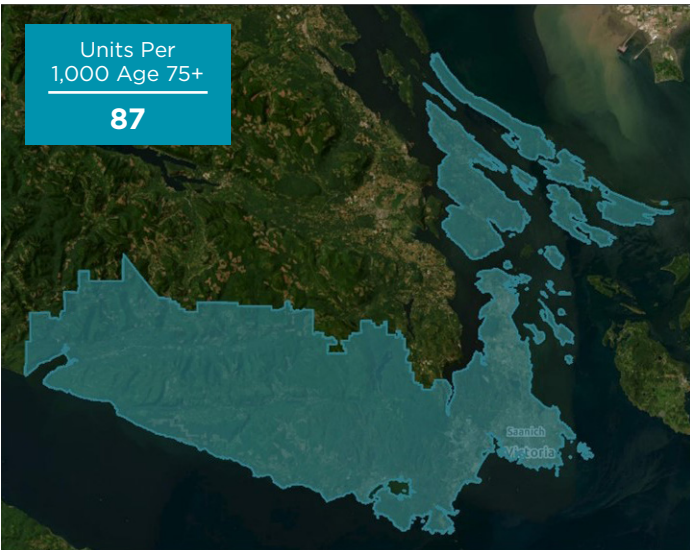
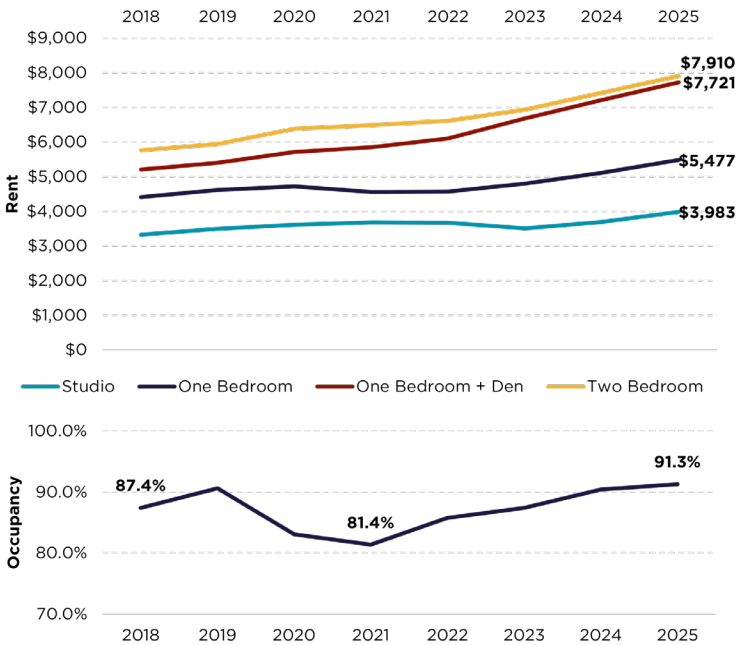
BRITISH COLUMBIA

VANCOUVER COASTAL



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Part of Vancouver CMA including Vancouver City, Richmond, North Vancouver, West Vancouver, Bowen Island, Lion's Bay, Sunshine Coast Region and Squamish-Lillooet Region

METRO VICTORIA & GULF ISLANDS

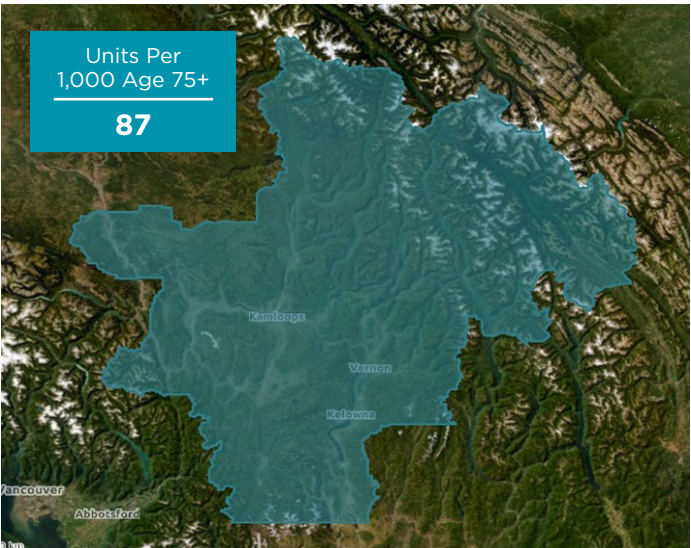
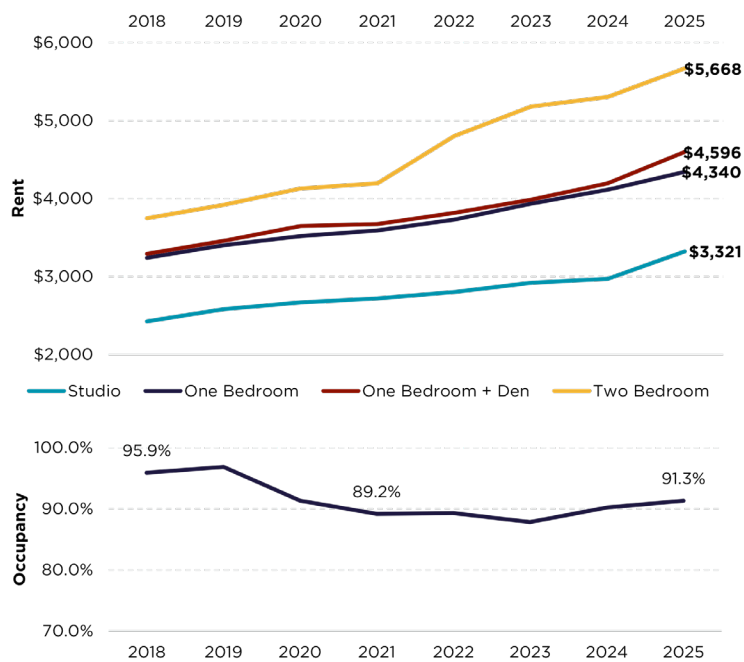


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Victoria CMA, Juan de Fuca and Southern Gulf Islands

Note: The figures stated above are subject to re-statement as we are in the process of adding additional participating properties and operators to the C&W Seniors Housing Analytics initiative

BRITISH COLUMBIA

OKANAGAN / THOMPSON / SHUSWAP



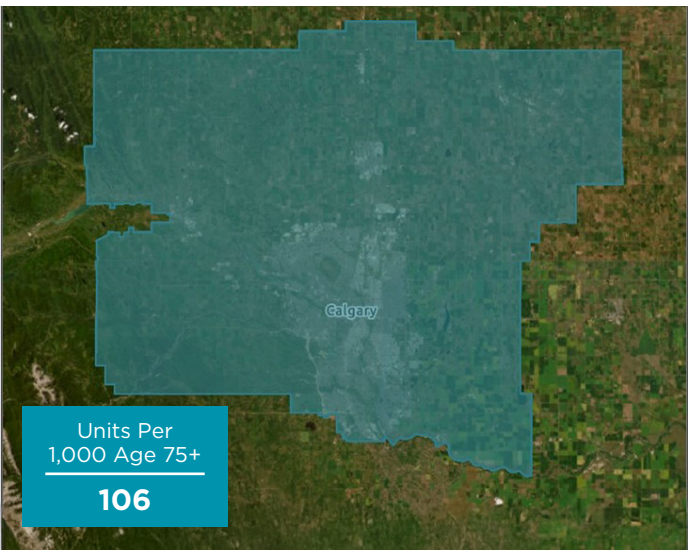
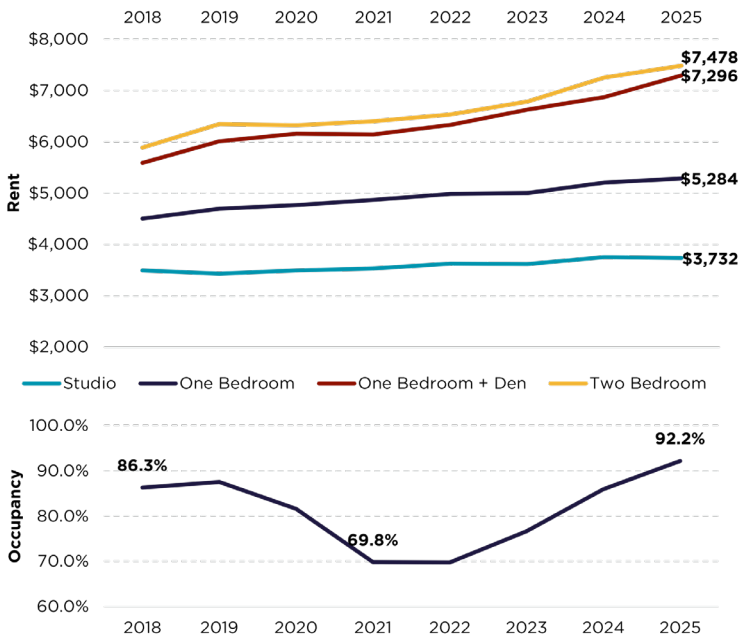
Census Areas/Census Metropolitan Areas within the Primary Geography includes: Kelowna CMA, Vernon, Penticton, Salmon Arm and surrounding Regional Districts of North Okanagan, Central Okanagan, Okanagan-Similkameen, Columbia-Shuswap and Thompson-Nicola

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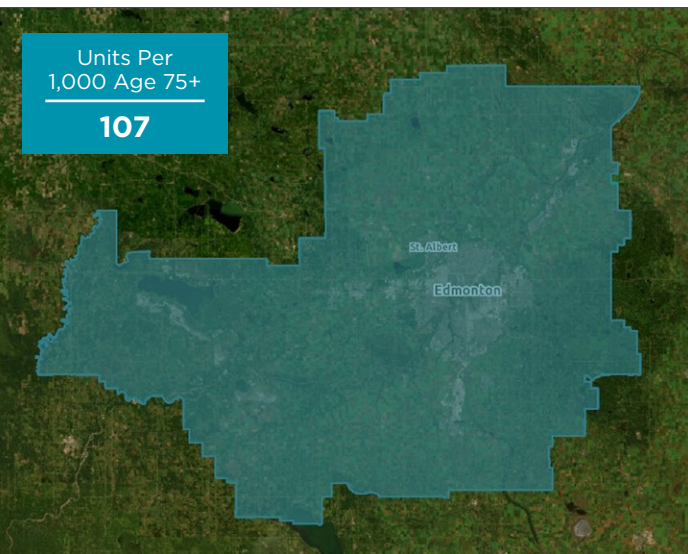
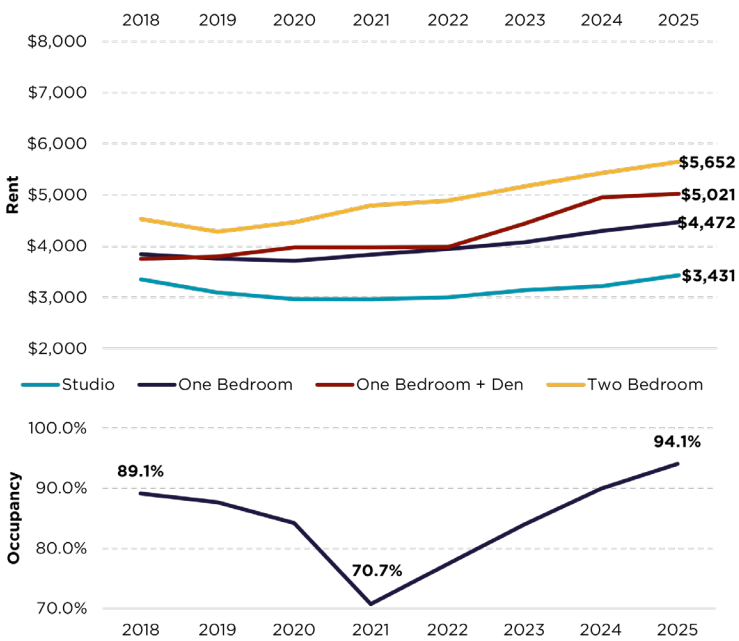
ALBERTA

CALGARY CMA



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Calgary CMA

EDMONTON CMA

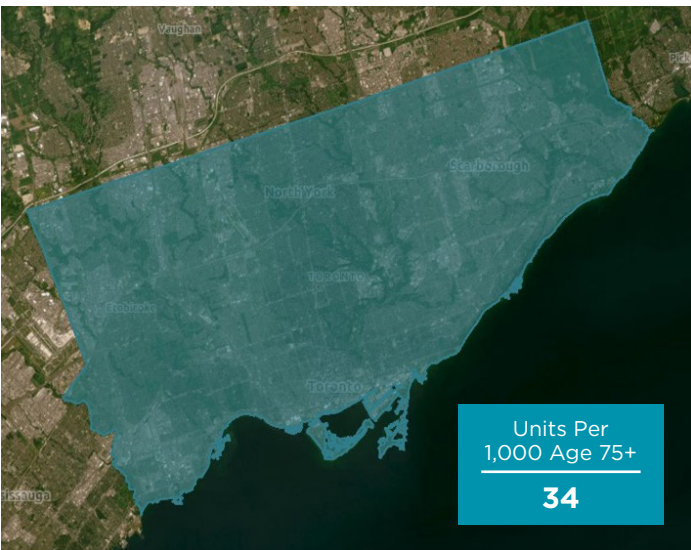
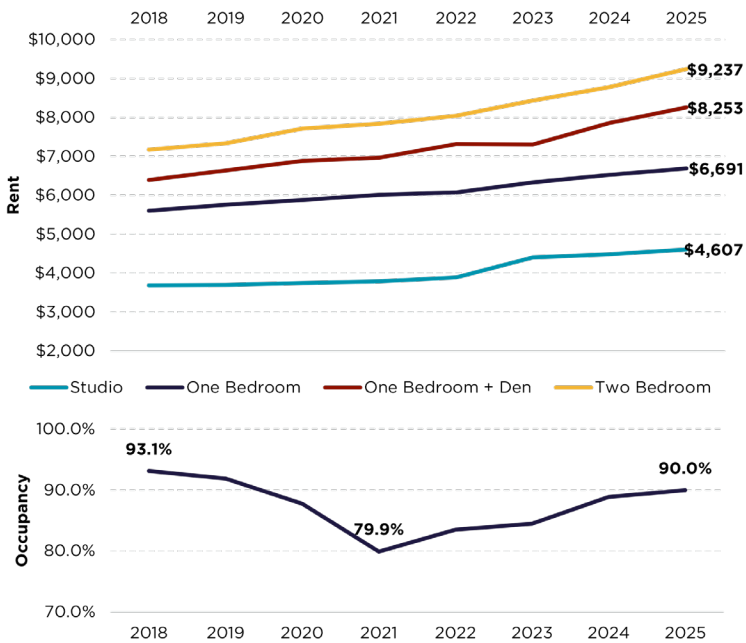


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Edmonton CMA

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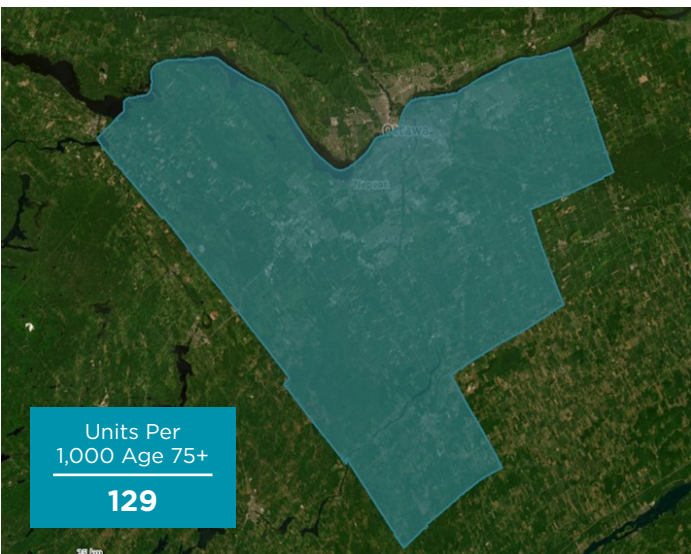
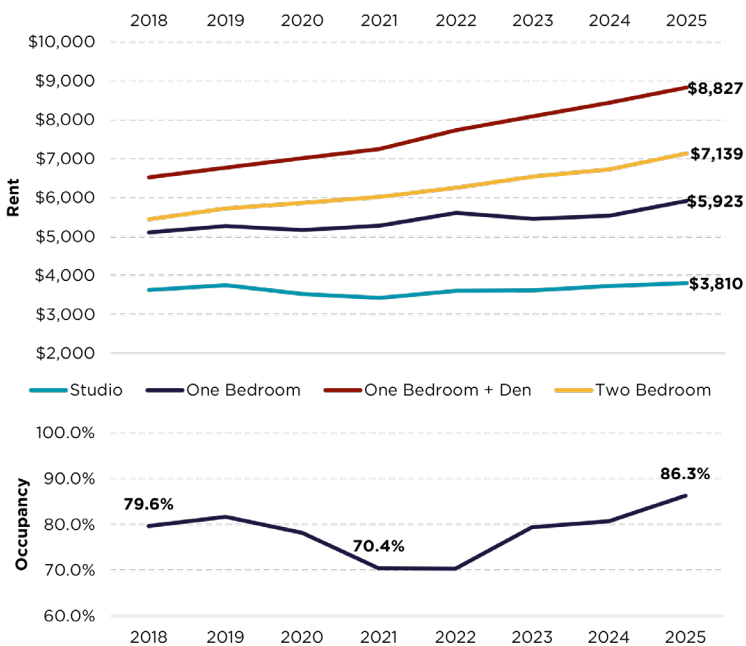
ONTARIO

TORONTO



Census Areas/Census Metropolitan Areas within the Primary Geography includes: City of Toronto, including Etobicoke, East York, North York, Scarborough and Old Toronto

OTTAWA

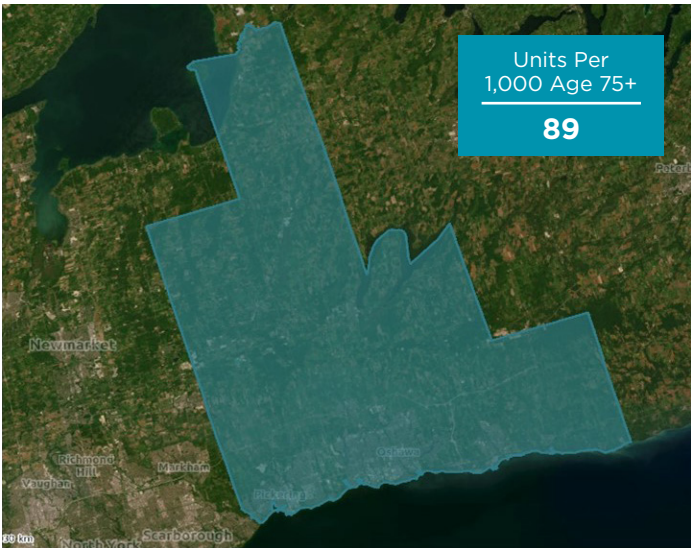
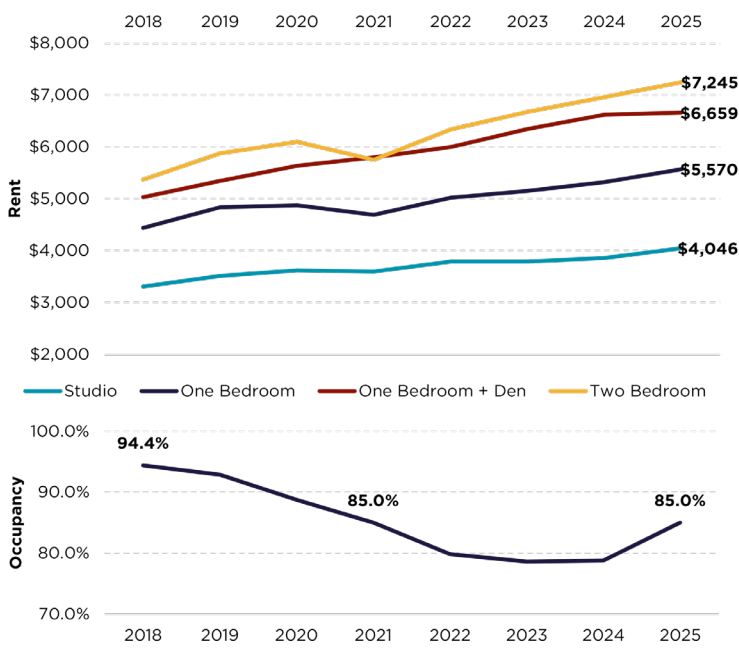


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Ottawa West, Ottawa Central and Ottawa East

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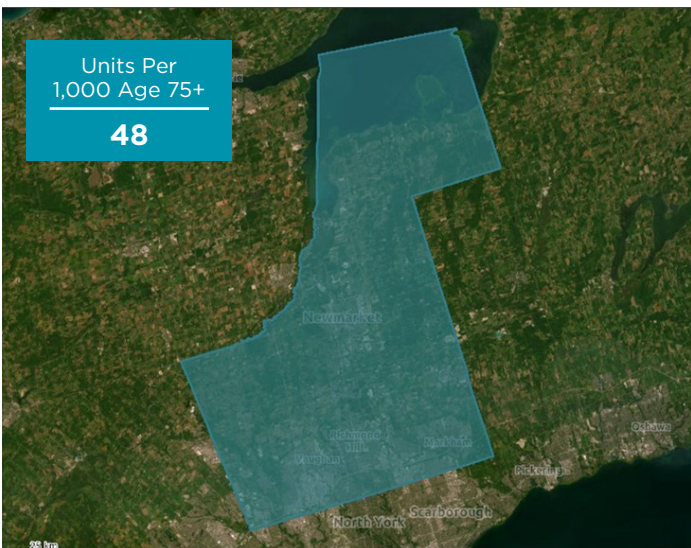
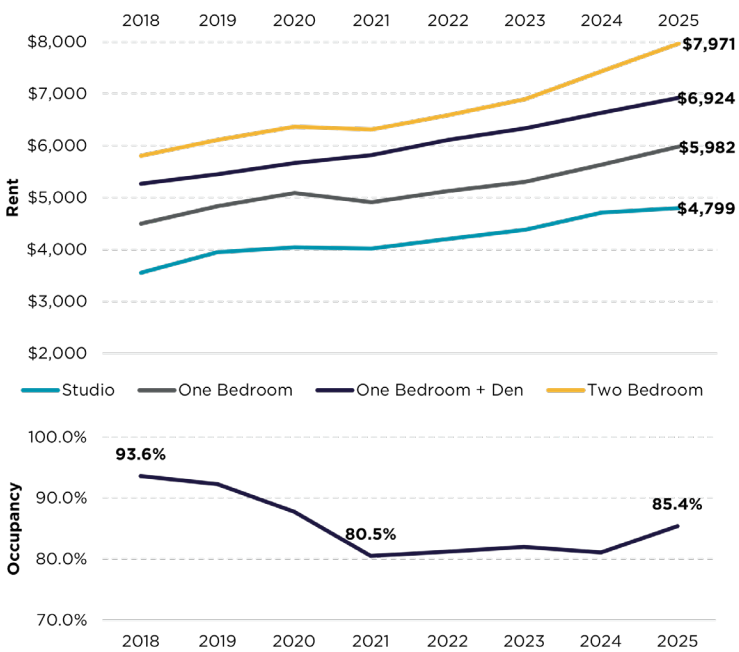
ONTARIO

DURHAM REGION



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Ajax, Brock, Clarington, Oshawa, Pickering, Scugog, Uxbridge, Whitby

YORK REGION

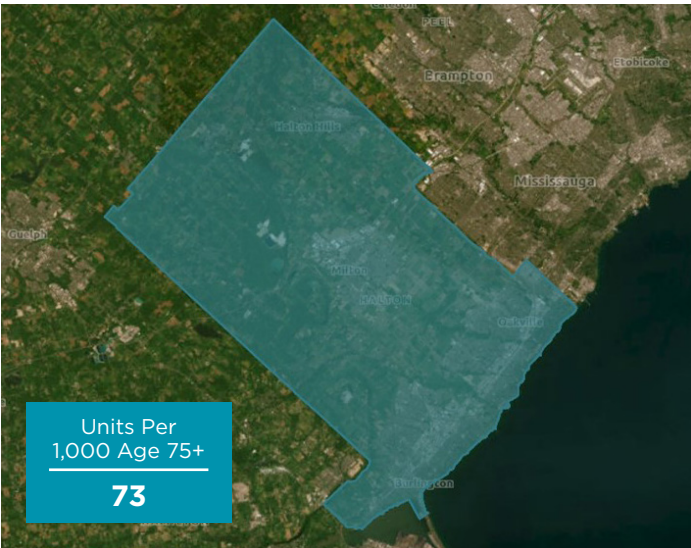
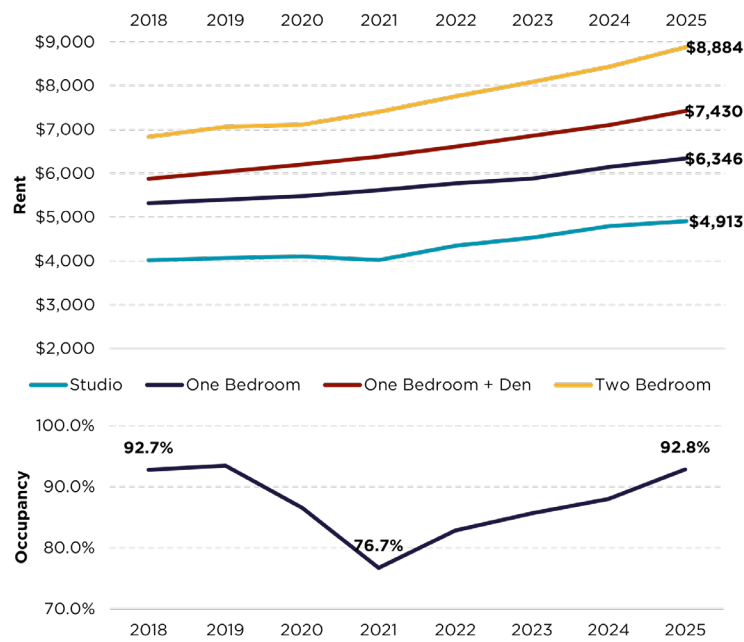


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Aurora, East Gwillimbury, Georgina, King, Markham, Newmarket, Richmond Hill, Vaughan and Whitchurch-Stouffville

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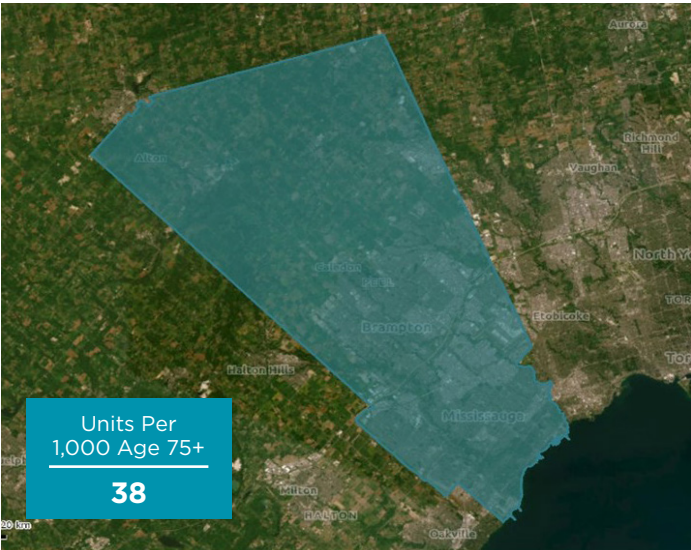
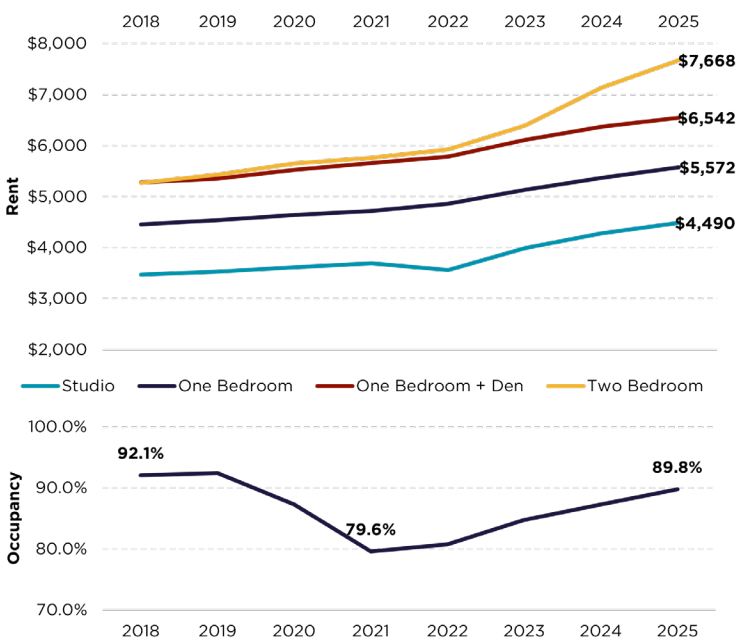
ONTARIO

HALTON REGION



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Burlington, Halton Hills, Milton and Oakville

PEEL REGION

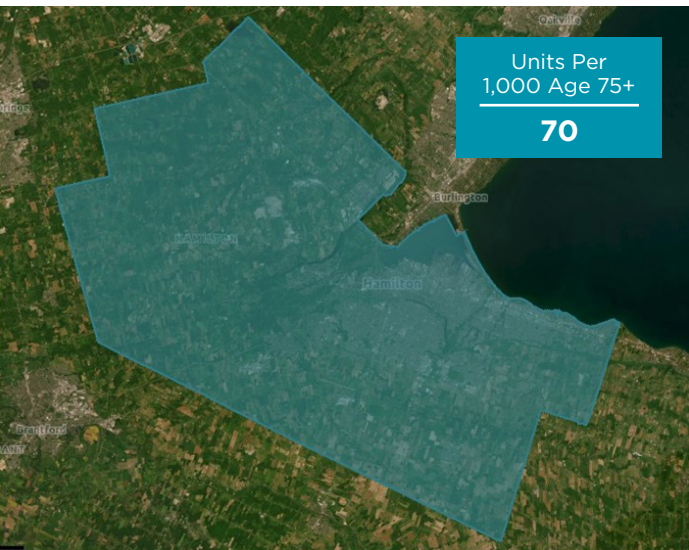
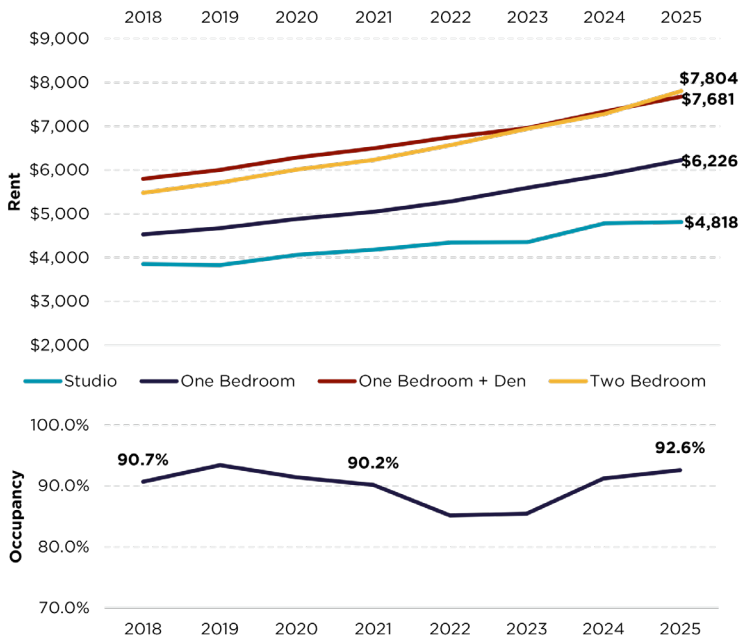


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Brampton, Caledon and Mississauga

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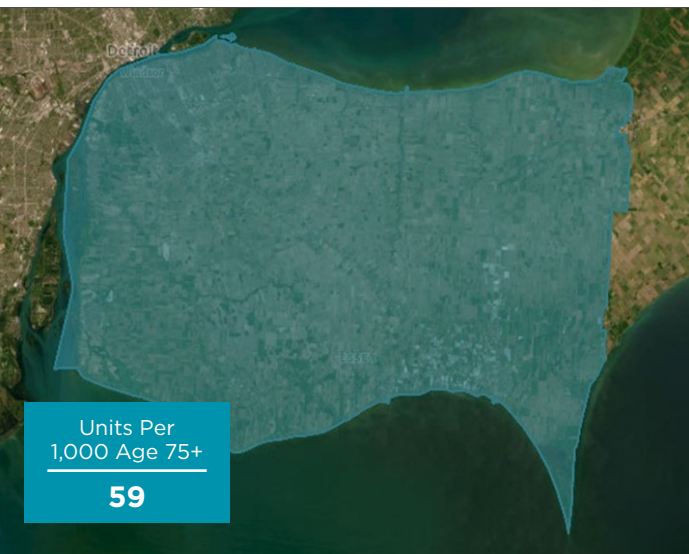
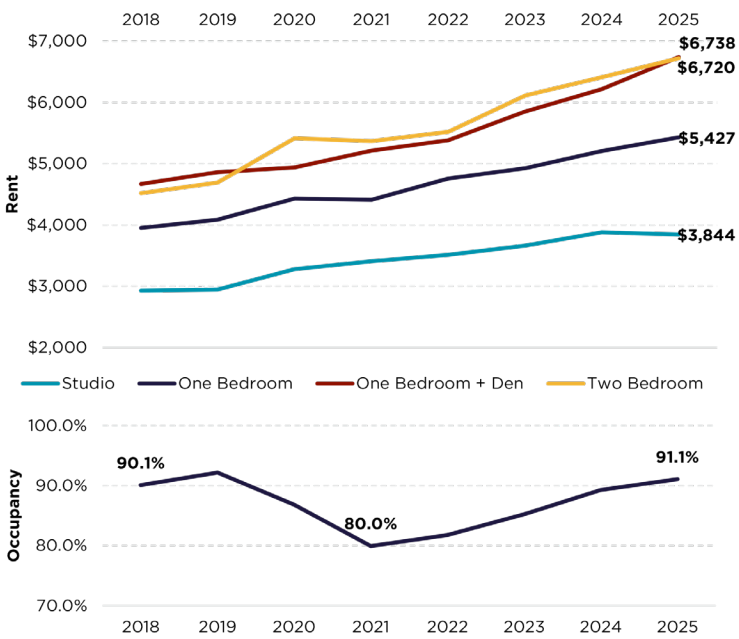
ONTARIO

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Ancaster, Dundas, Flamborough, Glanbrook, Hamilton and Stoney Creek

ESSEX COUNTY

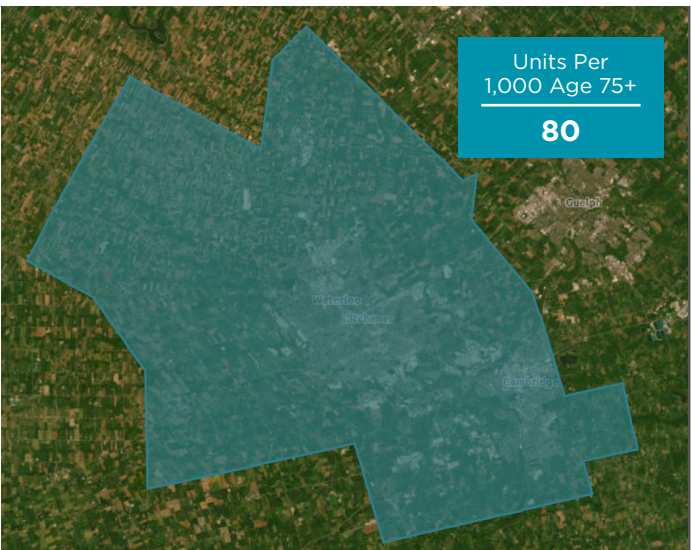
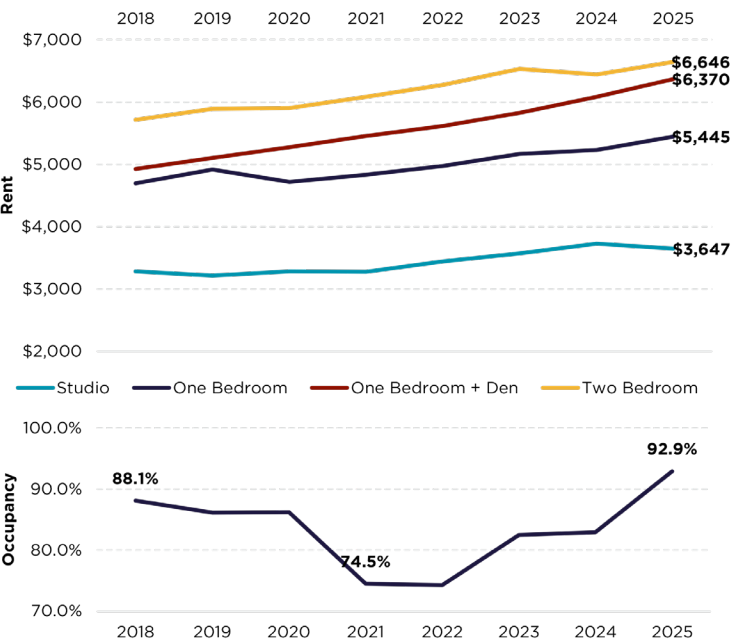


Census Areas/Census Metropolitan Areas within the Primary Geography includes: Windsor CMA, Leamington CMA and Essex

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ONTARIO

REGION OF WATERLOO



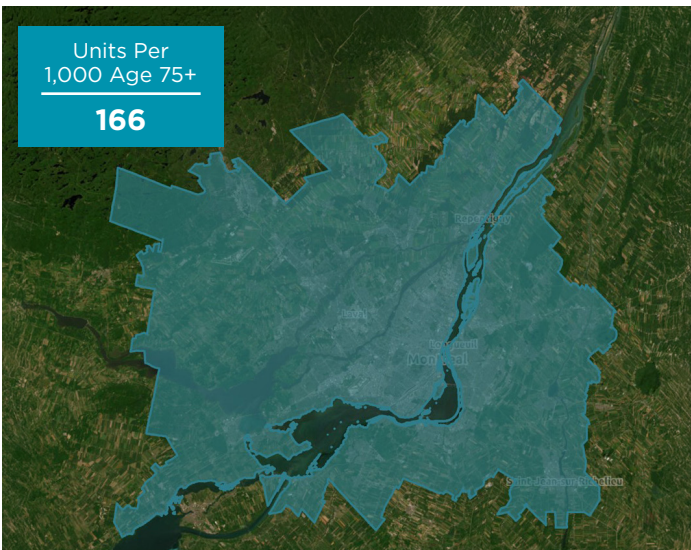
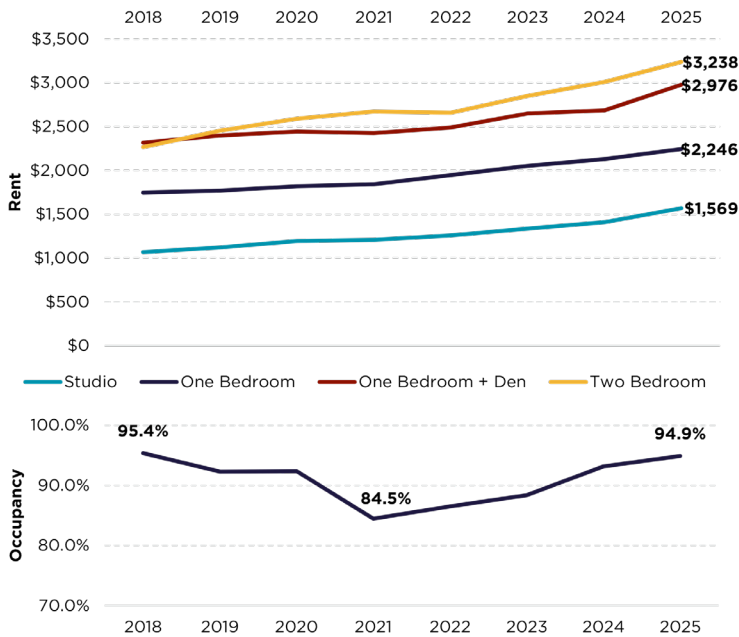
Census Areas/Census Metropolitan Areas within the Primary Geography includes: Cambridge, Kitchener, North Dumfries, Waterloo, Wellesley, Wilmot and Woolwich

Note: The figures stated above are subject to re-statement as we are in the process of adding additional participating properties and operators to the C&W Seniors Housing Analytics initiative



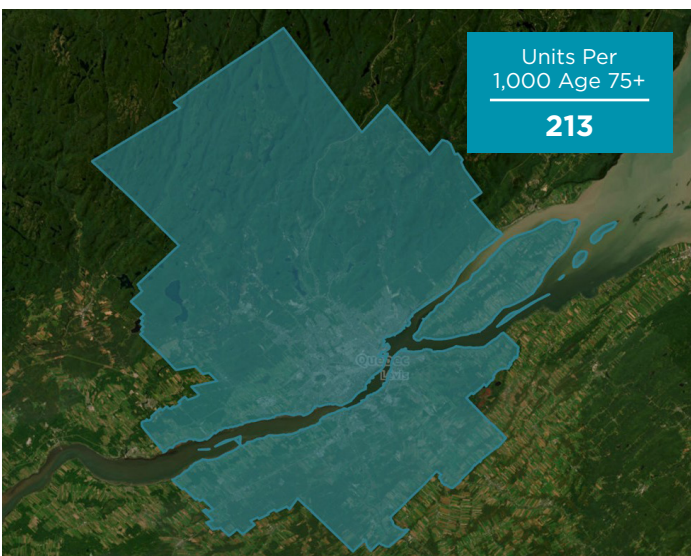
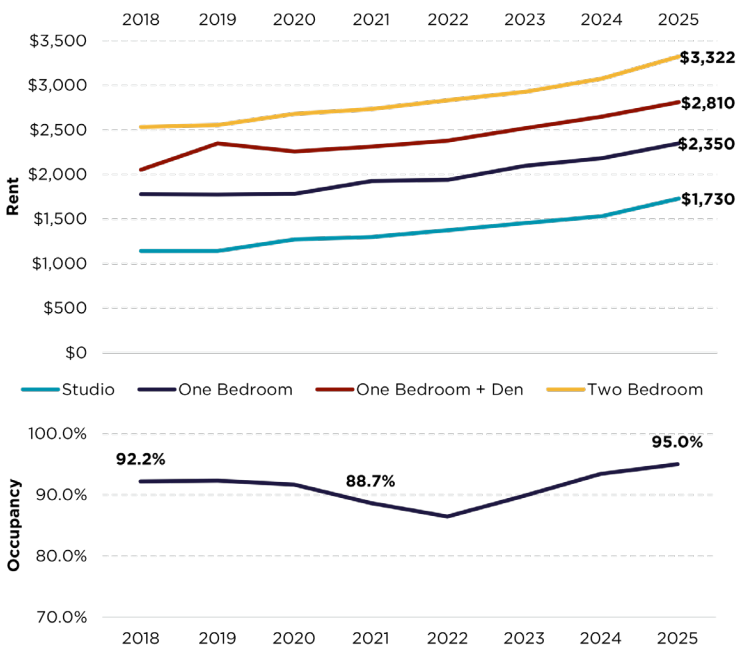
QUÉBEC

MONTREAL CMA



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Montréal CMA

QUÉBEC CMA



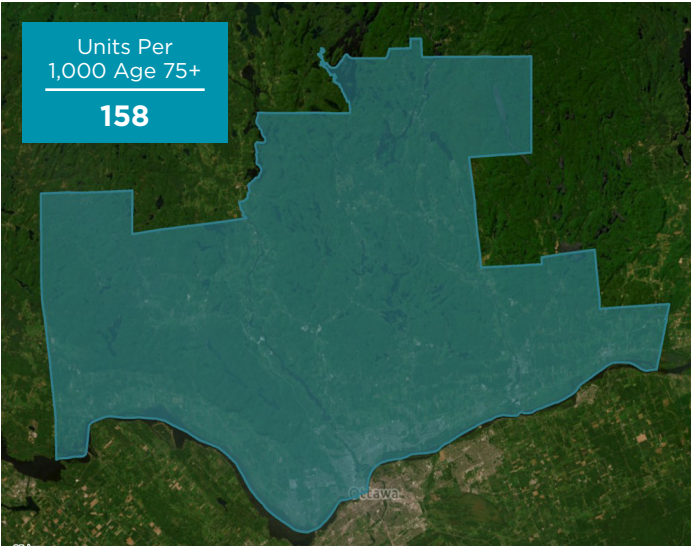
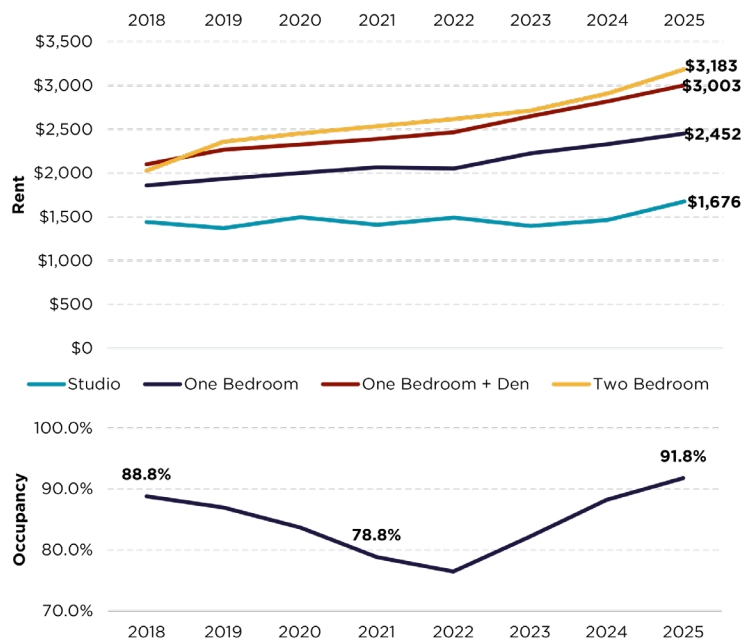
Census Areas/Census Metropolitan Areas within the Primary Geography includes: Québec CMA

Note: Average rents reflect typical ISL service package (i.e., including daily meals and weekly housekeeping) except for reported Montréal, Québec and Gatineau rents, which exclude the services component

Note: The figures stated above are subject to re-statement as we are in the process of adding additional participating properties and operators to the C&W Seniors Housing Analytics initiative

QUÉBEC

GATINEAU CMA



Census Areas/Census Metropolitan Areas within the Primary Geography includes: Gatineau CMA

Note: Average rents reflect typical ISL service package (i.e., including daily meals and weekly housekeeping) except for reported Montréal, Québec and Gatineau rents, which exclude the services component

Note: The figures stated above are subject to re-statement as we are in the process of adding additional participating properties and operators to the C&W Seniors Housing Analytics initiative



SENIORS HOUSING ANALYTICS INITIATIVE & METHODOLOGY

Our team at Cushman & Wakefield is proud to continue to lead and support **Seniors Housing Analytics**, a collaborative industry initiative with the objective to provide insight into key seniors housing operating metrics within the major metro markets in Canada. This initiative aims to bridge the gap left when the Canada Mortgage and Housing Corporation (“CMHC”) discontinued its annual seniors housing survey in 2022 – an important data point used by many stakeholders as an annual indicator of industry trends.

Through discussions with many of the largest operators and industry stakeholder groups including capital providers, lenders, capital markets advisors and provincial associations, our team confirmed there is a clear need for regularly published seniors housing market data.

Elevating the Profile of Seniors Housing

Cushman & Wakefield’s leadership role with the Seniors Housing Analytics initiative confirms our commitment to providing analytics and research that help elevate the Canadian seniors housing sector among the investment community.

This initiative involves an annual operator survey which generates a dataset we will continue to report on through a mid-year publication.

- To ensure the Seniors Housing Analytics initiative is sustainable, we have intentionally started small
 - » Our objective is to continue to generate meaningful and reliable analytics while minimizing the required data contribution from operators
- To address logistical challenges and operator fatigue related to providing data, we have focused on a pre-selected group of representative residences in each of Canada’s major markets
 - » Cross section of Class “A” and Class “B” properties
 - » Sample size varies, but we maintain a minimum number of residences per market to generate statistics that are representative of the broader market
 - » For consistency, we adopted the same market geographies and definitions as the prior CMHC survey
 - » Focus on Independent Living (“IL”) and Independent Supportive Living (“ISL”) care levels
 - » Rent roll-based metrics: Overall occupancy and monthly IL/ISL rents
 - » Reporting periodicity: Once a year, based on Q2 survey data
 - » Focus on the core markets of Victoria, Vancouver, Edmonton, Calgary, Toronto, Ottawa, Montréal and Québec City (the “Primary Markets”) and prominent secondary markets including Okanagan, Windsor, Hamilton, Kitchener/Waterloo, Halton, Peel, York, Durham and Gatineau (the “Secondary Markets”)

Excellent Participation Rate

With more than a 97% response from target participants, including a cross section of the industry’s leading operators, we have assembled a dataset that is representative of the distinct markets and regions within Canada. More than 50% of the total national supply of seniors housing units are located within the 17 markets we surveyed.

SENIORS HOUSING OPERATING PERFORMANCE

Powered by Cushman & Wakefield's
Seniors Housing Analytics Initiative

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Better never settles