

Are Intergenerational Homes Gaining in Popularity in Québec?

This study provides an overview of the 2013 intergenerational home market and provides a comparison with conventional single-family homes. The study also analyzes the evolution of sales in the province's different administrative regions and in its most active geographic areas, in addition to measuring price differences and selling times between these two types of properties.

The aging of the population is associated with various changes in terms of the caring of seniors and their lifestyle. Some Quebecers, in their desire to have their parents enjoy the best possible living conditions, are turning to intergenerational cohabitation. Given this context, has the demand for intergenerational housing increased in recent years, or is it still a relatively marginal housing choice?

What is an intergenerational home?

Centris® defines an intergenerational home as a single-family home that includes an additional dwelling that is used for cohabitation between parents and children. The Québec government defines an intergenerational home as a housing concept that enables a family to live with their aging parents in a single-family home that is composed of two independent dwellings of different sizes.

It is only since 1998 that the Act Respecting Land Use Planning and Development allows municipalities to issue permits to build intergenerational homes or to modify an existing home in order to add an intergenerational dwelling. Consequently, they are primarily located in the suburbs, in new residential areas. In addition, municipal regulations generally ensure that they retain the character of a single-family home so that they can effectively integrate into the neighbourhoods in which they are located. Intergenerational units most often consist of an addition to the side of the house, although they can also take the form of an added second storey, a converted basement, or an enlargement of the main floor. In most cases, the apartment is smaller than the main dwelling and has its own entrance¹. However, it is permitted to have only one civic address and one kitchen for both units. According to the **Association provinciale des constructeurs d'habitations du Québec** (APCHQ), an intergenerational residence does not differ from a single-family home within the meaning of Québec's Construction Code. As a result, a fire separation and sound transmission class rating are not required between the two dwellings, although they are recommended². Note, however, that laws and regulations vary depending on the municipality in which the intergenerational property is located.

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¹ CMHC, Intergenerational Homesharing and Secondary Suites in Québec Suburbs, April 2004.

² http://www.apchq.com/lanaudiere/fr/membres-services-techniques-communication-aux-entrepreneurs.html_residence-avec-logement-au-sous-sol-ou-maison-intergenerationnelle.html (in French)

Demographics: The Numbers

In the most recent Census of 2011, **Statistics Canada** reported that people aged 65 years and older represented 15.9 per cent of the Québec population. By comparison, this proportion was 14.3 per cent in 2006, a difference of 1.6 percentage points³. Furthermore, according to the **Institut de la statistique du Québec**, the median age in Québec was 41.4 years in 2011, compared to 40.5 years in 2006. According to their estimates, the proportion of individuals aged 65 years and older in Québec will reach 20.5 per cent in 2021, 25.2 per cent in 2031 and 28.5 per cent in 2061⁴.

Advantages of Homesharing Between Generations

The main advantage of intergenerational homes is to promote seniors' autonomy and maintenance. Cohabitation enhances their sense of security and reduces the costs associated with maintaining a property. In addition, according to the **Canada Mortgage and Housing Corporation** (CMHC), residential intensification and the preservation of the housing stock in the suburbs are also benefits associated with intergenerational homes.

The Québec government does not offer subsidy programs specifically for intergenerational properties. However, financial assistance to help with construction and renovation is available, and tax refunds may apply for the purchase, construction or renovation of a home, regardless of the property type. In addition, a refundable tax credit respecting the housing of a parent may be granted by Revenu Québec.

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The Market for Intergenerational Homes in 2013

For the year 2013, a total of 951 intergenerational home transactions were concluded through the real estate brokers' Centris® system. The Laurentides area registered the largest number of intergenerational home sales in 2013 with 271 transactions, followed by Montérégie with 203 transactions, and Lanaudière with 174 transactions. Table 1 shows the number of sales of intergenerational homes and conventional single-family homes by administrative region in 2013.

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³ <http://www12.statcan.gc.ca/census-recensement/2011/as-sa/fogs-spg/Facts-pr-eng.cfm?LANG=Eng&GK=PR&GC=24>

⁴ <http://www.stat.gouv.qc.ca/statistiques/population-demographie/perspectives/perspectives-2011-2061.pdf> (in French)

TABLE 1

Sales of Intergenerational Homes and Conventional Single-Family Homes in 2013

Administrative Regions	Intergenerational	Conventional Single-Family
Abitibi-Témiscamigue	2	742
Bas-Saint-Laurent	1	1,266
Capitale-Nationale	28	4,175
Centre-du-Québec	5	1,385
Chaudière-Appalaches	7	2,331
Côte-Nord	1	546
Estrie	20	2,055
Gaspésie/Îles-de-la-Madeleine	3	316
Lanaudière	174	4,962
Laurentides	271	6,009
Laval	83	2,732
Mauricie	4	1,451
Montérégie	203	11,732
Montréal	62	4,591
Nord-du-Québec	0	36
Outaouais	80	3,272
Saguenay/Lac-Saint-Jean	7	1,485
Province	951	49,086

Source: QFREB by the Centris® system

By geographic area, the municipality of Mirabel (41 transactions) registered the largest number of intergenerational home sales in 2013. The municipalities of Blainville and Gatineau tied for second place with 38 transactions, while Saint-Jérôme (34 transactions) followed closely in fourth position. Sales statistics for intergenerational homes and conventional single-family homes for the most active sectors in 2013 are presented in Table 2. The market share of intergenerational homes, meaning the number of intergenerational homes sold compared to the total number of single-family homes sold (conventional and intergenerational), remains relatively low, ranging from 1 per cent in the Administrative Regions of Montréal and Capitale-Nationale to 9 per cent in the municipality of Mirabel.

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TABLE 2

Sales of Intergenerational Homes and Conventional Single-Family Homes for the Most Active Areas in 2013

Most Active Areas	Intergenerational	Conventional Single-Family	Market Share of Intergenerational Homes (%)
Capitale-Nationale Region	28	4,175	1%
Laval Region	83	2,732	3%
Lanaudière Region	174	4,962	3%
La Plaine	29	320	8%
Mascouche	28	411	6%
Terrebonne	24	517	4%
Laurentides Region	271	6,009	4%
Blainville	38	524	7%
Mirabel	41	418	9%
Saint-Jérôme	34	591	5%
Montérégie Region	203	11,732	2%
Saint-Hubert	21	623	3%
Montréal Region	62	4,591	1%
Outaouais Region	80	3,272	2%
Gatineau	38	2,224	2%

Source: QFREB by the Centris® system

How Much Should One Pay for an Intergenerational Home?

Given the small number of transactions in several areas, certain criteria had to be introduced in order to compare the price of intergenerational homes with that of conventional single-family homes. Thus, conventional single-family homes whose living area deviated too much from that of the main dwelling of intergenerational homes were eliminated from the calculation of the average price. Also, only conventional single-family homes that had a total number of rooms that is similar to that of intergenerational properties were taken into account.

For all of the areas examined in 2013, properties with an intergenerational apartment sold, on average, at a price that is 15 per cent higher than that of conventional single-family homes. The largest differences in price were in the municipalities of Mirabel (+26 per cent), Gatineau (+24 per cent) and La Plaine (+24 per cent). Table 3 shows the average price for the most active areas in the province⁵.

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⁵ These price statistics serve only as an average and global guide, and may fluctuate depending on several factors that were not taken into account in this study, such as location within the same area, and certain features that are specific to each property, such as year of construction, lot size and renovations made to the home.

TABLE 3

Average Price of Intergenerational Homes and Conventional Single-Family Homes by Geographic Area in 2013

Most Active Areas	Intergenerational		Conventional Single-Family		Price Difference (%)
	Sales	Average Price*	Sales	Average Price	
Capitale-Nationale Region	28	\$294,173	4,175	\$249,949	18%
Laval Region	83	\$354,228	2,732	\$353,005	0%
Lanaudière Region	174	\$246,416	4,962	\$229,601	7%
La Plaine	29	\$238,448	320	\$192,307	24%
Mascouche	28	\$327,002	411	\$274,050	19%
Terrebonne	24	\$337,778	517	\$289,884	17%
Laurentides Region	271	\$295,942	6,009	\$235,935	25%
Blainville	38	\$327,759	524	\$335,143	-2%
Mirabel	41	\$289,390	418	\$230,438	26%
Saint-Jérôme	34	\$236,636	591	\$205,458	15%
Montréal Region	203	\$317,413	11,733	\$278,627	14%
Saint-Hubert	21	\$307,476	623	\$259,942	18%
Montréal Region	62	\$466,849	4,591	\$439,850	6%
Outaouais Region	80	\$276,451	3,272	\$256,953	8%
Gatineau	38	\$278,837	2,224	\$225,518	24%

* Must be interpreted with caution due to the small number of transactions

Source: QFREB by the Centris® system

Average Selling Times

The time needed to sell an intergenerational home varied considerably in the areas that we examined. Interestingly, it generally takes longer to sell an intergenerational home than a conventional single-family home. In fact, in the most active areas in 2013, intergenerational homes stayed on the market an average of 20 days longer than conventional single-family homes. Note however that the municipality of Mirabel went against the tide with an average selling time that was three days shorter than that of conventional single-family homes (see Table 4).

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TABLE 4

Average Selling Time (in Days) for the Most Active Areas in 2013

Most Active Areas	Intergenerational	Conventional Single-Family	Difference (days)
Capitale-Nationale Region	150	103	47
Laval Region	99	73	26
Lanaudière Region	123	106	17
La Plaine	130	93	37
Mascouche	99	87	12
Terrebonne	115	81	34
Laurentides Region	114	110	4
Blainville	97	94	3
Mirabel	89	92	-3
Saint-Jérôme	111	99	12
Montérégie Region	142	103	39
Saint-Hubert	98	75	23
Montréal Region	110	77	33
Outaouais Region	93	87	6
Gatineau	90	76	14

Source: QFREB by the Centris® system

Evolution of Sales Since 2008

Let us now look at the evolution of intergenerational sales as compared to single-family homes (see Table 5). In 2013, while the number of single-family home transactions decreased by 7 per cent across the province, sales of intergenerational homes registered a 6 per cent increase. Intergenerational homes also registered better sales results than conventional single-family homes in both 2011 and 2012. The range of the period examined is too short to identify a trend; however, these two market segments seem to evolve differently as they are not necessarily influenced by the same factors.

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TABLE 5

Evolution of Sales and Proportion of Intergenerational Sales in the Province of Québec

Province of Québec	2008	2009	2010	2011	2012	2013
Intergenerational Homes	1,029	935	858	881	896	951
Variation (%)		-9%	-8%	3%	2%	6%
All single-family homes	53,686	55,550	55,616	53,315	54,024	50,038
Variation (%)		3%	0%	-4%	1%	-7%
Proportion of sales of intergenerational homes	1.9%	1.7%	1.5%	1.7%	1.7%	1.9%

Source: QFREC by the Centris® system

Conclusion

Contrary to what one might think – that intergenerational homes should have been gaining in popularity due to the aging of the population – the number of annual sales and the proportion of transactions since 2008 do not reflect an increase in this market. Note that condominiums have gained ground in recent years among aging households who prefer the proximity of services and want to reduce the cost and maintenance associated with a home, which makes this type of property an alternative to intergenerational cohabitation. Other options are also available to aging households, such as revenue properties (upper and lower duplex, for example) or homes that have a bachelor apartment⁶ that allow elderly parents to occupy a separate dwelling that is located in the same building as their children. Although cohabitation between family members of different generations is still relatively rare for Quebecers (1.5 to 2 per cent of transactions), the fact remains that the evolution of this market should be watched closely in the coming years.

⁶ A bachelor apartment is located in the basement of a single-family home. It must have a separate entrance from the rest of the property. A continuous fire separation and a sound transmission rating are also required. http://www.apchq.com/montreal/fr/membres-services-techniques-communication-aux-entrepreneurs.html_residence-avec-logement-au-sous-sol-ou-maison-intergenerationnelle.html (in French)

If you have any questions or comments about the content of this article, please contact us by email at: stats@fcic.ca.

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