

# 55 Plus Community vs Retirement Home

## The Complete Ontario Comparison Guide

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Independence, ownership, costs, and care levels compared, so you and your family can choose the right next step with confidence.

Inside this guide you will find a plain-language explanation of how Ontario's 55 plus communities differ from licensed retirement homes, a side-by-side comparison table, a cost breakdown for both options, and a practical decision checklist.

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## 1. The Core Difference in Plain Language

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Many people use 'retirement community' as a catch-all phrase, but in Ontario there is a major legal, financial, and lifestyle difference between a 55 plus community and a retirement home. Getting this distinction right is the first step in planning your next move.

### A 55 Plus Community: You Own a Home

A 55 plus community (also called an active adult or adult lifestyle community) is a residential neighbourhood designed for independent adults. You purchase a detached bungalow, townhouse, or condo, and you keep the equity. The community offers shared amenities such as a clubhouse, pool, golf, or pickleball courts, and typically handles exterior maintenance like snow removal and lawn care. There is no medical staff and no care services. You cook your own meals in your own full kitchen and live entirely on your own schedule.

### A Retirement Home: You Rent a Suite With Care Services

A retirement home (or seniors residence) is a privately paid rental facility licensed by the Retirement Homes Regulatory Authority (RHRA) under the Retirement Homes Act, 2010. You do not buy anything. You pay a monthly rent that covers your suite, meals in a communal dining room, housekeeping, and access to care services such as medication administration or bathing assistance. Retirement homes are designed for seniors who need a supportive environment to manage daily activities safely, with staff on-site around the clock.

### Neither Is Long Term Care

A third category, the long term care home (nursing home), provides 24-hour nursing care and is subsidized by the Ontario government. Admission is arranged through Ontario Health atHome and is reserved for people whose care needs cannot be safely met in the community. This guide focuses on the first two options, which are the ones most downsizers are choosing between.

## 2. Side-by-Side Comparison

Feature	55 Plus Community	Retirement Home
<b>Target resident</b>	Independent, active adults seeking a low-maintenance lifestyle with peers.	Seniors who need some daily support, meals, or care services to live safely.
<b>Ownership and equity</b>	You own the home (or lease the land). Builds equity and remains an estate asset.	Monthly rental model. No ownership and no equity built.
<b>Accommodation</b>	Detached bungalows, townhouses, or condo apartments with full kitchens.	Private suites, studios, or 1-bedroom units, usually with a kitchenette only.
<b>Care services</b>	None provided. Residents arrange private or publicly funded home care if needed.	Must provide at least two care services, such as meals, medication administration, or bathing.
<b>Meals and dining</b>	Residents cook their own meals in their own kitchens.	Meal plans included; dining is typically communal in a central dining room.
<b>Typical entry age</b>	Usually 55 to 75+.	Usually 75 to 85+.
<b>Monthly costs</b>	Property taxes plus condo fees (\$300 to \$800) or lot fees (\$500 to \$1,200), plus your own food and utilities.	All-inclusive rent of roughly \$3,000 to \$6,500+, depending on suite and care level.
<b>Regulation</b>	Condominium Act, Residential Tenancies Act (land lease), and municipal bylaws.	Retirement Homes Act, 2010; licensed and inspected by the RHRA.
<b>Exit process</b>	Sell your home on the open market and keep the proceeds.	Give notice and end the tenancy; nothing to sell.

*Costs are typical Ontario ranges for planning purposes only. Every community and residence sets its own pricing, so always confirm current fees before making decisions.*

### **3. Ownership and Equity: Investment vs Expense**

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The most significant financial difference is how your money is treated. Buying into a 55 plus community converts the equity from your family home into another appreciating asset. Whether you choose a freehold, condominium, land lease, or life lease model, you own something that can be sold later or passed to your estate.

A retirement home works the opposite way. Rent of \$3,000 to \$6,500 or more per month covers your suite, meals, and services, but none of it builds equity. At \$5,000 per month, a retirement home consumes \$60,000 of savings each year. By contrast, a paid-off home in a 55 plus community might cost \$8,000 per year in taxes and maintenance, preserving your capital for travel, hobbies, or your estate.

### **4. What Each Option Costs in Ontario**

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#### **55 Plus Community Costs**

Upfront purchase prices typically range from around \$200,000 for an affordable land lease home to over \$1.2 million for a luxury freehold bungalow. Ongoing costs include property taxes, utilities, and either condo fees (\$300 to \$800 per month) or land lease lot fees (\$500 to \$1,200 per month). You also cover your own groceries and household expenses, just as you do today.

#### **Retirement Home Costs**

There is no purchase price, though a one-time move-in fee of \$1,000 to \$5,000 is common. The primary cost is monthly rent, which in Ontario generally runs from \$3,000 to \$6,500 or more depending on location, suite size, and care level. Specialized memory care or assisted living floors can exceed \$8,000 per month. Rent normally includes accommodation, utilities, three meals a day, housekeeping, and basic care services.

## 5. Care and Medical Services

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The level of care you need is the most important deciding factor. 55 plus communities are built for independence: they offer golf, social clubs, and low-maintenance living, but they employ no nurses or personal support workers. If your health changes, you arrange private home care or publicly funded services through Ontario Health atHome, exactly as you would in a regular house.

Retirement homes are built for support. A licensed home must offer at least two of the thirteen care services defined in the Retirement Homes Act, which include assistance with bathing, dressing, personal hygiene, dementia care, and administering medication. Suites include emergency call systems, and staff are on-site 24 hours a day to respond to falls or medical events. This makes a retirement home the safer choice for seniors who are becoming frail or experiencing cognitive decline.

## 6. How to Choose the Right Option

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### Step 1: Assess Your Daily Needs

If you can comfortably cook your own meals, manage medications, and handle personal care without assistance, a 55 plus community offers the most freedom and the best financial outcome. If daily tasks are becoming difficult, a retirement home provides the safety and support you need.

### Step 2: Evaluate Your Finances

Review the equity in your current home. If selling it lets you buy into a 55 plus community outright, you can lock in a very low monthly cost of living. If you prefer to keep the capital invested and use the returns to pay rent, the retirement home model may suit your strategy.

### Step 3: Consider the Two-Step Path

Many downsizers sell the family home in their 60s or 70s, enjoy a decade or more of active living in a 55 plus community, then sell that home and use the equity to fund a retirement home when their health requires more support. This path preserves both independence and capital for as long as possible.

## 7. Your Decision Checklist

- Be honest about daily needs: can you cook, clean, and manage medications on your own?
- Ask your doctor how your health is likely to change over the next five years.
- Get a professional evaluation of your current home so you know your exact buying power.
- Compare the long-term math: monthly rent with no equity vs ownership with low carrying costs.
- Tour at least three 55 plus communities and three retirement homes before deciding.
- In 55 plus communities, review the fees, bylaws, and what maintenance is actually included.
- In retirement homes, confirm RHRA licensing and exactly which care services are included in the base rent.
- Ask what happens if your care needs increase: what services can be added, and at what cost?
- Consider the two-step path: an active community now, with equity preserved for future care.
- Coordinate the sale of your current home with your move date to avoid carrying two residences.

## 8. Selling Your Current Home Funds Either Choice

Whichever option you choose, the sale of your existing house is the financial engine that powers your retirement. Kevin Flaherty has helped south-central Ontario homeowners make this exact transition since 1988, with over \$500M sold. His Video Narrated VR Animated Online Showings present your home and its surrounding area to buyers across the province before they ever book a visit, so the showings you host are with serious, pre-qualified buyers.

### Not Sure What Your Current Home Is Worth?

Start with a free, no-obligation home evaluation at [flaherty.ca/homeeval](https://flaherty.ca/homeeval)  
Call or text toll-free 1-877-352-4378, or reach Kevin direct at 226-270-6433.