

Abigail Homes at CCS-Village

Gail A Acton

The Market Overview of seniors in Grey Bruce is different today than in earlier studies. Factors which contribute to the increase of the ageing population are due to the low fertility rates, longer life expectancy, and the effects of the baby boom generation.

The population of Ontario grew by 6.6% between 2001 and 2006, more than the national average of 5.4%. **The largest population growth took place in Grey County (3.7%).** While Bruce County experienced modest growth (2.3%), the area has reversed the declining trend (-2.7%) experienced in the previous census period. Grey County is older than the rest of the province, with a higher proportion of seniors than the province overall.

As of 2006, 17.6% of this region's residents were aged 65 and over. This is considerably higher than Ontario overall (13.6%). In fact, all regions within GBHP had a higher proportion of seniors than Ontario on the whole. This proportion was highest in Grey County where almost 1 in every 5 residents (18.7%) was aged 65 and over. Also, GBHP had proportionately more people in every age category over 50 than the rest of the province.

In the 2006 census, the population was 92,411 for Grey County. This means that the market share in Grey County of 65 and over is 18,482 people that will require affordable housing. These numbers are increased by the popular trend of 65 and over moving from urban centres to rural centres where the cost of living is less.

The baby boom generation is affecting the way people will live their senior years. Affordable housing in municipalities will cause there to be greater demand for lower priced housing to maintain the social balance in the community.

Changes happening in this booming market are such that boomers want connectivity, independence, and health and wellness, with a lifestyle that affords them a life of vitality and the ability to maintain a carefree existence. The market is growing for housing, such as is offered at

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Abigail Homes, and shrinking for the nursing and retirement homes of the past. Nursing homes are dependent on government funding that is becoming less available, and intensive skilled labour shortages which are due to increasing wage demands.

The housing market for the ageing population is segmented through age barriers; for example the 70 and upward population are satisfied with 400 sq ft of housing and have already rid themselves of the extras so they do not need storage, and the 55 and upwards want 900 sq. ft. of housing and a garage to be utilized to store their extras. This affects pricing based on needs, age differences, and product usage.

There are 19 nursing homes in Grey Bruce, meaning they are partially funded by government dollars that subsidizes health care and housing within the home. There are 31 Retirement homes in Grey County, and 870 Ontario public housing rental units which are geared-to-income for seniors. Rooms supplied for seniors currently in Grey Bruce are approximately 2,500. This leaves available 16,172 senior citizens that will want reduced home sizes at affordable prices.

The housing is required for folks who are aged from 55 until their end time. Market segmentation is Baby boomers from 55 to 65, and others in their 70s – 80s, and further those from 80s-100s. These people are motivated towards basic needs of housing to provide sleep and warmth, safety and social needs, esteem and self actualizing needs through the housing community and the larger community of the internet.

In January 2006, the first baby boomers turned 60. In 2011 the oldest baby boomer will be 65, and their average lifespan is estimated at 83 years. Four out of five baby boomers (80%) envision working in some form during their retirement years. (AARP). The Baby Boomers are typically defined as folks born between 1946 and 1964. They are the largest buying group and have tremendous purchasing power, active lifestyles and well-defined tastes. Most of them live in two income households and because of good health care, many Boomers plan to continue working

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into retirement years. Most want to stay young, look, dress, eat, and live well. They seek convenience, speed, and quality. They want customer service, ease of purchase, flexibility, high professional performance and efficiency that can meet their demands.

Competitive Overview

There are approximately 1000 homes in Grey Bruce as competition. The largest percentage are government funded and subsidized. This can be a strength or a weakness, depending on the availability or scarcity of funds that flow with government dollars. The weakness of our competitors is dependency on government dollars, unionized work places and lack of skilled caregivers. Housing and caring styles may appeal to the masses, but not to individuals. The majority of residents are over 70 with health issues and without personal control. Food preparation is done by Cara Foods, and all food supplies are nutritionless and tasteless. Foods and medicines are packaged and difficult to open without someone assisting. Individualization is preferred over mass production.

Abigail Homes appeals to the individual and services are customized to each owner's individual needs.

The average room in nursing or retirement homes is 12ft by 13ft. and costs \$3,000.00 a month, inclusive of three meals a day. The average individual in the least expensive room pays approximately \$100.00 a day. At this rate, these rooms, masquerading as a home, cost \$36,000 a year. In four years they would have purchased a home at Abigail Homes in the CCS Community. In the one room home they have lost \$160,000 in assets, and at Abigail Homes they have gained in equity for the dwelling sale later in life. The average age expectancy is 10 years going into a retirement home, compared to 20 years and more in their own home. The cost to live for 10 years in a nursing home is \$360,000.00.

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The competition uses online, radio, bill boards and local news media, and direct mail for advertising. One competitor is hosting Senior Follies as a way to promote their home. These competitors' message is one of no hassle, just fun, soft living and like being on a cruise ship vacation, or living in a hotel. They promote outside of the area to a more affluent society that can afford high costs of housing and eating. The overall goal is for money and prestige.

Product Overview

At Abigail Homes, the major purpose is to provide seniors 55 plus with affordable retirement living. You can live like you are on vacation everyday in a friendly, leisurely, small town lifestyle community. The homes are nine hundred square feet with one bedroom and a den that can be converted to another bedroom on individual lots. Experience a return to the simple pleasures, with safety and health care needs that are incorporated into your lifestyle.

Our homes feature precision crafted modular homes from Northlander, Guildcrest Homes, Hart Homes or Hi-Tec. Your home is built in a climate controlled indoor environment, using high caliber materials and ongoing quality control checks. Construction sites are clean and orderly. Attention to the smallest detail during home construction shows that Abigail Homes sets a high standard for their development. Each home has sewer and water, 125 amp hydro, satellite television, and is telephone and internet ready.

You can easily customize your Abigail Home to suit your individual tastes and requirements. Design your own floor plan. Keep it simple, or add central air conditioning, solid oak cabinets, and hardwood floors. Thermo pane windows and gas furnaces keep you comfortable. Homes can

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be purchased unfurnished, or you can add furniture, appliance and drapery packages, for a starting low price of \$159,999.00.

Distribution channels at Abigail Homes include flyers, direct marketing, radio and the Sun Times, online through Kijii, and quarterly health fairs on location.

Strengths: Affordable living for seniors in rural environment

Customized and individualized housing available for ageing population, wider doorways, and bath rooms equipped with grab bars and walk-in showers

On site Community Centre with connectivity for Internet, computer labs, exercise room, pool, crafts and health spa for acupuncture and massage therapy, and business centre for working retiree

Weaknesses: No government funding

New business, no on-site homes to tour

Location in hamlet with surrounding businesses and commercial enterprises

Opportunities: Baby boom population has increased the numbers of seniors

Housing big to this point and now there is opportunity for modest size housing

Shared community lowers costs for seniors, offers social structure and affordable health care in senior years

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Threats: Number of nursing homes and retirement homes located in Owen Sound and Grey Bruce

Economy and marketplace

Harmonized sales tax for Canada

Goals and Objectives

Abigail housing is a ten year project with five units a year to be sold to the capacity of 30 units.

Required is two years for sales of the first house and expectation is that sales will increase as the community develops

Five years for the first five homes with an increase to five homes a year afterwards. By year 10 there should be sales capacity and resells should be underway for the next ten years.

Selected target is 55 to life. Expected life term is 80 years. First group of seniors coming into the home may be 70 and upwards.

Second group targeted are 55 to life and most will want garages. Second intake to start in five years and will have 10 homes with garage and costs will increase to accommodate more space.

Positioning

Abigail homes is a low-cost leader in housing using manufactured homes to sell to a niche market of Baby-boomers looking for quality cost affordable retirement living. Abigail is also a

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product differentiator, in that all housing for seniors in the past and currently are like warehousing of seniors in either moderate or palatial accommodations.

Abigail provides quality and conveniences at affordable costs. For example, individuals upon death or decision to move have an asset and not a liability. Their money is safe in the value of their homes, and they can afford care services and have the protection and safety of a gated community.

There is not currently a comparable offering in Grey-Bruce-Huron-Perth. Abbyfield Homes in Durham has similar concept and was developed as social housing after the second world war for widows. Abigail has taken the concept and is developing it for individual housing, rather than apartment usage, and makes it convenient to live out the entire lifespan of the individual. Similar to the concept of Abigail were homes developed in Amsterdam called Hofje (Little Homes) for seniors where they can manage and provide for themselves into their later years.

Abigail affords the ageing parent closeness to their family, with Garden Suites for visitation and short stays, and for family outside of the area, Abigail provides an extended family through staff. Family needs to know parents feel safe and can maintain their independence.

Gail Acton holds a Master Social Work degree and has set training and standards for care giving both nationally and internationally, and is able to provide skilled caregivers called Certified Caregivers/Personal Support Workers.

Customizing, individualizing, affordable, maintainable housing for seniors; all of these fit for the age group that is intended for Abigail Homes. Abigail believes the Baby boom generation is looking for alternatives to retirement and nursing homes. At 55 plus they want to travel, work, and play, and not be slave to expensive overly large homes that must be maintained. Instead they want to lock the door and exit for indeterminate periods of time and travel. They want to know

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that their home is secure, maintained, and safe to move back in when ready. The quality of building, and low cost of purchase, with buy back guarantee offers key positioning to the marketplace.