IMPORTANT NOTE: The SRES® Council and National Association of REALTORS®, its faculty, agents, and employees are not engaged in rendering legal, accounting, financial, tax, or other professional services through these course materials. If legal advice or other expert assistance is required, the student should seek competent professional advice.

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Introduction
Course Learning Goal

The Seniors Real Estate Specialist (SRES®) Designation Course helps real estate professionals develop the business-building skills and resources for specialization in the 50+ real estate market by expanding knowledge of how life stages impact real estate choices, connecting to a network of resources, and fostering empathy with clients and customers.

What You Will Learn

1. Generations & The 50+ Market
   - Learn distinguishing characteristics and trends of the 50+ market so that you can discern them in your own market area.
   - Challenge stereotypes and draw valid generalities about 50+ real estate clients and customers.
   - Adapt your communication and interpersonal approach to match generational expectations and preferences.
   - Raise awareness on the realities of aging and how it shapes our decisions.

2. 21st Century Retirement
   - Gain an understanding on how retirement concepts have changed.
   - Consider how economic challenges affect retirement plans and real estate choices.
   - Explore ideal retirement locations and where the mature market is in Canada.

3. 50+ Communities and Properties
   - Raise awareness of the issues and factors that influence the decision to make a move, choose a community, and select a property.
   - Evaluate your market area’s attractiveness to the 50+ market.
   - Learn definitions of aging in place.
   - Recognize how to make a home safe and comfortable for aging in place.
   - Master the vocabulary of the range of housing options for the 50+ market.
Introduction

- Identify key life stages and transitions in relation to housing choices.

4. Finances, Taxes & Legal Matters

- Gain an understanding of how CPP, OAS, RRSP’s and RRIF’s impact the real estate decisions of 50+ clients and their families.
- Learn about the uses, benefits, procedures, and issues involved in reverse mortgages and other forms of home purchase finance.
- Gain an overview of tax issues of concern for 50+ clients and their families.
- Explore general concepts of estate planning, wills, probate and trusts.
- Manage legal liability risks, avoid conflicts of interest, and maintain confidentiality of information when providing services for 50+ clients and customers.

5. Marketing to the 50+ Client

- Integrate social media effectively to serve the 50+ market.
- Develop services that win and sustain client relationships that position you as a trusted real estate advisor.
- Adapt presentation and counseling methods for 50+ buyers and sellers.
- Counsel clients on preparing and staging a property for sale.
- Maintain focus on the transaction and avoid inappropriate involvement in family matters.
- Recognize financial schemes and scams that victimize the elderly.

6. Tools & Resources

- Assemble a team of experts to help you serve 50+ clients and customers.
- Compile a knowledge bank about your market area’s housing options, programs, resources, and services for 50+ clients.
- Use your knowledge bank as a business-building tool.
Activities and Class Procedures

This course incorporates a variety of activities designed to involve students, such as work group assignments, exercises, and discussions. Students are strongly encouraged to ask questions and engage in class discussions and group exercises. The range of experience levels among students offers a rich opportunity for learning from peers. Your active involvement will enrich the learning experience for yourself and others.

SRES® Designation Course Benefits

- Understanding market changes

  Do you know where your market is going? Visualize your market ten years into the future. Demographic forces alone, as will be shown in the next chapter, will change your market as close to 7 million Baby Boomers experience the life transitions that accompany aging—their own and their parents.

- Building your business

  Real estate buyers and sellers aged fifty and older possess most of the nation’s personal wealth and home equity. They represent a huge market potential as they buy and sell real estate to suit lifestyles and stages. REALTORS® who are tuned into the market potential, specialize in the 50+ market, and integrate it into their business plans will have the edge over their competitors. The SRES® Designation Course provides a kick-start for moving into the market.

- Learning housing and finance options

  An important factor in specializing in the market is knowledge of the housing and real estate finance options that are available for seniors as well as how retirement income sources and assets figure into real estate decisions. A specialist needs to know how to counsel clients on matching housing choices with lifestyles, stages, and income levels, as well as evaluate the trade-offs involved in choosing a community and property.
Keeping the client

As you demonstrate your expertise and empathy in serving the 50+ market, you will gain a reputation as a trusted real estate advisor. Experienced practitioners attest that senior clients will be buyers and sellers two or three times as they age and move through life transitions. Winning and keeping the 50+ client means future transactions.

SRES® Council

The SRES® Council, part of the NAR family, supports real estate professionals who specialize in serving real estate buyers and sellers aged 50 and older.

The SRES® Council connects you to a network of 14,000 referral partners. It positions you as an expert contact for incoming referrals as 50+ buyers look for the perfect retirement property and community; and a source of outgoing referrals when past clients move to other locations. For the many who plan to stay close to home as they downsize, upsize, and transition, NAR research shows that a client’s friends and relatives are the leading sources of referrals.

Earning the SRES® Designation

The SRES® designation is awarded to REALTORS® who successfully complete the required education course. It is the only designation of its kind recognized by NAR. The following three requirements must be met to attain the use of the SRES® designation.

1. Complete the SRES® Designation Course.

2. Maintain active membership in the SRES® Council. The SRES® Designation Course fee includes 1 year’s membership in the SRES® Council (annual dues are $99USD thereafter).

3. Maintain active membership in NAR.
Earn Credit for Other REALTOR® Designations

Completing the SRES® Designation Course also meets elective course requirements for earning the Accredited Buyer’s Representative (ABR®), Seller Representative Specialist (SRS) and Certified Residential Specialist (CRS) designations.

SRES® Member Benefits

- National recognition as an official NAR designation
- *The SRES® Professional*, a bimonthly eNewsletter with information about senior-related issues, such as legislative initiatives, financial and legal matters, and housing trends
- Free monthly webinars to expand your knowledge on serving the 50+ market
- Customizable SRES® consumer newsletters
- Library of customizable marketing letters and scripts
- Customizable, downloadable marketing materials: logos, brochures, ad slicks, postcards, press releases, news articles, and more
- Listing in a searchable online directory of SRES® designees, which can be viewed by potential clients and referrals
- Certificate and lapel pin
Introduction

- Consumer website (www.sres.org)
- *Moving On* brochure and toolkit for your clients
- Access to an online network of resources to support your business

Visit the Seniors Real Estate Specialist® website at www.seniorsrealestate.com.
SRES®—A Market Distinction

When you distinguish yourself as a specialist in the 50+ market, you can reference our network of professional resources that serve the needs of your clients. Many of our partner organizations are industry leaders and provide great references for education and tools to assist the needs of senior clients.
1. Generations & the 50+ Market
As we will see throughout the course, demographic forces alone will shape your future market as generations experience the life transitions—their own and their parents’—that accompany aging.

The course focuses on the maturing Full Retiree, Active Retirees, and the Baby Boomers because they make up the 50+ market, now and for the next decade. But, interaction with Gen X and Gen Y members must be considered because they are the young adults who may be involved in the real estate decisions of their parents and elders. Of course, the baby boomers will be a particular emphasis because for the next couple of decades they will make up the most active 50+ market.

Generations

The first challenge in studying the groups and individuals who make up the 50+ market is developing a set of workable definitions and satisfactory terminology. Demographic statistics paint the picture of the maturing generations of home buyers and sellers in terms of numbers. With the leading edge of the huge baby boomer generation reaching age 60, there may be a natural inclination to think of the future of the mature real estate market in terms of that generational cohort and its distinctive characteristics. However, to gain an in-depth understanding of the senior market that can translate into business success for the real estate professional, all the living generations must be defined not only in terms of numbers and birth dates, but also in terms of attitudes, motivations, lifestyle and work style, activity levels, health, future plans, retirement readiness, and other characteristics.

A fast-growing segment of the population is nonagenarians, people in their 90s, and centenarians, people aged 100 or more. Although a relatively small percentage of the overall population, the increasing numbers of the very elderly will challenge societal institutions’ adaptability, particularly in the areas of medical care, long-term care, and housing. Current living centenarians were born prior to 1915. They have experienced the Depression, several wars, and all of the events experienced by later generations, plus personal losses as friends and family pass on. Nonagenarians and centenarians generally keep a positive outlook and have an innate ability to “let go” of life’s sad events.

Let’s take a look at the characteristics of the six living generations based on the most current Stats Canada population data.
## Six Living Generations

<table>
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<tr>
<th>Generation</th>
<th>Year Range</th>
<th>Percentage of Population</th>
<th>Population Size</th>
<th>Age in 2016</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Retiree</td>
<td>Prior to 1936</td>
<td>4%</td>
<td>1.5 million</td>
<td>80 &amp; older</td>
<td>Energetic, patriotic, courageous, loyal, community-oriented, hardworking, team players, respectful of authority</td>
</tr>
<tr>
<td>Active Retirees</td>
<td>1937-1946</td>
<td>7%</td>
<td>2.5 million</td>
<td>70-79</td>
<td>Cautious, conformist, risk-averse, industrious, prudent, unquestioning of authority</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td>1947-1961</td>
<td>19%</td>
<td>6.9 million</td>
<td>55-69</td>
<td>Ambitious, optimistic, individualistic, seeking immediate gratification, hardworking, competitive, forever young</td>
</tr>
<tr>
<td>Generation X</td>
<td>1962-1976</td>
<td>21%</td>
<td>7.5 million</td>
<td>40-54</td>
<td>Skeptical, latchkey kids, isolated, cynical, entrepreneurial, independent, quality of life/family before career, self-reliant, pragmatic, reluctant to commit</td>
</tr>
<tr>
<td>Millennials</td>
<td>1977-1996</td>
<td>27%</td>
<td>10 million</td>
<td>20-39</td>
<td>Empathetic with elders, sheltered, tolerant, sensitive to multiculturalism, hopeful, over-scheduled, multitaskers, short attention span</td>
</tr>
<tr>
<td>Generation Z</td>
<td>1997–</td>
<td>22%</td>
<td>7.9 million</td>
<td>19 &amp; under</td>
<td>Technology adept, connected, introverted, short attention span, individualistic, impatient, communication in online communities</td>
</tr>
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Large and Fast-Growing Market Segment

As a subset of the total Canadian population, seniors—who in this course are defined as 50 and older—are a large market. In 2016, there were over 13.5 million seniors in Canada (50 years old and over)\(^1\). According to 2011 Canada census data, three out of ten Canadians were Baby Boomers\(^2\).

In 2013, Canada had 5.4 million seniors (persons aged 65 years and over), more than triple the number recorded fifty years earlier in 1963. The growth of this group would accelerate in the coming years as the large baby-boom cohort gradually occupies these ages. By 2063, the number of seniors would more than double, ranging between 11.1 million and 15.1 million depending on the scenario. Seniors, who accounted for 15.3% of Canada’s population in 2013, would rapidly increase in share under all projection scenarios, reaching between 23.8% and 27.8% in 2063, depending on the scenario\(^3\).

The number of opportunities for Real Estate Professionals to service the 50+ market is immense. Real estate professionals who want to specialize in the seniors market need an:

- understanding of the characteristics of the generational groups that make up the 50+ market
- appreciation for needs of individual clients based on lifestyle and stage

This can be accomplished in part by reviewing demographic data and generational characteristics.

Demographics and Generational Characteristics

Why is it helpful to take a look at demographics and generational commonalities and differences? Commonalities and differences can provide insight into what is important to them (e.g., world viewpoints, reactions) as well as how to best to communicate and market to them, their motivations, lifestyles, hopes, and fears.

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\(^1\) Estimates of population, by age group and sex for July 1, Canada, provinces and territories annual (persons unless otherwise noted). http://www5.statcan.gc.ca/cansim/a37.


Shared experiences of key events shape our outlooks and behaviors. Demographers generally agree that events experienced in childhood, youth, and young adulthood—the formative years—influence age-peers and shape attitudes and viewpoints, interpersonal behaviour, career and family priorities, tastes, and other aspects of human behaviour, both subtle and overt. Generalizations can provide a frame of reference from which to start understanding clients’ needs and preferences.

For real estate professionals, the following discussion of generational characteristics informs how:

- Services are provided
- Marketing communications are developed and implemented
- Clients and customers are counselled and provided with information

Because it is the Full Retiree, the Active Retiree, and the Baby Boomers who do and will comprise the current senior market as well as that of the next decade, the following discussion will focus on them.

However, interaction with Gen X and Gen Y members will also be discussed because these are the family members who may be involved in the real estate decisions of their parents and elders.

As generational differences are discussed, keep in mind:

- Events of that generation’s childhood
- The impact of those events
- Changes that resulted from those events
- Values and beliefs created by those events

As others in the class share their experiences, listen to their recounting of key events. It will help you understand the values and life experiences of different generations as you connect and build rapport with your senior clients.

Myths and Realities of Aging

How old is old? How did 50 come to be the starting point for the senior years? Why is 65 the traditional age for retirement? What are some myths and realities about aging and the elderly?
Myth: Old People Are All the Same.

*Reality:* The diversity of interests and experiences of youth and middle age is no less present in mature years. In fact, older people are more diverse in important ways than younger individuals. Just about everyone knows someone who is a “youthful” 80 or an “old” 50. Health is a major factor in aging, and genetics plays a role in both how quickly we age and what ailments we develop. But other factors are also determinants, such as education, socioeconomic group, climate, societal expectations, activity level, nutrition, and social connections. Although we cannot control the environment into which we are born or our experiences of childhood, our actions and decisions as adults shape the course of life. And each individual’s accumulation of life experiences is distinctly unique.

Accumulated experiences and life choices make older people a more diverse group than younger people.

Myth: Families “Dump” Relatives into Nursing Homes.

*Reality:* Nursing homes are a last resort for most families. Less than 5% of the elder population resides in nursing homes. For the most part, families provide in-home care with little or no outside support until the time of a crisis, such as caregiver stress, intervening family responsibilities, illness, or increased care needs. Services that allow elders to stay in their own homes or with family are the first choice. Reflective of a long tradition of caregiving across generations, Canadians are more likely to reside in extended households.

Myth: Older People Are More Likely to Be Victims of a Crime.

*Reality:* Older people are less likely to be victims of crime than young people and property crimes are by far the most frequently experienced. Individuals aged 65 and older experienced violent crimes 15 times less than the highest-risk age category—those between 15 and 24 years old⁴.

However, personal safety and fear of crime are important factors in choosing a location. The fact is that when older adults are the targets of violent crimes, they are more likely to experience severe injury and are also more likely to face offenders who are strangers.

**Myth: Old Equals Ill and Disabled.**

**Reality:** While aging is associated with a decline in general health and the onset of different forms of activity limitations, a large proportion of seniors are faring well. 45% of Canadians aged 65 years and over described their health as very good or excellent in health surveys\(^5\). Research by the Federal Government finds consistently that more than half of respondents at all age levels rated their health as good to excellent.

Boomers, however, are less likely to assess their own health as very good or excellent than previous generations at the same life stage. Boomers have reported more pain, chronic conditions, alcohol and substance abuse, and psychiatric problems. Boomers also report higher stress levels than earlier generations—from jobs, finances, commuting, and caring for parents and children. The study findings raise the question of whether the baby boomers are entering senior and retirement years in worse shape than previous generations. Although disability rates among the 65+ population have declined in the past 20 years, the trend may reverse if the baby boomers retire with more chronic and disabling health conditions. On the other hand, boomers—the “forever young” generation—are more health-conscious and have higher expectations than earlier generations; for their grandparents and parents, aches and pains were a natural part of aging.

**Myth: Older People Don’t Use Technology.**

**Reality:** The generations aged 50+ are Internet-connected. Using email and reading news updates rank first and second as the most frequent online activities, but social media participation is quickly catching up. Although some older clients prefer face-to-face or telephone communications, for many checking email is part of the daily routine and use social media application tools for networking. For example, the 50+ generation are logging on to social media sites to share pictures with their children or grandchildren.

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\(^5\) Health indicator profile, two year period estimates, by age group and sex, Canada, provinces, territories, health regions (2013 boundaries) and peer groups. http://www5.statcan.gc.ca/cansim/a47.
Boomers are the fastest growing segment of Facebook, Twitter and LinkedIn, staying close contact with family, friends and business networking.

**Myth: Old People Are Lonely and Gradually Withdraw.**

**Reality:** Although the number of casual relationships may decline, mature and elder adults have close friends and relationships to the same degree that younger people do. Relationships with family and friends are an important part of satisfaction with life. Moreover, maintaining ties with friends, family, and the community is a major motivator for the desire to age in place. Only a small percentage of elders are actually alienated from family, usually due to long-standing estrangement. Most 50+ adults are members of a family network, see their children weekly, or have frequent telephone contact. But, for reasons of privacy and autonomy, most elders express a preference not to live with their children.

Transportation is an important factor in maintaining social involvement, as well as accessing essential services and even needed medical treatment. The physical, mental, and financial factors that make it difficult for elders to drive also make it difficult to use public transportation. The involvement of volunteer drivers can help with both general and deprived of convenience used to specialized transportation services.

**Driver Safety**

The ability to continue driving is a top concern for maintaining independence. According to CARP research, older adults who are non-drivers are six times more likely to miss out on something they would like to do because of lack of transportation. CAA offers low-cost online and classroom driver safety training and tips on talking to older drivers about their driving. The course tunes up driving skills and updates knowledge of the rules of the road. Drivers who complete the course may qualify for a discount on auto insurance. For information about the course, go to [http://seniorsdriving.ca.ca/how-to-maintain-driving-skills/refresher-courses/](http://seniorsdriving.ca.ca/how-to-maintain-driving-skills/refresher-courses/).
Myth: It is common for older people to live in poverty.

Reality: The financial situation of seniors has improved over the past quarter century. Between 2000 and 2014, the median total income (after tax) received by senior couples increased by 64%, from $34,800 to $54,500.

Increasing income levels have benefited seniors in lower income categories and have contributed to a decline in the incidence of low income among this group. Even so, among seniors the incidence of low income remains highest among women who live alone.

Compared to other age groups, seniors are less likely to live in poverty. In 2014, the prevalence of low income cut off after tax for adults aged 65 and older was 6.5%, compared to the rate for all Canadians, 13%6.

For many seniors, the home represents their greatest equity. In 2011, for example, 83% of senior households owned their home without a mortgage7.

Programs such as CPP, OAS, RRSP’s, etc. has greatly reduced the number of older people living in poverty.

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7 National Advisory Council on Aging. Seniors in Canada. and CMHC
Understanding How We Age

Knowing about the physical aspects of aging can help you better understand and serve the 50+ market. The good news is that, in the absence of disease, normal aging can be a rather benign process. Genetic and environmental as well as lifestyle factors determine how we age. There’s good news about aging. A long life span provides the benefit of greater perspective on life, self-knowledge, and a new depth to our gratitude. We become less concerned with what others think about us, except for physical appearance. Many life decisions—marriage, child rearing, career, retirement—are settled and are no longer worries. Some might say a pleasure of “settling scores” comes from living well and “outliving those who were mean to us.” Respect for one’s own experiences, feelings, and opinions contributes to successful aging, as does respect for the body through daily exercise and a healthy diet.
Understanding How We Age

**Cognitive Ability:** The abilities to learn, adapt, adjust, and express creativity are quite durable throughout life but are influenced by interests and motivations. The habit of lifelong learning maintains cognitive ability. Language and problem-solving skills do not diminish, but intuitive emotional right-brain thought tends to take precedence over logical left-brain thought. Although the ability to recall names and events may decline, long-term “crystallized” memory is quite durable. Mild cognitive impairment (MCI), more prevalent than destructive dementias or Alzheimer’s disease, doesn’t interfere with activities of daily living (ADLs) or social interaction. Depression can be mistaken for cognitive impairment.

**Vision:** As we age, being both near-sighted and far-sighted is increasingly common. Low vision is more common than complete blindness. Subtle color differences become less distinct. At night, glare from wet streets and the headlights of oncoming traffic can make driving difficult.

**Hearing:** Hearing impairment usually starts with loss in the higher register tones and works its way down until it reaches the tone range of speech.

**Height:** Posture, spinal alignment and compression, and falling arches all can cause decreased height.

**Weight:** Weight increases in men until mid-50s and in women until late 60s, then gradually decreases for both genders. Increased body fat and slow metabolism cause medications to stay in the body much longer.

**Temperature:** We become more vulnerable to heat stroke, hypothermia, and dehydration as the ability to maintain normal temperature and blood pressure decreases.

**Health:** By age 70, almost everyone experiences one or more of seven common chronic health conditions: arthritis, high blood pressure, heart disease, diabetes, lung disease, stroke, or cancer.
### Working with Matures

- Remember full-service gas stations; feel that “service isn’t what it used to be.”
- May appear indecisive, overly cautious.
- Afraid of outliving their assets.
- Decisions are driven by circumstance, not the market.
- May be concerned with image when downsizing.
- Value personal referrals.
- See technology as a handy tool for communications, news, and personal business.
- May have little to occupy their time and may fill it with repeated phone calls to the real estate professional.

### Working with Boomers

- Value convenience and customization.
- Do not need emotional support or hand-holding.
- Hate rules.
- Generally not need-driven or in a hurry.
- Value representation of interests, managing the process, pricing properties right, and one-stop shopping.
- Expect a timely response, but not necessarily instant turnaround.
- Want and expect expert services and advice.
- Do not want information they can find themselves.
- Comfortable with technology—it’s a basic need.

### The Real Estate Professional Should

- Help them feel empowered to make a good decision.
- Provide testimonials and résumé.
- Strive for face-to-face communication, courtesy, and formality; address them as Mr. and Mrs., do not use first names.
- Be on time for all appointments.
- Shake hands (“my word is my bond”).
- Ask a lot of questions to find out what they really want and don’t patronize.
- Offer options and explain all the details.
- Schedule a specific time for follow-up, and explain that you will address their concerns during that appointment.
- Be aware of physical limitations.

### The Real Estate Professional Should

- Emphasize your network of experts.
- Be able to back up knowledge with experience and credentials.
- Provide the highlights.
- Marketing should be age-targeted, not age-encouraged (boomers hate rules); anything labeled as “senior” is a tough sell.
- Inspire loyalty by demonstrating what you are doing for them.
- Interact in person, by telephone, or over email.
- Appeal to the active lifestyle.


## Working with Gen X and Gen Y

Why do we need to consider working with Gen X and Gen Y when the focus is on the 50+ real estate market? These generations are the children of the Active Retirees and boomers and may be involved in the decisions about where and how their parents will live.

<table>
<thead>
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<th>Working with Gen X:</th>
<th>Working with Gen Y:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Want you to provide access and get the paperwork done.</td>
<td>High-tech/low-touch.</td>
</tr>
<tr>
<td>Do not need “hand-holding” or emotional support.</td>
<td>Pragmatic, but empathetic with elders.</td>
</tr>
<tr>
<td>Pragmatic, risk-takers, results-oriented.</td>
<td>Tolerant of diversity.</td>
</tr>
<tr>
<td>Sense of entitlement.</td>
<td>Prefer directness over subtlety, action over observation.</td>
</tr>
<tr>
<td>High-tech/low-touch.</td>
<td>Crunched for time, always multitasking.</td>
</tr>
<tr>
<td>Expect prompt response.</td>
<td>Heavily influenced by media and peers.</td>
</tr>
<tr>
<td>Skeptical.</td>
<td>High-speed, instant access is expected.</td>
</tr>
<tr>
<td>Rely on themselves to find data.</td>
<td>Technology is a way of life.</td>
</tr>
<tr>
<td>Awareness level is very high.</td>
<td>Influenced by the look of your website, Facebook page, blog.</td>
</tr>
<tr>
<td>Already know the good deals.</td>
<td></td>
</tr>
</tbody>
</table>

### The Real Estate Professional Should:

<table>
<thead>
<tr>
<th>The Real Estate Professional Should:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Help negotiate price and details.</td>
</tr>
<tr>
<td>Handle the paperwork.</td>
</tr>
<tr>
<td>Fill in information gaps.</td>
</tr>
<tr>
<td>Help interpret information.</td>
</tr>
<tr>
<td>Provide fast responses (maximum 2 hours).</td>
</tr>
<tr>
<td>Deliver everything “yesterday.”</td>
</tr>
<tr>
<td>Realize there is only one chance to get it right.</td>
</tr>
<tr>
<td>Do not try to “sell” them anything.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The Real Estate Professional Should:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above all, keep cool.</td>
</tr>
<tr>
<td>Be accustomed to multitasking.</td>
</tr>
<tr>
<td>Communicate by texting, social media.</td>
</tr>
<tr>
<td>Avoid pretensions.</td>
</tr>
<tr>
<td>Never overpromise.</td>
</tr>
</tbody>
</table>
Practitioner Perspective: It Takes a Village

When you’re working with older people, it’s really important to remember that it takes a village to help a senior move. You can’t do it alone.

My Specialty Is Demographic, Not Geographic

I work in the Minneapolis–St. Paul area, but my specialty is demographic, not geographic. About 90% of my business involves working with seniors. In the Twin Cities there is a high concentration of seniors aged 75 and older. I sell everything from $500,000 homes to those that have a lot of delayed maintenance. I’ve been licensed since 2003 and have specialized in real estate for seniors since the day I became licensed. I earned the SRES® Designation in 2007.

It’s About Knowledge

For young real estate professionals, I think building trust with older clients is really the same as for any real estate professional. It’s about knowledge and information. You must have a deeper and broader knowledge of aging issues. You have to know senior housing, estate issues, and elder issues or you can’t effectively work with seniors. But I don’t think it has to do with age—it has to do with knowledge. It instills trust when clients can work with someone who gives them good information.

Earning Trust

One way that I earn trust is through the other professionals who give me referrals. I already have a leg up when someone the clients trust gives a referral. The first time I meet with clients, I don’t ask them to sign anything. It’s strictly informational. And I encourage clients to have a concerned person or family member present at that first meeting.

Adapt Communication

You can’t do purchase agreements via fax and email with this group. It’s almost all face-to-face. So there is a lot more travel time in your car. It’s a lot more face time compared with, say, a first-time home buyer. It’s very hands-on.

For someone starting out, I would say to find an elder law attorney you trust and find other resources that you can refer senior clients to. And do a couple of transactions with someone who has worked with seniors a lot. This is a really experiential business, and the best way to learn it is to get in and do it.
Exercise: Generations

It is important to take into consideration both the client and anyone who might be involved in the real estate decision-making process, such as children and relatives. Your team of experts (discussed later in this course) will probably include individuals from across the generational spectrum, too.

What are the ages of the oldest and youngest persons in your family?

What are the ages of the oldest and youngest persons in your office?

Where do you fit in the range of ages and generations in your family and office?

How do the generational differences affect communications in your family and office?
Practitioner Perspective: Paying It Forward

The age dynamics of who we are as real estate professionals and who our clients are—these dynamics are changing. A colleague once said he noticed that his clients were getting older but he was not. However, in the future, the majority of our clients may be in the 50+ age bracket. So if you close yourself off from the 50+ marketplace, you close yourself off from the future and the maximum number of clients.

Personal Experience
The majority of my real estate business is in the 50+ market, and I've personally experienced every aspect of the SRES® course with my parents or neighbours. I've also learned that the person who is open to understanding the clients across the desk and adapting to their needs is the person who will be successful in this market niche.

SRES® Opens Your Eyes
In my classes, the students are from all the generations. The SRES® course opens your eyes to what it takes to interface with the 50+ market, which right now includes boomers, World War II generation, and parents of the baby boomers generation. You need to understand their attitudes and what they want and need from a real estate professional. Some of my students have told me that they understand the dynamics of the generational differences in their own families better after taking the SRES® course.

Often Dealing with Crisis Needs
When you are working with the older side of the 50+ marketplace you are often dealing with crisis needs. You may be called to someone’s home because they fell and were injured in the home and they are now wondering if they should sell and move somewhere else. Or they just can’t take care of the property any longer and they think the only solution is to sell it. It’s very emotional too. The children may go to visit their parents’ and find everything in disarray. They realize that their parents’ quality of life is really suffering. The house is a mess, and the parents can’t take care of it or themselves. And the kids wonder, “Who do I call? How am I going to find someone who I know will have my parents’ best interests at heart and not just their own wallet?”

Pay It Forward
I think that from a real estate perspective, the kind of person needed is someone who has that pay-it-forward attitude—the attitude of, “I’m going to help you and do what is best for you. Even if it means not selling your property but helping you to remain in your home.” You must act with a selfless spirit and help without hoping for repayment. I think that is what it’s all about. That is paying it forward and that is what an SRES® can offer. I once heard that there are people who have a passion for money and there are people in the business who have a passion for the business. And I think the latter is a true professional and an SRES®.

Barbara Fairfield, ABR®, CIPS, CRB, GREEN, SRES®, SRS
NextHome Gulf to Bay
St. Petersburg, FL
barbaraafairfield@gmail.com
Exercise: Interview Your Elders

On your own time, interview your parents or grandparents. Learn about their ideas, outlook on life, retirement, and senior years. You may be surprised by what you will learn.
Test Your Knowledge

1. The largest living generation in Canada is which of the following?
   A. Generation X
   B. Baby Boomer Generation
   C. Full Retiree Generation
   D. Generation Z

2. Why is it important for SRES® designees to understand the profiles and characteristics of Generations X and Y?
   A. Because Gen X and Y family members may be involved in the real estate decisions of their parents and elders
   B. Because Gen X family members of 50+ clients are more likely than Gen Y family members to move in with their elders
   C. Because the real estate choices available to the Active Retiree generation will be dictated by Generations X and Y
   D. Because Gen X and Y family members of 50+ clients will be held responsible for paying commissions to SRES designees

3. The number of seniors in Canada is projected to increase by how much between 2013 and 2063?
   A. 50%
   B. 100%
   C. 130%
   D. 200%

Chapter Review

In this chapter, we examined how generational experiences shape our outlook and interactions with others. We gained an appreciation for the different generations, especially the 50+ market and how they have played an important role in our society. Various myths about seniors were explored and addressed.
2. 21st Century Retirement
Beginning January 2011, the oldest boomers hit retirement age, and millions more will join them in the coming 15 years, in what amounts to a massive demographic shift that could have major implications for the country. There is little doubt that their attitudes and expectations will write a new story of retirement. A theme of reinvention and adaptation runs through their lives, and they will undoubtedly reinvent retirement.8

Boomers intend to age in place, but their housing needs will change as they grow older. A big question is whether boomers will see their homes as an asset that can be tapped into to support their retirement years or echo the attitudes of the preceding generations who would never put their homes at risk.

This chapter will look at forces and attitudes redefining the retirement landscape of the 21st century. The real estate professional who knows how these forces and attitudes influence client behaviour and choices can gain a competitive edge. The retirement generations, including baby boomers, are used to seeking out and trusting the advice of experts, and you want to be the trusted real estate advisor.

**Changing Concept of Retirement**

In 1928, the signing of the Dominion-Provincial Agreement on Old Age Pensions took place. Legislators intended to provide a secure retirement for the few years between the end of working life and death. At the time, average life expectancies in Canada were at 60 years. Advances in health care and treatment of life-shortening diseases have lengthened lives; on average, Canadians now live to the age of 82 years9. Preventive medicine, along with nutrition and exercise, emphasizes adding healthy years in middle and later life, not just extending years of infirm old age.

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8 Globe and Mail: The Boomer Shift, November 2015
9 The World: Life Expectancy (2017) - Top 100+.
http://www.geoba.se/population.php?pc=world&type=15
Retirement is now the “second half of life” or a time for an “encore career”—a time for reinvention and redefinition. This new concept presages baby boomers’ image of the ideal retirement at a time when thousands of this generational cohort are poised to reinvent themselves as retirees.

The Ideal Retirement—Mature Generations versus Boomers

Age-encouraged and active adult communities were designed for and built by the mature (Full Retiree Generations and Active Retiree Generations) generations. For them, the ideal retirement was a time of withdrawal from work and responsibility for a life of endless leisure in a warm climate. Most of the retirement institutions in place today—health care delivery, government programs, and expectations such as age milestones—were designed for this concept of retirement. But, when it comes to age-encouraged housing, less than half (48%) of baby boomers say they would consider it.10 And housing choice is not the only way the boomers are re-imagining retirement.

Baby boomers see the ideal retirement as continued employment in a flexible environment with part-time work or interspersed periods of leisure and work. When asked about their motivations for continuing to work, baby boomers ranked continued mental stimulation and challenge above continued earnings. They also seek intergenerational interaction; association with younger people helps the forever-young boomers stay that way. NAR’s research study of baby boomers and real estate found that the median age at which they plan to stop working is 70 years, and a significant number of boomers never intend to stop working. Not surprisingly, those who feel the least prepared for retirement intend to continue working the longest.

Boomers are coming to the realization that their parents’ ideal retirement is not only unaffordable, it is boring. Although they are still figuring it out, boomers will force institutions and old models to adapt and workplace disincentives to fall away.

Impact of Economic Recession

For the mature generations who were touched by the Great Depression, this last economic recession we experienced was nothing new. They already know how to cope with lean times. But they also experienced the long bull markets of 1953–1959 and 1981–1989 and post-war prosperity without global competition. A number also benefitted from generous defined-benefit pension plans that guaranteed a percentage of salary.

Boomers have experienced two long-lasting bear markets during their peak earning years—2000–2003 and 2009–2014—as well as some continuing market volatility in some sectors. Some boomers are still trying to get their financial houses in order. This last economic recession hit at a time when, for those closest to retirement, there was less time to recover financially.

So could there be a silver lining for boomers’ continued employment? Retirees who continue to work also continue to pay taxes; they may relieve some of the economic burden that demographers predict will overwhelm the Social Security system.

The Ideal Retirement Location

While seniors account for a substantial share of the population in each province, in 2016, statcan shows that the majority (85%) of Canadians aged 65 and older lived in one of four provinces¹¹:

1. Ontario
2. Quebec
3. British Columbia
4. Alberta

The title of Canada's "Senior Capital" is shared by Peterborough, Ont and Trois-Rivières, Que.

### Percentages of Population in Urban and Rural Areas,* Selected Age Groups, Canada, 2011

<table>
<thead>
<tr>
<th>Location</th>
<th>Area of Residence</th>
<th>Total Pop. Aged 55+</th>
<th>Total Pop. Aged 55+ (%)</th>
<th>Population Aged 55-64</th>
<th>Population Aged 65-74</th>
<th>Population Aged 75+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newfoundland and Labrador</td>
<td>Urban</td>
<td>90,995</td>
<td>55%</td>
<td>54%</td>
<td>46%</td>
<td>59%</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>73,300</td>
<td>45%</td>
<td>46%</td>
<td>54%</td>
<td>41%</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>Urban</td>
<td>20,959</td>
<td>46%</td>
<td>44%</td>
<td>54%</td>
<td>56%</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>22,890</td>
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<td>46%</td>
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<td>Nova Scotia</td>
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<td>52%</td>
<td>60%</td>
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<tr>
<td></td>
<td>Rural</td>
<td>133,945</td>
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<td>48%</td>
<td>48%</td>
<td>40%</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>Rural</td>
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<td>49%</td>
<td>52%</td>
<td>50%</td>
<td>41%</td>
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<td>Quebec</td>
<td>Urban</td>
<td>1,861,150</td>
<td>79%</td>
<td>77%</td>
<td>78%</td>
<td>85%</td>
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<tr>
<td></td>
<td>Rural</td>
<td>483,450</td>
<td>21%</td>
<td>23%</td>
<td>21%</td>
<td>15%</td>
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<tr>
<td>Ontario</td>
<td>Urban</td>
<td>2,925,380</td>
<td>83%</td>
<td>82%</td>
<td>83%</td>
<td>87%</td>
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<td></td>
<td>Rural</td>
<td>573,360</td>
<td>16%</td>
<td>18%</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>Rural</td>
<td>236,155</td>
<td>74%</td>
<td>72%</td>
<td>71%</td>
<td>80%</td>
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<tr>
<td>Saskatchewan</td>
<td>Urban</td>
<td>178,350</td>
<td>64%</td>
<td>61%</td>
<td>61%</td>
<td>70%</td>
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<td></td>
<td>Rural</td>
<td>96,710</td>
<td>35%</td>
<td>37%</td>
<td>37%</td>
<td>29%</td>
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<tr>
<td>Alberta</td>
<td>Rural</td>
<td>663,565</td>
<td>81%</td>
<td>80%</td>
<td>79%</td>
<td>86%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>Rural</td>
<td>1,079,710</td>
<td>83%</td>
<td>81%</td>
<td>83%</td>
<td>88%</td>
</tr>
<tr>
<td>Yukon</td>
<td>Rural</td>
<td>200,230</td>
<td>15%</td>
<td>17%</td>
<td>17%</td>
<td>11%</td>
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<tr>
<td>Northwest Territories</td>
<td>Urban</td>
<td>3,480</td>
<td>54%</td>
<td>59%</td>
<td>47%</td>
<td>41%</td>
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<tr>
<td></td>
<td>Rural</td>
<td>2,925</td>
<td>45%</td>
<td>40%</td>
<td>52%</td>
<td>58%</td>
</tr>
<tr>
<td>Nunavut</td>
<td>Rural</td>
<td>1,640</td>
<td>53%</td>
<td>57%</td>
<td>44%</td>
<td>50%</td>
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<tr>
<td>Canada</td>
<td>Urban</td>
<td>7,341,050</td>
<td>79%</td>
<td>77%</td>
<td>77%</td>
<td>84%</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>1,938,960</td>
<td>21%</td>
<td>23%</td>
<td>22%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada Community Profiles and Data Provided by Statistics Canada, Census 2011
*Note: Percentages may not add to 100% as data include only off-reserve population.

12 CMHC HOUSING FOR OLDER CANADIANS: The Definitive Guide to the Over-55 Market
Most seniors live in urban areas. Almost one-third of seniors live in Toronto, Vancouver, and Montreal. The 10 cities and towns with the largest proportion of seniors include: (Census Canada, 2011)\(^{13}\)

1. Peterborough, Ont.
2. Trois-Rivières, Que.
3. Kelowna, B.C.
5. Victoria, B.C.
7. Thunder Bay, Ont.
8. Sherbrooke, Que.
9. Québec, Que.

Metro elders cite access to cultural and educational events as important considerations. They value the transportation, health care, and shopping available in metro areas that would be difficult to replace in a small towns or rural settings. Closeness to adult children, whose careers are based in the metro area, is a top consideration. The tradeoff for metro living may be a higher cost of living.

Most seniors stay in their own homes to their 70s and 80s. Between 1996 and 2001 just 19.2% of all seniors in Canada changed addresses\(^3\). When they do move most remain in the same geographic area in which they previously resided relocating into:

- Smaller houses
- Apartments
- Condos
- Congregate or care settings

Assuming the trend for retirees to stay close to home continues, the senior population of the next ten to fifteen years will likely be geographically distributed in proportion to where Baby Boomers and their parents now live.

**The Good Life—Money, Meaning, Medicine**

The MetLife Mature Marketing Institute asked the question: What constitutes the Good Life? All generations responded that three things were important: money (financial security), meaning (time with family and friends), and medicine (good physical and mental health). The Good Life is imbued with having a sense of purpose, defined as:

- Vision—clarity about the path to the Good Life
- Focus—knowing and concentrating on the most important things

People aged 45–74 report a greater clarity of vision and focus than those aged 25–44. The older group focuses more on meaning-laden activities. “Discovering purpose is an ongoing quest rather than a one-time trip to an exotic land. It is likely to change a number of times as individuals grow older and their experiences and goals expand and shift.”

Sandwich Generation

With their children remaining financially dependent into adulthood and their parents living longer, healthier lives, boomers are experiencing an extended period as a sandwich generation.

Most boomers are married and live in two-adult households. However, for many boomers the nest is not empty. Among the youngest boomer households, a quarter includes children under the age of 18 residing in the home. Another quarter of boomer households are home to children over the age of 18 and two-thirds of these provide primary or partial support for the adult child. The reasons for most? The high costs of post-secondary education and the burden for many young adults of thousands of dollars of debt.

Almost a third of boomers provide financial assistance to parents. About 70% of boomers’ parents (one or both) are still living. Although their elderly parents are healthier and wealthier than previous generations, they are still likely to rely on their children for assistance with caregiving and household errands.

Single Retirees

Although most boomers are married and live in two-adult households, more than one-third (37%) are on their own, either because of remaining single or as a result of divorce, separation, or widowhood. As these boomers reach retirement years, new trends can emerge in group living arrangements and mutual help groups.

Home—Asset or Anchor?

The big question for current and future retirees is how much equity is in their homes and to what extent will they be willing to use it to fund retirement choices. Canadians aged 55 to 64 have the highest rates of homeownership among all age groups; about 77% of households in which the primary household maintainer is aged 55 to 64 own the housing in
which they live. The age group 65 to 74 also has a strong ownership rate (76%). The mature generations see their homes as the last place they would ever give up or risk. The boomers, on the other hand, are more accustomed to seeing real estate, including their homes, as part of a portfolio of financial assets. They may be less hesitant than their parents’ generation to take cash out of home equity through a line of credit or loan. The proportion of homeowners without a mortgage increases with age. About 83% of households in which the household maintainer is aged 75 or older and that live in homes that they own have no mortgage. 15

### Housing Tenure by Age of Primary Household Maintainer

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Owners</th>
<th>Owners Without Mortgage*</th>
<th>Renters</th>
</tr>
</thead>
<tbody>
<tr>
<td>44 years and under</td>
<td>58%</td>
<td>14%</td>
<td>41%</td>
</tr>
<tr>
<td>45-54</td>
<td>75%</td>
<td>31%</td>
<td>25%</td>
</tr>
<tr>
<td>55-64</td>
<td>77%</td>
<td>53%</td>
<td>23%</td>
</tr>
<tr>
<td>65-74</td>
<td>76%</td>
<td>71%</td>
<td>24%</td>
</tr>
<tr>
<td>75+</td>
<td>71%</td>
<td>83%</td>
<td>29%</td>
</tr>
<tr>
<td>Total</td>
<td>69%</td>
<td>42%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Source: CMHC adapted from Statistics Canada (National Household Survey)

Numbers may not add to 100% due to rounding.

*As a percent of owner households whose mortgage status is known.

### House Locked?

Although market conditions have, for the most part, recovered to near pre-recession values, there are other considerations that may work to inhibit a senior seller from downsizing or moving on. As a real estate professional, you should work with these sellers to determine how comparable homes affect their property’s value and acknowledge any inhibiting factors that the seller has identified. After listening to the seller’s concerns, explain available options so that they do not feel “house locked” in their current property. If sellers are able to identify solutions based on your recommendations, it is likely that they will work with you to achieve their goals.

15 CMHC HOUSING FOR OLDER CANADIANS: The Definitive Guide to the Over-55 Market
Test Your Knowledge

1. In 1928, life expectancy was at 60 years old. In 2014, the life expectancy was at?
   
   A. 89  
   B. 82  
   C. It has not changed  
   D. 73

2. Which is not one of the reasons a “baby boomer” want to continue to work past retirement?
   
   A. They need the income more than anything  
   B. They seek mental stimulation  
   C. They want to interact with younger people  
   D. For a challenge

3. Elders living in a metropolitan area do so because:
   
   A. They are closer to adult children  
   B. Good transport, health care and shopping  
   C. Bigger houses with more room  
   D. Both A & B

Review

In this chapter, we looked at how the concept of retirement is changing as the mature market ages. We also examined the new realities of retirement in the 21st century. As our life expectancy has dramatically increased over the last 50 years, elders must now ensure that not only a steady income is available well into retirement, but quality of life as well.
3. 50+ Communities & Properties
Whether aging in place or moving to a new residence, the first phase of the 50+ market housing cycle involves independent living. For many, an age-targeted community is the answer. The amenities, social activities, and freedom from home maintenance offer the independence and security that fits the preferences of many in the 50+ generations. The privately owned residences are real estate assets, and providing services for buyers and sellers presents an opportunity for real estate professionals.

Real estate professionals who work in markets that include age-targeted communities and buildings need to know about housing options, amenities, and policies. You can start by researching the communities, developments, and housing options in your market area and learning about the opportunities.

The Housing Cycle

Most seniors stay in their own homes in their 70s and 80s. When they do move they relocate close to home and into smaller houses, apartments, condos, or congregate or care settings. Assuming the trend for retirees to stay close to home continues, the senior population of the next 10 to 15 years will likely be geographically distributed in proportion to where baby boomers and their parents now live. Closeness to adult children, whose careers are based in the metro area, is a top consideration.

Experienced real estate practitioners describe retirement and home ownership in four stages:

- **Upsize:** Age 50. Pre- to early retirement. Preference is for a large house with room for the grandchildren and other guests.

- **Downsize:** Age 65. At this stage the grandchildren are teenagers or in college and are no longer interested in spending spring break or summer vacation with their grandparents. Adult children are involved in careers and do not have much time to visit either. The trend is to downsize to a more manageable property.

- **Half-back:** Age 70–75+. Health begins to weaken. The spouse and friends may pass away and community ties weaken. Elderly move back home, or half-back, to be closer to children. Family members or adult children may be involved in this transaction.
Last home: Age 80–85+. The last move may entail selling the house or condo and moving to independent senior communities that have continuum of care; in other instances, seniors may need to transition to an assisted-living facility. Expect the adult children to be involved in this transaction.

Over the course of their retirement years, mature adults may sell and buy property several times as they progress through life and health stages. By demonstrating your knowledge and ability to help them through the transactions, you can gain a client for life. Mature adults are more likely to tell others about good and bad service experiences. What would you like these clients to say about doing business with you?

Aging in Place

What is your concept of aging in place? Most envision continuing to live safely, independently, and comfortably in their own home and the familiar surroundings of a supportive community.

In 2011, 92.1% of the five million seniors aged 65 and over in Canada lived in private households. Conversely, 7.9% lived in retirement residences and long-term-care facilities, according to Statistics Canada.\(^{16}\)

Life-enriching aging in place is not a passive activity. It doesn’t result from just staying put and adding up the years; according to CARP research, 8 out of 10 adults will experience future special housing needs. Successful aging in place is a process of taking stock of current and future needs, thinking through the options, evaluating the house and the community, and developing strategies. The process starts with asking the question, What will it take for you to age comfortably and safely in this house and in this community?

Plan for Aging in Place

For many, where they live—the community or home—at retirement is where they want to live out their lives. Does this mean that mature adults do not move to new homes or communities? Some relocate before reaching an age or life-stage milestone. Second-home owners may move to their vacation homes for aging in place. Another trend is relocating to a future retirement residence and commuting from there before full retirement. As we will see in this chapter, the choice of where and how to

age in place depends largely on health and support needs. We’ll look at how homes can be adapted for aging in place and discuss the opportunities for real estate professionals in helping sellers, buyers, and their families find solutions for aging in place. Let’s begin by looking at two aspects of aging in place:

- **Aging in the community**: remaining in a familiar community but in a more suitable residence—condo, apartment, or different house—with friends, family, activities, and support services nearby. Or relocating to a community that provides a safe environment and needed services and support, or moving closer to family.

- **Aging in the home**: remaining in the current residence, accessing support services, and modifying the home as needs change.

A plan for aging in place is not a plan for advanced old age or illness. It is a portfolio of strategies for maintaining control of the environment and quality of life. When family members participate in planning, they have an opportunity to voice concerns, work through practical and emotional issues, and visualize their future roles. Most important, they learn their elders’ wishes and preferences.
Planning Continuum for Aging in Place

It may help to think of an aging-in-place plan in terms of a continuum based on health and support needs. Where an individual fits on the continuum indicates present and future actions, priorities, and how quickly decisions must be implemented. Note that this continuum is tied to health, mobility, care, and service needs, not specific ages. At every stage of the continuum, real estate needs for aging in place change and create opportunities for real estate professionals to work with buyers and sellers.

<table>
<thead>
<tr>
<th>No Urgent Needs</th>
<th>Progressive or Chronic Health Conditions</th>
<th>Urgent Needs, Sudden Changes, Advanced Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="3.50+Communities&amp;Properties.png" alt="Image" /></td>
<td><img src="3.50+Communities&amp;Properties.png" alt="Image" /></td>
<td><img src="3.50+Communities&amp;Properties.png" alt="Image" /></td>
</tr>
</tbody>
</table>

There is time to think ahead, research options, develop strategies, and discuss choices with family members. Simple, universal design home modifications can enhance independent living and prevent debilitating accidents and falls. This stage may involve a planned move to a second home or active adult community. Community service needs: participation in events, volunteer opportunities, focus on maintaining involvement and an active lifestyle.

Changes in life and health circumstances necessitate home modifications or a move to a more suitable living arrangement. Although not urgent, gradual progression of conditions makes adaptations inevitable. There is time to research care options, or move to a more suitable home or closer to family. Community service needs: support independent living, facilitate access to health care providers, and provide emergency response.

A sudden change in health or life circumstances requires immediate adjustments to the home and possibly the living situation. Progressive conditions reach advanced stages and require full-time care. Home modifications are needed to enable care and maintain safety. A full-time care provider or a move to a medically oriented care facility may be necessary. Community service needs: long-term medical care and care-provider support.
**Make a SAFE Plan for Aging in Place**

When is a house, or a community, suitable for aging in place, and when is it right to consider a move to another home or neighbourhood? Remember these four factors:

<table>
<thead>
<tr>
<th>In the Home</th>
<th>In the Community</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safety</strong></td>
<td></td>
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<tr>
<td>Does the home have elements that present risk, such as dim lighting, steep stairs, no hand rails, clutter, frayed wiring, or structural problems?</td>
<td>Does the neighbourhood seem unsafe? Are elderly residents afraid to leave their homes? Is the neighbourhood declining?</td>
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<tr>
<td><strong>Access</strong></td>
<td></td>
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<tr>
<td>Are family and friends close by or far away? Will an elderly person be isolated and trapped in the home? Is entry awkward for the home or other areas? Are cabinets, closets, appliances, and storage accessible?</td>
<td>Are shopping and services accessible? Can the resident easily access essential services—grocery store, pharmacy, house of worship, medical services, or bank—without driving?</td>
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<tr>
<td><strong>Fits needs</strong></td>
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<tr>
<td>Does the house still fit the needs of the homeowners? Can the owners handle the repair and maintenance needs of an older house?</td>
<td>Does the community provide support for aging in place? Is the climate tolerable year-round?</td>
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<tr>
<td><strong>Ease of use</strong></td>
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<tr>
<td>Can doors and hallways accommodate a walker or wheelchair? Can home features be added or modified?</td>
<td>Does the community infrastructure promote ease of movement?</td>
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</table>
3. 50+ Communities & Properties

Aging in Place: The Community

What makes a community a good place to age in place?

- Well-run community centres, recreation centres, parks, and other places where people can socialize and participate in public meetings and events
- Volunteer opportunities
- Dependable public transportation; safe and convenient transportation options available, such as rides from friends or family
- Safe sidewalks that connect places where people want to go to on foot
- Roads designed for safe driving with unambiguous signage and clearly marked traffic stops and pedestrian crosswalks
- Range of housing options, including affordable housing, elsewhere in the community if a resident wants to leave the current home

Naturally Occurring Retirement Communities

Not all 50+ communities are planned developments; some happen naturally as long-time residents of a neighbourhood age in place. About one in four mature adults live in a naturally occurring retirement community (NORC). Except for the age of the residents, there are seldom any other defining characteristics. NORCs occur in small towns, suburbs, and rural settings. They can be a community, an apartment building, or a section of a neighbourhood and are increasingly common in rural areas where young people migrate to cities for job opportunities.
Active-adult communities

Communities want active retirees because they make the area attractive to others, often have high income, and do not make many demands of community services. Active-adult communities offer a range of services, social events, amenities, and activities to attract and serve residents. Services and amenities might include:

- Social and recreational programs
- Community centre or clubhouse
- Fitness facilities
- Computer labs
- Hobby facilities
- Gardening plots
- Library
- Cultural and arts programs
- Worship facilities and spiritual counselling
- Continuing education programs
- Information and counselling
- Outside maintenance and referral services
- Emergency and preventive health care programs
- Restaurants and meal programs
- Transportation on a schedule

Active-adult retirement communities come in a variety of forms:

- Single-family homes
- Attached homes, duplexes, townhomes
- Condominiums
- Subdivisions
- Cluster housing that combines the maximum density of homes with large common areas, such as gardens, clubhouse, tennis courts, swimming pools, community centre, and the like

Active-adult communities may offer a “try-before-you-buy” option of a short-term stay at the facility. Potential residents have an opportunity to try out the community facilities, get a feel for the atmosphere, meet other residents, and evaluate if it is a good fit for them. A number of active-adult communities are age encouraged. When working with clients who are interested in an age-restricted community, the real estate professional should make sure that the prospective resident is fully aware of the regulations and restrictions. For example,
are pets allowed? How long can grandchildren and guests stay? Are there restrictions on children using facilities?

In actual practice, most age-restricted communities try to find a balance that allows residents to enjoy both the benefits of the age-restricted community and the company of children and grandchildren. Usually grandchildren or underage adult children can stay for up to several weeks, although this allowance varies widely from facility to facility. Some communities provide Grandparent Clubs with activities for grandparents and grandchildren to enjoy together or these communities may schedule family days at the swimming pool. On the other hand, sometimes residents are grateful for the age restriction because it helps avoid an awkward situation by preventing an adult child from moving back in with parents.

**Seniors-only apartments**

Renting is a convenient option for many seniors. Reasons for becoming renters include circumstances such as:

- Divorce (dividing equity)
- Financial inability to pay mortgage, taxes, insurance, upkeep
- Relocation closer to family (younger families often move for job reasons)
- Free up equity to invest for dividend income
- Freedom from home and garden maintenance
- Freedom to travel

Seniors-only apartments are suitable for those who can take care of themselves, are relatively healthy, and have sufficient funds to buy or rent the apartment. The apartments, rental or condo, are usually small and easy to maintain. They offer people of the same age social opportunities, comfort, safety, and security, but no medical or custodial care. Apartments may be designed with assistive features such as shower seats, handrails, and emergency alert devices. They may include services such as recreational programs, transportation, and communal dining rooms.

**Cohousing**

Cohousing communities are better characterized by philosophy and lifestyle than by layout or styles of residence. They are self-contained, intentional neighbourhoods of privately owned residences, such as single-family or townhomes, clustered around a courtyard and community centre. Most are small, typically 10–30 residences, and may
be multi-generational or adult-focused. From outward appearance, cohousing developments look like any other clustered neighbourhood; the emphasis on sharing and communal living distinguishes the close-knit communities. Shared meals prepared by community member volunteers and served several times a week in a communal dining room are a particular distinguishing feature. Another is decision-making by consensus. The cohousing approach harmonizes quite well with green living; mission statements of the communities stress wise use of resources and environmental stewardship through sharing as a community value.

Roberts Creek, British Columbia consists of 31 homes. This semi-rural community is within walking distance of amenities and includes a mix of detached and attached housing on 20 acres with a common house, shared work spaces, gardens, creek, etc. www.robertscreekcohousing.ca

Adult-focused cohousing communities offer independence and the privacy of a single-family home within a supportive community environment. Some of these characteristics are:

- For new developments, future residents participate in designing the community to meet their needs.
- Common facilities designed for daily use are an integral part of the community and are always supplemental to the private residences.
- The neighbourhood design encourages a sense of community.
- Residents manage their own communities and do much of the work required to maintain the property.
- The community is governed by a homeowners association with an emphasis on decision making by consensus.
- The community and its services are not profit-making enterprises or a source of income for its members.
Garden suites

Garden suites are a second living unit installed on a temporary basis and are built so they can be easily moved. They are usually factory-built and contain one bedroom, a living room, a kitchen and bathroom as well as storage and laundry facilities.

Garden suites are typically occupied by individuals 65 years or older. Garden suites are intended to be occupied only by the individual or couple for whom they were installed. When the occupant leaves or no longer lives in the garden suite, it should be removed from the property. While it is uncertain whether municipalities can regulate who is eligible to live in garden suites, the construction of garden suites is subject to National Building Code of Canada requirements. For more information about garden suites, REALTORS® may visit the Web sites of Canadian Manufactured Housing Institute (www.cmhi.ca) and Manufactured Housing Association of Canada (www.mhac.ca).

Shared housing

Shared housing involves sharing a home with a roommate, in one’s own home or that of another. Sharing a home can be a strategy for aging in place. Some community organizations help with matching up those who want to share their homes or find roommates.

Independent supportive living

This form of living offers private apartments, from studios to two bedrooms. Independent supportive living offers privacy, but with the advantage of custodial care.

Medical care is generally not available, although staff may assist residents with self-medication. Features usually include common social areas and communal meals if desired. Congregate facilities may have entry criteria for age and abilities and set forth rules on when a resident must transfer from the facility. For example, some may accept residents in early stages of Alzheimer’s disease but require transfer to a specialized facility in later stages. The advantage is that it provides privacy and independence along with round-the-clock supervision. Factors to consider when selecting congregate housing include:

- Parking, convenience to unit, lighting, and security
- Storage, closets, cupboards, lockers
- Stairs
- Availability of shopping
- Transportation
- Access to medical care
- Security, access from external streets to the complex and units, intercom to front door, attendant at entry
- Grab bars, handrails, and cabinet and countertop height
- Management quality and experience
- Services
- Activities and amenities, access to community and cultural events

**Senior day care and senior centres**

Although not a form of housing, senior day care facilities can help seniors stay in their homes longer. These facilities fill in the gap when the caregiver must work during the day or needs a respite. Day care centres offer supervision, usually a noon meal, social and education activities, support groups, and the like. These facilities are suitable for elders who cannot be left alone because supervision is needed, but do not require institutionalization. Some offer nursing and therapy services as well as health monitoring.

**Short-term stays**

Independent supportive living, assisted living, and continuing care retirement communities (CCRCs), which are discussed later in this chapter, may offer an opportunity for a vacation or short-term stay for the purpose of:

- Short-term visits
- Snowbird vacations
- Providing caregiver respite
- Trying out an area before relocating
- Trying a local care home as a possibility for longer term care and housing later on
- Attending a family gathering, as frail seniors can be cared for between get-togethers.
- Providing assistance with activities of daily living within the scope of services the community offers to its regular long term residents.
Assisted Living

Assisted living is an intermediate step between independent living and care facilities. Assisted-living facilities provide a residence for those who need help with daily activities such as cooking, housekeeping, and transportation as well as personal care such as bathing, dressing, grooming, and eating. These types of facilities are best suited for those who cannot live on their own and are ambulatory, but do not need nursing care. Living arrangements are usually single or double room, which offers more privacy than a nursing home environment, but less than congregate housing. Assisted-living facilities should be expected to offer:

- Laundry services
- Transportation
- Personal care
- Housekeeping
- Shopping
- Exercise classes (usually seated)
- Help with medications
- Activities (social, religious, educational)
- Three meals daily with provisions for low-sodium, diabetic, and heart-healthy menus

Payment for assisted living is usually out of pocket.

Continuing Care

Continuing Care Retirement Community (CCRC)

Continuing care retirement communities (CCRCs) provide increasing levels of care at one location as the needs of the resident change. CCRCs can be in high-rise apartments, condos, planned unit developments, or co-ops. The resident may have an ownership interest as part of the buy-in entrance fee. It provides the choice of moving between the housing environment and degrees of service within one community as well as the security of being taken care of through stages of aging. Residents can make friends while still active and fully cognizant and maintain those relationships as their health status changes. They do not have to start over to reestablish friendships in a new facility. CCRCs offer multiple levels of care without the uncertainty of wondering where to live in the future. The stages and types of housing available in CCRC are:
• Independent living units, ranging from apartments to cottages
• Assisted-living units, usually apartments and sometimes with kitchenette facilities, and assistance with daily living
• Nursing home facilities, usually one-room units with shared bathrooms; skilled nursing care is provided.

The main downside of these facilities is the cost; they are generally not for the budget conscious. Also, there is no way to predict what might be needed in the future. For example, what if there is no dementia facility and one spouse develops Alzheimer’s while the other remains active? Will the CCRC be contractually obligated to pay for outside services its facility does not provide?

Care Facilities

Board and care are smaller assisted-living facilities for personal and custodial care. Some of these facilities are in converted private homes, with a few residents, typically four to ten. Some operate on an unofficial basis. These are also known as foster care, group homes, or domiciliary homes. These facilities are suitable for those who cannot live independently and need assistance with activities of daily living, but do not need a nursing home environment. Long-term insurance policies may cover the expense.

Nursing Homes, Skilled Nursing Facilities

Nursing homes provide personal care and medical care around the clock. They are staffed by registered nurses, practical nurses, and nurses aids. They can be freestanding or part of a CCRC. There are two categories of residents:

• Short-term residents recovering from surgery, illness, or needing physical therapy
• Long-term residents who cannot care for themselves or need medical or extensive custodial care that an assisted living cannot provide

Most of these facilities offer a combination of private and semi-private rooms, and shared bathrooms, either with roommates or between two private rooms. Unlike assisted living, nursing and skilled nursing homes treat patients medically. With the emphasis on medical care and the physical limitations of long-term residents, the program of events and social activities is usually minimal. Anyone considering a nursing home for a relative’s long-term care should evaluate the facility against several checklists, visit the facility unannounced, and ask lots of questions. It is
not uncommon for long-term residents of these facilities to be frail and/or suffer from significant cognitive impairment or dementias; they are the least able to be proactive and protect themselves. It is estimated that close to 20% of seniors will stay in a nursing home on a short- or long-term basis near the end of life.

**Respite Care**

Respite care allows caretakers occasional time off to recoup emotionally, handle other family responsibilities, or get away for a while. In-home respite care workers come to the home or stay in the home with the senior. An alternative is a short-term stay in an assisted-living facility, if space is available. A short-term stay may be the opportunity to test the assisted-living centre without having to commit to moving there permanently.

**Alzheimer’s Care Facilities**

Alzheimer's care facilities specialize in care of patients with dementia. Other senior living environments (congregate, assisted living, board and care) may be appropriate for some residents in early, or even mid, stages of the disease. However, unless the community has a specialized dementia unit, transfer to another facility will be required as the disease progresses. Those with Alzheimer's disease and other dementias experience gradual and somewhat unpredictable progression in function loss. Families who want to care for an Alzheimer’s patient at home need to consider questions such as:

- Can the environment be made secure and safe?
- Are in-home respite services available, such as nurses, home health aides, homemakers, and companions?
- Can the caregiver access respite care?
- Is there a senior adult day care facility available?
- Are there opportunities for social interaction, mental stimulation and recreation for the Alzheimer’s patient?

The Alzheimer’s Society of Canada has many good resources available. They can be found at www.alzheimer.ca.

**Hospice or Palliative Care**

A hospice facility provides comfort at life’s end. Services include medical, counselling, social services, and family support in the home or in a hospital setting.
Adapting a Home for Aging in Place

Home Care

- Low-maintenance exterior (vinyl siding) and landscaping
- Housekeeping service
- Repair service
- Security and emergency alert service
- Uncluttered, unobstructed exterior and interior pathways
- Easily accessible filters on HVAC units
- Central vacuum system

Kitchen

- Cabinets with pull-out shelves and turntables
- Wall cabinets set below (about 3”) standard height
- Glass cabinet doors or open shelving
- Easy-to-grasp cabinet knobs, pulls, or loop handles
- Task lighting under cabinets
- Electric cooktop with front controls and hot-surface indicator
- Microwave at counter height
- Wall oven or side opening oven door at counter height
- Counter space for transferring items from refrigerator, oven, sink, and cooktop
- Contrasting color strip on counter edges
- Side-by-side refrigerator/freezer with adjustable upper shelves and pull-out lower shelves, or a freezer drawer on the bottom
- Raised dishwasher
- Variety in counter height—some at table height (30”)—under-counter seated work area
3. 50+ Communities & Properties

### Faucets, Switches, Controls
- Temperature-controlled or anti-scald valves for faucets
- Lever faucet handles
- Easy-to-read, pushbutton controls
- Lever door handles
- Loop drawer handles
- Easy-to-read, programmable thermostat
- Rocker light switches at each room entry
- Lighted switches in bedrooms, bathrooms, and hallways
- Light switches at 42” from floor
- Electrical outlets 15”–18” from floor
- Front controls on cooktop

### Bathroom
- Tub and shower controls offset
- Light in shower stall
- Shower stall with low or no threshold, trench drain
- Fold-down shower seat
- Hand-held showerhead with 6’ hose
- Lift or transfer seat for bathtub
- Lower bathtub for easier access
- Grab bars at back and sides of shower, tub, and toilet, or wall-reinforcement for later installation
- Adapter to raise toilet seat 2½”–3” higher than standard
- Turnaround and transfer space for walker or wheelchair (36” x 36”)
- Knee space under sink and vanity
- Counters at sit-down height
- Emergency alert or call button
Entry and Stairs

- At least one entry without stairs
- 36”-wide doorway with offset hinges
- Side window at entrance or lowered peephole
- Handrails on both sides of stairs
- Outside stair height below 4”
- Contrasting strip on stair edge
- Ramp slope of no more than 2” per 12” in length, 2” curbs, 5’ landing at entrance
- Low (maximum ½” beveled) or no threshold
- No mats or throw rugs
- Exterior sensor light focused on door lock
- Surface inside doorway for placing packages
- Audible doorbell

Home Design and Layout

- Easy-open windows with low sills
- Color contrast between walls and floors, matte finish wall coverings
- Adequate, accessible storage
- Wide halls and doorways (interior doors and hinges can be removed)
- “Flex room” for family visits or live-in care provider
- Attached garage with opener or covered carport, room for wheelchair loading
- Smoke and carbon monoxide detectors
- Low-vision adaptations:
  - Anti-glare glass
  - Stick-on, tactile markers on controls
  - Contrasting color switch plates
Discussion Question

What additional aging-in-place adaptations can you think of?
Which are low-cost or DIY items?
Converting a Second Home

According to NAR research, about one in four vacation-home owners intend to use the property as a primary residence after retirement. What does this mean for the SRES® who is also a resort practitioner? The practitioner must be able to help the buyer evaluate properties for both current and future use. For example, during the years when a buyer is working or raising a family, a vacation property may be used only for a couple of weeks during the year and rented the rest of the time. As buyers reach retirement age, they may plan to spend more time in the home or convert it to a year-round retirement residence.

A strategy for converting a rental home to a retirement residence is to purchase a second home and rent it aggressively using the rental income to offset as much of the mortgage and expense as possible. When the owner is ready to retire, the primary home may be sold and the proceeds used to refurbish the rental home, which then becomes the owner’s retirement residence. Or, the owner may sell both the primary and second home and use the proceeds to purchase a new home.

Buyers looking for a property in anticipation of retirement should carefully consider how the home will fit their future lifestyle, income level, and savings. For example, will the property still be affordable on a retirement income? Even if the buyers are familiar with the area, all of their time there may have been during the same season. Before they make a year-round commitment, especially if they are purchasing a home in anticipation of retirement, a specialist should encourage buyers to visit the area during both peak season and off season. This provides firsthand experience of off-season living. Factors to consider include:

- Will the weather be too cold or hot?
- Will off-season road conditions hinder access?
- Will peak-season traffic congestion be tolerable?
- Will services and shopping facilities be available year-round?
- Will there always be something interesting to do?
- Will peak-season visitors be too noisy or disruptive?
### Aging in the Community Checklist
When consulting with your seller, use this checklist to evaluate their community for aging in place. You should stress to the seller that all listed items should be considered and that you are not claiming expertise in all items (e.g., medical). Some resources to professionals with expertise in areas other than real estate are available on the next page.

<table>
<thead>
<tr>
<th>Medical</th>
<th>Cost of Living</th>
<th>Climate</th>
<th>Services</th>
<th>Senior and Aging Services</th>
<th>Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Health care facilities, doctors, hospitals, clinics, specialists</td>
<td>□ Overall costs</td>
<td>□ Changes of season and climate variations</td>
<td>□ Shopping (quality, selection, convenience)</td>
<td>□ Senior concierge services</td>
<td>□ Maintenance-free (no lawn care, snow removal)</td>
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<tr>
<td>□ Prescription drug plans</td>
<td>□ Utility costs—electricity, gas, water</td>
<td>□ Likelihood of destructive storms and natural disasters</td>
<td>□ High-speed Internet access</td>
<td>□ Nutrition (meals on wheels)</td>
<td>□ Storage space</td>
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<tr>
<td>□ Emergency services</td>
<td>□ Taxes—property, income, sales</td>
<td>□ Environmental quality</td>
<td>□ Restaurants (range of prices and types)</td>
<td>□ Senior-specific places, communities, facilities</td>
<td>□ Alarms in bedroom/bathroom</td>
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<td></td>
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<td>□ Natural features: parks, coastlines,</td>
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<td>□ Aging and human services</td>
<td>□ Garage or parking</td>
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<td>mountains, scenery</td>
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<td>□ Independent living support</td>
<td>□ Square footage</td>
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<td>□ Congregate, assisted, skilled care, nursing</td>
<td>□ Barrier free—no thresholds, wide doors and</td>
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<td>home facilities</td>
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<td>□ No fall hazards</td>
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<td>□ Age-encouraged, age-targeted, NORCs</td>
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<td>Market</td>
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<td>□ Range of housing options and prices</td>
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<td>□ Resale value and appreciation potential</td>
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<td>Transportation</td>
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<td>□ Transportation—public and private volunteer</td>
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<td>□ Roads</td>
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<td>□ Traffic volume</td>
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<td>□ Golf cart sales and service</td>
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<td>□ Airport proximity and airline service</td>
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<td>□ Parking</td>
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<td>Community and Activities</td>
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<td>□ Public safety</td>
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<td>□ Pool, golf, spas, wellness facilities</td>
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<td>□ Walking trails and paths</td>
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Retiring to Your Home.

Retiring to Your Home.

Aging in Place support groups provide seniors the option to remain in their current neighborhoods

By John Van Gieson

Judy and Michael Spock wanted to age in place in the home where they have lived for 25 years in Chicago’s Lincoln Park neighborhood, but weren’t sure they could manage it. In their late 70s, they had health issues and were slowing down. Michael has had two heart attacks and a stroke. Judy has had a heart attack, two mini strokes and needs knee surgery.

“We looked into retirement communities,” Judy said. “We found them sort of reassuring, but also sort of chilling. What we really wanted was to live in our house and stay in our house a while longer.”

Partnering with two other couples in the neighborhood, the Spocks decided to create a nonprofit community called Lincoln Park Village to provide services and support to members who wanted to age in place in their own homes, but already needed, or soon would, some level of assistance to make it work.

AARP polls show that a large majority of elder Americans want to age in place in their own homes.

“We looked into retirement communities, we found them sort of reassuring, but also sort of chilling. What we really wanted was to live in our house and stay in our house a while longer.”

Retiring to Your Home.

Under the village concept, members pay annual dues — with reduced rates for lower-income members — in return for free services provided either by volunteers or “conierge” services by vetted providers such as plumbers and electricians. Services villages provide to members include transportation, meals, home repairs, yard work, computer training, health care and financial advice, exercise, informational programs and social gatherings.

“You call the village, and we’re going to help you no matter what it is,” said Jane Curry, a member of the Lincoln Park Village Board of Directors. “You call, we will always have a volunteer first if we can do it. If we don’t have a volunteer, we will find that person you need and provide that person.”

There are as many ways of providing volunteer and paid services to members as there are villages. “If you’ve seen one village, you’ve only seen one village,” said Candace Baldwin, an adviser to elders who are starting villages.

Initiated by Beacon Hill Village in Boston in 2001, aging in place villages are growing rapidly all over the country, serving communities in at least 19 states and Washington, D.C.

“We know of 50 villages that are actually open and operating and serving their members,” Baldwin said. “About 100 others are in various stages of development.”

Baldwin is a senior policy adviser at NCB Capital Impact, a nonprofit community development organization based in Arlington, Va. NCB has partnered with Beacon Hill Village to develop the Village to Village Network, which advises developing villages and helps them manage their affairs more efficiently.

Individual memberships at Beacon Hill Village cost $660 a year and household memberships are $850, about the same range as other villages. Most also offer membership-plus options to lower-income residents of the neighborhood, charging about $100 for individuals and $150 for households.
Village officials say the No. 1 service they provide to members is transportation, typically rides to the doctor’s office, pharmacy or grocery store.

The threshold for membership in a village is usually either 50 or 60 years old. Membership typically ranges from a few dozen to several hundred. Beacon Hill Village has about 450 members.

The volunteers who provide free services to village members are either members themselves or members of the larger community. Many are active seniors, but high school and college students also serve villages as volunteers.

Sonia Crow, executive director of the Palisades Village in northwest Washington, D.C., joked that it has some four-year-old volunteers. They are pupils at a neighborhood school who have befriended a 96-year-old member known as Miss Betty.

Crow said the kids visited Miss Betty before Christmas, singing Christmas carols and the Dreidel Song, and were rewarded with milk and cookies. The children have returned on several occasions, including St. Patrick’s Day and an egg hunt at Easter.

The Spocks said they were surprised at how often they have taken advantage of Lincoln Park Village services, including transportation, wellness programs, financial advice, home maintenance and health care. A consultant provided by the village is developing a master plan for maintenance and modifications on their home, built in 1891.

Judy Spock participates in three village exercise programs a week, t’ai chi, nia (non-impact aerobics) and swimming.

Some villages connect their members to geriatric physicians, if that’s what they want. Lincoln Park Village has a partnership with the geriatric program at the Rush University Medical Center in Chicago, and the Spocks were seeing a doctor there until she took another job. Beacon Hill Village has a partnership with the geriatric program at Massachusetts General Hospital and also connects members to home health care and personal care providers.

Village officials say the No. 1 service they provide to members is transportation, typically rides to the doctor’s office, pharmacy or grocery store.

“When they get in the car with a member it’s not like Driving Miss Daisy; it’s a conversation between two people that enriches both of their lives,” said Gail Kohn, executive director of the Capitol Hill Village in Washington, D.C.

Volunteers transporting members typically drive their own cars, but Beacon Hill Village also pays some of its drivers $20 an hour and asks members to help defray the cost of gasoline.

Palisades Village has a different model. “There’s no compensation, no tips, nothing,” Crow said. “They do it
because they feel it's the right thing to do. They're helping others, and one day other people will be helping them.”

Safety and security are important considerations for village members who need some assistance, and members want assurance that the volunteers and service providers are reliable. Village officials stress that they protect members by carefully vetting both service providers and volunteers. The Beacon Hill vetting process checks criminal records, driving records, insurance coverage, bonding if applicable and references, Willett said.

“In addition, we get them [village members] a 10- to 50-percent discount [from the service providers],” she said. “Most of the discounts are around 20 percent.”

While most villages depend on dues and volunteers to pay expenses and provide services, there are other models. Partners in Care, based in Anne Arundel County, Md., and serving members in four Maryland communities, including Baltimore, is free for its 2,600 members — no dues whatsoever.

Partners in Care keeps track of the amount of time its members spend on volunteer projects, a concept known as time-banking.

“It's the concept that you help others for a couple of hours, you'll get help back when you need it,” said Anne Myers, marketing director for Partners in Care. Members who receive services are expected but not required to provide services to other members.

“We will say to you that our concept is reciprocity, and we hope that there will be a time and way that you will give back,” Myers said.

Partners in Care and Community Without Walls in Princeton, N.J., were developed by seniors seeking aging in place options before the village model originated in Boston.

Dating to 1992, Community Without Walls emphasizes social and educational programs and encourages its members to care for and assist each other. The community is organized into six houses with 60 to 90 members each. The houses charge dues ranging from $25 to $35 a year and decide what programs they want to offer members.

“We intended it as a sort of mutual support organization,” said Vicky Bergman, the community's first president. “We do not have volunteers. We have personal connections. We do lots of things with each other.”

**Partners in Care and Community Without Walls were developed by seniors seeking aging in place options.**

*Partners In Care, Anne Arundel County, Maryland*
Discussion Question
How does your community rate for support of aging in place?
2. 21st Century Retirement

Downsizing

Perhaps the most daunting aspect of downsizing, even for those looking forward to a new living situation, is sorting through and getting rid of a lifetime’s accumulation of stuff. When the health and safety risks outweigh remaining in a home, it’s time to find another living situation. But even when events are not at crisis stage and everyone, including the homeowners, agree on the need to make a transition, taking action can run up against some challenging obstacles—physical and emotional. What stops people from making a transition to a new living situation?

Obstacles

- Fear of change and loss of familiar routines that define and give meaning to daily life
- Fear of loss of independence, control, and privacy, or fear of abandonment
- Fear of making a wrong and irrevocable decision
- Emotional attachment to a home or place—adult children may be more sentimentally attached and resistant to breaking up a family home than their parents
- Determination to hold on to a property so that heirs inherit it
- House locked financially or by deferred maintenance issues
- Physical and cognitive limitations that prevent taking action
- Realization that a move is to a last living situation and remaining time is short
- Overwhelmed by the tasks involved in selling and moving
- Lack of family or a support network to assist
- Misapprehension that remaining in the home is “living for free”
What Can a Real Estate Professional Do?

- Acknowledge the challenges and conditions that prevent making a move.

- Respect that what seems like a minor problem to you or other family members may loom large for an elder homeowner.

- Offer assurance that obstacles can be overcome, and describe how others have handled similar situations.

- Provide information about resources, services, and expert guidance including a trustworthy provider list, or team of professionals, who are backed by the Better Business Bureau (BBB).

- Acknowledge wary seniors, and provide them with your credentials to build trust in your expertise.

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<tr>
<th>Know the Terminology</th>
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<tbody>
<tr>
<td><strong>Downsize</strong></td>
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<td>Reducing household inventory in preparation for a move to a smaller home.</td>
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Can Family Help?

Families can be a loving support when relatives make a transition. In the best circumstances, the elder relative is in control and family members provide support and elbow grease. But family members may live far away or might be juggling career and family demands and are unable to offer much help. On the other hand, family members may become over-assertive and completely disregard the relatives’ feelings, attachments, fears, and preferences. There are times, however, when family members must step in and take control for the health and safety of the elder relative, when the elder is incapacitated physically or cognitively, or when a deadline looms such as a closing date or admittance to an assisted-living facility. Experienced specialists can probably describe numerous examples along the spectrum between assisting and asserting.
## Downsizing Strategies

### Space Planning
- Subtract the square footage of the future home from the current home.
- Add in new square footage like a den, deck, or sunroom.
- Measure furniture to be moved to ensure fit.
- Ask if the facility—senior development, assisted living, continuing care—can provide space-planning assistance.

### Sort into Categories
Use various colors of Post-It Notes to help sort items into categories:
- **Move**
- **Maybe**—move and decide later
- **Sell**—at auction, estate sale, yard sale
- **Give away**—to family members or friends
- **Donate**—to charitable organizations
- **Throw out**

### Assess Future Needs
- **Is it family-sized?**
  Items like large camping tents probably won’t be needed.
- **Will it fit?**
  Compare size and square footage: a space planner can help.
- **Is it house-oriented?**
  If moving to a condo or townhouse, get rid of lawn mowers, snow blowers, and large gardening tools.

### Throw-Out Strategies
- Resist the “maybe we’ll need it sometime” mindset.
- If it hasn’t been touched for more than a year, throw it away.
- Consider if it’s worth the cost and effort to pack, move, and unpack.
- Still can’t decide? Put it in a sealed, unlabeled, and dated box; if unopened a year later, throw it away, unopened.

### Give Keepsakes to Children
- Give childhood arts, crafts, and family photos to children; they may cherish them and use them to start their own family traditions.
- Receiving meaningful keepsakes may ease the pain of breaking sentimental ties to the family home.
- Ask children to sort items:
  - Take now
  - Take next time
  - Give away
  - Throw away

### Managing Time
- **Allow time:** Most downsizing processes take 2–3 months.
- **Start early:** Begin the process before the house is listed. If it sells quickly, there will be less time for accomplishing the tasks.
- **Schedule:** Set a schedule by room, week, month, or other milestones.
- **Take time:** Spreading out the process makes it less emotionally wrenching.

### Can Family Help?
- Some families assist, and some assert.
- A good indicator is the way a family behaves during Thanksgiving or while making vacation plans together.

### Prepare to Feel Good
When the process of downsizing is complete, most people feel relieved and good about reducing the amount of accumulated stuff.
Decluttering

In some circumstances, out-of-control clutter threatens the health and safety of homeowners. Decluttering a home may enable elderly family members to continue living in their own home. However, clutter may also signal underlying emotional or cognitive problems. It may be necessary to move the homeowner, and pets, to the new living situation before the decluttering process can be accomplished. How can a family begin the decluttering process?¹⁷

- Focus on safety first by removing fall and fire hazards.

- Start small and slow. Unless a deadline is imminent—eviction, closing date, admittance date to a nursing home or senior apartment—working at the elder’s pace lessens the stress. Start small by cleaning a corner of a room or a tabletop.

- Remove discarded items immediately so that they cannot be “resaved” by the elder.

- Reorganize items into a limited number of categories—keep, sell, give away—to help initiate the process and make it easier to throw out items.

- Negotiate and compromise over what to keep or discard. It may be OK to keep the past couple of years’ worth of accumulated magazines and discard the previous 10–20 years’ worth.

- Photographs of memorabilia, which the elder can keep, may make it easier to let go of and disperse sentimental items to other family members.

- Safeguard valuables as they surface, such as jewelry, works of art, authentic and valuable antiques, and collectibles.

- When the job is completed, make a plan for maintenance so that the home doesn’t become recluttered.

**Hoarding**

Hoarding is often a symptom of dementia and extremely impaired judgment. “Individuals with dementias are continuously losing parts of their lives. Losing a meaningful role in life, an income, friends, family, and a good memory can have an impact on a person’s need to hoard or to ‘keep things safe.’ Hoarding ... is oftentimes triggered by the fear of being robbed.” People with dementia may hide possessions for safekeeping, forget where they hid them, and blame others for stealing them.¹⁸ For authoritative research and information about hoarding, including tips on dealing with clutter, rummaging, and hoarding, go to the website for the Department of Environmental Geriatrics of Cornell University: www.environmentalgeriatrics.org

**Test Your Knowledge**

1. Aging in place can be defined as which of the following?

   A. Remaining in current residence  
   B. Staying in the community in a different residence  
   C. Relocating for a last time  
   D. All of the above

2. The distinguishing characteristic of continuing care retirement communities is that:

   A. They provide the lowest cost housing option  
   B. Residents must transfer from the facility if no longer ambulatory  
   C. They provide a no-waiting-list for affordable housing  
   D. They provide multiple levels of care within the same facility

3. The residents of nursing homes usually include individuals who:

   A. Can live on their own  
   B. Cannot care for themselves and need medical care  
   C. Only need custodial care  
   D. Want an active environment

---

4. A second living unit installed on a temporary basis is called:
   A. A garden suite  
   B. Board and care  
   C. Respite care  
   D. Hospice care

5. A 80-year-old widow decides to list the house in which she has lived for the last 40 years. She plans to use the proceeds of the sale to move into the Lakewood Retirement Community. Lakewood is a community where one building provides attractive one-bedroom apartments for independent living; the second building provides similar apartments but includes assistance with activities of daily living (ADL); and the third building consists of one-room units that provide round-the-clock skilled nursing care. Lakewood is what kind of facility?
   A. Assisted-living facility  
   B. Board and care  
   C. Continuing care retirement community  
   D. Hospice facility

6. Independent living options include which of the following?
   A. Garden suites  
   B. Seniors-only apartments  
   C. Active-adult communities  
   D. All of the above

**Review**

In this chapter, we explained the concept of aging in place and addressing the decision to stay or move to a new housing situation. We discussed the various types of communities available for the 50+ market.

Special considerations were explored with adapting and modifying the home to address elder concerns.
4. Finances, Taxes & Legal Matters
Developing Awareness In Finances, Tax and Legal Matters

Many of the concepts in this chapter are highly technical and beyond the scope of advice a real estate professional should provide. However, your awareness of these concepts and issues can be beneficial because you will be able to recognize opportunities and concerns. You will be able to make your clients aware that they should pursue concerns and issues with the appropriate experts.

More than 80% of the 50+ age group are homeowners. For many, the home represents the largest asset and the equity in it is the chief source of net worth. Despite recent economic conditions, many homeowners have substantial equity through mortgage pay-down and value appreciation. Marketplace volatility can impact decisions vastly.

Do These Scenarios Sound Familiar?

- Retirees would like to make a transition—downsize, upsize, move to a better neighbourhood or active adult community or a more accessible home—but are waiting to get the right price so that they can pay cash for the new home and avoid mortgage payments.

- Elderly homeowners are about to lose a home because their fixed income has not kept up with the cost of living and mortgage payments are unaffordable.

- An elderly homeowner can’t relocate from a declining neighbourhood because the sale proceeds from the current home won’t be sufficient to buy in a better area.

- A family is struggling to find a way for an elderly relative to stay safely in a long-time home, but her income isn’t enough to pay for in-home assistance.

- Retirees would like to buy a second home, but they don’t want the responsibility or financial drain of mortgage payments.

Every real estate professional specializing in the 50+ market has encountered these or similar scenarios. The questions are:

- How can home equity be used to maintain and improve quality of life, accomplish the next transition, or just stop mortgage payments?

- How can real estate professionals close more transactions and help clients accomplish their goals?
Financial Matters

Where Do Current Canadian Retirees Get Their Money?

In Canada retirement income comes from three sources:

- The Government: Old Age Security (OAS), Canada/Quebec Pension Plan and/or low income benefits
- Employer: Pension plan (basic and supplementary), group RRSP, deferred profit sharing plans
- Personal: RRSP, other savings and investments, employment or business income.

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<tr>
<td>OAS</td>
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<tr>
<td>CPP/QPP</td>
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<td>Pensions, RRIFS, DPSPs, RRSPs</td>
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<td>Investments, Rents, annuities</td>
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<tr>
<td>Employment/business income</td>
<td>51%</td>
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<tr>
<td>Other</td>
<td>8%</td>
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<tr>
<td>Total</td>
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It is important to note that these figures are for huge numbers of people and individual circumstances vary widely.

Old Age Security (OAS)

You qualify for benefits when you’re 65 if you’ve been in Canada for at least 10 years. The maximum benefit—based on 40 years of residence—is worth about $6,765 a year in 2015, fully indexed for inflation and taxed as ordinary income. OAS was designed as a universal program, but benefits are now phased out for higher-income retirees. This “clawback” hits those whose net income is above the net world threshold of $71,600 (2014), but it’s gradual—you could lose the full benefit but only if you
have more than $100,000 of income. At the other end of the spectrum, low-income retirees get supplemental benefits that are tax-free.

As of January 1, 2015, the basic OAS pension benefit, paid to people 65 years and older, will remain unchanged at $563.74 per month. Payments under the Guaranteed Income Supplement (GIS) and the allowances will also remain unchanged.

**Canada Pension Plan or Quebec Pension Plan (CPP or QPP)**
You qualify for CPP or QPP retirement benefits if you’ve made at least one contribution during your career. The maximum benefit is over $12,000 a year, fully indexed for inflation and taxed as ordinary income. How much you actually get will depend on your earning record and when you elect to start receiving payments. That can be as early as age 60, but the maximum is available only if you wait until 65.

**Guaranteed Income Supplement (GIS)**
There are special supplements available for low-income retirees. The main one is GIS; it is part of the OAS program and is worth an additional $7,730.60 per year tax-free and depending on marital status. Several provinces and the northern territories pay additional supplements on top of the GIS. The provincial payments are fairly low and vary.

**Want More Information on Government Programs?**
OAS and CPP are administered by the Income Security Programs (ISP) section of the Human Resources and Social Development Canada (HRSDC).

HRSDC’s Web site is www.hrsdc.gc.ca or go to Service Canada at www.servicecanada.ca. Both sites have application forms and a great deal of useful information. The HRSDC can also be reached toll free at 1-800-277-9914.

The Quebec Pension Plan is provincially administered. The Web site is at www.rrq.gouv.qc.ca/fr and their toll-free phone line is 1-800-463-5185.

**Delayed Retirement: A Growing Trend**
There are many reasons why people are choosing to delay retirement. Near the top of the list for most is money. Delaying retirement by a few years can have significant financial benefits.
The 2007 Federal Budget introduced two new policies to encourage mature workers to stay in the workforce longer:

a. Phased retirement: allows the employer to simultaneously pay a partial pension to an employee and provide further pension benefit accruals to the employee while they continue to work.
b. Increasing the age limit from 69 to 71 for converting a RRSP to a RRIF.

**Defined Benefit and Defined Contribution Pension Plans**

Qualified pension plans fall into one of two broad categories, defined benefit or defined contribution. Plans that meet certain federal standards for contributions, payouts, and participation are termed “qualified.”

Defined benefit plans provide a specific amount, usually a percentage of salary or wages based on length of employment. There are no individual accounts maintained for the employees. The employer makes annual contributions based on actuarial tables.

A defined contribution plan does not guarantee a particular pension amount upon retirement. The employer makes scheduled (monthly, quarterly, annually) contributions to individual employees’ accounts. The contribution is usually a percentage of the employee’s wages or salary, or in some companies, a share of the profits with the number of shares based on salary levels and tenure. At retirement, each employee’s pension is determined by how much was contributed to the fund plus accumulated earnings. The dollar amount that will be received at retirement is difficult to predict because it is dependent on investment performance.

Both types of plans usually require a vesting period from five to ten years. The vesting schedule determines what portion of the individual account is owned by and payable to the employee if the length of their employment is less than the vesting period. For example, a typical vesting schedule is 20 per cent per year, which means that the employee is fully vested at the end of five years; if employed with the company for three years, 60 per cent of the pension balance would be paid out to the employee. Contributions made to a plan by the employee are always fully vested although the accumulated earnings may be subject to a vesting schedule.
Reverse Mortgages

A reverse mortgage is a special type of mortgage that enables a senior 55 years of age or older (the age qualification applies to both spouses) to convert a portion of their existing home equity into cash. A reverse mortgage must be a new mortgage and any existing mortgages must be discharged. It is a loan against your home that requires no repayment for as long as you live there.

How does a reverse mortgage work?

Reverse mortgages are quite complex, and are subject to higher interest rates than most other types of mortgages. Unlike an ordinary mortgage, you don’t have to make any regular or lump sum payments on a reverse mortgage. Instead, the interest on your reverse mortgage accumulates, and the equity that you have in your home decreases with time. You usually don’t have to pay the loan back or make any interest payments to the lender, as long as you are living in your home. However, if you sell your house or your home is no longer your principal residence, you must repay the loan and any interest that has accumulated. On your death, your estate would have to repay the loan.

The reverse mortgage is managed by the Canadian Home Income Plan (CHIP) and offered through specific Canadian financial institutions. According to CHIP, the majority of Canadians who obtain a reverse mortgage have 80% of their assets in their home.

Common uses of funds:

- Daily living expenses
- Renovating a home for aging in place
- In home care / medical expenses
- Back taxes
- Pay off existing mortgage
- Pay off credit cards
- Purchase a car
- Take a trip
- Supplement monthly income
Purchase a 2nd home

Fulfilling other needs and dreams

**Benefits:**

- In most cases, the individual can receive up to 55% of the appraised value of his or her home.

- Funds can be received in either a lump sum, or fixed monthly payments for life, and can be used for any purpose.

- With a reverse mortgage, you don’t have any monthly repayments to make so you can’t lose your home by failing to make the payments.

- You can never owe more than the value of the home at the time the loan is paid off.

- Your heirs are entitled to the balance of the equity position.

- Payments received are tax-free. Canada Revenue Agency does not consider money borrowed through a reverse mortgage as taxable income so a reverse mortgage will not affect the government benefits that you may receive.

A reverse mortgage can make it possible for senior homeowners to finish out their lives in the comfort, security, and privacy of their own homes. An income is assured for as long as the home is owned.

When evaluating the suitability of a reverse mortgage, it should be compared to selling the home and using the proceeds to rent or buy a less costly home. Factors to compare include:

- Cash out

- Cost to buy or rent a new home or reside in a congregate or assisted setting

- Market rents

- Earnings on investment of remaining proceeds

- Availability of alternative income-producing investments and ability to manage the investment

- Quality of life
Disadvantages of a reverse mortgage

According to the Financial Consumer Agency of Canada (FCAC) they list the following:

- Reverse mortgages are subject to higher interest rates than most other types of mortgages.

- The equity you hold in your home will decrease as the interest on your reverse mortgage accumulates over the years.

- At your death, your estate will have to repay the loan and interest in full within a limited time. The time required to settle an estate can often exceed the time allowed to repay a reverse mortgage. For full details, check with the reverse mortgage lender.

- Since the principal and interest will be repaid to the lender at your death, there will be less money in your estate to leave to your children or other heirs.

- The costs associated with a reverse mortgage are usually quite high. They can include:
  - a higher interest rate than for a traditional mortgage or line of credit
  - a home appraisal fee, application fee or closing fee
  - a repayment penalty for selling your house or moving out within three years of obtaining a reverse mortgage
  - fees for independent legal advice
Where to go for more information on reverse mortgages:

The Financial Consumer Agency of Canada (FCAC) provides timely, objective information to help consumers choose the best banking products and services for their needs. FCAC also informs Canadians of their rights and responsibilities when dealing with financial institutions and makes sure that banks and federally regulated trust, loan and insurance companies respect the laws and agreements that protect consumers.

You can reach FCAC at 1-866-461-3222 or visit their web site at www.fcac.gc.ca

Also available on the FCAC site is a section on tips to help you shop around for a reverse mortgage.

The CHIP Reverse Mortgage

The CHIP Reverse Mortgage, which is offered by HomEquity Bank, is the main source of most reverse mortgage products that are available in Canada.

More information regarding the CHIP mortgage can be found on their website: www.chip.ca/chip-reverse-mortgage or in the handout.
Home Equity Line of Credit

In recent years, home equity lines of credit have gained in popularity as a way of supplementing retirement income. A home equity line of credit (HELOC) is a pre-authorized credit line based on the value of the equity in your home. Generally, home equity lines of credit are available for up to 80% of the appraised value of the home. A HELOC allows flexibility when drawing funds, and the loan can be repaid according to your own terms, either principal and interest, or interest only. Lenders vary on criteria and loan to value ratios.

What You Need to Know About HELOCs in Canada

1. **You can access up to 80% of your home's value when in conjunction with a mortgage.**

   In Canada, you can access up to 80% of the value of your home through a home equity line of credit. However, it is also important to remember that your outstanding mortgage loan balance + your HELOC cannot equal more than 80% of the value of your home. To determine how much equity is at your disposal, start by taking your home’s current market value and multiplying it by 80%. Next, subtract the balance of your mortgage. The remaining figure is how much you can access through a HELOC - so long as the amount is not worth more than 65% of the value of your home. To be sure, simply divide the HELOC amount by your home's market value.

2. **Your HELOC funds will be available through a revolving line of credit**

   With a home equity line of credit, the entire credit available is not advanced upfront. Instead, you can use as much or as little of the HELOC as you choose, and you only pay interest on the amount you withdraw. Interest is calculated daily at a variable rate attached to Prime. HELOC rates are traditionally higher than a variable mortgage rate but, unlike a variable mortgage rate, its relationship to Prime does not always stay the same. For example, a variable mortgage rate is often Prime +/- a number, like Prime – 0.35%. HELOC rates are set at Prime + a number, and your lender can technically change that number anytime.

3. **You can make interest-only payments**

   If you are using any portion of your home equity line of credit, you will need to make a monthly payment for doing so. The same way a traditional line of credit works, you will only need to pay the interest on your outstanding balance and that amount is automatically taken out of your bank account on the same day each month. To pay off the balance in full, you will need to be more disciplined and make extra payments at
your own discretion. And remember: unlike a refinance, you do not need to break your existing mortgage when considering a HELOC. Therefore, you won’t need to pay a mortgage penalty – just a monthly interest-only payment.

For more information on HELOC, visit: https://www.ratehub.ca/home-equity-line-of-credit

**Benefits of a HELOC versus a Reverse Mortgage**

- The set-up costs of a home equity line of credit are about a quarter of those for a reverse mortgage.

- HELOCs are available through most financial institutions, whereas reverse mortgages are available only at selected institutions.

- The loan amount of a HELOC can be up to 80% of the appraised value of the home, versus 55% with the reverse mortgage.

- Funds can be withdrawn from a HELOC at your convenience, versus either a lump-sum payment, or monthly income with a reverse mortgage.

- There is no age requirement for a HELOC, versus the age of 60 for a reverse mortgage.

**Tax Issues and Strategies**

**Know How Your Investments Will Be Taxed**

Interest income, dividend income, and income from capital gains will be taxed differently.

**Interest Income**

Interest income from bank accounts, Canada Savings Bonds, bond investments and portfolios is taxed at the highest rate, which is your marginal income tax rate. Even if you don’t receive this income (and reinvest it) you have to report every cent of interest income and will be taxed on it accordingly.
**Dividend Income**

The type of dividend has an effect on how the dividend is taxed. Dividends from foreign companies are taxed at the same rate as interest income (your marginal income tax rate). However, dividends from Canadian companies receive favourable tax treatment. This is because the Canadian corporation has already paid tax on the corporate profiles used to pay out the dividends. So the favourable tax rate is to avoid a double taxing so to speak. Like most tax issues this does get a little more complicated. This is why a tax professional should always be consulted on these matters.

**Capital Gains Income**

Capital gains are not taxed as heavily as interest income and dividend income. Since October 17, 2000, only 50% of the capital gain (adjusted for cost) is taxed. Capital gains are the profits on the sale of assets, like stock and property, adjusted for transaction costs. You can also have capital losses, which are the exact opposite of capital gains. Capital losses can be subtracted from capital gains to give you tax relief. Any capital gains are netted against any capital losses you might have, then added to your taxable income for that year and taxed at your marginal rate. At one time there used to be a life-time capital gains exemption. This no longer exists with the exception of selling a small business and transferring farms between generations.

Another advantage of capital gains is that they are only taxable when they are realized. Utilizing capital gains in tax planning is vitally important and a tax advisor or Canada Revenue Agency should always be consulted.

Note: Personal properties, for the most part, are not subject to capital gains.

**Claiming Medical Expenses**

The claim for medical expenses is one of the most common provisions on seniors’ tax returns. Yet it is most often under-claimed and misunderstood.

Medical expenses can be claimed for:

- You, your spouse or common-law partner;
- A child or grandchild of you or your spouse who depended on you for support and
Adult children or grandchildren, a parent, grandparent, brother, sister, uncle, aunt, niece, or nephew of you or your spouse who lived in Canada at any time in the year and depended on you for support.

In the year of death, the normal 12-month period for making the medical expense claim is increased to a 24-month period that includes the date of death. Medical expenses paid by the Estate Trustee after death may be included.

For a list of allowable medical expenses visit:

- [www.cra.gc.ca](http://www.cra.gc.ca) - search for medical expenses.
- [www.seniors.gc.ca](http://www.seniors.gc.ca) - select Finances and Pension, and then Taxes

**Tax Free Savings Account (TFSA)**

In 2009, Canada introduced the TFSA, which limits annual contributions to $5,000; in 2016 the limit was increased to $5,500. TFSA contributions are not deducted from income for tax purposes, but investment income (including capital gains) and withdrawals are not subject to income tax. In addition, TFSA investment income and withdrawals do not affect income benefits (e.g., OAS and GIS).

TFSA has significantly increased tax-efficient savings opportunities for Canadians. The TFSA is a flexible, general-purpose savings account that may be used to meet a variety of savings needs, including saving for retirement.

In 2016, the CRA published a report on Tax Free Savings Accounts. Canadians now have just over 15 million TFSA accounts which is significantly higher than 4.7 million in 2009.

A Leger Marketing poll commissioned by the Bank of Montreal found that one-third of people age 65 and older and one-quarter of those age 55 to 64 had opened a TFSA by early February 2009.
RRSPs and Pension Plans

Why and what should a real estate professional know about retirement plans? The types of retirement arrangements senior clients have are important. It is also important to understand if the home is the primary asset or if they have any income in addition to social security. These answers will determine your clients’ financial capabilities and help you better serve them.

Registered Retirement Savings Plans (RRSPs)

Most tax and financial planning professionals agree that RRSPs are the greatest gift the government has ever given Canadians. RRSPs were introduced in 1957 to encourage Canadians to save for retirement, and millions of Canadians have done just that.

RRSPs are so beneficial for saving for retirement because not only do they give you tax deductions each year equal to the RRSP investment contribution you make, they shelter tax on all interest and capital gains accruing inside the plan from your investments. This means that the government has agreed not to tax your nest egg for retirement and all the growth inside that nest egg until you receive it much later in life. When you do need your nest egg it will likely be when your tax rates and financial needs are more modest. The 2007 Federal Budget increased the age in which you can pay into RRSPs from 69 to 71.

Maximum Contribution Limits

RRSP limits apply to prior year’s earnings. Increases to the annual RSP contribution limit is indexed. The easiest way to confirm the contribution limit is to look at the Notice of Assessment, which is received after filing the income tax return.

<table>
<thead>
<tr>
<th>Year</th>
<th>RRSP</th>
</tr>
</thead>
<tbody>
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<td>2016</td>
<td>$25,370</td>
</tr>
<tr>
<td>2017</td>
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What happens to your RRSPs when you turn 71?

At age 71 you must officially collapse your RRSP. The government figures at this age you should switch from retirement savings mode to retirement income stream mode. So you must not only collapse your RRSPs, but you must arrange to start receiving annual minimum payouts as retirement income.
Prior to December 31st in the calendar year that you turn 71 you must do one of the following 3 things:

1. Convert your RRSP to a Registered Retirement Income Fund (RRIF).
2. Convert your RRSP to an Annuity.
3. Take a Partial or Lump Sum Withdrawal.

1. Convert your RRSP to a Registered Retirement Income Fund (RRIF).

This has become the most popular choice. A RRIF pays income for as long as you choose, and gives you the flexibility to determine the amount of income you withdraw each year from your retirement savings.

RRIFs are the same as RRSPs in that it gives you the same tax deferral, it can hold the same investments, and any money remaining after death can go to your estate. However the big difference is with a RRIF you have to make minimum annual withdrawals.

The CRA (Canada Revenue Agency) sets the minimum annual amounts for withdrawals. During retirement you can increase your income stream anytime by taking out additional amounts above the minimum. However, you do pay tax on not only the income the RRIF is earning yearly but on the amounts you withdrawal from the RRIF.

To determine the minimum annual payment, multiply the value of the prescribed RRIF as of January 1 by the rate that corresponds to your age.

<table>
<thead>
<tr>
<th>Age</th>
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<td>76</td>
<td>7.99%</td>
<td>85</td>
<td>10.33%</td>
</tr>
</tbody>
</table>

Amount is based on age and plan value at January 1
2. Convert your RRSP to an Annuity.

If you prefer maintenance-free, guaranteed income, annuities fit the bill. Annuities are structured and sold by insurance companies to pay out a steady stream of income. This eliminates the need to be making constant investment decisions. The downside is it gives you less flexibility.

There are two annuity options to choose from. A “term certain annuity” will pay you a set monthly income up to the age of 90. A “life annuity” will pay income for as long as you choose. With this option you are essentially turning over your retirement savings to a life insurance company and in return you get a guaranteed monthly income for life. As with RRIFs, the full amount of the annuity payment is taxed.

Some of the drawbacks of annuities include: you are locked in when you buy an annuity; they are pegged to current interest rates at the time you purchase them; you have no control over how your money is invested; you cannot change your mind about this investment at a later date; and when you die your estate gets nothing (the funds remain with the insurance company).

Note: At age 71 you can choose to convert your RRSPs into both an annuity and a RRIF by splitting your investment into the two different financial vehicles. These are major financial planning decisions and require in-depth consultation with a qualified advisor.

3. Take a Partial or Lump Sum Withdrawal.

This is really not a financially viable or advisable option, as you will have to pay tax on the entire amount you take out.

Legal Matters

Estate Planning and Powers of Attorney

Planning is about the future. Estate planning is about your future. When we use the word ‘estate’ some people have a picture in their mind of a twenty room mansion on a 10 acre parcel of land. The word ‘estate’, however, simply means all the property you own. This includes personal property (cars, furniture, clothing, etc.), real estate (a home or cottage), as well as any financial assets (bank accounts, RRSP’s, investments, etc.).
Most people are familiar with the goals of estate planning:

- having financial security when you retire;
- providing for your family’s needs;
- ensuring your business can continue without you;
- reducing the amount of tax you pay the government; and
- maximizing your investments and assets.

The process of estate planning really begins with an assessment of your present financial situation, needs and future goals by a qualified financial/investment planner. Unfortunately, many people fail to take advantage of the help that these professionals provide, usually at no cost for the first consultation and assessment. It is never too late or too early to begin estate planning.

Once you have assessed your financial position and laid out a plan for the next five, ten, and twenty or more years, it is wise to prepare a will. A will provides you with the opportunity to appoint an Estate Trustee, who is the person who will look after your estate after you’ve died. An Estate Trustee is the person who will follow your instructions in the will about how you want your estate distributed. A will only comes into effect after you’ve died and your Estate Trustee only has the authority to act on your behalf after you've died. One of the most neglected parts of estate planning is the appointment of an attorney for property in a Continuing Power of Attorney for Property and the appointment of an attorney for personal care in a Power of Attorney for Personal Care. If you were to become mentally incapable of managing your property, who would manage things for you and how would they know what you wanted?

**Considerations When Estate Planning**

Leaving your affairs in good order when you pass enables you to direct your money in the way you want to, not the way the government wants to. The following checklist highlights some of the considerations that should be taken into account when estate planning.

- Identify financial institutions- Where are your assets held? Include key contacts.
- Identify advisors- Who are your professional advisors including banker, accountant, lawyer, stockbroker, insurance agent and what is their contact information?
Identify proxies- Who will execute Power of Attorney if you become disabled or cannot direct your own personal affairs?

Identify heirs- List exact contact information, as well as their relationship to you. In the case of singles, these heirs could include your favorite charity. Discuss options for the transfer of assets and funds during your lifetime and at death.

Identify gifts- Sketch out what you wish for each of your heirs to receive.

Identify needs- Will any of your heirs require assistance with ongoing income?

Identify guardians- Prepare a list of possible Estate Trustee(s) and make approaches.

Identify business succession plans- How your business interests should be distributed, and who should step in to run the show?

Plan for probate fees and capital gains taxes at death- Review life insurance policies that may be used for those purposes.

Identify capital assets and their fair market value annually.

Identify asset transfer instructions- Which assets should be transferred during your lifetime, and which should be transferred only upon your death?

Make plans for safekeeping- Keep all important documents in a safety deposit box and identify the location.

Deal with debt- List debt obligations and the order they should be repaid. Make a list of on-going financial obligations that should be cancelled on death.

Draw up your will and tell your lawyer and Estate Trustee where the original is to be kept.

There are many rules that apply to estate planning, and few apply in the same way to different individuals. This is a complicated and very important art requiring the guidance of experts in the area.
Wills

A will outlines the disposition of assets, names beneficiaries of the estate, and appoints a personal representative, an Estate Trustee or executrix, to carry out (execute) the instructions set forth in the will. A will does not avoid probate or the appointment of a conservator, maintain privacy, or provide any particular tax benefits.

A will does many things including:

- Allowing for an orderly transition of assets to your beneficiaries
- Maximizing the value of your assets
- Minimizing tax and other costs before and upon your death
- Sparing your family and loved ones of many legal, tax and other complications when they are in a very emotional state

“Dying intestate” is the legal term used for dying without a will. Each province in Canada has statutory rules for the distribution of assets when someone dies intestate. Most provinces give a set value of assets to the spouse and then split the remaining assets among children and/or the spouse.

What the Estate Trustee of the Will Does

The Estate Trustee of a will is the person the deceased appointed to take charge of their affairs after they die. They are responsible for winding up the estate as outlined in the will. This is a very demanding and often stressful task.

Functions of the Estate Trustee:

- Finds the will and arranges the funeral
- Arranges probate
- Locates and secures the assets
- Pays all the bills and files the taxes
- Distributes the assets

Estate Trustees are entitled to claim some compensation from the estate; it is typically in the range of 3 to 5% of the estates value. This is often a tense issue, so it recommended that in the will it be stipulated the
compensation the Estate Trustee is entitled to. Many Estate Trustees forego the compensation, particularly if they are family.

**Tax Considerations**

You’ve no doubt heard the joke about death and taxes being unavoidable. Upon death the property in your estate is deemed for tax purposes as having “sold” immediately before your death, this making any and all tax due and payable. Capital gains must be determined, and registered assets not assigned to a tax-free beneficiary must be taken into income, the entire market value of a RRIF is added to income in the year of your death.

All of this puts you at your highest marginal tax rate, taking a big bite into your estate. On top of this you must also subtract any costs of settling the estate like probate fees, Estate Trustee fees and legal costs. These can easily add up to another 5% of the value of your estate.

Note: This process is simplified if you roll everything over to your spouse or common-law partner (and a few others).

**Probate**

Probate is the government’s way of certifying that your will is indeed your last will and testament. Probate also confirms that the Estate Trustee you appoint in your will actually has the authority to carry out its instructions.

Probate fees vary from province to province.

**Four Strategies to Avoid Probate**

1. **Gifting**

On the surface it may seem that gifting is the easiest way to get assets out of your estate. This is true; however, there are several considerations. Gifting cash is the easiest element because from a tax perspective cash is what’s left of your after tax money.

If you are too generous you may miscalculate your needs and run out of money in your retirement. There are tax implications when gifting financial assets. Even gifting financial assets to minor children or grandchildren does not release you from the tax obligation.
Gifting is seen as a “sale” even if no money has exchanged hands. The gifter is required to pay capital gains tax on the fair market value of those securities on the day they changed hands. This fair market value becomes the receiver’s cost base, and they’ll be required to pay tax on all subsequent gains, interest and dividends from that day forward.

2. Joint Ownership

Some forms of joint ownership allow assets to pass directly to the surviving owner without going through the deceased’s estate. Real estate owned in certain joint tenancy and joint investment accounts are common examples, as are joint bank accounts. However, it is not quite that simple as joint ownership has some dangers in the sense that you give up exclusive control of your assets.

Other considerations:

- There may be tax implications in switching from sole to joint ownership of an asset unless your joint owner is your spouse or common-law partner.

- Adding someone to your bank accounts has no tax implications as you are still responsible for the tax on the interest of this money.

- Adding someone (other than your spouse or common-law partner) to your investment account at a brokerage firm could deem a sale of half the assets in the account for tax purposes and a capital gains tax could apply.

- Planning on leaving your house to one of your children and want to add them as a joint tenant to avoid probate? Be careful, if the home is not the child’s principal residence they will have to pay capital gains tax on their portion when it comes time to sell. If the child is married and lives in the house with you and their spouse, their spouse could also claim part of the home in the event of a break up because the home would be considered the “matrimonial home.”

- Joint ownership may add a level of complication that may not be worth the potential savings.
3. Name a Beneficiary

If you have assigned beneficiaries on your RRSPs, RRIFs and any other registered plans you have, when you die these assets go directly to your designated beneficiary instead of passing through your estate. These assets stay outside of your estate and probate fees on that money are avoided.

An important consideration when planning the division of your assets amongst family members is to keep in mind the tax considerations. Registered accounts are paid out in full. The estate is responsible for paying tax on that money, which can amount to nearly 50% of the total value of the account. This can easily lead to a strikingly unfair situation when one child gets the RRIF and another gets the remaining estate assets, both of equal value before tax. After tax, the final tally will be very different.

4. Transfer Assets to a Trust

Trusts are appealing not only to help avoid probate fees, but because they can significantly reduce overall taxes and protect assets for your beneficiaries. A trust is a legal entity that can be created to hold property on your behalf. With a trust the assets put in the trust are no longer considered part of your estate even though you retain control over the assets and even receive income from them.

Trusts come in two basic forms: testamentary and inter vivos. A testamentary trust is set up after your death through instructions in your will. A trust established while you are living is called an inter vivos. The distinction between the two is important because they are taxed very differently.

Trust basics:

- Trusts have three parties: the donor (the person who contributed the asset to the trust), the Estate Trustee (the person “entrusted” with holding and managing the asset), and the beneficiary (the third party receiving the benefit of the trust).

- Almost any kind of assets can be put in a trust—financial instruments, real estate, valuable personal property, even a business.

- Every 21 years, most trusts must calculate capital gains tax on the deemed disposition of their assets.
Types of Trusts

Spousal Trusts and Trusts for your Children

These testamentary trusts are the most common types of trusts. Apart from probate fees, no taxes are paid when assets are placed in a spousal trust. It is considered a tax-free spousal rollover. Once your spouse dies, and only then, will the remaining money in the trust be passed along to the children or other beneficiaries. Money within a spousal trust can compound and be taxed at graduated rates, leaving more money for the spouse later on or ultimately for those who will inherit what is left of the trust. Spousal trusts can be established for married, common-law or same sex partners.

Leaving money to your grown children or grandchildren through a trust can be very tax-effective because the income that is not distributed within a testamentary trust is taxed at personal graduated tax rates. You can establish one trust for all your children, with specific instructions to the Estate Trustee for each child or separate trusts.

Living (Inter Vivos) Trusts

Inter vivos in Latin literally means “from one living person to another living person.” Trusts that are established while the contributor to the trust, the donor, is still alive are called inter vivos trusts. Inter vivos trusts unlike testamentary trusts are private and are also taxed differently. Any income that’s retained in the trust is taxed at the highest marginal rate, not at the personal graduated tax rates applicable to testamentary trusts. The big advantage of inter vivos trusts is that they help you exclude assets from your future estate with no immediate tax consequence. This reduces probate fees when your estate is settled. A drawback to consider is that these assets cannot be transferred into a testamentary trust.

Power of Attorney

Power of attorney is a legal document in which you appoint the person of your choice to act as your representative in the event that you are unable to represent yourself or unable to make your own decisions. The person that you appoint in a power of attorney is called an “attorney”. When used this way, the word 'attorney' does not mean a lawyer. Lawyers are called 'attorneys' in the United States, but in Canada we refer to lawyers as “barristers and solicitors.”

The attorney or representative that you appoint in a power of attorney for property must be someone that you trust and who has the skills to manage finances responsibly. While you are mentally capable, you can
appoint anyone to act as your attorney. If you are ever assessed and found to be mentally incapable and don't have an attorney, the Public Guardian and Estate Trustee may become your Statutory Guardian. The Public Guardian can only transfer this authority back to family and they will make every effort to do so. If this happens it can cost family members thousands of dollars in lawyer fees and court costs.

Powers of attorney can be limited or very broad; however they do become void when you die. Your will and Estate Trustee take over at that point.

**Common myths surrounding power of attorney:**

- Many people think that their spouse can automatically take over, but this is not true unless the spouse has power of attorney.

- Many people believe that a joint bank account gives the other person authority to look after them, but this also is not true unless that person has power of attorney.

- Many other people believe that mental incapacity only happens when you get old, but mental incapacity can happen to anyone at any age. Mental incapacity can happen suddenly when someone has a stroke, a car accident, a sports accident, or an accident at home. Or it can happen gradually when someone suffers from a disease like Alzheimer, Parkinson’s or Multiple Sclerosis.

**There are two kinds of power of attorney:**

- **Power of Attorney for Property** - This document authorizes the named person to act on your behalf with respect to your property.

- **Power of Attorney for Personal Care** - This designates someone to act on your behalf in matters of personal health care.

You can revoke power of attorneys as long as you are mentally competent by making out a new one, or saying in writing that you revoke it and having it witnessed in keeping with the requirements of the original document.

In conclusion, there is a myriad of estate planning consequences involved in real estate transactions. As a real estate professional, you must not only know the fundamentals, but should know where to go to for the answer to the questions as they arise. Develop a relationship with at least
three lawyers in your marketplace who specialize in trust and probate issues. Remember that there could be both provincial and federal laws to comply with when counselling your clients.

** For additional information and forms related to Estate Planning go to Canada Seniors - www.seniors.gc.ca. Click on Legal Matters on the left hand menu; then Wills and Estates.

### Risk Management Issues

Many real estate brokerages have a program of risk-reduction measures to deal with common issues such as client representation, records management, and agent compensation. Working with clients and customers in the 50+ market can present distinct issues, situations, and challenges. Real estate professionals need to know how to respond to protect their clients’ interests as well as their own. Even with the best of intentions, lack of awareness can lead to delayed or disrupted transactions and sometimes conflicts of interest. Real estate professionals can protect themselves, their clients, customers, and transactions by asking the right questions and knowing when to advise their clients to seek legal counsel.

### Confidentiality Issues

The REALTOR® Code of Ethics affirms the responsibility to maintain client confidentiality. Real estate professionals who specialize in the 50+ market know that there can be distinct challenges to overcome when clients are very elderly or infirm.

- **A relative or child may make first contact**

  In a crisis situation, it is often an adult child or other relative who makes the first contact. The real estate professional should ask tactfully if the elder buyer or seller is aware of the conversation and a willing and informed participant in the transaction. It is also important to establish if the family member has the legal authority, such as a power of attorney, to conduct the real estate transaction.

- **Verify ownership and identity**

  If in doubt, take the extra step to ascertain true ownership of the property and who has the authority—power of attorney—to rent or sell it. Ownership can be verified with a quick check of tax records or title search. Also, verify the identity of the person you are talking with.
and the relationship with the elderly owner. A real estate professional must deal with the owner directly unless authorized to deal with others, such as children.

- **Ask for proof of power of attorney**

  If someone other than the owner states that he or she is authorized to act for an elder in a real estate transaction, it is appropriate to ask to see a power of attorney or an attorney’s letter attesting to such authority. A child may state that a parent is not competent to handle business affairs, but the parent is still the owner of the property and the deal cannot go forward without consent and signature; in cases like this, the parent is viewed as competent until declared legally incompetent. The real estate professional must handle this situation very tactfully and avoid the appearance of disbelieving the adult child. However, do not let yourself be put in the position of judging the veracity of statements or authenticity of documents. It may be smartest to walk away from a conflicted situation like this until the competency issues are resolved. If you are a buyer’s representative and a property is embroiled in a family conflict, make sure the contract is contingent on an attorney’s review to be sure that your buyer will receive a clear title.

- **Ask for permission to share confidential information**

  A real estate professional must deal with the owner directly unless authorized to deal with others, such as family members. The real estate professional should ask for, and document, an elder client’s permission to share transaction information with family members. The Code of Ethics states that REALTORS® must keep client information confidential, but the client can consent to sharing information.

- **Involvement of family members**

  Relatives or caregivers can assist both the elderly homeowner and the real estate professional by acting as guides, interpreters, and facilitators. They can help an elder work through the emotional and practical issues that may be involved in selling a home. A real estate professional can help by keeping the relative up to date and providing copies of transaction documents.
**Adult children don’t always know**

Adult children may have little or no knowledge of the parent’s financial affairs. Furthermore, children may be inexperienced when it comes to buying and selling real estate and lack market knowledge. The real estate professional can help by identifying needed information and sources.

**Provide information on alternatives**

When the children live in another community or state, they may be unaware of care and community support services that could help an elderly parent remain in the home. A specialist can help a family make choices by providing information and contacts and sharing examples of what other families have done.

**Be alert**

Unfortunately, even family members can have bad motives and intentions. The real estate professional should be on the lookout for fraud such as selling properties out from under elders. The REALTOR® Code of Ethics states that a REALTOR® is not bound by confidentiality if a crime is intended and can be prevented.

**Refer to the Code of Ethics**

As you work with senior clients and customers, be mindful of the CREA Code of Ethics. Everything you do should comply with its tenets to ensure that all parties to the transaction are treated honestly. This helps to ensure that all parties feel satisfied with the transaction results and pleased with the experience of working with you and one another.

**Conflicts of Interest**

Real estate professionals who specialize in the 50+ market often develop close relationships with their elder clients. But a real estate professional should not become a Estate Trustee, guardian, or conservator for a client without first consulting an attorney. Despite good intentions, the situation can be fraught with potential conflicts of interest, and family members may accuse the real estate professional of taking advantage of their elderly relatives.
Finding an Eldercare Lawyer/Attorney

As retirement living and healthcare decisions are becoming increasingly complex, families and their seniors often find themselves searching for someone who specializes in areas of the law that are particularly relevant to themselves and their family members. Today, a number of lawyers are devoted to lending expertise and an especially sensitive ear with regard to issues including long-term care planning, insurance, succession planning, public and private pensions, age discrimination, durable powers of attorney, guardianship, and elder abuse.

As a single point of contact for navigating the network of options and giving guidance that care is appropriate, an eldercare lawyer could be key for you and your family. The Canadian Law List’s website has a searchable database of lawyers (search for “Elder Law” under area of specialty).
Test Your Knowledge

1. Which of the following is a pre-authorized credit line based on the value of home equity?
   
   A. Home equity line of credit  
   B. Defined contribution pension plan  
   C. Registered retirement savings plan  
   D. Defined benefit plan

2. The term estate includes which of the following?
   
   A. Personal property  
   B. Real estate  
   C. Financial assets  
   D. All of the above

3. Which of the following statements is NOT true regarding reverse mortgages?
   
   A. It allows seniors to convert a portion of their existing home equity into cash  
   B. Received payments are considered taxable income  
   C. Reverse mortgages can be used to renovate a home so that a senior may age in place  
   D. The reverse mortgage is managed by the Canadian Home Income Plan (CHIP)

4. At what age must Canadians officially collapse their RRSPs?
   
   A. 49  
   B. 60  
   C. 71  
   D. 90

5. There are two kinds of power of attorney: power of attorney for property and power of attorney for:
   
   A. Estates and wills  
   B. Financial assets  
   C. Personal care  
   D. Trusts
6. In order to be eligible for a reverse mortgage:

   A. Borrowers must take out a new mortgage
   B. Borrowers need to make regular lump sum payments
   C. Borrowers must be no older than 55
   D. Borrowers must be age 62 or older

**Review**

In this chapter, we introduced and explored finance, tax and legal matters that can impact elders. Although a real estate salesperson is not required to be an expert in these three areas, an understanding will ensure a good working relationship with those 50+.
5. Marketing to the 50+ Client
As we have seen in preceding chapters, demographics alone tell us that the 50+ real estate market segment will expand as mature adults and baby boomers age and live longer, healthier lives. Although most prefer to stay in familiar communities, their housing needs and preferences will change as they age through life phases. For the real estate professional, now is the time to start building relationships that will pay off in the future. It’s a well-known fact that buyers and sellers like to do business with people they know, but there is a lot of competition for consumers’ attention and loyalty. How can you get acquainted with prospects in the 50+ market, distinguish yourself, and communicate a winning value proposition?

Earning the SRES® designation says a lot about your commitment to and seriousness about serving mature and baby boomer buyers and sellers. In this chapter, we will look at practical steps you can take to put the SRES® designation to work for you in your marketing plan. We’ll look at how to make contacts and establish relationships as well as do’s and don’ts of marketing to mature and baby boomer consumers. As many specialists will attest, the real estate professional who invests the time and effort today in nurturing a network of prospects will gain a reputation as a trusted real estate advisor that will pay off in the future.

The Half-Century Consumer

How do people who have reached and surpassed the half-century mark view themselves as consumers? What are their needs and wants in a home for today and the future? And what are the best ways to approach them and win their attention and loyalty?

Conservative, Loyal, Frugal

Mature consumers imbue brands with trustworthiness and authority and consider brand loyalty a virtue. Remember the “This is not your father’s Oldsmobile” advertising campaign? It is a good example of attempting to capture the boomer market by playing on the brand loyalty of the parents’ generation. On the other hand, boomers are more likely to experiment with new and different brands.

Thrifty spending habits characterize the elder and mature consumers who experienced the Great Depression or WWII years. Fear of outliving assets reinforces their penny-wise approach. Free-spending boomers have responded to the economic shockwaves that began in 2008 with a new-found frugality.
Not in a Hurry

Unless faced with a crisis situation, most age 50+ home buyers and sellers don’t need to rush into a transaction. Regardless of how realistic the viewpoint, both buyers and sellers have a “waiting for the right price/property” mindset. High-pressure tactics will likely backfire. Scare tactics—act now!—may provoke a reaction, but do not build a long-term relationship. It is better to stress the benefits than to evoke worry by dwelling on the what-ifs.

Savvy Consumers

Mature adults have a lifetime of consumer experiences including large purchases and investments. Baby boomers grew up in an era of flourishing consumerism and have been immersed in it all their lives. Consequently, these generational groups are very savvy consumers. The real estate professional must be able to articulate a meaningful value proposition, back up knowledge with experience and credentials, and demonstrate expertise.

Plus, there is no one-size-fits-all approach to the market. Expert marketers attest that the companies that are most successful in winning and keeping market share among mature consumers are those that offer options for interfacing—face to-face interaction, email, texting, phone, mail, and social media.

As Old as You Feel? Forever Young?

When communicating with baby boomers do not use the word “senior.” Aging is not part of their self-image and the word “senior” can be a big turnoff for them. The most successful companies never focus on age; they stress the positive aspects of their products or services. A good example of this is cruise-line advertising, which delivers the message by showing mature couples enjoying the cruise-vacation experience or by simply describing the enjoyment and positive aspects of onboard services, dining, and entertainment. Savvy marketers realize that mature consumers are good at discerning choices that are right for them.

The term “senior citizen” is a big turnoff for baby boomers who see themselves as forever young.
For example, the Hasbro Company’s advertisements for the large-print version of *Scrabble* stresses the ease of using the product and says nothing about the age or ability of the user.

**Social**

Do not underestimate the power of word of mouth. Mature adults are more likely to share negative and positive experiences with friends and family and consider recommendations from them. Given the importance of personal referrals when choosing a real estate professional, excellent service and asking for referrals are paramount in gaining and keeping clients. But the biggest mistake real estate professionals make when working on a referral basis is failing to ask for future referrals.

**Time to Spare?**

Mature retired adults generally have more time at home and, therefore, tend to spend more time watching TV and reading newspapers than other groups. They also take the time to look at all the direct mail pieces they receive, which makes direct marketing an effective method for reaching the mature market.

**Prospecting Strategies**

**Business-Building Outreach**

How can you get acquainted with seniors in your market area? You can start by getting involved with senior organizations as a volunteer or an activity sponsor. Some suggestions are:

- Sponsor refreshments at a club meeting, bingo game, or bridge tournament.
- Sponsor a seminar on any topic of interest.
- Provide a speaker for a program.
- Show a movie at a senior centre.
- Volunteer for meals on wheels or provide transportation to medical appointments.
- Let other professionals know that you specialize in mature adult real estate matters, such as physicians, health care workers, elder care lawyers/attorneys, accountants, pharmacists, church or temple staff, golf pros, hair stylists, and care facility administrators.
■ Offer no-cost real estate consulting service for mature adults; many communities offer information services for elders, and you could become the real estate expert.

■ Speak at senior communities about moving from one’s long-time home. Have a downsizing company speak at the same venue to ease the topic of transitioning.

■ Supply retirement communities with your handouts for prospective residents. Use this as an opportunity to develop a relationship with their senior community.

■ Post your business card on bulletin boards where mature adults are likely to gather.

■ Network with merchants and service providers that target mature adult clientele.

■ Get involved with service organizations that tend to have older memberships, such as Rotary, Kiwanis, American Legion and VFW, Elks, lodges, and garden clubs.

■ Purchase a mailing list for zip codes with concentrations of mature adults.

■ Search local property records for homeowners who have owned the same property for 10–15 years.

■ Ask for a copy of a senior centre’s mailing list. (Don’t be surprised if the list is confidential).

■ Support and get involved with local politicians who are interested in senior issues.

■ Write an advertorial on real estate issues.

■ Participate in senior-oriented expositions and fairs.

■ Keep track of where retired people who relocate to your market area move from and establish a referral contact there.

■ Get interviewed by the press. Establish your expertise by sending local media a steady stream of ideas in article or press release format; make sure the information is substantive and not repetitive. When a reporter needs a senior real estate source, you will be a likely interview subject.
Practitioner Perspective: Six Marketing Strategies for the 50+ Market

My experience has been that mature clients have a sense of respect and loyalty. If you build trust with them they will stay with you. But you can’t just put something in the newspaper, on a billboard, or on a bench. It has to be personal and face-to-face.

“**My experience has been that mature clients have a sense of respect and loyalty. If you build trust with them they will stay with you.**”

Mark Given, CRS, GRI
Littleton, North Carolina
www.markgiven.com
markgiven@yahoo.com

**Phone Calls—Use the FORD Model**

If you have a database of mature clients, they like it if you touch them in a personal way. When you check on your clients on a regular basis it helps you build a trusting relationship. I start with a simple greeting, just “Hi, this is Mark Given.” The next step is to look for common group and I use the FORD model. It may be hard to talk about occupation when they are retired or dreams when you don’t know them well. But you could ask what they are doing for a holiday, or how their family or grandchildren are doing. Next, I state the purpose of my call, which can be personal or professional. With folks I know well I might say, “I was just thinking about you,” or “I was just calling to check on you.” Then I try to end on common ground. I try to be off the phone in 2–3 minutes so that I’m not taking up too much of their time, but with some clients, let’s face it, they have a lot of time. Spend time every day or every week to make these spheres-of-influence calls. You only need about 50 people to build your business; it doesn’t take that much time to stay in touch with those 50 people every month. Most important—no cold calls.

**Drop-Bys—Be in the Flow**

People will work with people they know, like, and trust, but the next step is people they are in the flow with. Phone calls are not enough. You need to be in the flow with people. So, about once a quarter I make a personal visit. I always call ahead of time. My simple script is, “Hey, this is Mark, I’m going to be in your direction tomorrow, and I’d like to stop by and see you around 10 o’clock if that’s okay with you.” When I drop in, I have to be prepared, even if I’m only staying for 15 minutes, to eat the cookies; the folks who care about you will have something to share. It’s important for me to also have something to share; I like to take Hershey’s Kisses. Sometimes if the client has leaves that need to be raked or grass cut, I’ll send one of my children over to take care of it. My kids are so used to doing that now that they have really come to love helping out mature folks. The kindness that you share is always well received.

I also take MLS sheets for properties in the vicinity because mature clients always like to know what’s going on in their neighbourhood with property values. The MLS sheets give me a chance to talk about that even if they don’t plan to sell for a long time. If I can drop by once a quarter for 15 minutes, it’s a simple way to market, and I certainly don’t have to spend a lot of money on newspaper advertising when I’m engaging prospects personally. Like phone calls, you don’t have to visit thousands of people.
5. Marketing to the 50+ Client

**Direct Mail—It’s Still Effective for Mature Clients**
I know a lot of real estate professionals who have stopped doing direct mail marketing because they think it isn’t effective. But it has always been effective for me. Mailing pieces to mature clients really works because they look at them, read them, and often don’t throw them away. I removed someone from my database one time and when I ran into her several months later she said, “I’m not getting your cards anymore.” It was amazing. After a long time of contacts that didn’t go anywhere, I took her off the database, but she appreciated those postcards and expected them every month. As long as you provide relevant, interesting information—community news, recipes, trends, a football schedule, market information—mature clients will be willing to engage with you.

**Internet—Make Your Website an Information Source**
If you want to engage mature clients online, provide valuable information about topics such as safety, medical news, aging in place, or a community calendar. You could link to facilities in your area that design and build for mature clients—places they can move to when they sell their home. Think about your grandparents and the things that would interest them. With boomers, I might think of what would interest my cousins. If your website becomes a gateway to relevant information, you become the expert.

**Networking—Go Where They Go or Bring the Party to Them**
If you haven’t built up your mature-adult business yet, here’s what I would suggest—go where they go or bring the party to them. It can be anywhere they go on a regular basis, like a mall where people walk during cold weather. We have a local fast-food outlet that serves free coffee for seniors every morning from 6:00 to 6:30 a.m. Ninety percent of the people are there not just to get free coffee but to socialize. You could go there too. You don’t want to go and say, “Do you know anybody who wants to sell or buy real estate?” Just show up on a regular basis with your name tag on. If they become friends with you, they’re going to start asking you about the market. Then you can start building a database of folks by just inviting them to receive your newsletter or emailing them some information and letting them know about your website. And that can lead to direct mail, phone calls, and drop-bys.

Local speaking engagements have been a success for me. If you can get up the gumption for public speaking, there are many organizations that are always looking for speakers with good information. I went to the local chamber of commerce and asked for a list of organizations that have regular meetings; then I sent out a notice to let them know I was a local real estate professional and available to speak. I just gave a market update at a local senior centre. About twice a year I get in front of 40–50 mature clients at this senior centre, and I’ve gained a lot of business from it because I’m seen as a trusted real estate advisor.

**Building Referrals—Give Them Something Good to Talk About**
I’ve learned that mature clients socialize a lot—they are active and engage in activities with friends. When clients talk to each other, in particular mature clients, you have to make sure they have good stuff to say about you. If you are engaged in all these ways—by phone, mail, face-to-face, and online—you will be there when they are ready to make a move.
Relating to and Communicating with the Senior Market

Expert marketers attest that those companies that are most successful in winning and keeping market share among mature consumers are those companies that offer options for interfacing. Some consumers prefer face-to-face interaction, others prefer phone, mail, or increasingly by Internet through Web sites and e-mail. The most successful companies never focus on age either; rather, they stress the positive aspects of their products or services. A good example of this is advertising by cruise lines; the message is delivered by showing mature couples enjoying the cruise-vacation experience or by simply describing the enjoyment and positive aspects of the services and entertainment offered. Savvy marketers realize that mature consumers are good at discerning choices that are right for them. For example, the Hasbro Company recently released a large-print version of the popular game Scrabble; advertising for it describes the ease of using the product and says nothing about the age or ability of the user.

Establish a marketing budget and stay within it.

Mature retired adults generally have more time at home and therefore tend to spend more time watching TV and reading newspapers than other groups. They also take the time to look at all the direct mail pieces they receive, which makes direct marketing an effective method for reaching the mature market.

Smart Senior Marketing

- **No scare tactics**
  
  Do not use scare tactics with seniors. Scare tactics may provoke a reaction, but do not build a long-term relationship. It is better to stress the benefits than evoke worry by dwelling on the “what ifs.”

- **Promise and deliver**
  
  “No ifs, ands, or buts” service.

- **Avoid the word “senior”**
  
  Do not use the word “senior” especially when communicating with Baby Boomers. Aging is not part of their self-image and the word “senior” is a big turn-off for them.
5. Marketing to the 50+ Client

■ Focus on value

Focus on communicating the value of your services and how you can assist clients and customers. Describe services that appeal to seniors.

■ Ask for referrals

The biggest mistake real estate professionals make when working on a referral basis is failing to ask for future referrals.

■ Brand loyalty is a virtue

Realize that brand loyalty is a virtue among the mature generations. They imbue brands with trustworthiness and authority. Remember the “This is not your father’s Oldsmobile” advertising campaign? It is a good example of attempting to capture the Boomer market by playing on the brand loyalty of the parents’ generation. On the other hand, Boomers are more likely to experiment with new and different brands.

■ Word of mouth is important

Do not underestimate the power of word of mouth. Seniors are more likely to reveal negative and positive experiences to friends and family, as well as consider recommendations from them. Given the importance of personal referrals when choosing a real estate agent, the role of excellent service and asking for referrals are paramount in gaining and keeping clients.

■ Get interviewed by the press

Establish your senior real estate expertise by sending local media a steady stream of ideas in article or press release format; make sure the information is substantive and not repetitive. When a reporter needs a senior real estate source, you will be a likely interview subject. When the interview appears in print media, send copies of the article to seniors in your contact database as well as other professionals.
The SRES® Marketing Edge

The following communication plan was developed exclusively for the SRES® Council. The plan uses a combination of direct mail and phone call contacts with suggested scripts. Samples of telephone scripts and letters can be found in the tools section of this manual.

Step 1: Identify the senior market in your community and obtain a contact list.

The first step is to obtain contact information for senior prospects in the market area. One method is to purchase a mailing list through a service. A quick search on the Internet will provide contacts for these companies. If you plan to purchase a list try to be very specific about search parameters to increase the validity of the list. Start with a group of about 3,000 contacts. A 5,000 name list looks impressive, but may not be very cost effective when you start paying postage and making phone calls.

If you are able to establish a relationship with the senior centre in your community, you might ask for a copy of their mailing list, although do not be surprised if the list is protected. If the list is available, you will still need to differentiate between owners and renters.

Step 2: Mail a letter or postcard to prospects. Offer a free Special Report. Provide response options – phone, reply card, online.

The purpose of the first mailing is to inform contacts of who you are and about the availability of Special Reports. Contact Canada Post (www.canadapost.ca/business) for the most up-to-date details on services and rates.

Offer response options:

- A “senior hotline.” Set up a designated line answered by voice mail. Seniors often feel threatened by people who want to sell them something. The opportunity to leave a voice-mail message alleviates this worry. Ask responders to leave a message with their name and mailing address.
- A postage-paid response card for responders to fill out and send back.
- E-mail or Web site. Offer an e-mail address or Web site address; ask for permission to send additional e-mails.

Special Reports on topics of interest to seniors are available on the SRES® Web site or you may develop your own special report.
5. Marketing to the 50+ Client

Step 3: Separate responders from the general database.
Start compiling an alpha list of those who respond to the initial mailing. These special people will be the focus for personal handling for the next year or more. Whenever possible, personally deliver the report. The soft personal contact can be the beginning of a trusting relationship. It also provides a first-look opportunity at the property that may be future listing. Seniors are usually very wary of strangers. They need to get to know the person at the other end of this mailing campaign in order to eventually do business with them.

Step 4: Make scripted calls to all non-respondents.
Before making any calls, make sure you are aware of federal, provincial, and local guidelines for phone calls, such as time of day you may call. This job can be assigned to an assistant. An assistant who has a professional telephone manner and a basic understanding of the subject matter can also make the phone calls. A suggested script is provided. Following up the mailing with a phone call will increase the number of requests for the Special Report. It is also an opportunity to find out if there are any people on the list who do not want to remain on it. If requested, remove the names from the list immediately. When a report is requested, deliver it in person if possible and transfer contacts to the Alpha List for personal follow-up.

Step 5: Make scripted calls to respondents within two weeks of Special Report delivery.
The real estate professional should make these calls. Offer to answer any questions about the report and start sending your quarterly newsletter. You may be able to make an appointment to personally deliver a copy of the newsletter and discuss formulating a market analysis on their home. No matter what the outcome of the conversation, it is an opportunity to enhance the prospect’s comfort level for working with you in the future.

Step 6: Deliver or mail a quarterly newsletter.
Tap into the library of customizable newsletters on the SRES® Web site. Consider sending the newsletter to your entire database, not just the ones who have responded to your mailings and phone calls. Or prepare a special edition with enhanced information for mailing to responders. Every newsletter contains a definite call to action, so be prepared to receive responses after this mailing. This mailing enhances your credibility, builds name recognition, and accustoms database contacts to hearing from you. Newsletter mailings can happen concurrently with follow-up calls to the non-responders and personal delivery of Special Reports.
Every mailing should be an opportunity for adding people to the personal follow-up list. Another round of phone calls at this time to database contacts is very effective; there will be some people who are interested but never got around to calling for more information. Every “yes” response should be followed up with a call and/or visit from you personally.

**Step 7: Create comprehensive market analyses (CMAs) and deliver them. Mail a follow up letter to all database clients.**

By now you have familiarized yourself with the prospective clients on the alpha list and their properties. Offering to prepare a comprehensive market analysis is a next step. Consider creating a “confidential commitment letter” that spells out what you can do for them. State how long the commitment is good for – six months, one year, five years. Assure recipients that, when they decide to sell, you will honor any commitments that you or your team members have agreed to provide. List services to assist senior buyers or “call for our senior resource list.” Show the benefit of using your services. Consistent follow up demonstrates that you are a knowledgeable real estate professional with the ability to get the job done.

**Step 8: Schedule monthly mailings and bimonthly phone contact.**

Set up a reminder file to prompt you to contact responders on a monthly basis and call every other month. Send quarterly newsletters and marketing letters. Phone contact is also important because circumstances can change suddenly and cause the property to be sold. If you have a contact management program, use it as a follow-up program. Each client will probably be on a different schedule since initial contacts happened at different times. If you do not have a contact management program, set up any reminder system that will prompt you to mail letters and materials. Personalizing the letters makes a good impression.

**Step 9: Continue mailing the quarterly newsletter to everyone in the database.**

The non-respondents will eventually either become part of your monthly mailing list or you will take them off the list permanently. Repeat the step 2 general database mailings every six months. Update the database regularly; be sure to remove deceased contacts immediately.
**Make Your Web Site Senior Friendly**

In addition to publicizing listings and buyer services, make your Web site a senior-friendly resource site. Post information about topics of interest to seniors such as information about the uses of reverse mortgage, and add links to other Web sites such as the local pharmacies and other elder services. Be sure to obtain permission to link to other sites and check these links from time to time, about every 4-6 weeks, to make the links are still valid. Some other ideas for making your Web site senior friendly are:

- List your special services to assist senior buyers
- Post a call to action – “call me for information about …”
- Post photographs of senior events and parties. Send an e-mail to your contact list with a link to the photos on your Web site
- Include your Web site address and a link in all e-mail communications
- Feature a “building or senior service of the month”
- Post lists of stores, restaurants, entertainment venues, and services that offer senior discounts

**Senior Seminars**

Seniors are avid attendees of information and educational seminars. Senior centres, communities, civic groups, church groups, community colleges, and service organizations, to name a few, are always looking for programming ideas. Contact the organization’s leadership or administration and offer to present a free program on topics of interest to seniors.

Making a presentation at a seminar enhances your reputation as a real estate professional and also provides an opportunity for attendees to check you out without making a commitment. Although the seminar environment should not be sales focused, following up on contacts made at seminars provides an opportunity for you to demonstrate your expertise and offer helpful services. Because attendees have already seen your presentation, and perhaps talked one-on-one with you during the seminar, you have taken the first step in establishing a relationship.

You do not have to wait to be invited as a guest speaker – you can schedule your own seminar. Ask two or three representatives of your team, such as a lender, attorney, tax specialist, accountant, or financial
planner, to be a co-presenter. Presenting with other professionals will enhance your standing as a real estate expert. As a rule of thumb, the number of speakers should not exceed four, including yourself. Work out in advance the order in which presenters will speak and each speaker’s time allotment. On the day of presentation, you can act as the emcee, introducing the other speakers, as well as making a presentation yourself. Choose a neutral, non-sales environment as a location, such as a community centre, a public library, or a bank community room. Never schedule the seminar in the real estate office. Choose a convenient location with ample parking (and access to public transportation in metro areas) and easy entrance with minimal stair climbing. When picking a date, check if there are any other community events scheduled concurrently. If your market area includes a large number of “snowbirds,” choose a time period when they are in residence.

Schedule the seminar during the daytime; midmorning is usually best. Remember, many seniors cannot or do not like to drive after dark. An early evening time frame may be okay if the attendees do not have to drive to reach the location, such as a club house or community centre. A two-hour time frame is best. Be sure to offer refreshments; share the cost with your co-presenters or find another sponsor who has a similar interest in reaching the senior market.

Start publicizing the seminar about 6-8 weeks in advance. In addition to inviting the club or community group members, ask permission to invite those on your own contact list. Encourage your co-presenters to invite mature clients on their contact lists. Send a flyer to the contact list, old and new clients and customers, plus anyone who has contacted your office in the last few months. Invite attendees to tell a friend and bring a friend. Take advantage of free space in media community bulletin boards, church bulletins, senior centre bulletin boards, and community newsletters.

On the day of the seminar, offer a sign-in sheet or sign-in cards. Ask for contact information, including an e-mail address; put check-off boxes on the sign-in card for permission to e-mail or call. Use the sign-in cards to draw for door prizes, which can also be supplied by local sponsors. Offer a coupon for follow-up service, like a free CMA, a consultation on preparing a home to sell, or some other service. Focus on providing objective information in a non-sales environment and let your professionalism speak for you.

After the seminar, send a thank-you letter to all attendees and offer to add them to your quarterly newsletter mailing list.
### 3-Minute Brainstorming Challenge

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<th>Sponsors</th>
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<td>What topics would be interesting for mature adults and their families, baby boomers?</td>
<td>What businesses and services want to reach the same prospects?</td>
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<th>Presenters</th>
<th>Giveaways</th>
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<td>Who could you invite to as a presenter?</td>
<td>What information and items would be memorable giveawaes?</td>
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### 1-Minute Lightning Round: Do’s and Don’ts
Write one do and one don’t—in 10 words or less—for presenting seminars to the 50+ market.

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Social Media Marketing and 50+ Consumers

The continued growth of social networks opens new possibilities for building relationships. Your first contact with a prospect may be your Facebook page or blog. Social media users over the age of 50 are not the largest group, but they are certainly the fastest growing. According to a study conducted by the Pew Research Centre, social media usage among those 65 and older has grown more than 300% since 2010 when just 11% of adults aged 65 or older used social media.³

Older adults use social media to reestablish and maintain contacts with friends and coworkers, participate in online discussion (particularly discussion of dealing with chronic health conditions), and keeping in touch with the extended family. They use the Internet for all the same social and business reasons as younger people, including researching properties. But today’s Internet consumer expects to be in control of the relationship. Marketers term this mindset “permission marketing.”

Permission Marketing

Permission marketing is based on the concept of consumers opting into the marketing process. Essentially, consumers give a company permission to send them messages in return for something of value, like information or the chance to win prizes. As the relationship evolves over time, trust is established and consumer behaviour changes; they permit the company to sell them something. From a real estate marketing perspective, permission marketing may take the form of prospects signing up for a monthly e-newsletter, subscribing to a blog, or providing contact information in return for a free market report.

Web-enabled consumers know the value of their personal information—name, address, phone, email, and property preferences—and maintaining anonymity keeps it in their control. They want access to information without encountering obstacles or divulging personal information. Consumers may perceive attempts to obtain personal information too soon as pushy. They will divulge information only if and when they are ready to make contact.

Your Digital Presence

When you Google your own name, what comes up? The proliferation of social networks like Facebook blurs the line between business and personal online presence. In addition to publicizing listings and buyer services, make your website a 50+ resource site.
When someone enters your site, do they know that you focus on the senior market? What does your website say? What information does it offer? Post articles about senior issues written by you, information about topics of interest (e.g., information about the uses of reverse mortgages, etc.), and add links to other websites such as community elder services or local pharmacies that participate in the Medicare drug plans. Be sure to obtain permission to link to other sites, and check these links from time to time, about every 4–6 weeks, to make sure the links are still valid. Some other ideas are:

- List your special services to assist mature adult buyers.
- Post a call to action—“call me for information about.”
- Post photographs of events and parties and send an email to your contact list with a link to the photos.
- Include your website address and a link in all email communications.
- Feature a building or service of the month.
- Post lists of stores, restaurants, entertainment venues, and services that offer senior discounts.

Discussion Question

What features would make a website, Facebook page, or blog attractive for the 50+ market?
SRES® Marketing Support ● Exclusively for SRES® Designees ●
at www.seniorsrealestate.com

Customize this bifold brochure with your contact information.

Customizable flyer

Customizable postcards—4 versions in 2 sizes

Banner ads for your website

SRES® Print Shop
The online SRES® Print Shop offers high-quality professionally printed marketing materials at competitive prices. Create and store your own customized flyers, postcards, and brochures online. Professional image enhancement services are available too. Receive an email notification when the print job is shipped via UPS. Go to www.SeniorsRealEstate.com, sign in, and select Marketing Materials, SRES® Print Shop.
Providing Assurance

Thinking back to the discussion of obstacles that keep people from making a move, perhaps the most important thing a real estate professional can do for an apprehensive client is to provide assurance:

- Assure the client, family, and caregiver that whatever the concern or worry, others have faced similar situations, completed the transaction, and made a successful transition.

- Describe how others have solved problems, overcome obstacles, and made a successful transition.

- Provide information on your resource team and the services that are available to assist in the transition.

- Describe your business philosophy and experience as well as your skills and services.

What other ways can you think of to reassure an apprehensive client?
The Client Across the Desk

The core skills and processes that you use when working with any buyer or seller are applicable when working with the 50+ market. So what is different?

- **Life Stage Needs and Wants**

  Viewpoints on real estate ownership change as adults move through the years before and during retirement. Real estate professionals need to understand how these life stages affect decisions to sell or buy real estate as well as needs and wants. A counseling session might include discussion of factors such as favourite leisure activities, preferences for community and group activities, health, mobility, and continued career plans. But, it’s important not to make assumptions. For example, not every retiree wants to downsize; some may be planning ahead for visits from grandchildren, room for hobbies, or a home-based business.

- **Health and Activity Stage**

  It may be more productive to profile prospects in terms of health and activity stage than age and to consider how these influence needs and wants.

- **Who Has the Aging Issues?**

  Consider also who has the aging issues. Elder parents and adult children may have conflicting concerns, expectations, and priorities. The real estate professional must learn how to uncover root issues and sometimes help clients balance priorities. For example, when parents move in with their adult children, the aging issues are those of the elder parent, even though both the parent and adult child qualify as 50+ market prospects.

- **A Long Time Since the Last Transaction**

  Most 50+ adults are homeowners and have experienced selling and buying real estate. However, it may have been a long time since the last real estate transaction and many things may have changed in the interim. The experience gap may make a client as apprehensive as a first-time buyer. Lack of motivation or indecision may mask as worry over the process and the ability to see it through successfully. On the other hand, some mature adults work through a cycle of upsizing and downsizing, manage real estate investments, or apply business experience to the transaction.
5. Marketing to the 50+ Client

Emotional Time

The sale of a home may be the result of a major life event, such as the loss of a spouse or a disabling illness, and understanding the dynamics of this situation is important to providing supportive client service. Because it may be a very emotional time, the real estate transaction is imbued with meanings and sensitivities that would not be factors for younger clients. For example, posting a sign on the front lawn not only makes the sale of a long-owned home a reality but may also signify letting go of cherished memories and attachments.

Loss of the Financial Decision-Maker

When one spouse passes away, it may mean the loss of the family financial decision-maker. The surviving spouse may have an incomplete picture of the family finances and little experience with evaluating and making financial decisions.

The opportunity for REALTORS® is that as a group, seniors will buy and sell, upsize and downsize, move to a new location and move back or “half-back” to be close to family, move to assisted-living environments, and the like over 20 or more years and as their lives and circumstances change. The real estate professional who can win the client early on has the opportunity to benefit from several transactions in the future. SRES® designees can attest that at around age 50 people start thinking about aging and issues with property. When selling to this group be cognizant that you can become their real estate professional for life by demonstrating your understanding and familiarity with the circumstances of their property and lives and your ability to help them through the phases.

Learn about Interests and Concerns

A good way to learn about 50+ market interests and issues is to subscribe to senior magazines and read what they read.

- Good Times Magazine, www.goodtimes.ca
- Finally! Magazine, www.theseniorcitizensmagazine.com
The FORD Interview

A distinguishing characteristic that makes your presentation memorable is the way you go about building rapport. Small talk breaks the ice and helps prospects get comfortable as you describe your services and brokerage relationships. If the presentation is made in the client’s home, look for visual clues such as photos, awards, paintings, embroidery, a piano, or sports equipment near the door, for clues about their interests. A handy way to remember questions to ask is the acronym FORD. You can ask about:

- **F**amily and friends
- **O**ccupation
- **R**ecreation and hobbies
- **D**reams and goals

It may be insensitive to ask retired or elderly clients about their occupations or dreams, but almost everyone has a favourite pastime. Photos of family and friends and mementos provide potential conversation starters too. Also, how you ask is as important as what you ask.

During the conversation, you can learn important information such as the client’s life stage, recent real estate experience, family involvement, and other factors. Concerns with the transaction will surface, providing you an opportunity to describe your services and special skills and knowledge.
Exercise: FORD Interview

Your instructor will divide the class into pairs. Working with your assigned partner, take turns interviewing each other using the FORD model. First, one person assumes the role of the prospect and the assigned partner assumes the role of the agent; then switch roles. What are some questions that should be asked during an interview with a mature adult buyer or seller? How could you phrase sensitive questions to demonstrate interest without intrusion?

The Big Questions

The real estate professional may need to ask probing questions and interpret answers to get at the true meaning of statements. For example, the statement “I want a ranch house” may really mean a one-level property with no stairs. A condo in an elevator building may meet this need with the added bonus of none of the upkeep of a single-family home. A statement like “I’m not interested in a senior community” may express a preference to be in a community with people of all ages—children, families, middle-agers, and elders. Specialists report that it is not unusual for a buyer to be precounseled on the Internet and come to the counseling session with a list of needs, wants, and desired properties. Do not be afraid of suggesting alternatives that might be suitable; the client may not be aware of the options.
When working with mature adults it may be appropriate to ask questions and raise issues that would not come up with younger clients. For example, if the reason for selling is to enter a nursing home, Medicaid eligibility may be a factor; assisted living or home health care may be a workable alternative. Questions might include:

- Is this an interim or transitional move?
- How does this purchase fit into future plans? Is it a second home that may become a primary home in the future? A transition home to be sold at retirement?
- How do you feel about making this move?
- What are the top 10 things you want, or never want, in a home?
- Are there special needs or property features to consider?
- Will the neighbourhood meet your needs for transportation, grocery delivery, meals, and medical?
- Do you do your own housekeeping and gardening?
- What form of communication do you prefer? Phone? Email?
- Is there another family member involved in the decision?
- Would you like to know more about the financial options available?
- Do you currently have a reverse mortgage?
- Will the move impact long-term health care coverage?
- In the case of an estate, has the estate been probated?
Ask Yourself:

- What are the concerns, priorities, and time frame of these clients?
- Why would the clients do business with me?
- How can I earn and maintain their respect and trust?
- How can I work best with the decision-making processes of the clients, family members, or caregivers to produce a successful transaction?

Exercise: The Real Meaning

What questions might you ask to probe the meaning behind these statements and learn more about the client’s concerns?

- My kids want me to rent a senior citizen apartment, but those are full of old people.
- I want my privacy.
- I want a house where we can lock the door and go!
- There are so many memories in this old house—it’s hard to leave those behind.
- My sister-in-law moved into one of those senior communities and she just loves it. It might be right for me.
- Some stairs are okay, but not too many.
- What do people do there to keep busy?
- My wife is really into crafts, so we need a room just for her craft projects.
- Will that development let my grandchildren stay for a visit?
- My kids want me to sell this big old house and move to something smaller. What do you think?
If my husband was still here, he’d know just what to do. I’m not so sure.

Understanding Needs and Capabilities

Specialists attest that it is helpful to profile clients by where they fall on a maturity and activity continuum. Although chronological age provides a clue to an individual’s needs and capabilities, it doesn’t tell the whole story. As noted in the discussion of understanding how we functional age—cognition, mobility, impairments, chronic conditions—matters more than the number of years in determining needs, wants, and abilities. Although when a major or sudden life change necessitates a change in living arrangements, the emotional impact can be as debilitating and limiting as a physical illness. The real estate professional must remember that working with the 50+ market, especially the very elderly, requires sensitivity and empathy. You can create your own needs and wants tool based on the checklist on page 65. Develop this checklist for your own market area and use it to find out needs, wants, and priorities as well as activity level.

Viewing and Showing Properties

Viewing Properties

Realize that elders may not have the physical and mental stamina for a full day of property viewing or a lengthy counseling session. It may be best to schedule several short appointments instead of one long one.

Memorabilia Everywhere!

Mature adults’ homes often wind up as repositories for a lifetime of family memorabilia and bric-a-brac. Every item recalls a cherished memory and the senior owner knows where everything is. But real estate professionals know that a house packed with too much clutter will not show well. A prospective buyer will have a hard time looking past the clutter of all those memories. What can a real estate professional do?

Tact and patience are essential when advising a senior seller on how to stage the property for showing. The sale of a long-owned home is an unsettling experience on its own without adding the upset of disturbing or removing objects that represent the homeowner’s memories. Therefore, it may be necessary to show the home a couple of times in its cluttered state before the owner can see the benefit of packing some things away. You could say, “The house might show better if some things were packed and stored.” Or, “Would it be a good idea if we started
packing some of your things?” Or, “I’m concerned about your... collection and about breakage when showing the house. Would it be okay to pack some of the collection?”

As-Is Properties

Be aware that as-is properties can need a lot of repairs. A home that has been lived in for many years may have deferred maintenance issues. The owners may not have the ability, financial resources, or motivation to keep the property up. Or, they may not be aware of or see the need for repairs or maintenance. They are just trying to live out their life in the home without investing any more in it. In some cases, even an as-is property may need repairs before it is ready for sale. A home equity loan to pay for repairs may be a solution; the loan balance can be paid off with the sale proceeds. If the owners want to stay in the home but lack the money to repair it, a reverse mortgage may be the answer.

Showing a Property with the Homeowner Present

It may be difficult for an elderly or mobility-impaired homeowner to leave a property for showings. The real estate professional may have to go the extra step of finding a place, like a neighbour, for the homeowner to go during showings. On the other hand, some experienced specialists say that homes can be shown with the homeowner present. A notation in the MLS remarks (such as “seller may be present at time of showing”) alerts other agents that the homeowner may be present when they plan to show the property. The practitioner can reassure the homeowner that the home and their personal property will be safe during showings; it may help if a family member or colleague remains with the elder during the showing to provide emotional support and report progress.
Sensitivities

Patience
When asked about working with mature and elderly clients, experienced real estate professionals say have patience, patience, patience and expect more handholding through the entire process. Decisions can take a long time and lengthen the sales cycle. If an elderly client has a physical condition like short-term memory loss or hearing or vision impairment, it may be necessary to repeat information and divide explanations of complex processes into smaller steps. Matters such as disclosures and inspections can cause a lot of confusion and misunderstanding too. Focus on counseling the client, not selling; a hard sales approach could be perceived as taking advantage of an elderly person even if your advice is the right course of action.

Empathy
The client may be suffering a great deal of emotional distress, such as grieving the loss of a spouse, friends, or family members, or even a beloved pet. A change in health can impair hearing, eyesight, cognitive ability, or mobility and learning to deal with a sudden loss of ability involves a similar mourning process. Even moving out of a long-owned home can involve a mourning process as personal attachments to people, places, and things are severed. The loss of a spouse or life companion is particularly devastating. A couple may have bought the house together and spent a lifetime making it their home, but now the survivor must sell the house on his or her own. The financial or household decision maker may be gone, leaving the survivor uncertain of what to do or how to accomplish even everyday tasks.

Communications
What should a real estate professional do when an elderly client calls every day or several times a day? You should respond with patience and remember the Golden Rule. Understand that the elderly client may not have anything else to occupy time and the real estate transaction is likely causing stress and worry. Experienced specialists handle this situation by managing expectations, such as setting a date and time for the next phone call to the client. If you will be out of town, change your voice mail message every day so callers know where you are, when you will return, and when you will return phone calls.
On the other hand, keeping in touch with active mature adults who are constantly on the go can present some challenges for the real estate practitioner. Retirees may leave on a spur-of-the-moment trip and not inform the real estate professional that they are leaving or provide contact information. Retirees do not have to worry about scheduling time off from a job. They are free to go when they please and do not feel a sense of urgency about business matters.

Although attitudes are changing, there are some elders who do not use cell phones, text messaging, voice mail, or email, but it would be wrong to assume this about all. Ask if the client uses email or has a cell phone; be aware that many seniors view cell phones as only for emergency use. Unlike younger users, cell phones are only turned on when the senior wants to make a call. These attitudes will likely change, however, as tech-savvy baby boomers move into retirement years.

Have the seller provide a point of contact who is able to reach them if you are unable to do so. Although rare, you may also consider providing a prepaid cell phone to a client who does not have one so they can call you or receive a call directly from you. Make sure the device is simple to operate, such as one-button play back. Do not call too late in the evening (after 9:00 pm); many elders are early to bed and early to rise.

**Low Vision Assistance**

Low vision is more common than blindness and less obvious to the observer. Glaucoma, cataracts, and macular degeneration are leading causes of low vision. You can help clients who have low vision by:

- Announcing your presence and identifying who you are
- Describing what you are doing
- Uncluttering the area
- Putting objects back in place if you move something in the home
- Speaking directly to the person but not yelling because low vision has nothing to do with hearing
- Offering assistance but not insisting
- Providing low vision aids, like a magnifying lens or page magnifier
- Knowing how to be a sighted guide; offer your arm, walk a half step ahead so your movements can be sensed, and speak up when approaching stairs or curbs. Never grasp or push the person in front of you
**Documents**

Large-print copies of documents are a great help. Even mature adults without obvious vision problems appreciate documents with large print. A quick way to make a large-print version of a document is a photocopy enlargement; keep a stock of 11x17 paper in your office for photocopying enlargements. The clients can sign the small-print version of documents. If you are working with a couple or family members, prepare extra copies of everything so each person can have a copy. Develop a large-print version of your business card, too. You can also keep a magnifying glass or page-size magnifier handy in your desk and car. A penlight provides extra illumination and can sharpen focus.

**Comforts**

An office setting that is comfortable for mature adults will also be comfortable and inviting for younger clients and customers. Chairs with arms are easier to stand up from. Low couches and easy chairs can present problems.

**Closing**

Mature clients expect the real estate professional to be present at closing as a support and to explain what is going on. It may be necessary to go the extra step of driving the client to the bank and the closing.

Another option is pre-signing. In most instances, the real estate professional, the seller, and a representative from the title company will meet at the new home of the senior to complete the pre-signing for the property. The seller will then provide the necessary funds via a deposit slip to the closer, a check for the real estate professional to deliver, or wired means. Providing this option enables your senior client the ability to avoid traffic and other obstacles the day of closing.

Senior specialists say that this little bit of extra service may mean the difference in keeping the client because the future business is lost if the practitioner is not at the closing.
Involving Family Members

Involving family members or people who are like family can be a big help for both the client and the real estate professional, especially when a client’s physical and cognitive capabilities are weakened. A family member can interpret information, locate and keep important documents, meet deadlines, confirm appointments, and help the elder through the transition. Refer back to the earlier discussion of handling confidential information and power of attorney. Remember that the real estate professional must obtain permission from the client before sharing confidential information, even with family members, and should verify that family members have authority to make decisions.

If other family members are involved in decision making, it is important to build relationships with them too. Include family members in discussions and decisions if appropriate and if the client wants to include them. If children are located in another city, schedule a conference call with them and the elder parent. You can make them part of the team that is able to communicate and help elders make decisions and take actions. With the client’s permission, help family members by having extra copies of documents available.

Elder Abuse and Neglect

Elder abuse and neglect are sad truths. In one study, approximately 7% of adults 65 years or older reported experiencing some form of emotional, physical or financial abuse. Family members reportedly committed the vast majority of this abuse. The abuse, which usually happens in the home, can be physical, psychosocial, or financial exploitation. Some forms of elder abuse can be quite subtle and hard to detect and others are more obvious.

Warning signs may be:

- Threats of force, exposure to weather, inappropriate use of drugs, food deprivation, abandonment
- Verbal or nonverbal acts that inflict mental pain, fear, anguish, breaking or stealing treasured objects, ignoring the elder, humiliation

\[ \begin{align*}
\text{Inadequate water, delay of medical treatment, lack of assistance with eating, not attending to personal cleanliness needs} \\
\text{Withholding basic emotional support, respect, or love, ignoring calls for help, lack of assistance in helping the elder do things he or she likes and requests to do} \\
\text{Self-neglect, ignoring personal hygiene, not getting medical help, oblivious to weather, compulsive hoarding} \\
\text{Sexual contact without the elder’s consent} \\
\text{Financial exploitation, taking, misuse, concealment of funds, property, or assets} \\
\text{Health care fraud, under-medicating, overcharging, kickbacks for referrals, substituting less expensive medications} \\
\text{Strained or tense relationships, frequent arguments between the caregiver and elderly person} \\
\text{Sudden changes in behavior or financial situation, injuries, and bruising} \\
\end{align*} \]

As a real estate professional involved with senior clients and customers, you may encounter victims of elder abuse. If you suspect abuse, report it to the appropriate authority. For more information visit Seniors Canada (www.seniors.gc.ca). You will also find details on where to report abuse in each province. Print out the phone numbers and keep a copy handy in your office or car. You will have an easy reference when your eyes, ears, or instincts tell you that something does not seem right. Anonymous calls are honored, and you will sleep better at night if you make a report.

\section*{Schemes and Scams}

Perpetrators of scams and high-pressure sales operations often target the vulnerable elderly. Real estate professionals can help by staying alert for scams and speaking up when they suspect that seniors are at risk.

\begin{itemize}
\item \textbf{Cash As-Is} \\
Seniors may receive a cash as-is offer from an investor. Many times, these types of investors will offer around 30 cents on the dollar of a given property value. While it may be tempting for the seller to accept an all-cash offer, it's often not the best option available.
\item \textbf{Deed Scams} \\
Seniors whose properties are owned free and clear may be susceptible to a form of deed scam. A fraudulent deed is filed, and the home is sold without the senior owner’s knowledge.
\end{itemize}
5. Marketing to the 50+ Client

- **Cons**
  A con artist may try to persuade a senior to withdraw money from an account in order to prove that a bank teller is stealing money from depositors. Another scam involves asking for bank account numbers and personal information by phone in order to verify information.

- **High-Pressure Sales**
  Boiler-room operations that sell living trusts frequently target the elderly. The purchaser pays several hundred dollars or more for a package of preprinted forms. High-pressure sales of home refinancing charge hefty service fees for unnecessary home loans.

- **Phony Home Repairs**
  Con artists often appear after natural disasters like hurricanes. They pose as contractors and offer home repairs at bargain rates. The repairs are poor quality or never finished, and the contractors disappear with money paid in advance.

- **Identity Theft**
  Elders are particularly vulnerable to identity theft. A real estate professional could help by offering to shred discarded documents that could reveal personal information and informing clients of toll-free numbers for opting out of prescreened credit offers.

- **Fraudulent Mortgage Notices**
  A sales pitch for refinancing or other products masquerades as an official document stating “call for important information about your mortgage payment.” Another scheme is a phony official notice that a mortgage has been transferred and future payments should be sent to a fraudulent lender at a new address.

**Disclose Agency Obligations**

CREA’s Code of Ethics stipulates that REALTORS® make meaningful, written agency disclosure at the earliest opportunity so that consumers can make informed choices. Earliest opportunity is defined as such time before a REALTOR® providing “professional services that go beyond providing information as a result of incidental contact with a consumer.” It is important to fulfill your provincial agency disclosure obligation. It is also critical to determine if a relationship already exists between the client, buyer or seller, and another broker.
Review the Buyer Representation Agreement

- Property type, description, and price range
- Scope of work
- Exclusive or non-exclusive
- Duration of relationship
- Payment for services performed by others
- Consent to show properties to other buyers
- Potential of a disclosed dual agency situation
- Compensation provisions
- Non-discrimination

The buyer-representation agreement can also address the following miscellaneous issues:

- Agreement assignability
- Recourse if a commission dispute or other problem develops
- Dispute resolution – mediation, arbitration, or court action
- Circumstances in which the agreement can be cancelled
- Working with the buyer-client on a short trial-period basis

Do not push price limits

Retirees on fixed incomes are very budget sensitive, so be careful about pushing price limits and ranges. While a mortgage payment may remain fixed, taxes, insurance, and other costs will likely rise. Carrying costs for a property are also an important part of the picture. The buyer on a fixed income cannot look forward to a salary increase to offset future carrying cost increases. Help the buyer estimate the range of costs, including taxes, insurance, homeowner association dues, condo assessments, mandatory club dues, and the like. It may be helpful to compare paying for these services, such as lawn and pool care, individually in contrast to homeowner association dues. Experienced real estate professionals know that maintenance costs are a very important element of carrying costs. Furthermore, maintenance must be done year-round even when the homeowners are not there. The property may be affordable, but the carrying costs may be more than the buyer can afford or wants to pay.
Refer to the Code of Ethics

As you work with senior clients and customers, be mindful of the CREA Code of Ethics. Everything you do should comply with its tenets to ensure that all parties to the transaction are treated honestly. This helps to ensure that all parties feel satisfied with the transaction results and pleased with the experience of working with you and one another.

Test Your Knowledge

1. When counseling 50+ clients, it is helpful to ask about:
   A. F (family/friends), O (occupation), R (recreation/hobbies), D (dreams)
   B. H (health status), I (income), P (political belief)
   C. N (national origin), A (age), R (retirement plans)
   D. R (religious creed), C (career history), H (heirs)

2. According to the CREA Code of Ethics, agency disclosure should be:
   A. Delivered at closing
   B. Meaningful, in writing, and made at the earliest opportunity
   C. Oral, abbreviated, and made no later than the fifth meeting of the real estate professional and consumer
   D. Summarized, e-mailed, and made at the agent’s convenience

3. Advantages of presenting a senior seminar include which of the following?
   A. Seniors are avid seminar attenders
   B. It enhances your professionalism
   C. Seniors can check you out without making a commitment
   D. All of the above
Review

In this chapter, we learned about why it is important to understand the differences in selling to 50+ clients. We explored that their ideals and mindsets are different from other clients. We discussed various ways to successfully market to this age group, from holding seminars, to creating a senior friendly website.
6. Tools & Resources
Building a Team of Experts

Every real estate professional knows the value of access to a team of experts who can be called on for advice. When working the senior clients, the team composition should include experts who can help a variety of issues and matters, from estate planning to handling clutter.

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<td><strong>Property</strong></td>
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<td>Termite inspector</td>
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<td>Painter</td>
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<td>Landscaper and gardener</td>
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<td>Pool service</td>
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<td>Home inspection</td>
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<td>Disaster preparation and recovery</td>
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<td>House sitter</td>
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<td>Clutter reduction expert</td>
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<td>Interior staging specialist</td>
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<td>Storage facilities</td>
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<td>Housekeeping service</td>
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<td>Charities that accept donations of furniture, clothing, and household items</td>
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<td><strong>Legal and Financial</strong></td>
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<td>Elder law attorney (wills, trusts, estates)</td>
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<td>CA or money manager</td>
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<td>Financial planner, expert on pensions, RRSPs, etc.</td>
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<td>Estate liquidator</td>
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<td>Transitional services contact/coach</td>
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<td>Health care facilities and levels of care</td>
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<tr>
<td>Community resources</td>
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<td>Meals on wheels</td>
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<td>Veterinarian for pet care</td>
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<td>Pet boarding</td>
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<td>Dog walker</td>
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<tr>
<td>Volunteer opportunities and services</td>
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<tr>
<td>Estate sale organizer</td>
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</table>
Finding and Tapping into Resources

Spend time learning about what your community offers for seniors. The checklists presented earlier in the course can help you find facilities and services as well as evaluate your community’s “senior-friendly” features.

Senior specialists advise that you keep an open mind, especially if you are not a senior yourself.

Look at your community through the eyes of an older person – how easy is it to get around, access senior services, shop, enjoy entertainment, access health care, and get involved as a volunteer? Are active seniors a vital part of your community?

Community grant funding for seniors and active living

The government of Canada supports local projects across Canada that encourage seniors to take part in their community and active living. The New Horizons for Seniors program funded over 12,000 projects since 2004. In 2011 the funds increased to a total of $45 million. The enhanced funding will support projects that focus on volunteering among seniors and raising awareness of financial abuse of seniors.

Community Participation and Leadership Funding provides one-time, start-up grant funding for community-based projects that enable seniors to play an important role in their communities. It encourages seniors to contribute their skills, experience, and wisdom in support of social wellbeing in their communities, and helps to reduce their risk of social isolation.

Since its beginning, the New Horizons for Seniors Program has funded over 6,000 projects across Canada, helping seniors to use their leadership, energy, and skills to benefit our communities. For more information about the Program, please visit www.hrsdc.gc.ca/seniors.

As a real estate professional with the SRES® designation, you can show your support and leadership by either promoting an existing organization dedicated for seniors in the community or you can help a non-for-profit organization in creating a new group in the area.

*The Canada Seniors - www.seniors.gc.ca web site can be a wonderful resourceful link to assist you in gathering information of what is available to seniors in your area and community.*
Organizing a Resource File

Start compiling an information file of resources and services. This file can be a marketing distinction and an offer an edge on your competition. Use the following suggestions on categories of resources to start researching and building your customized resource bank.

- **Active adult developments**: Develop an information sheet for each facility with amenities, range of housing options, age restrictions, association fees, homeowner association contact, building manager, and association rules.

- **Advocacy groups**: Environmental, political, and issue-oriented groups.

- **Aging support organizations**: Local offices that provide support services for elderly.

- **Auto care**: Car dealerships, repair garages, and tow service.

- **Banks, mortgage lenders, and mortgage counselors**: Information on financial and lending institutions, reverse mortgage lenders, and counselling services.

- **Bill payment and checkbook balancing**: Many community-based organizations and senior centres offer this service.

- **Clubs and hobby groups**: Activities for seniors to enjoy on their own and with younger family members.

- **Community events**: Information on community special events, observances, and annual events.

- **Cultural and entertainment venues**: Theatres, cinemas, concert venues, art galleries, and museums.

- **Educational opportunities**: Senior-friendly learning environments, community colleges, university extensions, and lifelong learner programs.

- **Energy and utility assistance**: Many communities offer utility payment assistance for low-income seniors. Search the web for senior utility assistance.

- **Foster care**: Adult foster homes are private homes with family-style living, offering room, board, and round-the-clock physical care.
6. Tools & Resources

- **Health facilities, hospitals, clinics, and rehabilitation facilities:** List of facilities with phone numbers, and addresses.

- **Home health care:** Contacts for hiring home health care workers.

- **Houses of worship:** List of churches, temples, mosques, and clergy contacts.

- **Junk removal:** When accumulation or hoarding has overwhelmed a property or homeowner; a junk removal specialist may be the answer. These service providers specialize in junk removal from properties like homes, garages, and storage lockers. Some also remove junk autos. Search the web for junk removal specialists in your area.

- **Libraries and book stores:** Reading clubs and discussion groups.

- **Magazines and newsletters:** Sample copies of magazines and newsletters targeted to senior readers.

- **Personal care:** Hair stylists and manicurists who provide in-home service.

- **Pet placement:** Pet placement services specialize in rehoming pets, including senior dogs and cats, and can help a pet owner through the difficult decision to euthanize an ill dog or cat. Search on the Internet for pet placement services.

- **Restaurants:** Restaurants that offer senior hours, prices, and portions as well as easy access and senior-comfortable seating and atmosphere.

- **Senior apartments, congregate living, adult day care and care facilities:** Consider developing a summary sheet for each facility. Include notes on contacts, levels of care, costs, range of housing options, availability of short-term stays, age-restrictions, and other facts.

- **Senior concierge services:** These service providers help mature adults maintain independence by offering a range of nonmedical personal assistance from running errands to providing transportation to medical appointments to participating in recreational activities. Some offer transitional services to facilitate the move between treatment and care facilities. Search the web for elder concierge services in your area.
SRES® Designation Course

- **Specialists:** List of area specialists in cardiology, ophthalmology, gerontology, rheumatology, orthopedist, neurology, chiropractors, and other specialties.

- **Supermarkets and pharmacies with delivery services:** Include other retail outlets that offer senior discounts and services.

- **Support Groups:** Support for the bereaved, caregivers, and others.

- **Travel clubs:** Travel agents that specialize in senior travel. Group travel is an excellent way for seniors to get acquainted and make friends.

- **Trends:** Information organized by dates or headings such as local and national issues.

- **Volunteer opportunities:** Information on volunteer involvement opportunities.
Making Prudent Referrals to Experts

By Nan Roytberg
Past Associate Counsel, National Association of REALTORS®

You’re an expert on real estate. But you can’t be an expert on every aspect of real estate. You can’t know whether there’s mold behind the walls, whether the roof will last another ten years, whether the well water is potable. And trying to finesse these questions will quickly get you in big trouble, legal trouble. So just as discretion is the better part of valor, so too is knowing when to say, “I don’t know, but I can give you the names of some experts” is an important part of avoiding legal liability. You also can’t do everything your buyer wants and needs. And as much as you may want to go the extra mile to complete the sale, you can’t promise to paint the house, renovate the kitchen, repair the furnace and provide financing. You can, however, help your buyer find the right people to take on those jobs.

Buyers often expect that you’ll know who to contact to get certain services, and it’s always nice to anticipate their needs by having a written referral list of experts they may need, such as:

- Lenders
- Home inspectors, both general and those who specialize in lead-based paint, radon, termites, mold
- Structural engineers
- Painters, plumbers, electricians and carpenters
- Attorneys
- Insurance providers
- Cleaning services

However, you need to make sure that the people and companies on your list are reputable, so that your referrals don’t come back to haunt you through buyer dissatisfaction or, even worse, a lawsuit.

One way a licensee can land in court is to recommend only one expert in a specific field who does an inadequate job. In 2000, a brokerage that represented buyers in Kentucky was sued when the pest control company it had recommended failed to perform satisfactorily. The buyers engaged a particular pest control company, on the recommendation of the broker, to inspect and treat the property for termites prior to the sale. After the closing, the buyers discovered that their home was still infested with termites. They sued everyone involved in the transaction, including the brokerage that represented them and, of course, the pest control company. Fortunately, the broker had protected itself by recommending two other pest control companies to the buyers. The Kentucky appellate court thus affirmed the decision of the trial court that the brokerage’s recommendation did not constitute a guarantee of performance. The court held that the buyer brokerage was not liable for the pest control company’s failure to provide satisfactory services.

So when making any recommendation, your standard procedure should be to include contact information for at least three suggested experts for each category on your referral list, being careful not to recommend any one expert over the others. Still, you need to go further. Putting three names on a list is not enough to keep you out of trouble. Take the time to find the right names to put on your list. In other words, include only those experts with whom you have had good experiences yourself or who come highly recommended by others you trust.

You should also cover yourself a bit more by placing a clear, conspicuous statement on your referral information that says you are providing the list merely as a service to your buyers. Disclaim liability further by stating on the list that neither you nor your firm is responsible for any referred expert’s availability, reliability or
performance. Also include a statement attesting to the fact that you do not receive any referral fees or other compensation from the experts on the list. Any lawful affiliations you or your firm may have with any of the suggested individuals or companies need to be disclosed as well.

These are the basics that you should do, but there are some things—things that your buyer-clients might want or expect you to do to help them get that house ready—that you should not do. In a case the California Court of Appeals heard just last year, a home inspector identified a number of repairs for a particular property, including the replacement of a water heater. The broker, who was a disclosed dual agent, went beyond just referring a handyman to do these repairs. The broker actually selected and retained the handyman, paying him out of the sellers’ escrow funds. The handyman replaced the water heater with a natural gas heater instead of one compatible with propane, which was the fuel that fired it. There was a subsequent fire and the buyer’s boyfriend suffered lung damage from smoke inhalation. The broker hoped that the “buyer’s inspection advisory” and an addendum to the purchase agreement would shield him from liability. The advisory stated that the brokers didn’t guarantee the performance of others. The addendum stated that representatives of the broker might provide referrals to “firms dealing in related real estate services such as title insurance, escrow, pest control, geological/physical property inspection, home warranties, etc.,” but the use of these firms was at the sole discretion of the buyer and/or seller.

The addendum further stated that referrals by the broker did not imply “any specific recommendation, or any warranty of any firm’s expertise or professional licensing status.” In this case, however, the court looked beyond the language of the advisory and addendum. The broker had gone beyond making a mere referral to the buyer. The broker had voluntarily undertaken the responsibility to oversee the repairs and had been negligent in such oversight by failing to ensure that the handyman understood that a propane water heater was necessary. The appellate court thus reversed summary judgment for the brokers, saying that there was a genuine issue of material fact as to whether their involvement established a duty of care beyond the exculpatory clauses (clauses intended to shield the broker from legal liability—to make him not culpable—for any negligence on the part of the experts whom the broker referred) in the buyer’s inspection advisory and addendum to the purchase contract.

This is perhaps another case of actions speaking louder than words, but it is most certainly a warning: Unless you’ve been engaged to manage the property, stick to just giving the buyer some good, reliable names. Do more and you may need a referral yourself…a referral for an attorney!

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6. Tools & Resources

Resources

**Canadian Government Websites**

Canada Revenue Agency: Seniors 55 and up
www.cra-arc.gc.ca/seniors

Government of Canada - Seniors
www.seniors.gc.ca

Retirement Income Calculator
srv111.services.gc.ca/generalinformation/index

Service Canada
www.servicecanada.gc.ca

**Health and Caregiver Websites**

Alzheimer Society of Canada
*Providing help for people with Alzheimer’s disease and other dementias and their caregivers*
www.alzheimer.ca

Canadian Home Care Association
*Dedicated to ensuring the availability of accessible, responsive home care and community supports to enable people to safely stay in their homes with dignity, independence and quality of life*
www.cdnhomecare.ca

Community Care Access Centre
*Ontario’s 14 CCACs get people the care they need in their homes and communities across the province*
www.healthcareathome.ca

Canadian Association for Retired People
*A national, non-partisan, non-profit organization that advocates for financial security and improved health care for Canadians over 50 years of age.*
www.CARP.ca
Services

Driver Refresher Courses
CAA - www.caa.ca/seniors

Eldercare Accountants
Chartered Professional Accountants of Canada - www.cpacanada.ca

Eldercare Lawyer/Attorney
The Canadian Bar Association - www.cba.org
The Canadian Law List - www.canadianlawlist.com

Employment Services
Seniors for Jobs - www.seniorsforjobs.com
Seniors 4 hire – www.seniors4hire.org

Medical Equipment Loan
Canadian Red Cross - http://www.redcross.ca/how-we-help/community-health-services-in-canada/health-equipment-loan-program

Senior Moving Managers
National Association of Senior Move Managers - www.nasmm.org

Senior Dating and Companion Match-Up
Age Match - www.AgeMatch.com
Senior Friend Finder - www.SeniorFriendFinder.com
Senior Match - www.SeniorMatch.com

Travel
Road Scholar - www.roadscholar.org
Senior Discovery Tours - www.seniordiscoverytours.ca

Mailing Lists
Info Canada
Offers targeted mailing lists infogroup.infocanada.ca

Books
From Age-ing to Sage-ing
Rabbi Zalman Schachter-Shalomi

Healthy Aging: A Lifelong Guide to Your Physical and Spiritual Well-Being
Andrew Weil
How to Care for Aging Parents
Virginia Morris and Robert M. Butler

Look Me in the Eye
Cynthia Rich and Barbara MacDonald

Loving Senior Transitions: The Top Five Questions Baby Boomers Need to Ask to Help Aging Loved Ones
Ruth Fennell

Moving in the Right Direction: The Senior’s Guide to Moving and Downsizing
Bruce Nemovitz

Moving On: A Guide to Housing-Related Resources Tailored to Seniors and Their Families
SRES® Council

September Songs: The Good News about Marriage in Later Years
Maggie Scarf

Seven Strategies for Positive Aging
Robert D. Hill

Still Here: Embracing Aging, Changing, and Dying
Ram Das

The Art of Aging: Celebrating the Authentic Aging Self
Alice & Richard Matzkin

The Fountain of Age
Betty Friedan

The Longevity Revolution
Dr. Robert Butler

The Complete Canadian Eldercare Guide
Caroline Tapp McDougall
7. Scripts & Templates
Suggested script: for follow up after initial mailing

Use this suggested script to follow up with those on the mailing list who did not respond to the initial mailing.

I am calling to follow up on the postcard/letter and offer that (name of real estate professional) recently mailed you.

Do you remember receiving it?

1. Either a “yes or no” answer is okay.

It was a letter/postcard offering our “Special Report for Seniors” on real estate. The topic is (topic). We will send to you free as part of our seniors’ real estate program. May I send it to you free of charge?

2. If no, say “Thanks for your time on the phone” and end the call.

3. If yes “Thank you. If we are in the area in the next few days, we may drop it off. If you are not in, we’ll place it against your front door. Thanks again.”

If they do not want it dropped off, say “then it will be in the mail shortly.”

Then add: “(name of real estate professional) will call you in a couple of weeks after you have an opportunity to read it. (First name of real estate professional) will be glad to answer any questions you may have. Thanks again.”
Suggested script: for follow-up after special report delivery

“[I am calling to follow up on the Special Report that was recently sent to you?]” (If you delivered it, remind them of the meeting.) Ask: “Have you had a chance to look it over?”

1. If no, then say, “Well, we all get busy and can’t keep up with everything today.”

2. If yes, then ask, “Are there any questions that you have after reading the report?” Then answer the questions.

After answering, ask, “I have a Seniors Newsletter that I mail out quarterly, every three months. It is full of real estate information specific to senior property owners. I would like to send it to you as a gift. Would that be okay?”

If “yes” then, “Thanks and it will be in the mail soon.”

Then add, “I will call you in a couple of weeks after you have an opportunity to read it. I will be glad to answer any questions you might have. Thanks again.”

If no, offer to send a sample copy and include a response card for the recipient to be added to the mailing list after reviewing a sample copy.
Special report mailing cover letter

Dear (Mr. or Mrs. Last Name),

I hope you enjoy reviewing this Special Report. It was compiled by the Seniors Real Estate Council®, which is part of the NATIONAL ASSOCIATION OF REALTORS® family. The Council is a group of REALTORS® committed to working with our mature population. They are aware of the unique needs and issues of older property buyers and sellers. As a member of the Council, I would like the opportunity to distribute this and other Special Reports to all of my senior clients and friends.

I’m certain that you will find it informative and important to your real estate and investment planning. It is full of the kind of information that senior property owners need to know before making decisions about their future cash flow and real estate transactions.

I will follow up with you in the coming weeks to find out what you think of the report and if you have any questions that I might answer. I think we’ll have lots to talk about, and I look forward to sitting down with you when you are ready.

Remember, as a REALTOR® and a SRES® designee, I am committed to providing you the very best of senior services available.

Happy reading!

(your name), SRES®, (other designations)

www.yourwebsite.com
Good morning!

In the last few weeks, I have provided you a **Special Report** regarding the real estate market. I have extensive experience in these issues, having represented (area) clients for the past (#) years.

I believe in the (name) area and in the long-term value of our property here. The property you own represents a solid asset with which you have built your equity. It’s more important than ever today to safeguard that equity for your retirement years and determine a proper plan of action for your unique situation. My clients have come to rely on my experience and guidance on the real estate market.

This year almost all the real estate economists forecast the growth of the (area) economy. The real property value increase will be a (percent) growth in most of our market.

I invite your questions. Ask me! Challenge me. Information is power and in your case, information is **FREE** for the asking. I have obtained the nationally recognized SRES® designation specifically with people like you in mind. I have access to information that could save you thousands of dollars when you sell your property or buy another property or even stay where you are today.

My personal policy has always been to provide my clients with the best service at the most competitive price available. Please take advantage of my real estate expertise. I look forward to speaking with you. Call me anytime at (000) 000-0000 or e-mail me at (your e-mail address).

Sincerely,

(your name), SRES®, (other designations)

www.yourwebsite.com
More Marketing Letters

Marketing Letter: Why Plan Anyway?

Good morning!

At a recent seniors seminar, a gentleman approached me. “All the stuff you’re telling us about planning, capital gains, senior discounts, and using our equity sounds great. But what difference does it make? When I die the government will get everything sooner or later anyway. My assets aren’t large and I can’t afford to pay all these expensive tax consultants.”

Many people feel the same way. You have worked hard for your assets and don’t see how you can afford the seemingly high costs required to protect them. Well, one of the great values in real estate ownership is that several plans already exist that can protect your funds at close of sale. All you need to do is call me, and you will receive the information and resources you need to make an informed decision. The best part about it is that you will not have to pay any “up front” costs. Consulting is part of my services as your SRES®. I only get paid when I sell your property.

There is no excuse for not having a specific plan in place for your peace of mind. Security comes from being ready for any and all contingencies. Planning in real estate doesn’t cost it pays.

Call me today at (000) 000-0000 or e-mail me at (your e-mail address) for all the no cost information I have on housing options available to you. You’ll sleep better tonight!

Sincerely,

(your name), SRES®, (other designations)

www.yourwebsite.com
Marketing Letter: Dining Out

Enclose a list of restaurants that offer senior discounts

Good morning!

One thing that is common to people of all ages is our love of fine food. As a (area) real estate professional for more than (time) years, I have had lunch or dinner in just about every fine restaurant in town.

I thought that a list of those tried and true restaurants might be of interest to you. These are places that have discount times or meals for SENIORS. Many also have special considerations for those of us with handicaps or disabilities.

As your SRES®, my goal is to provide you with the best service possible – even some of the best places to eat here in (town or area). Please let me know about the service and food. With your assistance, I will keep this restaurant list up to date.

Remember, I am here to help. Whenever you need any real estate advice or questions answered, call me at (000) 000-0000 or e-mail me at (your email address). I will be happy to help.

Bon Appetit!

(your name), SRES®, (other designations)

www.yourwebsite.com
Marketing Letter: Property Preparation

Good morning!

One of the questions I am asked after clients decide to place their property on the market is, “What should I do to get ready?” The first thing to remember is that we all have different tastes. So don't make a lot of major changes that might suit you but not the new buyers. A buyer will make changes according to their own decorating preferences.

The key is to keep things simple. The less clutter the better. If things seem crowded, think about storing items or use this opportunity to make a donation to your favorite charitable foundation.

Do make minor repairs such as leaky faucets.

The overall first impression is most important to a prospective buyer. Landscaping can make a dramatic difference. Often something as simple as flowers lining a front walkway can make a more inviting entrance.

DON'T go to any great expense.

One of the aspects of my assistance is that I can provide you with a list of qualified people to assist you in readying your property for sale. The excellent team of painters, handymen, gardeners, and cleaning services can assist you and often at special senior prices.

Let me take the worry out of preparing your property for sale. I'll help you organize the necessary work from start to finish, allowing you to concern yourself about more important things. Call me at (000) 000-0000 or email me at (your e-mail address) for a FREE consultation and specific information about my services.

Sincerely,

(Your name), SRES®, (other designations)

www.yourwebsite.com


**Marketing Letter: Creating Your Financial Team**

Good morning!

Most of us don’t want to face the reality that someday we might need more than our current income or even worse, outlive our assets. A support team of top financial advisors can help **SENIOR** homeowners eliminate or at least minimize the possibility of outliving our assets.

The equity in your property may be the most valuable asset you possess. The team you create – legal, accounting, financial, and real estate – are most critical. As your **SRES®**, I can provide you with all of the real estate knowledge and experience that I have amassed over the many years of working for clients just like you.

My **Services** also offer you peace of mind and could create real savings in expenses when you are ready to sell. Call me at **(000 000-0000)** or email me at **(your e-mail address)** now for a consultation.

A support team like this will save and protect your equities for your future security. Do you have all these experts on your team?

Sincerely,

(Your name), SRES®, (Other designations)

www.yourwebsite.com
Good morning!

It has been about a year since I last updated you on current market conditions in the area surrounding your property. My clients always want to know what is happening in the real estate market. As part of your financial team it is my responsibility to keep you informed as to the general and specific real estate market conditions, good or bad.

For most of us our home equity may be the most valuable asset we own. Unlike stocks and securities, whose current value can be determined daily, real estate values are created over a longer time span. A regular review of the recent market sales of similar properties and the trends in the neighbourhood will bring your equity value current.

Most of us love where we live and don’t plan to move. However, if unforeseen circumstances force a decision, it is important to have a good plan that will protect as much of your equity as is legally possible.

My services are a wonderful tool to give you the peace and security of planning ahead for just such a contingency. If we haven’t already discussed your specific situation, please call me at (000 000-0000) or email me at (your e-mail address) for a private consultation.

Attached is information regarding the current market conditions for the area surrounding your property. You have worked hard for your equity. I will work hard to help you keep it and use it wisely.

Sincerely,

(your name), SRES®, (other designations)

www.yourwebsite.com
Good morning!

I thought you might like to learn a little more about who I am and hear from some of the people I have helped through the special services that I offer clients.

The response has really been wonderful and I have had the opportunity to meet and work with some of the finest people you would want to know.

I have been selling real estate in this area since (year) and have probably done over (number of transactions). Before I sold real estate here, I (previous career or where you lived before).

When I’m not working with clients I like to spend my time with my (family) doing (hobbies) or (civic involvement).

And now I would like to share some of the comments that I have received from satisfied clients:

[insert testimonials]

I hope to add your positive comments to my list in the near future. Please call me at (000 000-0000) or e-mail me at (your e-mail address) today!

(your name), SRES®, (other designations)

www.yourwebsite.com
Marketing Letter: Attorneys, CAs, Financial Planners, and Other Professionals

Good morning,

Because you are a well-respected attorney, I am contacting you for some assistance with an upcoming seminar.

For the past (number of years) I have been practicing real estate in the (community’s name). I believe that before any client can make an informed business decision, they must know all the ramifications of that decision. Real estate is like playing chess – the wrong move and you may lose some of your most important assets.

With this in mind, I have joined the SRES® Council. It is a very prestigious national group of REALTORS® who specialize in handling real estate transactions for mature clients. I have also completed their training course and earned the SRES® designation. Part of the training involves creating a team of specialists such as attorneys, accountants, financial planners, bankers, and other professionals to work with seniors and their real estate issues.

As part of my involvement in our senior community I plan to present a series of seminars. I would be interested in discussing with you the possibility of co-presenting a seminar. I look forward to meeting with you to discuss any of your clients’ real estate needs. I have enclosed some information about myself. I will call you in the next few days to set up a time to meet, perhaps for breakfast or lunch?

Sincerely,

(your name), SRES®, (other designations)

www.yourwebsite.com
8. Case Studies
Case Study: It’s Time to Move—How a Reverse Mortgage Made It Happen

Lois McGrady, aged 80, is in fairly good health except for her eyesight which has become progressively weaker over the last couple of years. Since her husband passed away she is increasingly confined to her home. Lois still lives in the bungalow home she and her husband bought when their daughter, now the mother of teenagers, was a toddler. The neighbourhood isn’t as safe as it used to be, and Lois would like to move into a seniors-only condo development close to her daughter’s home. Lois accepted an offer of $174,000 for her bungalow, but condos in the senior development start at $215,000. The sale proceeds won’t be enough to afford the higher-priced condo. From the bungalow home sale proceeds, Lois makes a required down payment of $85,000 and pays reverse mortgage closing costs of $2,750. The reverse mortgage provides $130,000 to complete the purchase of the condo. After the transaction, she has a nest egg of $86,250 to cover the monthly condo assessment and other expenses.
Case Study: Five Acres for Sale

Real estate professional Rhonda received a call from Cal Marsh stating that he owned a five-acre lot and was interested in listing it for sale. Rhonda was familiar with the property and thought that Cal’s mother was the owner. In checking tax records, Rhonda discovered that the property was in fact owned jointly by Cal’s mother and aunt. When she asked Cal Marsh about the ownership, he stated that he handled his mother’s business affairs. Rhonda wrote the listing contract, but Cal’s mother refused to sign it. His aunt also refused to sign the listing contract. A several-years-old appraisal valued the property much higher than the current market value. The market dropped since that appraisal but the aunt could not understand why the property would not fetch the same high price now. Cal said his mother was not competent to sign a contract, but she seemed lucid when Rhonda met her.

What are the issues involved in this scenario? What would you do in this situation?
Case Study: The Antique Collectors

Gordon and Juanita were avid antique collectors. Their main home in Guelph was filled with beautiful antiques lovingly collected over a lifetime together. Ten years ago they purchased a one-bedroom condominium in a senior development along British Columbia’s coastline and settled in to enjoy winters on the island. About a year ago, they purchased a second larger condo in the same building with the expectation of flipping it and using the gain to pay off the mortgage on the one-bedroom unit. The second condo is currently listed with a real estate agent. Things have not worked out as they had planned.

When Gordon and Juanita purchased the second condo there were only two other units available in the building; now there are 26 units listed and it is a buyer’s market. The rental market is almost nonexistent. Juanita then passed away suddenly. Now Gordon is left with carrying costs and mortgage payments on three properties, including the home in Guelph, which he would never consider selling. He is inconsolable over the loss of his beloved wife. Gordon, in his grief, is confused, lost, and completely distraught and he has been calling his listing agent two or three times a day to ask for advice. Gordon’s two daughters, who also live in the Guelph area, have not been involved in the parents’ real estate dealings until now. They are trying to be supportive of their father, but they both have demanding careers and young families.

If you were Gordon’s real estate agent, what would you do?
Case Study: On the Go

Richard and Norma, active retirees in their late 60s, are making the most of their retirement years. Richard plays golf a couple of times a week, builds furniture in his wood working shop, volunteers at a local hospital, delivers meals on wheels, and keeps in touch by e-mail with a large network of friends. Norma enjoys trying new recipes, painting and crafts, tending her herb garden, and socializing with a “Red Hat” group. Together they love to travel, attend theater performances and sporting events, and entertain friends.

Like many of their friends, they are very involved with the church and it is the centre for much of their social life. Their children and grandchildren are spread out around the country and their travels include trips to visit family and vacations with the grandchildren at beach resorts and Disneyworld.

Their long-time home, in Edmonton, is spacious but also chock-full of a lifetime of accumulated stuff including their children’s childhood and teenage memorabilia. Every inch of wall space is covered with photos documenting family celebrations and accomplishments.

Richard and Norma have always dreamed of living in a warm climate and they both agree that a smaller home with fewer maintenance demands would be best; they really want to be able to “lock the door” and leave without worry.

They asked their long-time real estate agent, Adele, to talk with them about selling their current home and relocating to an active community in a warmer climate. Norma confided to Adele that sorting through all the stuff and deciding what to move, keep, discard, or give to the kids was almost overwhelming. Although the move would fulfill a dream, it was hard to leave their church and long-time friends behind.

What would you do?
Case Study: Gordon and Juanita

Ten years ago, Gordon and Juanita purchased a one-bedroom condominium in a senior development along Florida’s Gulf coastline and settled in to enjoy winters in Florida. A couple of years later, they purchased a second larger condo in the same building with the expectation of flipping it and using the gain to pay off the mortgage on the one-bedroom unit. The second condo is currently listed with a real estate professional. Things have not worked out as they had planned. When Gordon and Juanita purchased the second condo, there were only two other units available in the building; now there are 26 units listed, property values have fallen, and it is a buyer’s market. Then Juanita passed away suddenly. Now Gordon is left with carrying costs and mortgage payments on three properties, including the family home in Philadelphia, which he would never consider selling. Gordon, in his grief, is confused, lost, and completely distraught, and he has been calling his listing agent two or three times a day to ask for advice. Gordon’s two daughters, who live in the Philadelphia area, have not been involved in the parents’ real estate dealings or financial affairs until now, but they are very supportive of their father and want what is best for him. What are the issues involved in this scenario? If you were Gordon’s real estate professional, what would you suggest?
Case Study: A New Home for Dad

Raymond, an elderly father of three sons, owned a house and an adjoining property next to a growing subdivision. After suffering a bad fall at home, he agreed with his three sons that it would be better to live closer to one of them. They asked a broker to list the properties. A builder made an offer of an amount of cash plus construction of a new home for Raymond on the oldest son’s land in trade for the father’s properties. It seemed like a good solution; Raymond would live next door to the oldest son in a new home. However, a family squabble arose when the two younger brothers realized that the older brother’s property value would be increased by the construction of the new home. Now, the younger brothers are putting pressure on their father to stall the deal because they see the older brother benefiting more. The oldest brother has stated that he does not expect to get anything out of the deal and, besides, he is the one who has always taken responsibility for looking after their father. Raymond is suffering from the stress of conflict between his sons. He thinks the solution might be to just sell his property and move into a senior-living apartment. In the last voice mail message left with the broker, the builder said he needs an answer soon or the offer is off the table. What are the issues involved in this situation? How would you handle the situation?