



Today's retirement homes offer choice and luxury

In the coming years, your parents or you and your spouse may want to leave behind the care and maintenance responsibilities of a home and move into a retirement community. Whether you're looking for a lot of support, a little support, or anything in between, today's communities offer a lot of choice.

Let's look more closely at emerging trends in retirement community design. A better understanding of what's available can help you ensure the best possible retirement lifestyle for your loved ones and yourself.

Granite countertops, hardwood floors, and more

Select retirement communities are going upscale.¹ Beyond high-end finishings in the residences, they offer haute cuisine in elegant dining halls, golf on well-manicured courses, and active living in well-equipped fitness rooms, spas and wellness centres. They have tennis courts. They have art studios. They have movie theatres and bowling alleys. It's all about living the good life in retirement.

Find just the right community

Do you or your loved ones dream about retiring to a vineyard? How about living in a community of avid equestrians or stargazers? Are you looking for encouragement as you take up watercolours, hone your acting skills, or write the great Canadian novel? Do you need a "hangar home" with a garage for a plane? We live in an age of customization, and specialized retirement communities can meet very precise needs.²

Location is everything

A boom in retirement community construction means new facilities are springing up across the country.³ Looking for a room with a view? There are lakefront villages nestled among

trees. Prefer to be in the middle of the action? There are towers in the heart of bustling city neighbourhoods. Talk to your parents or your partner about the type of environment they'd like – what energizes and inspires them – and start thinking about your own preferences.

Rent or buy

Renting is still the most popular way to go, and, across Canada, average monthly fees for private rooms and bachelor units with at least one included meal were about \$2,100 in 2015.⁴ However, people who prefer to buy rather than rent also have options. Market-value condominiums may be attached to a more traditional retirement residence, with supportive services and meals available for a monthly fee. There's also an intermediate option called a life lease that purchases the right to use a unit and the amenities of a retirement community. It is important to discuss the pros and cons of all three options to determine what works best within your parents' or your own financial plan.

Step back in time

To help manage dementia, some retirement communities are bringing the past to life. Vintage cars, old-style barbershops, and other hallmarks of the 1950s encourage residents to draw on long-term memories as short-term memories fade.⁵ The concept isn't as developed in Canada as it is in Europe – where Holland's Hogewey recreates a small town, including outdoor parks, squares and fountains – but this type of reinvented "memory care" is catching on here.⁶ This is just one way that retirement communities are addressing the needs of those with chronic disorders such as dementia.

Choose your own adventure

Retirement homes generally offer a wide range of activities. Ask to see the monthly calendar. It may include everything from aquafit, yoga and weight training to seminars about health and nutrition. There may be opportunities to strengthen minds as well as bodies, too – for example, by joining a book club, hearing guest lecturers, attending spiritual services, and going to museums, concerts and plays. In addition, technology such as touchscreen notepads can provide easy access to brain-sharpening games. Look for a mix of activities that matches your parents' or your own interests.

What's next?

Talk to your family about the many retirement community choices. Create a list of "must-haves" and "nice-to-haves" that will help you narrow the options. Then visit several finalists, because actually being there – tasting the food, seeing the facilities and even staying for a trial period – can make your decision much easier.

Keep in mind that there is speculation that the five-star facilities of today will become mid-range within two decades.⁷ The best way to make sure you can take advantage of what's available in the coming years is for us to build a strategy to finance your parents' and your own retirement living. Our goal is always to empower you to make lifestyle decisions

that work for you and your family – because we believe as strongly as you do that everyone should have the opportunity to live out a comfortable and fulfilling retirement.

- 1 Christina Valhouli, "If you retire rich, this is where you'll want to live," *Fortune*, fortune.com/2015/04/10/luxury-retirement-homes, April 10, 2015.
- 2 Kerry Hannon, "Where single women might want to retire," *Next Avenue*, www.nextavenue.org/where-single-women-might-want-retire, October 16, 2012; Daniel Bortz, "Boomers flock to niche retirement communities," *U.S. News and World Report*, money.usnews.com/money/retirement/articles/2012/04/13/boomers-flock-to-niche-retirement-communities, April 13, 2012.
- 3 Ross Marowitz, "More retirement homes on the way in Canada," *MoneySense*, www.moneysense.ca/save/retirement/more-retirement-homes-on-the-way-in-canada, June 17, 2015.
- 4 Canada Mortgage and Housing Corporation, "Seniors' housing report – Canada highlights," www.cmhc-schl.gc.ca/odpub/esub/65991/65991_2015_A01.pdf, 2015.
- 5 CBC News, "Memory Care Centre recreates past for dementia patients," www.cbc.ca/news/health/memory-care-centre-1.3265504, October 12, 2015.
- 6 CBC News, "Canada's version of Hogewey dementia village recreates 'normal' life," www.cbc.ca/news/health/canada-s-version-of-hogewey-dementia-village-recreates-normal-life-1.3001258, May 4, 2015.
- 7 Senior Living, "Retirement home trends: Present and future developments in senior housing in North America," www.seniorlivingmag.com/articles/retirement-home-trends.

Entrepreneurs can prosper in tough economic times

"When everything seems to be going against you, remember that the airplane takes off against the wind, not with it."
— Henry Ford, founder of Ford Motor Company

Businesses are not equally vulnerable to difficult economic times. Some thrive, meanwhile others experience periods of slower growth – or worse, business failure. For hardworking entrepreneurs, the uncertainty currently affecting the Canadian economy has the potential to impact your personal investments as well as your business. Here are some suggestions on how to mitigate three economic challenges that you may be facing during these challenging times.

1. Lagging economic growth at home

Although the U.S. economy performed better than expected in 2015, Canada's economy continued to lag.¹ Consequently, while small business owners are feeling more confident about their future, their sentiment falls short of what "one normally sees... when the economy is growing at its potential," says an April



report by the Canadian Federation of Independent Business.²

Slower growth in Canada means it might be time to consider reaching out to a global audience. Expanding internationally can help businesses diversify income sources, remain competitive and prosper by accessing faster-growing markets.



A recent study of the drivers of firm growth in Canada by the Institute for Competitiveness and Prosperity found that engaging in international trade paid off in higher revenues per employee, as well as higher employment.³

Business owners may choose to reach out to foreign markets in various ways: selling online, capitalizing on the ties that immigrant employees maintain with their homelands to open up new markets, teaming up with out-of-country partners, or hiring local teams.

2. Difficulty scaling up

According to the Global Entrepreneurship Monitor, Canada is a leader in start-up business activity, scoring above many G7 nations and just below the United States.⁴ However, evidence suggests that Canadian firms fail to expand at comparable levels to other nations.⁵ An Ontario Chamber of Commerce report suggests that the barriers to growth include a lack of access to financing and to professionals with the skill set to better enable growth.

By reaching out to mentors who have already taken their own businesses through the process of expansion, entrepreneurs may be able to glean valuable insights into financing sources and government programs that can help them to overcome some of the barriers to scaling up. Useful contacts might include groups such as the Young Presidents' Organization, Entrepreneurs' Organization, TEC Canada, and the Women Presidents' Organization. In addition, potential financing solutions range from banks to venture or angel capital, crowdfunding (still niche, but growing), as well as whatever government loans and supports are available.

3. Currency fluctuation

Recent volatility in the Canadian dollar is likely to once again bring currency management to the forefront of Canadian business agendas. Of the respondents to a 2016 survey by the Canadian Financial Executives Research Foundation, 71 per cent cited payables as their top type of foreign exposure in the next 12 months, followed by receivables (42 per cent).⁶

Currency fluctuations can result in higher costs for imported supplies,⁷ as well as unpredictable profit margins.⁸ In an earlier study on the currency risk management practices of Canadian firms, 85 per cent of respondents said protecting profit margins was their primary objective in handling foreign currency exposure, and three out of four Canadian firms said they would accept lower profits in return for lower risk.⁹

Developing a currency risk management plan may well be a priority for savvy business owners. Notably, companies that had objectives and policies in place were almost twice as likely to say they were successful at reaching their currency risk management objectives.¹⁰

Ultimately, with effective strategies in place to deal with both business and personal investments, entrepreneurs should be able to navigate a tough economy with confidence. By reaching out to new markets, seeking opportunities for growth, and effectively managing currency risks, entrepreneurs have the potential to improve their competitive advantage over the long-term.

Call us to discuss options to protect your wealth, your business, and your family, or if you are interested in learning more about the strategies discussed in this article.

1 *Financial Post*, "Canada still lagging behind U.S. growth, and at this point, we're nowhere near catching up," February 26, 2016.

2 *Canadian Federation of Independent Business, Business barometer*, <http://www.cfib-fcei.ca/english/article/6065-business-barometer.html>, April 16, 2016.

3 *Ontario Chamber of Commerce, Breaking barriers: Ontario's scale up challenge*, <http://www.occ.ca/vvp-content/uploads/2013/05/Breaking-Barriers-Ontarios-Scale-Up-Challenge.pdf>, 2016, p.11.

4 *Ibid.*, p.4.

5 *Ibid.*

6 *Canadian Financial Executives Research Foundation, Exploring foreign exchange risk management in Canada*, <http://www.cambridgefx.com/wp-content/uploads/2016/04/Exploring-Foreign-Exchange-Risk-Management-in-Canada.pdf>, 2016, p. 3.

7 *Ibid.*, p. 13.

8 *Export Development Canada, The currency risk management practices of Canadian firms*, <https://www.edc.ca/EN/Knowledge-Centre/Economic-Analysis-and-Research/Documents/currency-risk-management.pdf>, 2009, p. 3.

9 *Ibid.*

10 *Ibid.*, p. 5.