



LIBRARIES

UNIVERSITY OF WISCONSIN-MADISON

Market survey analysis for proposed retirement center in Kenosha, Wisconsin.

Landmark Research, Inc.

[s.l.]: [s.n.], [s.d.]

<https://digital.library.wisc.edu/1711.dl/EO3H4LJJOVB6O8C>

<http://rightsstatements.org/vocab/InC/1.0/>

The libraries provide public access to a wide range of material, including online exhibits, digitized collections, archival finding aids, our catalog, online articles, and a growing range of materials in many media.

When possible, we provide rights information in catalog records, finding aids, and other metadata that accompanies collections or items. However, it is always the user's obligation to evaluate copyright and rights issues in light of their own use.

Jean's copy

MARKET SURVEY ANALYSIS
FOR
PROPOSED RETIREMENT CENTER
IN
KENOSHA, WISCONSIN

Landmark
Research
Inc.

MARKET SURVEY ANALYSIS
FOR
PROPOSED RETIREMENT CENTER
IN
KENOSHA, WISCONSIN

PREPARED FOR
ST. CATHERINE'S HOSPITAL

PREPARED BY
LANDMARK RESEARCH, INC.

Landmark
Research
Inc.

James A. Graaskamp, Ph.D., S.R.E.A., C.R.E.

Jean B. Davis, M.S.

January 16, 1984

Mr. Richard W. Berger, President
Mr. Ernest P. Celebre, Director of Development
St. Catherine's Hospital
3556 Seventh Avenue
Kenosha, WI 53140

Gentlemen:

With this letter we are providing you with our market analysis which focuses on the scale and the character of effective demand for a retirement center designed for the independent elderly in Kenosha, Wisconsin. The population frame for the study, segmented by age and geographical area, was comprised of households headed by individuals who are 65 years and older and who reside in the Kenosha, Pleasant Prairie, and Somers area. Primary data from respondents, gathered through a mail survey of a sample of persons within the population frame, was analyzed to scale the size of the potential market demand and estimate the possible market penetration a project could enjoy, given certain basic product and price specifications.

We are pleased to report that our analysis of area census data and our interpretation of 326 mail survey responses from persons 65 years and older suggest there is an opportunity to meet an effective demand level from 40 to 65 one- and two-bedroom apartment units in a retirement center setting described within this report. Additional supportive services would be offered for a fee on an as-needed basis.

The basic product would include a mix of one- and two-bedroom units featuring full kitchens, one or one and a half bath options, a secured underground garage (accessible by elevator) and covered stall parking, and common areas including a community dining room and recreational space. Pricing would include some form of a partially refundable entrance fee, basic monthly service charge, and optional service charges. All of the above are more carefully detailed in our report.

Mr. Richard W. Berger
Mr. Ernest P. Celebre
Page Two
January 16, 1984

We invite you to study our analytical approach and survey research data provided in the following report to see if you can concur with our opinion as to this opportunity for a private-fee retirement center. It should be noted that our summary of major research findings at the beginning of this report, and our more detailed analysis and conclusions within the report, are subject to the statement of limiting conditions and assumptions found at the end of this report.

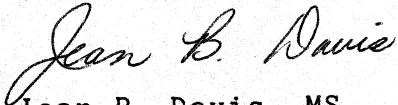
A market study cannot provide quantitative answers to strategic trade-offs relative to alternative structures which would fit the constraints of the existing site; these must be resolved by the project sponsors. Economies of scale in construction and operation would favor more units on the site, but the tentative market responses and potentially slow absorption, the thriftiness of Kenosha prospects, and the real possibility of competitive alternatives in downtown Kenosha suggests cautious underdevelopment in terms of the number and size of the unit.

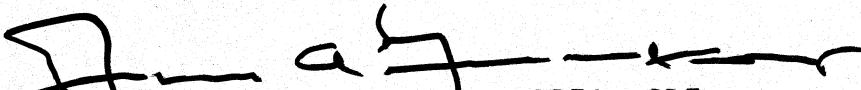
Perhaps a strategic ploy would be a partnership with Father McClenaghan; the St. Catherine site would be developed first and then a downtown site would be developed with a similar building. Both projects would be under the same management and both would be equipped with warming kitchens matched to St. Catherine Hospital's food service capacity. Phased construction of the two smaller projects would be better matched to the absorption potential of the aging and affluent neighborhoods adjacent to each site. The scale of the final project, built in two phases, would be large enough to spread the fixed costs of acquiring experienced operating management and to hold down monthly service charges to residents.

Mr. Richard W. Berger
Mr. Ernest P. Celebre
Page Two
January 16, 1984

We look forward to your comments and any questions you may have.

FOR LANDMARK RESEARCH, INC.


Jean B. Davis, MS


James A. Graaskamp, Ph.D., SREA, CRE
Urban Land Economist

jc

TABLE OF CONTENTS

	PAGE
LIST OF EXHIBITS	viii
LIST OF APPENDICES	xiii
SUMMARY OF MAJOR RESEARCH FINDINGS	1
I. MARKET STUDY OBJECTIVES AND METHODOLOGY	7
A. Major Objectives	7
B. The Study Area	11
C. Summary of Survey Methodology	13
II. CHARACTERISTICS OF THE ELDERLY POPULATION IN KENOSHA, PLEASANT PRAIRIE, AND SOMERS	15
A. Change in the Number of Elderly in the Study Market Area - 1970 to 1980	16
B. The Number of Elderly Households and Elderly Persons Per Household in the Study Area	30
C. A Comparison of 1980 Census Data and Survey Respondent Data in Regard to Sex, Age, and Marital Status	32
D. Available Information Regarding the Economic Strength of the Study Area	35
E. Comparative Income Levels by Age Group and Household Type in Kenosha County	39
III. SUPPLY OF RETIREMENT HOUSING IN KENOSHA, PLEASANT PRAIRIE, AND SOMERS	47
IV. ESTIMATION OF EFFECTIVE DEMAND FOR PROPOSED ST. CATHERINE RETIREMENT CENTER	51

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
A. Adjustments to Population Frame and Survey Sample Size	51
B. Analysis of Survey Results	58
C. Estimate of Effective Demand	104
V. CONSUMER PREFERENCE FOR ENTRANCE FEE AND MONTHLY SERVICE CHARGE LEVELS	111
A. Acceptable Level of Entrance Fee and Monthly Service Charge	112
B. Preferred Refund Policy	116
C. Reasonable Monthly Service Charge	117
VI. CONSUMER PREFERENCE FOR LEVEL AND TYPE OF SUPPORTIVE SERVICE	121
A. Current Use of Community Services	123
B. Preferred Source of Help for Supportive Services	123
C. Ranking of Types of Supportive Services Desired and Preferred Payment Plan	127
VII. CONSUMER PREFERENCE FOR NURSING HOME ON SITE AND RANKING OF AREA NURSING HOMES AND HOSPITALS . . .	132
A. Consumer Preference for Nursing Home On Site	132
B. Preference for Relationship of Retirement Center to Nursing Home	140
C. Need to be Near Hospital	142

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
VIII. CONSUMER PREFERENCE FOR DESIGN AND MEAL PLAN . .	144
A. Preference for Unit Type	144
B. Preference for Meal and Importance of Meal in Central Dining Room	149
C. Preference for Garage Type	152
IX. ACCEPTABILITY OF THE PROPOSED SITE	155
A. Consumer Preference for Site	155
B. Relationship of Proposed Site to Elderly Population Most Qualified to Use Retirement Center	158
X. RELATIONSHIP OF NEED TO SELL HOME AND COMMITMENT TO MOVE TO RETIREMENT CENTER	162
APPENDICES	163
STATEMENT OF LIMITING CONDITIONS	217
QUALIFICATIONS OF THE APPRAISERS	219

LIST OF EXHIBITS

EXHIBIT		PAGE
1	Segmentation of Study Area Housing Market . . .	1
2	Map of Study Area for St. Catherine Retirement Center Market Survey Research . . .	11
3	Population of Kenosha, Pleasant Prairie, and Somers by Community, Sex, and Age Group 65 Years and Older	17
4	Population of Kenosha, Pleasant Prairie, and Somers by Community, Sex, and Age Group 75 Years and Older	18
5	Change in Kenosha City Population by Age Group .	19
6	Change in the Town of Pleasant Prairie Population by Age Group	20
7	Change in the Town of Somers Population By Age Group	21
8	Change in Kenosha County Population By Age Group	22
9	Change in Total Population of the Study Area - Kenosha, Pleasant Prairie, and Somers	24
10	1980 Census Tract Data Summary for Kenosha, Pleasant Prairie, and Somers - Median Income and Home Value for all Persons and Proportion of 65 Years and Older in Each Tract	28
11	Change in the Proportion of Elderly by Age Group in the Total Population of Each Municipality in the Study Area, 1970 - 1980	29
12	Household Composition and Average Persons per Household - Persons 65 Years and Older as of 1980 Census	31
13	Estimate of Persons in Households by Sex - 65 Years and Older for Kenosha, Pleasant Prairie, and Somers as of 1980 Census	33

LIST OF EXHIBITS (Continued)

EXHIBIT		PAGE
14	1980 Population of Study Area by Age - Kenosha, Pleasant Prairie, and Somers	34
15	Comparison of 1980 Census Data and Survey Respondent Data - 65 Years and Older	36
16	Income Levels of Unrelated Elderly Individuals - Kenosha County - Individuals 65 Years and Older	40
17	Income Levels of Elderly Family Households Kenosha County - Family Householder 65 Years and Older - 1980 Census Data	41
18	Comparative Income Levels of Family Households By Selected Age Groups - Kenosha County - 1980 Census	42
19	Comparative Mean Incomes for all Household Types by Age Group - Kenosha County and State of Wisconsin	44
20	Income Levels of Survey Respondents Kenosha, Pleasant Prairie, and Somers Householders 65 Years and Older	45
21	Subsidized Elderly Housing in Kenosha County as of November 1983	48
22	Current Supply of Existing Private Elderly Housing in Kenosha and Racine	49
23	Market Survey Research Process	52
24	Projected Growth in Elderly Population by Age Segments and Municipalities in the Study Area .	54
25	Adjusted 1983 Elderly Population Frame	55
26	Adjusted Survey Sample Size	57
27	Screens Used to Subset Most Probable Users of Proposed Retirement Center	59

LIST OF EXHIBITS (Continued)

EXHIBIT		PAGE
28	Interest in Moving to Retirement Center and Appeal of Retirement Living Concept	62
29	Pattern of Present Living Style by Income Level for Those Interested in Moving to Retirement Center	64
30	Pattern of Present Living Style by Income Level and by Sex for Those Interested in Moving to Retirement Center	65
31	Pattern of Present Living Style by Income Level for Those Interested in Retirement Center ONLY If and When Needed	68
32	Pattern of Present Living Style by Income Level and By Sex for Those Interested in Retirement Center ONLY If and When Needed	69
33	Pattern of Present Living Style by Income Level for Those Not Interested in Retirement Center	71
34	Conditions or Events Which Might Trigger the Decision to Move	74
35	Ranking of Reasons for Moving into a Retirement Center	78
36	Comparison of Appeal of Retirement Living Concept and Interest in Moving for Primary Focus Group (N=56)	82
37	Profile of Most Probable Users from the Primary Focus Group Interested in Retirement Center and from Qualified and Interested Renters	84
38	Comparison of Appeal of Retirement Living Concept and Interest in Moving for Secondary Focus Group (N=120)	88
39	Profile of Probable Users from the Secondary Focus Group Interested in Retirement Center and from Qualified and Interested Renters	89

LIST OF EXHIBITS (Continued)

EXHIBIT		PAGE
40	Comparison of Importance of More Space Versus Less Cost for Primary and Secondary Focus Groups	94
41	Profile of Potential Users - 65 Years and Older Serious Interest Now but Do Not Pass Income Screen (\geq \$12,500) (N=5)	98
42	Profile of Potential Users - 65 Years and Older Might Consider - Year or So - But do Not Pass Income Screen (\geq \$12,500) (N=12)	99
43	Profile of Future Users - 55 to 64 Years Old Interested but Not Screened for Income or Home Ownership (N=11)	100
44	Profile of Future Users Interested in Moving to Retirement Center - 55 to 64 Years Old	103
45	Capture Rates Assumed for Each Subset of Potential Retirement Center Residents	106
46	Logic for Estimation of Effective Demand for Proposed Retirement Center	107
47	Estimation of Effective Demand for St. Catherine Retirement Center	109
48	Acceptable Level of Entrance Fee and Monthly Service Charge	113
49	Consumer Preference for Entrance Fee Refund Policy	118
50	Consumer Perception of Reasonable Monthly Service Charge Based Upon Percentage of Gross Income	119
51	Relationship Between Aging Process, Increasing Dependency and Availability of Supportive Services	122
52	Preferred Source of Help for Supportive Services When Needed	124

LIST OF EXHIBITS (Continued)

EXHIBIT		PAGE
53	Consumer Preference for Type of Supportive Services and for Payment Plan	129
54	Desirability of Nursing Home on Retirement Center Site	133
55	Description of Nursing Homes in the Study Area	138
56	Location of Nursing Homes in the Study Area	139
57	Consumer Preference for Relationship of Retirement Center and Nursing Home	141
58	Consumer Need to be Near Hospital	143
59	Preference for Unit Type	147
60	Preference for Type of Meal Plan and Importance of Meal in Central Dining Room	151
61	Preference for Garage Type	153
62	Map of Kenosha by Defined Sections	156
63	Acceptability of the Site	157
64	Evaluation of Selected Kenosha Census Tracts Based Upon Number of Elderly and Overall Economic Strength	160
65	Location of Selected Census Tracts with Greatest Economic Strength and Most Densely Populated by Elderly	161

LIST OF APPENDICES

APPENDIX		PAGE
A	Survey Methodology Including Name Source for Sample	163
B	Wisconsin Population Projections, 1980 to 2010 For Kenosha County	167
C	Census Tract Data for Kenosha, Pleasant Prairie, and Somers	169
D	Summary of Responses from All Respondents 65 Years and Older, N = 326	175
E	Responses to Open-Ended Questions, Other Responses, and Additional Comments	192

SUMMARY OF MAJOR RESEARCH FINDINGS

1. The location of the proposed site, with views of the lake and the park and linkages to medical offices and the hospital, is very acceptable. The site is located in a census tract with a high concentration of persons 65 years and older and is in a neighborhood of modest home values with an even mix of renter occupied and owner occupied housing units. The adjacent census tracts have relatively higher home values and greater purchasing power, but the identification with the lakeshore area provides status for the proposed site.

2. There is wide-spread community acceptance of the retirement living concept. Before screening for financial qualifications, 74 percent of all 326 respondents who are 65 years and older found the concept appealing, and 21 percent would consider moving to the proposed center in a year or so.

3. The present supply of non-subsidized housing alternatives, especially designed for the elderly, is limited in the Kenosha area. Penoyer Home has 17 small living units designed for the elderly and provides full meal service for its 17 women residents. There are several retirement facilities in Racine which offer a range of supportive services, but none of the alternatives offer both fully equipped apartments and a full complement of supportive services. None charge an entrance

fee and monthly charges range from \$850 to \$220 per month depending upon the services included.

4. The most probable residents of a retirement center are homeowners who have the financial strength necessary to qualify for private retirement living. The married homeowner is the best qualified financially with single and widowed homeowners following a close second. Those elderly persons who rent an apartment are a small segment of the elderly population and are far less financially qualified.

5. There is a need in Kenosha for retirement housing for the elderly who are not qualified for subsidized housing. However, the large number of subsidized units in the area, the absence of any precedent for an entrance fee, an unfamiliarity with other private retirement centers, and the general economic history of Kenosha cause the large majority of elderly to be very tentative about both the entrance fees and monthly service charges of a retirement center. Therefore effective demand may be less than the number of elderly and their income and asset levels would suggest.

6. Our model of effective demand, based upon survey sample ratios and study area census data suggest an effective demand for 40 to 65 retirement center living units which could be leased in the first 12 to 18 months of operation. This level of

demand requires a partially refundable entrance fee of no more than \$20,000 to \$30,000 with a corresponding monthly service charge not to exceed \$725 which would include one daily meal. The estimate is also sensitive to satisfying consumer preference for product design, the level of and payment plan for available supportive services, and the relationship of the retirement center to a nursing home. This estimate assumes that an active sales and pre-leasing program commence even before construction begins.

7. Among those respondents who indicated they could afford one of the combinations offered, the entrance fee and monthly service charge package most frequently selected is \$20,000 to \$30,000 and \$725 to \$650 with the lower fee and higher charge of \$10,000 to \$20,000 and \$800 to \$725 a narrow second choice, especially among the 75 year and older respondents. Capture rates assumed for this project are very elastic in terms of both the monthly service charge and the magnitude of the entrance fee, which is assumed to be partially refundable.

8. The unit mix required, particularly for the larger project with 65 units in the Kenosha market, should stress the smaller one-bedroom apartment for the minimum monthly service charge and entrance fee. The marketable unit mix of one- and two-bedroom units must be in a proportion which can accommodate

the interested, qualified couples, but also flexible enough to accommodate the increasing number of widowed persons who will continue to reside in the retirement center.

Given the levels of entrance fees and monthly service charges found most acceptable to prospective residents, the following unit mix and accompanying charges are:

<u>SUGGESTED UNIT MIX</u>				
UNIT TYPE	PERCENTAGE OF PROJECT	NO. OF UNIT TYPE IN 40-UNIT PROJECT	NO. OF UNIT TYPE IN 65-UNIT PROJECT	ENTRANCE FEE/ MONTHLY SERVICE CHARGE [1]
2 bedrooms, 1.5 baths	0-5%	0-2	2-4	\$30-35K/ \$800-\$750
2 bedrooms, 1 bath	10-15%	4-6	6-10	\$25-30K/ \$750-\$700
1 bedroom and large walk-in storage, 1 bath	10-15%	4-6	6-10	\$20-25K/ \$700-650
1 bedroom (small), 1 bath	balance of units	32-26	51-41	\$15-20K/ \$650-\$600

9. Previous studies have shown that many elderly who initially indicate a preference for two bedrooms are likely to accept a one-bedroom unit when confronted with the extra cost and when provided extra storage space in lieu of the second bedroom. These studies also indicate that the need to reduce possessions when moving from a family home to an apartment

leads to a strong preference for some bulk storage within the privacy of the apartment.

10. By an overwhelming majority the elderly prefer a lower base monthly service charge with most supportive services provided on a fee basis as needed. Only garage space, a storage locker, and a laundry room with washer and dryer should be considered in the monthly service charge. It is assumed that a daily meal, security, 24-hour emergency response, social programs, and transportation are already included in the monthly service charge. Although the majority did not indicate a preference for a cable TV outlet now, it would be expedient for the developer to build in the option for cable TV during construction.

11. Almost 90 percent of the most probable residents of the retirement center own and drive cars and expect to continue to do so. There is a strong preference for a heated and secure underground garage for the younger (65 to 74 years) most probable users but the preference shifts to the less expensive covered stall for the older group (75 years and older). A secured, heated underground garage accessible by elevator is essential in attracting interested and qualified elderly to the retirement center and would be a significant competitive edge, but a less expensive alternative must also be available.

12. Overwhelmingly, potential residents prefer one daily meal served in the central dining room. Only a small percentage of older persons preferred two or three prepared meals included in the monthly service charges. A few respondents would prefer no meals included in the monthly service charge.

13. The conditions or trigger events most likely to cause elderly persons to move from the family residence to a retirement center are a growing awareness of declining health, the burden of home maintenance, and the loss of a spouse. The marketing process can assist the prospective resident in the timing of their decision to move.

14. Even though the majority of all respondents preferred assistance only in transferring to a nursing home or the assurance of priority entry, the appeal of the life care concept which would require a higher entry fee had wider acceptance among 65 to 74 year olds most likely market prospects for the retirement center. It is recommended the developers of the St. Catherine Retirement Center seek an affiliation with or the purchase of an existing nursing home for the present time, or at least, take the initial steps in the future to create a facility on or near the site when the moratorium is lifted.

I. MARKET STUDY OBJECTIVES AND METHODOLOGY

The retirement housing needs of the low-income elderly of Kenosha and the surrounding Towns of Pleasant Prairie and Somers are served by seven subsidized housing projects which provide approximately 914 living units to accommodate almost 9 percent of the elderly in these communities.

Pennoyer Home in Kenosha, has 17 units designed for the elderly with a central dining room which provides three meals a day to the 17 women residents. In Racine there are several private residential facilities for the elderly; the majority are fully occupied with waiting lists. These are described more fully in Section III. There are no other retirement living alternatives for middle and upper income persons who prefer to live independently without the burden of home maintenance and who want the security of knowing that supportive services are available if needed.

A. Major Objectives

The major objectives of the market study for a proposed retirement center sponsored by St. Catherine's Hospital are to evaluate the following:

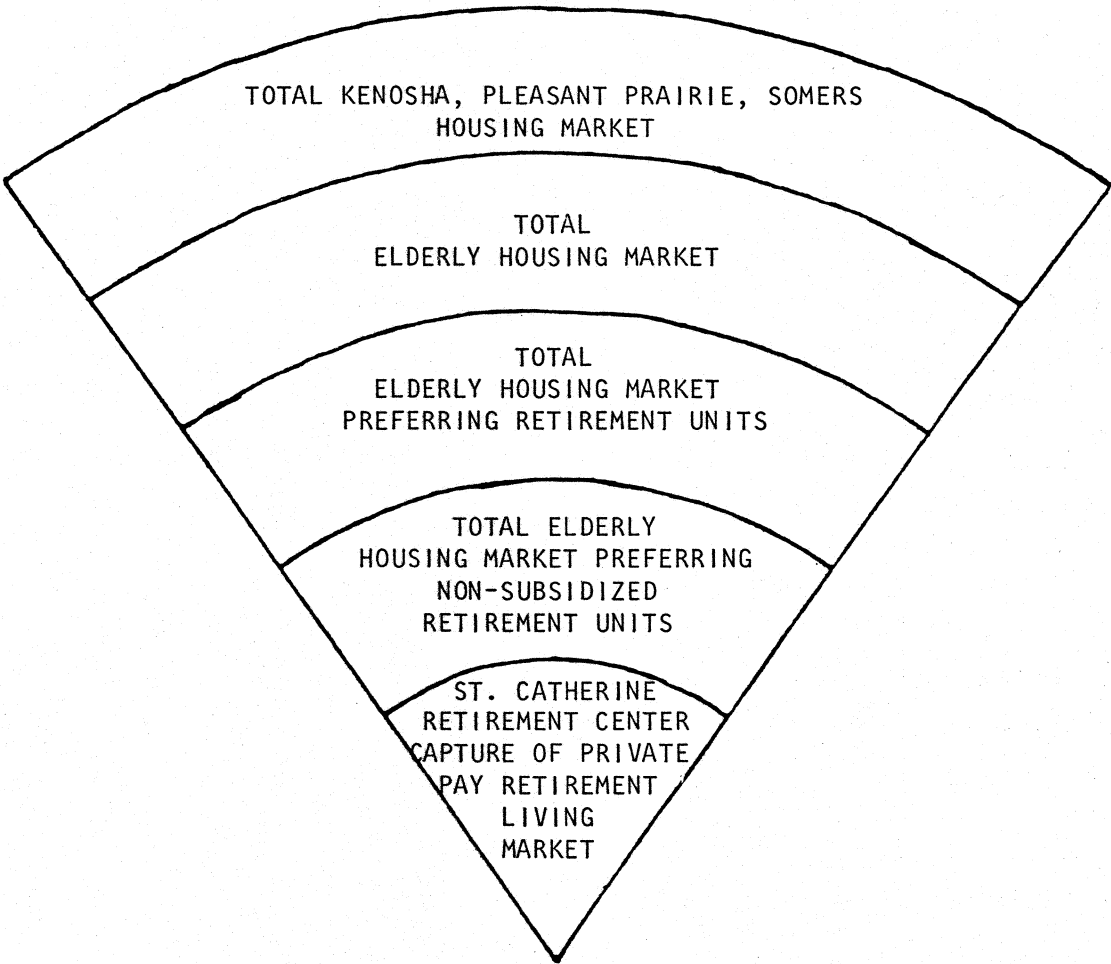
1. Effective demand for independent living apartment units in a retirement center proposed for a site just south of Pennoyer Park and across from St. Catherine's Hospital.
2. Most acceptable level of monthly service charge and entry fee for potential users.

3. Type of supportive services that should be available and whether fees for same should be included in the monthly service charge or paid for as needed.
4. Acceptability of site with an emphasis upon the degree of need to be close to shopping, health care, and other facilities.
5. Need for garage and preference of type.
6. Most desired unit type and most marketable unit mix.
7. Preferred meal plan.
8. Consumer attitude regarding nursing home off or on site of retirement center.
9. Profile of most probable user of facility to determine target market segment for further marketing efforts.
10. Type of refund policy which has the widest acceptability among potential residents of the retirement facility.
11. Consumer attitude regarding level of assurance of availability of nursing home care and its relationship to the cost of retirement living.
12. Type of events most likely to cause older adults to leave present home and move to retirement center.
13. Need to sell home before making a commitment to St. Catherine's proposed retirement facility.

The estimate of effective demand, the primary study objective, will assist the administrators of St. Catherine's Hospital in defining the prearchitectural program to fit the project to the appropriate segment of demand for the retirement facility. In Exhibit 1 the total Kenosha, Pleasant Prairie, and Somers housing market is graphically disaggregated to the population segment which will provide the potential market

EXHIBIT 1

SEGMENTATION OF STUDY AREA
HOUSING MARKET



opportunity for retirement living units in the proposed St. Catherine Retirement Center.

A substantial waiting list for subsidized housing in the study area is indicative of the continuing need for more housing for the elderly who are capable of independent living, but who want supportive services more accessible if needed. If a subsidy were available to make entrance fees and monthly service charges paid by the consumer more affordable, there is no question that 150 to 200 units could be rented within a year.

There is need and there is apparent demand; the critical issue is the effective demand for units by those who can afford to pay the full costs of project construction and operation.

The estimate of effective demand is further refined by consumer preference for the desirability of the location, product design, types of supportive services and payment plans available, the meal plan offered, an acceptable combination of entrance fees and monthly service charges, ease of access to a nursing home, and the type of garage available. Among those who want and can afford private retirement living in the Kenosha area will be those who will select another housing alternative or delay their decision. Thus the capture rate, that is, those who move into the facility, will be a percentage

of those who have the income/assets and who have expressed an interest in the proposed project.

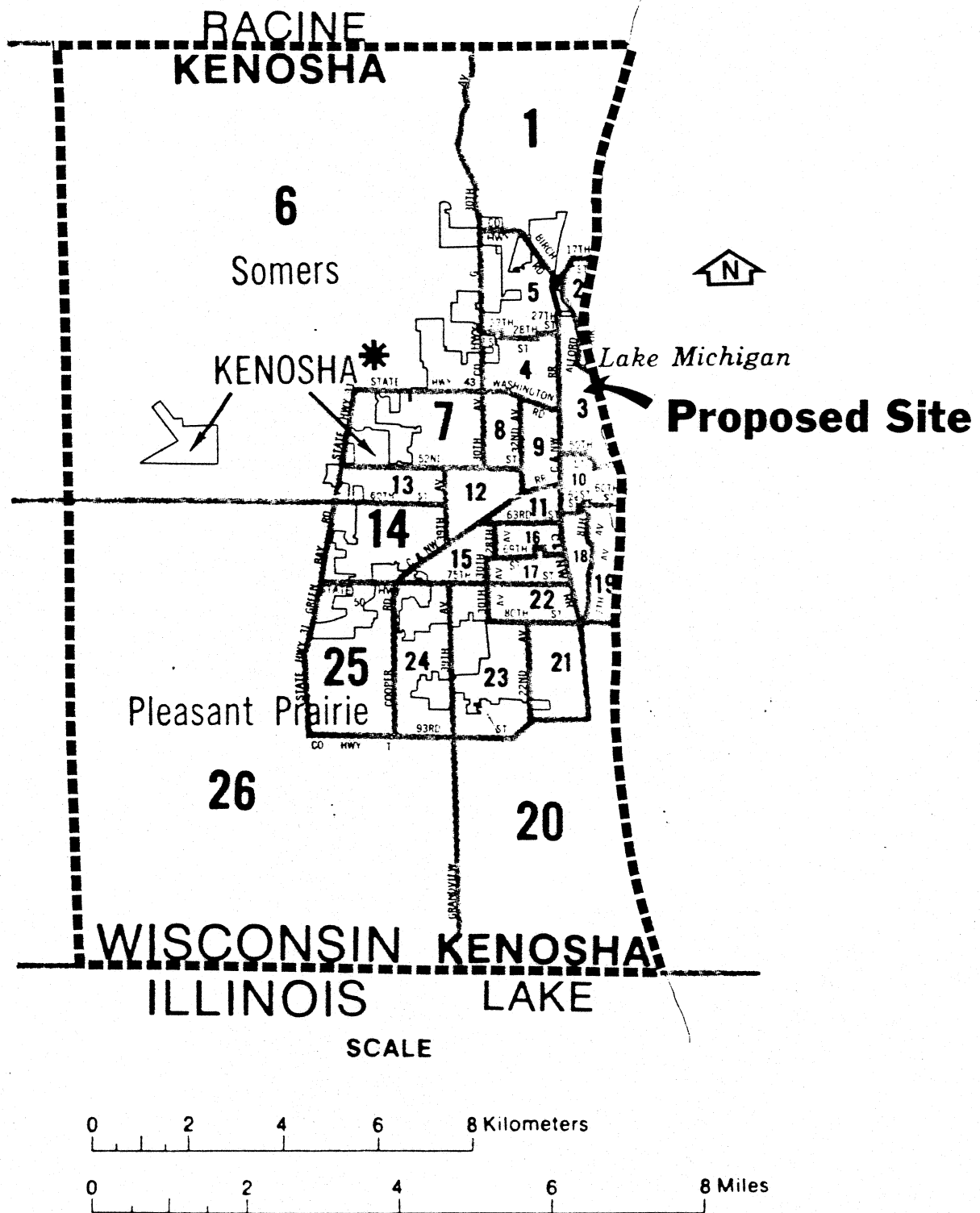
A secondary goal of the study is to generate a mailing list of prospective residents. By the return of a separate postcard included with the questionnaire, 137 persons are on a mailing list to receive more information about the proposed facility. Thus, approximately 9 percent of elderly households receiving questionnaires were interested enough in the retirement center to learn more about the St. Catherine's project as it evolves. This list of prospective residents is provided separately from this report to maintain confidentiality.

B. The Study Area

The study area boundaries are defined in Exhibit 2 with the proposed site in the City of Kenosha identified. The site is across the street from St. Catherine's Hospital and borders Pennoyer Park to the north, with Lake Michigan several hundred yards to the east.

Although the City of Kenosha and the Towns of Pleasant Prairie and Somers are separate political entities, there is an overlapping of the zip codes for the areas and certain census tracts encompass both the city and the towns. Because the survey sample was partially developed from zip code designations and because households in the townships with mail delivery service use a Kenosha address and zip code, it would

EXHIBIT 2
LOCATION OF STUDY AREA



be difficult to develop a survey sample to include only households within the city limits of Kenosha.

To ensure that the survey sample is taken from a defined population frame, all 10,667 elderly persons 65 years and older (1980 Census data) in the City of Kenosha and the Towns of Pleasant Prairie and Somers are included in the population frame, and the political boundaries of these areas form the market research study area. This study area is assumed to be the most probable source of residents for the proposed St. Catherine Retirement Center.

C. Summary of Survey Methodology

Questionnaires were mailed to a nonprobability sample of elderly households selected from the study area delineated in Exhibit 2. To reach a broad cross-section of the elderly population, several sources of names and addresses were tapped (see Appendix). Excluded from the sample were elderly persons residing in nursing homes and in subsidized housing units in the study area.

Of the 1,492 questionnaires mailed, 421 were returned; the overall response rate was 28 percent, but the rate of return by source of address varied from 23 percent to 55 percent. Although the segment of the housing market targeted was that of elderly persons 65 years and older, (see Exhibit 1) the sample, drawn from sources of older adults, could not be prescreened on

the basis of age only. Of the 421 questionnaires returned, 395 were completed by respondents 55 years and older, and of these, 326 were completed by respondents 65 years or older. Therefore the sample size of those 65 years and older was adjusted downward proportionately to 1,155 to reflect more accurately the relationship of a desired sample of those 65 years and over to the total Census population of those 65 years and older. (See Section IV for further discussion of sample size adjustment.)

The 326 households, representative of the 65 year and older potential market for retirement center living in the Kenosha, Pleasant Prairie, and Somers area, are the focus of the in-depth market analysis. The remaining 66 respondents, between the ages of 55 and 64 years, are also evaluated, in less detail, for potential effective demand in the future.

A discussion of the sampling and survey methods, including the nature of the bias introduced from the sampling sources, is found in the Appendix.

II. CHARACTERISTICS OF THE ELDERLY POPULATION IN KENOSHA, PLEASANT PRAIRIE, AND SOMERS

This market study focuses upon the elderly residents of the City of Kenosha and the Towns of Pleasant Prairie and Somers as the market prototype of the potential user of the proposed retirement center. Since the elderly are most likely to select a retirement center located near their family, home, and life-time friends, the 65 year and older population in these municipalities is assumed to encompass the major elderly housing market from which the proposed retirement center will capture its share. (See Exhibit 1.)

The survey sample, drawn from this population, provides the source of the primary data used to estimate the effective demand for the proposed project and to determine consumer preference for price, design, and program. The secondary data from the 1970 and 1980 Census provides descriptive and quantitative information about the elderly population in the study area and forms the basis from which market estimates, based upon survey results, can be extrapolated.

Population characteristics of special interest include the total count of elderly persons, historical and projected future growth patterns in the elderly population, the count of households headed by elderly persons and elderly persons per household in the study area, the proportion of men to women

within age groups, and the general economic strength of the general population and of the elderly population, in particular, in the study area.

A. Change in the Number of Elderly in the
Study Market Area - 1970 to 1980

The number of elderly people in a particular location at any point in time is a function of the aging process of a neighborhood, the desirability of that community for the elderly, the birth rate 65 or more years earlier, the general group psychology regarding change in living style, and the general level of health care as it relates to longevity. According to the 1980 Census, there are 10,667 people who are 65 years and older in the market study area of Kenosha, Pleasant Prairie, and Somers. This represents 10.9 percent of the total study area population of 98,112. Of the 10,667 elderly persons in Kenosha, Pleasant Prairie, and Somers, 4,433, or 42 percent, are 75 years of age or older. See Exhibits 3 and 4 for the elderly population totals by age groups for the total study area.

As shown in Exhibits 5 through 8, which categorize population changes by age for each municipality from 1970 to 1980, the only age groups experiencing growth consistently are the 15 to 39 year olds and the over 55 age group. The largest percentage changes are concentrated in the 75 year and older

Quintessence Research, Inc.

EXHIBIT 3

POPULATION OF KENOSHA COUNTY, KENOSHA CITY, PLEASANT PRAIRIE TOWN, AND SOMERS TOWN
BY COMMUNITY, SEX, AND AGE GROUP 65 YEARS AND OLDER [1]
AS OF 1980 CENSUS

AGE CATEGORY IN YEARS	KENOSHA CITY [2]			PLEASANT PRAIRIE TOWN [2]			SOMERS TOWN [2]			TOTALS - EAST OF I-94		
	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	TOTAL
65 - 74	2,195	2,962	5,157	277	348	625	226	226	452	2,698	3,536	6,234
75 - 84	1,037	1,873	2,910	112	165	277	78	76	154	1,227	2,114	3,341
85 +	317	644	961	23	69	92	18	21	39	358	734	1,092
SUBTOTALS	3,549 (39.3%)	5,497 (60.7%)		412 (41.4%)	582 (58.6%)		322 (49.9%)	323 (50.1%)		4,283 (40.2%)	6,384 (59.8%)	
TOTALS (65 and older)			9,028 ==== (100%)			994 ==== (100%)			645 ==== (100%)			10,667 ==== (100%)

REMAINDER OF KENOSHA COUNTY
WEST OF I-94

AGE CATEGORY IN YEARS	MEN	WOMEN	TOTAL
65 - 74	773	969	1,742
75 - 84	327	389	716
85 and older	54	105	159
SUBTOTALS	1,154 (44.1%)	1,463 (55.9%)	
TOTAL			2,617 ==== (100%)

[1] Includes persons in institutions (nursing homes) and in group quarters.

[2] Kenosha City, Somers Town, and Pleasant Prairie Town comprise the total area east of I-94 in Kenosha County.

POPULATION OF KENOSHA COUNTY, KENOSHA CITY, PLEASANT PRAIRIE TOWN, AND SOMERS TOWN
BY COMMUNITY, SEX, AND AGE GROUP 75 YEARS AND OLDER [1]
AS OF 1980 CENSUS

AGE CATEGORY IN YEARS	KENOSHA CITY [2]			PLEASANT PRAIRIE TOWN [2]			SOMERS TOWN [2]			TOTALS - EAST OF I-94		
	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	SUBTOTAL	MEN	WOMEN	TOTAL
75 - 84	1,037	1,873	2,910	112	165	277	78	76	154	1,227	2,114	3,341
85 +	<u>317</u>	<u>644</u>	<u>961</u>	<u>23</u>	<u>69</u>	<u>92</u>	<u>18</u>	<u>21</u>	<u>39</u>	<u>358</u>	<u>734</u>	<u>1,092</u>
SUBTOTALS	1,354 (35.0%)	2,517 (65.0%)		135 (36.6%)	234 (63.4%)		96 (49.7%)	97 (50.3%)		1,585 (35.8%)	2,848 (64.2%)	
TOTALS (75 and older)			3,871 ==== (100%)			369 ==== (100%)			193 ==== (100%)			4,433 ==== (100%)

REMAINDER OF KENOSHA COUNTY
WEST OF I-94

AGE CATEGORY IN YEARS	MEN	WOMEN	TOTAL
75 - 84	327	389	716
85 and older	<u>54</u>	<u>105</u>	<u>159</u>
SUBTOTALS	381 (43.5%)	494 (56.5%)	
TOTAL			875 ==== (100%)

[1] Includes persons in institutions (nursing homes) and in group quarters.

[2] Kenosha City, Somers Town, and Pleasant Prairie Town comprise the total area east of I-94 in Kenosha County.

Sources: 1980 Census Data - General Population Characteristics - Pages 76, 151, 221, 272
Tables 25, 32a, 39a, 45

Bob Naylor - State Demographics Laboratory

EXHIBIT 4

Statewide Research, Inc.

CHANGE IN KENOSHA CITY POPULATION
BY AGE GROUP

AGE CATEGORY IN YEARS	1970 NO. OF PEOPLE	1980 NO. OF PEOPLE	INCREASE/DECREASE 1970 - 1980	% CHANGE 1970 - 1980
< 5	7,049	5,690	- 1,359	- 19.3%
5 - 9	8,571	5,807	- 2,764	- 32.2%
10 - 14	8,069	6,134	- 1,935	- 24.0%
15 - 19	7,502	7,691	+ 189	+ 2.5%
20 - 24	6,008	7,867	+ 1,859	+ 30.9%
25 - 29	5,266	6,901	+ 1,635	+ 31.0%
30 - 34	4,345	5,512	+ 1,167	+ 26.9%
35 - 39	3,874	4,305	+ 431	+ 11.1%
40 - 44	4,384	3,745	- 639	- 14.6%
45 - 49	4,722	3,511	- 1,211	- 25.6%
50 - 54	4,367	3,847	- 520	- 11.9%
55 - 59	3,723	4,078	+ 355	+ 9.5%
60 - 64	3,039	3,569	+ 530	+ 17.4%
Total Under 65 Yrs	70,919	68,657	- 2,262	- 3.2%
65 - 69	2,434	2,983	+ 549	+ 22.6%
70 - 74	2,156	2,174	+ 18	+ 0.8%
75 - 79	1,695	1,720	+ 25	+ 1.5%
80 - 84	1,011	1,190	+ 179	+ 17.7%
85 & over	590	961	+ 371	+ 62.9%
Total 65 Yrs +	7,886	9,028	+ 1,142	+ 14.5%
TOTAL	78,805	77,685	- 1,120	- 1.4%

Source: 1980 Census Data - General Population Characteristics
Wisconsin 51-86 - Table 26

Southeastern Research, Inc.

EXHIBIT 5

CHANGE IN PLEASANT PRAIRIE TOWN POPULATION
BY AGE GROUP

AGE CATEGORY IN YEARS	1970 NO. OF PEOPLE	1980 NO. OF PEOPLE	INCREASE/DECREASE 1970 - 1980	% CHANGE 1970 - 1980
< 5	1,104	742	- 362	- 32.8%
5 - 9	1,558	953	- 605	- 38.8%
10 - 14	1,462	1,364	- 98	- 6.7%
15 - 19	1,079	1,449	+ 370	+ 34.3%
20 - 24	724	867	+ 143	+ 19.8%
25 - 29	764	837	+ 73	+ 9.6%
30 - 34	797	912	+ 115	+ 14.4%
35 - 39	740	981	+ 241	+ 32.6%
40 - 44	753	878	+ 125	+ 16.6%
45 - 49	743	798	+ 55	+ 7.4%
50 - 54	661	721	+ 60	+ 9.1%
55 - 59	495	695	+ 200	+ 40.4%
60 - 64	<u>405</u>	<u>512</u>	<u>+ 107</u>	<u>+ 26.4%</u>
Total Under 65 Yrs	11,285	11,709	+ 424	+ 3.8%
65 - 69	262	343	+ 81	+ 30.9%
70 - 74	190	282	+ 92	+ 48.4%
75 - 79	131	175	+ 44	+ 33.6%
80 - 84	90	102	+ 12	+ 13.3%
85 & over	<u>61</u>	<u>92</u>	<u>+ 31</u>	<u>+ 50.8%</u>
Total 65 Yrs +	<u>734</u>	<u>994</u>	<u>+ 260</u>	<u>+ 35.4%</u>
TOTAL	12,019	12,703	+ 684	+ 5.7%

Source: 1980 Census - General Population Characteristics
Wisconsin 51 - 155 - Table 33a.

CHANGE IN SOMERS TOWN POPULATION BY AGE GROUP

AGE CATEGORY IN YEARS	1970 NO. OF PEOPLE	1980 NO. OF PEOPLE	INCREASE/DECREASE 1970 - 1980	% CHANGE 1970 - 1980
< 5	664	454	- 210	- 31.6%
5 - 9	899	538	- 361	- 40.2%
10 - 14	832	676	- 156	- 18.8%
15 - 19	630	846	+ 216	+ 34.3%
20 - 24	503	721	+ 218	+ 43.3%
25 - 34	1,018	1,179	+ 161	+ 15.8%
35 - 44	810	1,063	+ 253	+ 31.2%
35 - 54	809	847	+ 38	+ 4.7%
55 - 59	335	402	+ 67	+ 20.0%
60 - 64	259	353	+ 94	+ 36.3%
Total Under 65 Yrs	6,759	7,079	+ 320	+ 4.7%
65 - 74	351	452	+ 101	+ 28.8%
75 +	160	193	+ 33	+ 20.6%
Total 65 Yrs +	511	645	+ 134	+ 26.2%
TOTAL	7,270	7,724	+ 454	+ 6.2%

Source: 1980 Census Data - General Population Characteristics -
Wisconsin 51 - 221 - Table 39a

1970 Census Data obtained from Census tapes from State of Wisconsin,
Department of Health and Social Services, Demographer Bob Naylor

Source: Wisconsin, Inc.

EXHIBIT 7

CHANGE IN KENOSHA COUNTY POPULATION BY AGE GROUP

AGE CATEGORY IN YEARS	1970 NO. OF PEOPLE	1980 NO. OF PEOPLE	INCREASE/DECREASE 1970 - 1980	% CHANGE 1970 - 1980
< 5	10,479	8,819	- 1,660	- 15.8%
5 - 9	13,280	9,274	- 4,006	- 30.2%
10 - 14	12,662	10,535	- 2,127	- 16.8%
15 - 19	11,105	12,502	+ 1,397	+ 12.6%
20 - 24	8,493	11,389	+ 2,896	+ 34.1%
25 - 29	7,725	10,382	+ 2,657	+ 34.4%
30 - 34	6,741	8,949	+ 2,208	+ 32.8%
35 - 39	6,074	7,545	+ 1,471	+ 24.2%
40 - 44	6,656	6,490	- 166	- 2.5%
45 - 49	6,941	5,902	- 1,039	- 15.0%
50 - 54	6,425	6,260	- 165	- 2.6%
55 - 59	5,482	6,339	+ 857	+ 15.6%
60 - 64	<u>4,636</u>	<u>5,467</u>	<u>+ 831</u>	<u>+ 17.9%</u>
Total Under 65 Yrs	106,699	109,853	+ 3,154	+ 3.0%
65 - 69	3,705	4,551	+ 846	+ 22.8%
70 - 74	3,051	3,425	+ 374	+ 12.3%
75 - 79	2,287	2,466	+ 179	+ 7.8%
80 - 84	1,390	1,591	+ 201	+ 14.5%
85 & over	<u>785</u>	<u>1,251</u>	<u>+ 466</u>	<u>+ 59.4%</u>
Total 65 Yrs +	<u>11,218</u>	<u>13,284</u>	<u>+ 2,066</u>	<u>+ 18.4%</u>
TOTAL	117,917	123,137	+ 5,220	+ 4.4%

Source: 1980 Census Data - General Population Characteristics
Wisconsin Part 51, Page 285, Table 46

group in Kenosha and in Pleasant Prairie. In Somers the increases are greater in the 60 to 74 year age group. A summary of the change in total population for the study area is shown in Exhibit 9.

The City of Kenosha is the most probable source of residents for the proposed retirement center. The 1980 population of Kenosha is 77,685, or 63 percent of the entire 123,137 population of Kenosha County. The city contains an even larger proportion of the elderly population. According to the 1980 Census, there are 13,284 persons 65 years and older in Kenosha County; of these, 9,028, or 68 percent, reside in the City of Kenosha. Of the 5,308 elderly persons 75 years and older in Kenosha County, 3,871, or 73 percent, live in the City of Kenosha and of the 1,251 elderly persons 85 years and older in Kenosha County, 961, or 77 percent, reside in the city. (See Exhibits 3 and 4.)

In the total study area, which includes Pleasant Prairie, Somers, and Kenosha, the 1980 total population of 98,112 is 79.7 percent of the entire 1980 county population of 123,137 persons. The 1980 elderly population of 10,667 persons 65 years and older in the study area comprise 80.3 percent of the elderly population in the county. Of the 5,308 elderly persons 75 years and older in Kenosha County, 84 percent live within

CHANGE IN THE TOTAL POPULATION OF THE STUDY AREA -
CITY OF KENOSHA, TOWN OF SOMERS, AND PLEASANT PRAIRIE

	1970 NO. OF PEOPLE ALL AGES	1980 NO. OF PEOPLE ALL AGES	INCREASE/DECREASE 1970 - 1980	% CHANGE 1970 - 1980
Kenosha City	78,805	77,685	- 1,120	- 1.4%
Town of Somers	7,270	7,724	+ 454	+ 6.2%
Town of Pleasant Prairie	12,019	12,703	+ 684	+ 5.7%
TOTAL	98,094	98,112	+ 18	+ < .1%

EXHIBIT 9

the study area and of the 1,251 elderly persons 85 years and older in the county, 87 percent reside in the study area.

Although the City of Kenosha experienced an overall decrease in population from 1970 to 1980, the elderly population base number increased by 14.5 percent in that ten-year period. Within this elderly group, growth rates in the past 10 year period are highest in the 85 year and older group and are minimal in the 70 to 79 year old group. (See Exhibit 5.) There is a slight increase in the overall Kenosha County population, but the overall increase in elderly is even more pronounced at 18 percent of the 1970 county base. Since there is more data about the elderly for the county at large than for the city proper, it will be useful from time to time in this study to assume elderly patterns to be comparable even though the primary market is the city.

If little in-migration or out-migration occurs, and if mortality rate trends continue stable in the 1980s, the ten-year rate of growth will increase for the 70 to 79 year old age group and will slow for the 80 year and older group with the most dramatic percentage decrease in the 85 years and older age group.

In Kenosha County the projected growth rate by age group from 1980 to 1990 is as follows:

<u>AGE GROUP</u>	<u>FORECASTED</u>	
	<u>% CHANGE</u>	
	<u>1980-1990</u>	
55 - 59	-	15%
60 - 64	<	1%
65 - 69		16%
70 - 74		23%
75 - 80		25%
80 - 84		22%
85 +		37%

(See Appendix for Wisconsin Department of Administration population projections for 1980 to 2010 for Kenosha County.)

Pleasant Prairie and Somers have positive growth rates for all age groups except young children who are 0 to 14 years old. Although the absolute numbers are small in comparison to Kenosha, there are 1,639 persons 65 years and older (1980 Census) in these communities and a growing number of replacements are available to fill each elderly age group. Due to distance from the site and the desire of the elderly to stay near their familiar neighborhoods, elderly residents in these towns are less probable users of the proposed retirement center although these areas tend to more affluent overall. According to 1980 Census Tract Data, there is a higher percentage of owner-occupied housing units which have a higher median value than in Kenosha. The median income for all households is also

higher in these areas. See Exhibit 10 for a comparison of the census tract data summary for each community in the study area.

The elderly continue to represent an ever larger proportion of the total population as growth rates for the elderly outpace those of any other age group. The changes from 1970 to 1980 in the elderly population proportions are shown in Exhibit 11. On the average, the 65 to 74 year old group shifted from 5.5 percent to 6.4 percent of the total population of the market study area and the 75 year old and older group which represented 3.8 percent of the total population in 1970 increased to 4.5 percent in 1980. Overall, the 65 year and older population has shifted from 9.3 percent of the total population in 1970 to 10.9 percent of the 98,112 persons in the Kenosha, Pleasant Prairie, and Somers area in 1980, a significant shift for demographic proportions. The projections of population growth rates by age groups, made by the State of Wisconsin Department of Administration, indicate the elderly cohort will continue to increase proportionally and absolutely for many years into the future. (See Appendix for growth projections for year 1980 to 2010 by county and by age group.)

EXHIBIT 10

1980 CENSUS TRACT DATA SUMMARY
KENOSHA, PLEASANT PRAIRIE, AND SOMERS
MEDIAN INCOME AND HOME VALUE FOR ALL PERSONS AND
PROPORTION OF 65 YEARS AND OLDER IN EACH TRACT

	KENOSHA CITY	TOWN OF PLEASANT PRAIRIE	TOWN OF SOMERS
Total Tract Population	77,685	12,703	7,724
Total Tract Population of Persons 65 Yrs and Older	9,025	994	645
Percent of Persons 65 Yrs and Older	12%	8%	8%
Percent of Females and Males 65 Yrs and Older	F=61% M=39%	F=59% M=41%	F=50% M=50%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	856	107	1
No. of All Households with Social Security Income	7,618	808	564
Mean Social Security Income per Household	\$4,276	\$4,814	\$4,426
Per Capita Income - All Non-Institutional Persons	\$7,543	\$8,897	\$8,819
Median Value - All Owner- Occupied Housing Units	\$45,700	\$62,500	\$60,200
Median Income - All Households	\$18,927	\$25,251	\$22,940
Median Income - All Owner- Occupied Households	\$22,813	N/A	N/A
Median Income - All Renter- Occupied Households	\$12,481	N/A	N/A
Percent of Housing Units - Owner Occupied [1]	65%	88%	75%

[1] Percent is based upon ALL housing units including mobile homes, trailers, boats, tents, and vans.
In the tract by tract statistics found in the Appendix, the total housing units used as a base exclude these housing unit types.

Source: 1980 Census Tracts: Kenosha, WI
SMSA - Census of Population and Housing

1980 Census Data Summary Characteristics for Governmental Units and
Standard Metropolitan Statistical Areas - Wisconsin
p. 51-32 and p. 51-44 -- p. 51-80 and p. 51-92
Table 2 Table 2 Table 4 Table 4

CHANGE IN THE PROPORTION OF ELDERLY BY AGE GROUP
IN THE TOTAL POPULATION OF EACH MUNICIPALITY IN THE STUDY AREA
1970 - 1980

	TOTAL POPULATION		ELDERLY POPULATION 65 - 74 YEARS		POPULATION PROPORTION 65 - 74 YEARS		ELDERLY POPULATION 75+ YEARS		POPULATION PROPORTION 75+ YEARS		POPULATION PROPORTION 65 + YEARS	
	1970	1980	1970	1980	1970	1980	1970	1980	1970	1980	1970	1980
Kenosha City	78,805	77,685	4,590	5,157	5.8%	6.6%	3,296	3,871	4.2%	5.0%	10.0%	11.6%
Town of Somers	7,270	7,724	351	452	4.8%	5.9%	160	193	2.2%	2.5%	7.0%	8.4%
Town of Pleasant Prairie	<u>12,019</u>	<u>12,703</u>	<u>452</u>	<u>625</u>	<u>3.8%</u>	<u>4.9%</u>	<u>282</u>	<u>369</u>	<u>2.3%</u>	<u>2.9%</u>	<u>6.1%</u>	<u>7.8%</u>
TOTALS	98,094	98,112	5,393	6,234	5.5%	6.4%	3,738	4,433	3.8%	4.5%	9.3%	10.9%
TOTAL ELDERLY: 1980 (65 YEARS AND OLDER)				6,234 =====				4,433 =====	=	10,667 =====	[1]	

[1] Includes persons 65 years and older in institutions and group quarters.

Source: 1980 Census Data - General Population Characteristics -
Wisconsin Part 51, Pages 76, 151, 221
Tables 25, 32a, 39a

B. The Number of Elderly Households and Elderly Persons
Per Household in the Study Area

To make inferences about housing demand from the elderly population using survey data, the population must be converted into household units because each survey respondent represents a household.

Since the 1980 Census Data is the source of information about households in the study area, the following definitions are critical to the interpretation of the secondary data:

Household: A household includes all persons who occupy a housing unit.

Householder: One person in each household is designated the householder and is usually the owner or renter of the dwelling unit.

Family Householder: Head of a household in which one or more other persons live who are related to the householder.

Non-Family Householder: Head of a household who lives alone or with unrelated persons.

Exhibit 12 shows the breakdown of both family and non-family households headed by males or females in each municipality of the study area for persons 65 years and older. Persons living in nursing homes (institutions) and in group quarters are not counted as household members.

HOUSEHOLD COMPOSITION AND AVERAGE PERSONS PER HOUSEHOLD
PERSONS 65 YEARS AND OVER
AS OF 1980 CENSUS

	KENOSHA CITY	SOMERS TOWN	PLEASANT PRAIRIE TOWN	TOTAL	% OF HOUSEHOLDS	% OF TOTAL PERSONS
<u>HEADS OF HOUSEHOLDS</u>						
Family Householders						
Male	2,398	242	320	2,960	45%	31%
Female	440	30	38	508	8%	5%
Non-Family Householders						
Male	531	54	46	631	9%	6%
Female	<u>2,240</u>	<u>101</u>	<u>144</u>	<u>2,485</u>	<u>38%</u>	26%
Total Number (Heads) of Households	5,609	427	548	6,584	100%	
<u>OTHER HOUSEHOLD MEMBERS</u>						
Spouses	1,778	157	248	2,183		23%
Other Relatives	690	52	82	824		8%
Non-relatives	<u>95</u>	<u>8</u>	<u>9</u>	<u>112</u>		<u>1%</u>
Total Other Household Members	<u>2,563</u>	<u>217</u>	<u>339</u>	<u>3,119</u>		
TOTAL PERSONS IN HOUSEHOLD	8,172	644	1,887	9,703		100%
				=====		=====
AVERAGE PERSONS/HOUSEHOLD	1.46	1.51	1.62	<u>1.47</u>		

* Excluding 866 persons in institutions and 98 persons in group quarters.

Source: 1980 Census Data - General Population Characteristics -
Wisconsin - 51 - Pages 99, 221, 165
Tables 28, 39a, 35a

EXHIBIT 12

Wisconsin Research, Inc.

Using this data, the average number of elderly persons per household is calculated for each community with a resulting weighted average of 1.47 persons per household.

C. A Comparison of 1980 Census Data and
Survey Respondent Data in Regard to
Sex, Age, and Marital Status

The proportion of men to women in elderly households in any community provides another indicator of potential demand. Women living alone are more likely than married couples to find the care and maintenance of the single family home a burden when compounded by loneliness and a growing awareness of increasing physical difficulties. Men are subject to these same concerns, but for a shorter time. Comparison of Exhibit 13 to Exhibit 12 emphasizes the large number of women in the non-family householder class (four times the number of men) who still maintain separate households, but many of whom will be unable to afford private-pay retirement living.

Of those who are over 65 years old in the study area, as of 1980, 58.5 percent are in the 65 to 74 year age group and 41.5 percent are 75 years and over. When the age categories are further subdivided, 31.3 percent of the population is in the 75 to 84 year age group and only 10.2 percent in the 85 years and over. This breakdown by age is found in Exhibit 14.

Ideally, the survey sample should replicate the proportions of men to women by age groups and by marital status, although

EXHIBIT 13

ESTIMATE [1] OF PERSONS IN HOUSEHOLDS
BY SEX - 65 YEARS AND OLDER
FOR KENOSHA CITY, TOWN OF PLEASANT PRAIRIE
AND TOWN OF SOMERS

	MEN	WOMEN	
Family Householder	2,960	508	
Non-Family Householder	631	2,485	
Spouses	--0--	2,183	
Subtotal	3,591	5,176	
Other Relatives [1]	412	412	
Non-Relatives [1]	---56	---56	
Subtotal	--468	--468	
TOTAL	4,059 (42%)	5,644 (58%)	
Persons in institutions (nursing homes) and group quarters			9,703 ---964
TOTAL POPULATION 65 YRS AND OLDER			10,667 =====

[1] It is assumed that all spouses are female and that other relatives and non-relatives are evenly divided between male and female. Spouses, relatives, and non-relatives who are younger than 65 years are not included in these tabulations.

Source: 1980 Census Data - General Population Characteristics -
Wisconsin - 51 - Pages 99, 221, 165
Tables 28, 39a, 35a

EXHIBIT 14

1980 POPULATION OF STUDY AREA
 BY AGE
 (KENOSHA, PLEASANT PRAIRIE, AND SOMERS)

AGE CATEGORY	TOTAL - EACH AGE GROUP	PERCENTAGE OF TOTAL ELDERLY IN STUDY AREA
65 - 74	6,234	58.5%
75 - 84	3,341	31.3%
85 +	1,092	10.2%
	10,667 [1]	100.0%

[1] Includes persons in institutional (nursing homes) and group quarters.

Source: 1980 Census Data - General Population Characteristics -
 Pages 76, 151, 221, 272
 Tables 25, 32a, 39a, 45

there is no way to access this kind of data before mailing the questionnaire. The comparative survey data is found in Exhibit 15.

It appears from Exhibit 15 the sample respondent group is representative of the elderly population in the study area and therefore, survey sample data, based upon these known population characteristics, can be relied upon to extrapolate estimates of demand from the elderly population. The only caution is that there is a slightly higher ratio of persons 75 years and older in the population than in the sample, and the effective demand for this segment of the population may tend to be very slightly understated.

D. Available Information Regarding the
Economic Strength of the Study Area

Ideally, there should be 1980 Census Data which gives income data by age groups for each community in the study area. Since this is not the case, the median gross income and median home values for all households in the study area are used to get a sense of the buying power from community to community and within communities. Although the elderly, especially women, experience a sharp decline in income when retired or widowed, an indication of the economic health of an area can be assessed from general census data. A summary of the 1980 Census Data

EXHIBIT 15

COMPARISON OF 1980 CENSUS DATA
AND SURVEY RESPONDENT DATA
65 YEARS AND OLDER

SEX (See Exhibit 3)

	<u>1980_Census</u>	<u>Survey_Sample</u>
Males	40%	47%
Females	60%	53%

In a family household, the male was more frequently the respondent even though slightly more females indicated a greater interest in the project before financial screens were used. When respondents' spouses are included, the sample percentages are 39 percent male and 61 percent female, an almost exact replication of the 1980 population proportions.

AGE (See Exhibit 14)

	<u>1980_Census</u>	<u>Survey_Sample</u>
65 - 74 years	58%	64%
75 years or older	42%	36%

The weighted average age of all sample respondents in the 65 year and older group is 73 years.

MARITAL_STATUS (See Exhibit 12)

	<u>1980_Census</u>	<u>Survey_Sample</u>
Married	53%	54%
Widowed/Single	47%	46%

Although the 1980 Census Data does not give a breakdown by age and marital status, an estimate can be made from the household data shown in Exhibit 12. It can be assumed that the majority of the family householders are married and the non-family householders are widowed or single.

which gives several indicators of economic strength for each of the cities in the study area is found in Exhibit 10.

The elderly, in general, are concentrated in the metropolitan part of the study area where the income levels and home values are lower. The number and percentage of elderly below 1980 poverty levels (\$3,479/year for 1 person and \$4,389/year for 2 persons) in each community are as follows:

	NO.	% OF ALL PERSONS 65 YEARS AND OLDER --IN-STUDY-AREA--
Kenosha - City	475	4%
Pleasant Prairie - Town	51	< 1%
Somers - Town	<u>50</u>	<u>< 1%</u>
	576	5%

Thus in 1980, 576 elderly persons, or 5 percent of the 10,667 elderly population in the study area, were below the poverty level and would never be potential residents of a private-pay retirement center. The 914 subsidized elderly housing units in the study area are assumed to include a large proportion of this low-income elderly population and therefore would not be included in the survey sample.

Homeowners in all age groups, in the aggregate in Kenosha, have median income levels almost two times higher than renters, and the percentage of homeowners range from 65 percent in Kenosha to 88 percent in Pleasant Prairie with Somers'

homeownership at almost 75 percent of all households, according to 1980 Census Data.

Of the 326 survey respondents 65 years and older, 86 percent are home or condominium owners, 11 percent are apartment renters, and the remaining 3 percent rent a room or have other accommodations. Since homeownership is partially a function of age, it would be expected that there would be a higher percentage of elderly homeowners in the sample than in the total population. The ratio of homeowners to renters in the sample is representative of the ratio of homeowners to renters in the population. Because of the need for adequate assets and income to qualify for private-pay retirement living, it is critical that the sample proportion of homeowners be similar to the population proportion.

The same classifications of data shown in Exhibit 10 are found in the Appendix on a tract-by-tract basis for the whole study area. Certain tracts have few owner-occupied households with corresponding low median income levels and others appear to have a large majority of households with higher than average assets and income. A more detailed discussion of income and assets in relationship to the proposed site is found in Section IX.

E. Comparative Income Levels by Age
Group and Household Type in Kenosha County

1. 1980 Census Data

In December 1983 the Wisconsin Department of Administration released copies of income data classified by age on a state and county-by-county basis. Since the study area represents 79.7 percent of the total county population and 80.3 percent of the total county elderly population (65 years and older), this data is assumed to closely reflect the income patterns of the study area population. The 1980 Census data gives income information for family householders by age groups, including persons 65 years and older; income information is also given for unrelated elderly individuals whether they are non-family householders or unrelated individuals living in non-family households. The income levels for non-family householders of unrelated individuals are dramatically lower than for family householders (two or more related individuals in a household), the income patterns for Kenosha County elderly in both types of households are shown in Exhibits 16 and 17. The median annual income for unrelated individuals is \$6,550 for males and \$5,060 for females, whereas the median income for elderly family households is \$12,722.

The comparative income levels of family households by selected age groups are found in Exhibit 18. The 65 years and older group has a lower median income than even the youngest

INCOME LEVELS OF UNRELATED ELDERLY INDIVIDUALS
KENOSHA COUNTY
INDIVIDUALS 65 YEARS AND OLDER

INCOME LEVELS	NO. OF UNRELATED INDIVIDUALS [1]	%	NO. OF MALES	% OF TOTAL	NO. OF FEMALES	% OF TOTAL
< \$12,000	3,653	90%	772	19%	2,881	71%
\$12,000-15,000	188	5%	63	2%	125	3%
\$15,000-25,000	150	4%	40	< 1%	110	3%
\$25,000-50,000	53	1%	46	1%	7	< 1%
> \$50,000	-----7	< 1%	---0	---0%	-----7	< 1%
	4,051	100%	921	(23%)	3,130	(77%)
MEDIAN INCOME			\$6,550		\$5,060	

[1] Individual may be head of non-family household who either lives alone or with other unrelated individuals or an unrelated individual who is not head of a non-family household.

Source: 1980 Census of Population and Housing: Summary Tape 4
State Demographics Laboratory
Department of Administration
Bob Naylor, Director

EXHIBIT 17

INCOME LEVELS OF ELDERLY FAMILY HOUSEHOLDS
KENOSHA COUNTY
FAMILY HOUSEHOLDERS 65 YEARS AND OLDER
1980 CENSUS DATA

INCOME LEVEL	NUMBER OF FAMILY HOUSEHOLDS	%
<hr/>		
< \$12,500	2,230	49%
\$12,500-15,000	496	11%
\$15,000-20,000	711	16%
\$20,000-25,000	452	10%
\$25,000-30,000	216	5%
\$30,000-40,000	231	5%
> \$40,000	<u>212</u>	<u>5%</u>
	4,548	100%
MEDIAN INCOME	\$12,722	
MEAN INCOME	\$16,604	

SUMMARY FOR ALL ELDERLY HOUSEHOLDS [1]
KENOSHA COUNTY
HOUSEHOLDER 65 YEARS AND OLDER

8,377 HOUSEHOLDS \$12,375 MEAN INCOME

[1] Family and unrelated individual householders

Source: 1980 Census of Population and Housing: Summary Tape 4
State Demographics Laboratory
Department of Administration
Bob Naylor, Director

COMPARATIVE INCOME LEVELS OF FAMILY HOUSEHOLDS
BY SELECTED AGE GROUPS
KENOSHA COUNTY
1980 CENSUS DATA

INCOME LEVEL	AGE GROUP									
	15-24	%	35-44	%	55-59	%	60-64	%	65 +	%
< \$12,500	839	38%	691	10%	273	9%	418	18%	2,230	49%
\$12,500-15,000	264	12%	257	4%	121	4%	155	7%	496	11%
\$15,000-20,000	439	20%	807	12%	363	12%	364	16%	711	16%
\$20,000-25,000	354	16%	1,184	17%	424	15%	411	18%	452	10%
\$25,000-30,000	182	8%	1,189	17%	426	15%	252	11%	216	5%
\$30,000-40,000	121	5%	1,759	26%	712	24%	448	19%	231	5%
> \$40,000	---35	---1%	---926	---14%	---596	---20%	---299	---13%	---212	---5%
	2,234	100%	6,813	100%	2,915	100%	2,347	100%	4,548	100%
MEDIAN INCOME	\$15,158		\$26,774		\$27,801		\$22,851		\$12,722	

Source: 1980 Census of Population and Housing: Summary Tape 4
State Demographics Laboratory
Department of Administration
Bob Naylor, Director

group of employed persons, but it should be noted that more than 50 percent of elderly family households have incomes greater than \$12,500 (1979 income). Kenosha County elderly residents are also somewhat better off financially than the general elderly population in Wisconsin. Kenosha County mean income levels for all age groups and all household types are generally higher than for all of Wisconsin. The comparative mean household incomes are found in Exhibit 19.

The elderly usually have built up 100 percent equity in their homes (in the survey sample 97 percent of those responding had paid off their mortgages) and therefore have lower cash demands, which match lower incomes, but many are fearful failing health and high medical and nursing home costs will deplete savings and force the sale of their major asset, their home, at a time they are least able to negotiate a favorable sale. It is understandable why the elderly are extremely cautious about how their income and assets are used.

2. Survey Respondents

The income pattern of the survey respondents 65 years and older shown in Exhibit 20 most closely resembles the income pattern of Kenosha County family households headed by a person 65 years and older (see Exhibit 17), although only 59 percent of the survey respondents are in family households and the other 41 percent are in non-family households. But it must be

EXHIBIT 19

COMPARATIVE MEAN INCOMES FOR ALL
HOUSEHOLD TYPES BY AGE GROUP
KENOSHA COUNTY AND STATE OF WISCONSIN

AGE GROUP	NO. OF HOUSEHOLDS	MEAN INCOME IN STATE OF WISCONSIN	NO. OF HOUSEHOLDS	MEAN INCOME IN KENOSHA COUNTY
15 - 59	1,180,836	\$22,893	31,610	\$24,466
60 - 64	121,277	20,855	3,178	22,451
65 years and older	352,664	11,810	8,377	12,375
TOTAL	1,654,777		43,165	

Source: 1980 Census of Population and Housing: Summary Tape 4
State Demographics Laboratory
Department of Administration
Bob Naylor, Director

EXHIBIT 20

INCOME LEVELS OF SURVEY RESPONDENTS
KENOSHA, PLEASANT PRAIRIE, AND SOMERS
HOUSEHOLDERS 65 YEARS AND OLDER

N = 292 [1]

INCOME LEVEL	NUMBER OF FAMILY HOUSEHOLDS	%
< \$12,500	98	34%
\$12,500-15,000	71	24%
\$15,000-20,000	53	18%
\$20,000-25,000	21	7%
\$25,000-30,000	19	7%
\$30,000-40,000	15	5%
> \$40,000	15	5%
	292	100%

[1] Although there were 326 respondents 65 years and older, 34 did not respond to the income question.

noted that the Census data is based upon 1979 income levels whereas the survey revealed 1982 incomes. If there has been any appreciation of the relatively fixed income of the elderly, fewer people would be in the \$12,000 to \$12,500 income bracket in both types of households.

It had been expected that the sample would have a higher percentage of lower income levels due to the influence of the generally less affluent non-family householders included in the sample. It is assumed the survey sample contained more low income households, but the lower income householders would have much less motivation to respond. Therefore the survey respondents would be composed of those with higher incomes. When survey sample results are used to extrapolate an estimate of effective demand from the elderly population, this potential imbalance may result in slight upward bias in demand forecasts.

III. SUPPLY OF RETIREMENT HOUSING IN KENOSHA, PLEASANT PRAIRIE, AND SOMERS

Except for 914 units of subsidized housing available to the low-income elderly in the Kenosha, Pleasant Prairie, and Somers area (see Exhibit 21), there are limited retirement housing alternatives for the middle and upper income elderly. Pennoyer Home is the only private alternative in the study area with 17 small units designed for the independent elderly which are fully occupied. Other alternative residential opportunities are available in Racine; Pennoyer Home and the Racine facilities are described in Exhibit 22.

The existing supply of retirement housing in an area sets a standard of expectation, especially regarding price. Slightly more than half of the survey respondents 65 years and older (N=326) indicated some familiarity with retirement living; the most familiar are the subsidized developments in Kenosha and the least familiar are the private facilities in Milwaukee such as Alexian Village, a life-care facility, and St. John's Retirement Center and Nursing Home. Of all those responding to the question, 45 percent indicated they were unfamiliar with the type of retirement center described in the questionnaire.

SUBSIDIZED HOUSING RESIDENTS
IN KENOSHA COUNTY

NAME AND ADDRESS	TOTAL NUMBER OF RESIDENTS	NUMBER OF WOMEN	NUMBER OF MEN	NUMBER OF SINGLES	NUMBER OF COUPLES
VILLA NOVA APARTMENTS 2401 - 18th Street Kenosha	108	95	13	96	6
TUSCAN VILLA APARTMENTS 8051 - 25th Avenue Kenosha	120	112	8	104	8
LAKESIDE TOWERS 5800 - 3rd Avenue Kenosha	196	136	60	168	14
KENOSHA GARDENS * 5430 - 64th Avenue Kenosha	64 elderly	50	14	52	6
TANGLEWOOD APARTMENTS 3020 - 87th Place Kenosha	108	91	17	92	8
SAXONY APARTMENTS 1876 - 22nd Avenue Kenosha	249	189	60	199	25
JOANN APARTMENTS 8825 - 41st Avenue Kenosha	72	More women than men; numbers unavailable.		64	4
MEADOW VIEW VILLAGE 450 Lincoln Drive Twin Lakes	47	40	7	41	3
SILVERCREST * 630 Cogswell Drive Silver Lake	25 elderly	22	3	23	1
	---	---	---	---	---
TOTAL	989			839	75
SUMMARY: TOTAL UNITS IN KENOSHA COUNTY = 914					
TOTAL UNITS IN KENOSHA CITY = 846					
TOTAL RESIDENTS IN KENOSHA COUNTY = 989					
TOTAL RESIDENTS IN KENOSHA CITY = 917					

* Mixed elderly and family housing.

Source: Telephone interviews with Kenosha County Housing Authority and project managers.

EXHIBIT 21

Southeastern Research, Inc.

CURRENT SUPPLY OF EXISTING
PRIVATE ELDERLY HOUSING
IN KENOSHA AND RACINE

NAME AND ADDRESS	NO. OF OCCUPANTS	NO. OF UNITS	UNIT TYPE	CENTRAL DINING ROOM	DAILY MEALS INCLUDED IN MONTHLY CHARGE	OTHER SERVICES AVAILABLE	SERVICE CHARGE	ENTRANCE FEE	REMARKS
Pennoyer Home 6305 - 7th Avenue Kenosha, WI	17 women	17	Single room. Some with private bath/ some shared baths.	Yes	3 meals	Recreation, trans- portation, laundry, housekeeping.	\$850	None	Fully occupied.
Lincoln Lutheran Center 3716 Douglas Avenue Racine, WI	15-20 men 45 Total	45	Single room with bath, refrigerator, and sink.	Yes	3 meals	Recreation, trans- portation, laundry, housekeeping.	\$630-650	None	Fully occupied, short waiting list. Respite care avail- able.
Palmeter Home 1547 College Avenue Racine, WI	15 women	15	Single room. No kitchen.	Yes	3 meals	Recreation, trans- portation, laundry, housekeeping.	\$630-650	None	Fully occupied.
St. Monica's Sr. Citizen Home 3920 N. Green Bay Road Racine, WI	32 men 90 Total	7 apts. 44	Kitchenette, living room, bedroom, bath, Single room with bath.	Yes	3 meals	Housecleaning, laundry-linens, RN on duty, beau- tician, transporta- tion, chaplains.	\$845-1 person/apt \$530-1 person/apt \$405-2 persons/room		Fully occupied; long waiting list.
Danish Old People's Home 1014 Milwaukee Avenue Racine, WI	40	45	One room, shared bath, no kitchen.	Yes	3 meals	Housecleaning, laundry, trans- portation, recreation.	\$295	None	Have had vacancies recently, are doing more marketing.
Lincoln Manor South 5143 Biscayne Avenue Racine, WI	16 men 66 Total	16 44	Studio One bedroom apartments.	Yes	3 meals (optional @ \$81.25/mo)	Transportation.	\$220/Studio \$255-280/apt plus heat & electricity	None	Fully occupied.

A review of Exhibit 22 indicates that although some facilities have monthly service charges up to \$850, none charge an entry fee. From information received through interviews, it appears that most of the facilities cater to the more frail elderly and provide minimal living space and limited, if any, opportunities to prepare their own meals; all facilities except one include three meals in the monthly service charge. Many units do not even have a private bath. St. Monica's Senior Citizen Home has a limited number of units equipped for truly independent living. Lincoln Manor South offers studio and one-bedroom apartments but, with the exception of optional meals and transportation, does not offer other type of supportive services.

Given the lack of supply of competitive retirement center apartments in the Kenosha area which offer adequate supportive services, and given the rapidly growing elderly population, it can be assumed a pent-up demand exists for some type of private elderly housing development. To exploit this general opportunity area, a successful developer must know the preferred design, financial and program elements which will attract the qualified, but presently unsatisfied, private-pay retirement housing market.

IV. ESTIMATION OF EFFECTIVE DEMAND FOR PROPOSED ST. CATHERINE RETIREMENT CENTER

To estimate the effective demand for a retirement center in Kenosha, potential users, drawn from a sample of a cross section of the population in the defined study area, are surveyed to learn of their interest in the project. From their responses (the primary data), the potential market demand from the study area (see Exhibit 2) is then extrapolated from the 1980 Census Data (secondary data) available for the study area. (See Exhibit 3 for total elderly population in study area.)

The major steps of the survey research process which are necessary to estimate effective demand and determine consumer preference for location, financial requirements, design, and program are outlined in Exhibit 23.

A. Adjustments to Population Frame and Survey Sample Size

1. Population Frame

Given the rapid growth rate in the number of elderly persons in the study area, the 1980 population data must be adjusted upward to 1983. Through the use of historical growth rates, the 1983 population of elderly persons 65 years and older is estimated to be 11,296. The growth rates applied to

EXHIBIT 23

MARKET SURVEY RESEARCH PROCESS

	GOAL	KEY ELEMENTS
STEP 1	PROBLEM FORMULATION	Estimate effective demand for the proposed St. Catherine's Retirement Center and determine consumer preference for financial, locational, design and service attributes of facility.
STEP 2	RESEARCH DESIGN	Primary data used to profile potential consumers and predict their behavior. Secondary data used for population description and to extrapolate demand from population within defined study area.
STEP 3	DETERMINATION OF METHOD OF DATA COLLECTION	Mail survey was conducted with option given for telephone interview.
STEP 4	DEFINITION OF POPULATION FRAME	Elderly (65 years and older) citizens of Kenosha, Pleasant Prairie, and Somers.
STEP 5	SAMPLE TYPE NONPROBABILITY JUDGMENT/QUOTA	Several sources were used to locate a cross-section of the elderly in the study area including a broker's list, the city directory, community groups, and a list of St. Catherine volunteers.
STEP 6	SELECTION OF SAMPLE (SIZE)	Goal = 10 - 12% of elderly (65 years and older) persons in study area (excluding nursing home and subsidized housing residents).
STEP 7	DESIGN OF SURVEY	Adjusted sample size = 1,155 elderly (65 years and older). Adjusted population frame = 9,227
STEP 8	DATA COLLECTION AND ANALYSIS	Sample size = 12% of elderly persons in study area (excluding nursing home and subsidized housing residents) Response rate = 28%
STEP 9	RESEARCH REPORT CONCLUSIONS	Basis for report to administrators of St. Catherine's Hospital

each age group by communities in the study area are found in Exhibit 24.

It is assumed that elderly persons who are either residents of nursing homes and group quarters, or of subsidized housing units, will never be potential retirement center residents so these persons are excluded from the survey sample. Therefore the population frame must also be adjusted to exclude these persons. The adjustments made to the elderly population in the study area are shown in Exhibit 25.

2. Conversion of Population into Household Units

Since the goal of the study is to estimate effective demand for a number of living units (households), the population must also be converted to households. Each respondent in the sample represents a household; if the respondent is married, the household usually contains two persons and if single or widowed, the household (termed non-family) usually contains only one person. According to 1980 Census Data, the average number of elderly persons per household in the study area population is found to be 1.47 as shown in Exhibit 12. Of the 326 respondents from the sample who are 65 years or older, there are 177 married persons and 149 persons who are either single or widowed. Thus, there are a total of 503 persons in 326 households or 1.54 persons per household among those from

PROJECTED GROWTH IN POPULATION BY
AGE SEGMENTS AND MUNICIPALITIES

AGE GROUP	AVERAGE GROWTH RATE/YR [1]	1980	1983
<hr/>			
<u>KENOSHA CITY</u>			
65 - 69	2.3%	2,983	3,189
70 - 74	.1%	2,174	2,181
75 - 79	.2%	1,720	1,730
80 - 84	1.8%	1,190	1,254
85 +	-6.3%	-961	1,143
TOTAL		9,028	9,497
<u>SOMERS TOWN [2]</u>			
65 - 74	2.9%	452	491
75 +	-2.1%	-193	-205
TOTAL		645	696
<u>PLEASANT PRAIRIE TOWN</u>			
65 - 69	3.1%	343	375
70 - 74	4.8%	282	323
75 - 79	3.4%	175	193
80 - 84	1.3%	102	106
85 +	-5.1%	-92	-106
TOTAL		-994	-1,103
TOTALS		10,667 [3]	11,296
PROJECTED AVERAGE GROWTH RATE			2.0%/yr

[1] The 1970-1980 growth rate, divided by 10 years, is the average growth rate applied to estimate projected growth from 1980 to 1983.

[2] The more detailed breakdown of age groups for the Town of Somers is not available in the 1980 Census publication, Population Characteristics for Wisconsin.

[3] Includes persons in nursing homes and other group quarters.

Source: 1980 Census Data - General Population Characteristics -
Wisconsin Part 51 - Pages 86, 221, 155
Tables 26, 391, 33a

EXHIBIT 25

ADJUSTED 1983 ELDERLY POPULATION FRAME

Projected elderly population in study area as of 1983 (see Exhibit 24)	11,296
Less: Nursing home residents and persons in group quarters [1] (see Exhibit 55 for nursing home population)	(1,135)
Less: Subsidized housing residents (See Exhibit 21)	(917)
Less: Residents of Pennoyer Home	----(17)
TOTAL ELDERLY POPULATION IN STUDY AREA PROJECTED FOR 1983	9,227

[1] It is assumed that there has been no change in the number
(98) of persons 65 years and older in group quarters since
1980.

the survey sample who responded to the questionnaire. The number from this sample is very close to the 1.47 elderly persons per household found in the population frame from the 1980 Census Data; thus, the reliability of the sample is enhanced.

Using 1.47 persons per household, the adjusted study area population of 9,227 elderly persons converts to 6,277 households ($9,227/1.47$). These households form the basis for the estimate of effective demand for the proposed retirement center.

3. Adjustment of the Survey Sample Size

Although 1,492 households constituted the survey sample, of the 421 questionnaires returned, only 326 completed questionnaires came from households in which one or more persons were 65 years or older. Of the other 95 questionnaires returned, 69 were from persons 55 to 64 years of age. Data from these younger persons is analyzed separately. Of the remaining 26 respondents, 13 are from persons less than 55 years of age and 13 are so incomplete as to be considered non-responses.

The survey sample size, when adjusted for the proportion of respondents under 65 years old, is 1,155 householders who are 65 years and old and reside east of I-94. The calculations are found in Exhibit 26. It is assumed there would be the same proportional distribution (a conservative estimate) among the

EXHIBIT 26

ADJUSTED SURVEY SAMPLE SIZE

EQUATION

$$\frac{R}{Q} = \frac{Y}{X}$$

Where:

- R = Total number of respondents (421)
- Q = Total number of questionnaires mailed (1,492)
- Y = Number of respondents who were 65 years and older (326)
- X = Total number of questionnaires which would have to be mailed to achieve a response equal to Y (unknown)

CALCULATION

$$1. \quad \frac{421}{1,492} = \frac{326}{X}$$

$$2. \quad X = \frac{326 \times 1,492}{421}$$

- 3. X = 1,155 questionnaires required for 326 completed responses if total number of questionnaires had been mailed only to persons 65 years and older

1,071 non-responses (1,492 in survey sample less 421 responses). When this ratio of .774 ($1,155/1,492$) is applied to the 1,071 non-responses, it is assumed that of those questionnaires received by persons 65 years and older, 829 would not have responded. (326 responses plus 829 non-responses = 1,155 in survey sample, 65 years and older.) Thus the adjusted survey sample size of 1,155 households, in which the respondents were 65 years and older, is the basis for the estimate of effective demand.

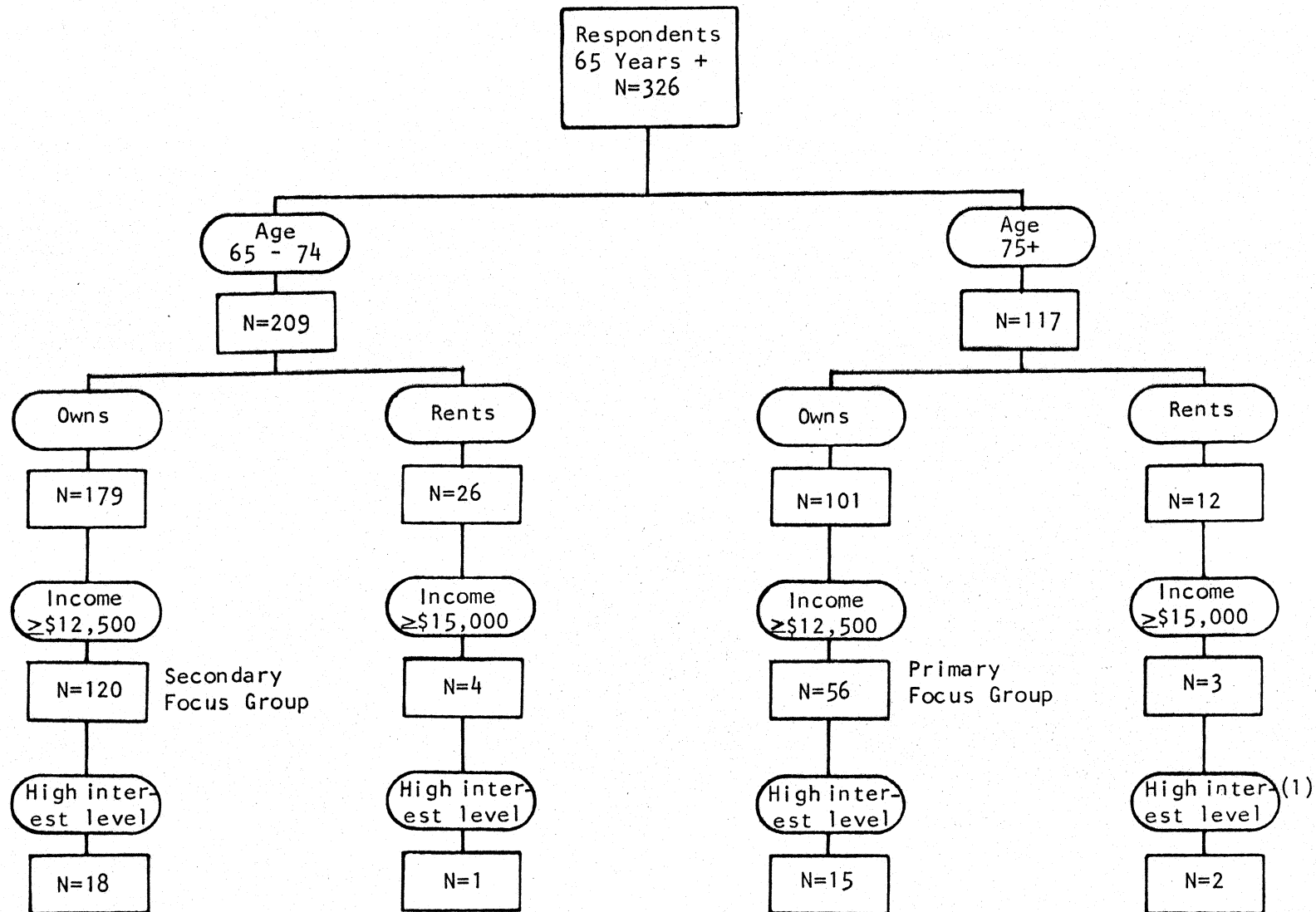
B. Analysis of Survey Results

The 326 respondents who are 65 years and older are assumed to be the prototype of the potential resident of the proposed St. Catherine Retirement Center and receive the most intensive in-depth analysis.

Because demand is a function of the degree of interest in the project and the ability to pay, the 326 respondents are grouped as shown in the diagram in Exhibit 27 (See Appendix for cumulative frequencies for all respondents 65 years and older.)

Degree of interest in the project is directly correlated to age; the average age of residents in retirement centers varies with the age of the facility, but in general, the average age of retirement center residents is in the mid to late 70s. Therefore those persons 75 years and older who qualify

SCREENS USED TO SUBSET MOST PROBABLE USERS
OF PROPOSED RETIREMENT CENTER



(1) High degree of interest in project is defined as those who answered Question #47 with a 1, 2, or 3 response. These respondents are interpreted as having serious interest now or interest in a year or so. See questionnaire in Appendix for exact wording of the question.

financially are considered to be the prototype of the most probable users of the facility and are segregated out as the primary focus group.

Those persons 65 to 74 years who qualify financially are also considered to be the prototype of potential users of the proposed retirement center, although the probability of this group becoming residents is somewhat less. This group is segmented out as the secondary focus group.

Those respondents who expressed serious interest in moving to the retirement center when completed, those who might consider living in the facility in a year or so, and those who might consider living in the facility, but would wait and see how others liked it, are considered to be the most probable source of effective demand for the proposed St. Catherine Retirement Center. Another source of potential residents include respondents 65 years and older who rent and are financially qualified and interested.

Respondents in the primary and secondary focus groups who expressed a more tentative interest in the facility with an "if and when needed", and respondents who are 55 to 64 years old are considered to be the source of potential residents in the future. This group may be the source of a few residents now and the source of effective demand for replacements in the project in future years.

The analysis of the survey results will be done by segmented groups of respondents; first, an overview is given of all 326 respondents 65 years and older and then those from the primary and secondary focus groups interested in the retirement center are studied in depth.

1. Overall Interest in the Retirement Concept

Because the elderly, like any consumer group, is strongly influenced by the opinions of its peers, it is important to examine some of the characteristics of the larger group of respondents 65 years and older. When asked if retirement living as proposed for the St. Catherine Retirement Center appealed as an alternative to their current living arrangement, 241 of the the 326 respondents, or 74 percent, answered positively. Thus there is wide community acceptance and peer group approval of the idea.

Of the 326 respondents, 67, or 21 percent, expressed an interest in moving into the project now or in a year or so. Another 62 percent expressed an interest only if and when needed; a total of 83 percent of the respondents would be interested at some time. The frequencies of these two sets of responses are found in Exhibit 28.

Price is the critical element for the elderly consumer on a relatively fixed to declining income who lives with the fear of increasing medical costs further eroding his/her financial

EXHIBIT 28

INTEREST IN MOVING TO RETIREMENT CENTER
AND APPEAL OF RETIREMENT LIVING CONCEPT

N = 326

QUESTION 25

<u>Appeal of Retirement Living</u>	<u>N</u>	<u>%</u>
1. Yes, suits needs now	20	6%
2. Yes, seriously explore for future	91	28%
3. Yes, if and when needed	130	40%
4. Don't know, it would depend upon [1] -----	36	11%
5. No, it's nice but not for me	20	6%
6. No, it's not for me	11	3%
No responses	18	6%
TOTALS	326	100%

QUESTION 47

<u>Interest in Retirement Center</u>	<u>N</u>	<u>%</u>
1. Seriously explore moving when it's ready	9	3%
2. Might consider move in year or so	28	9%
3. Might, but wait to see how others like it	30	9%
4. Only if and when needed	203	62%
5. Never be interested	32	10%
No response	24	7%
TOTAL	326	100%

[1] The majority of contingent reasons were cost/finance related and health status. See Appendix for list of reasons given.

security. Price sensitivity is a function of income and assets. Of the 67 respondents with interest in the project, now or in a year or so, six did not respond to the income question; of the remaining 61 respondents, 45 had an annual income of \geq \$12,500 and 31 had annual incomes of $>$ \$15,000.

Of the same 67 respondents with interest in the project, seven did not respond either to the income or to the question of present housing type; of the remaining 60 interested respondents, the pattern of housing types and marital status by income levels is summarized in Exhibit 29. Income levels reported by respondents represent the capacity to pay monthly service charges while home ownership is assumed to be a proxy for capital assets available for entrance fees (as opposed to capital invested for income).

Exhibit 29 underscores the fact that homeowners, both married and single, represent the overwhelming market base for a retirement center. Reference to Exhibit 30 indicates that of the 15 percent renters most were women and 67 percent of all renters failed to meet the \$15,000 income test and one third failed to meet the \$12,500 income test. On the other hand, 61 percent of the married homeowners had annual incomes in excess of \$15,000 and 22 percent of the single person homeowners had annual incomes in excess of \$15,000. Clearly, the homeowner

EXHIBIT 29

PATTERN OF PRESENT LIVING STYLE BY
INCOME LEVEL FOR THOSE INTERESTED IN MOVING TO
RETIREMENT CENTER [1]

Living Style of Those Interested	All Income Levels		N=Income ≥ \$12,500		N=Income ≥ \$15,000	
	N	%	N	%	N	%
Married Homeowners	28	47%	24	62%	17	68%
Single/Widowed Homeowners	23	38%	9	23%	5	20%
Married Renters	3	5%	2	5%	0	0%
Single/Widowed Renters	<u>6</u>	<u>10%</u>	<u>4</u>	<u>10%</u>	<u>3</u>	<u>12%</u>
	60	100%	39	100%	25	100%

[1] All those who answered Question 47 with a 1, 2, or 3 response. See Appendix for the wording of the question and responses.

EXHIBIT 30

PATTERN OF PRESENT LIVING STYLE
BY INCOME LEVELS AND BY SEX FOR THOSE
INTERESTED IN MOVING TO RETIREMENT CENTER [1]

Married Homeowners

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	22	79%	18	75%	14	82%
Female	$\frac{6}{28}$	$\frac{21\%}{100\%}$	$\frac{6}{24}$	$\frac{25\%}{100\%}$	$\frac{3}{17}$	$\frac{18\%}{100\%}$

Single/Widowed Homeowners

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	4	17%	4	44%	3	60%
Female	$\frac{19}{23}$	$\frac{83\%}{100\%}$	$\frac{5}{9}$	$\frac{56\%}{100\%}$	$\frac{2}{5}$	$\frac{40\%}{100\%}$

[1] All of those who answered Question 47 with a 1, 2, or 3 response. See Appendix for the wording of the question and the responses.

EXHIBIT 30 (Continued)

Married Renters

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	2	67%	2	100%	0	N/A
Female	$\frac{1}{3}$	$\frac{33\%}{100\%}$	$\frac{0}{2}$	$\frac{0}{100\%}$	$\frac{0}{0}$	$\frac{N/A}{N/A}$

Single/Widowed Renters

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	1	17%	1	25%	1	33%
Female	$\frac{5}{6}$	$\frac{83\%}{100\%}$	$\frac{3}{4}$	$\frac{75\%}{100\%}$	$\frac{2}{3}$	$\frac{67\%}{100\%}$

group will be the primary source of effective demand for the proposed retirement center.

The proposed retirement center has wide acceptance, but the majority of the Kenosha area residents might consider moving there ONLY if and when they need an alternative to their present living arrangement. An analysis of the pattern of the present living style of these respondents by income levels and by sex is done for these more tentative respondents to enable the analyst to better predict future behavior. Exhibits 31 and 32 summarize the data.

A small percentage indicated they would never be interested in moving to a retirement center. The pattern of living style by income and by sex is described for each of these groups of respondents in Exhibit 33. A higher percentage of married and single homeowners and renters in the ONLY if and when group passed both the \$12,500 and the \$15,000 income screens than in the interested group (see Exhibit 31 and 32); of the group interested in moving, 25 of the 50, or 42 percent, passed the \$15,000 income screen, but 82 of 176, or 47 percent, of the ONLY if and when group passed the \$15,000 income screen. The not interested group was less affluent than either of the other groups; out of the 27 not interested (and who answered the income question) only 11, or 41 percent, passed the \$15,000 income screen. The same pattern holds for the \$12,500 screen,

EXHIBIT 31

PATTERN OF PRESENT LIVING STYLE
BY INCOME LEVELS FOR THOSE
INTERESTED IN RETIREMENT CENTER
ONLY IF AND WHEN NEEDED [1]

Living Style of Those Interested <u>Only If & When Needed</u>	All Income Levels		$\geq \$12,500$		$\geq \$15,000$	
	N	%	N	%	N	%
Married Homeowners	98	56%	83	63%	58	71%
Single/Widowed Homeowners	65	37%	40	30%	20	24%
Married Renters	5	3%	4	3%	1	1%
Single/Widowed Renters	8	4%	5	4%	3	4%
	---	---	---	---	---	---
	176	100%	132	100%	82	100%

[1] All those who answered Question 47 with a 4 response.
See Appendix for the wording of the question and
responses.

EXHIBIT 32

PATTERN OF PRESENT LIVING STYLE
 BY INCOME LEVELS AND BY SEX FOR
 THOSE INTERESTED IN RETIREMENT CENTER
ONLY IF AND WHEN NEEDED [1]

Married Homeowners

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	76	78%	63	76%	43	74%
Female	<u>22</u> 98	<u>22%</u> 100%	<u>20</u> 83	<u>24%</u> 100%	<u>15</u> 58	<u>26%</u> 100%

Single/Widowed Homeowners

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	12	19%	9	23%	6	30%
Female	<u>53</u> 65	<u>81%</u> 100%	<u>31</u> 40	<u>77%</u> 100%	<u>14</u> 20	<u>70%</u> 100%

[1] All those who answered Question 47 with a 4 response.
 See Appendix for the wording of the question and
 responses.

EXHIBIT 32 (Continued)

Married Renters

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	2	40%	2	50%	1	100%
Female	$\frac{3}{5}$	$\frac{60\%}{100\%}$	$\frac{2}{4}$	$\frac{50\%}{100\%}$	$\frac{0}{1}$	$\frac{0\%}{100\%}$

Single/Widowed Renters

	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Male	0	0%	0	0%	0	0%
Female	$\frac{8}{8}$	$\frac{100\%}{100\%}$	$\frac{5}{5}$	$\frac{100\%}{100\%}$	$\frac{3}{3}$	$\frac{100\%}{100\%}$

EXHIBIT 33

PATTERN OF LIVING STYLE BY
INCOME LEVEL FOR THOSE
NOT INTERESTED IN RETIREMENT CENTER

Living Style of Those Not Interested	All Income Levels		≥ \$12,500		≥ \$15,000	
	N	%	N	%	N	%
Married Homeowners	15 (F=4) (M=11)	56%	10 (F=3) (M=7)	77%	9 (F=3) (M=6)	82%
Single/Widowed Homeowners	7 (F=6) (M=1)	26%	1 (F=1) (M=0)	8%	1 (F=1) (F=0)	9%
Married Renters	2 (F=0) (M=2)	7%	2 (F=0) (M=2)	15%	1 (F=0) (M=2)	9%
Single/Widowed Renters	3 (F=3) (M=0)	11%	0 (F=0) (M=0)	0%	0 (F=0) (M=0)	0%
	---	---	---	---	---	---
	27	100%	13	100%	11	100%

but the differences among groups is greater; in the interested group, 39 out of 60, or 65 percent passed the \$12,500 screen, in the ONLY if and when group 132 out of 176, or 75 percent, passed the \$12,500 screen, and 13 out of 27, or 48 percent, of the not interested group passed the \$12,500 income screen.

The ability of the developer to capture not only those who might be interested in moving into the project in the next year or so, but also those interested when health needs, the burden of home maintenance, and/or the death of a spouse trigger their need to move will be critical to the immediate and future success of the retirement center. Skillful marketing will be necessary to convince and hold the attention of this tentative, but viable market, for retirement housing in Kenosha. Attention must be given to the design and financial preference of the potential consumer.

2. Motivation for Moving to Retirement Center

The largest percentage of the respondents who expressed any degree of interest in moving to the retirement center would consider a move only to a more supportive environment. Since the occurrence of these events or conditions are unpredictable, it is very difficult to estimate when each of the respondents would seriously consider such a move. The majority of this tentative group constitute future market demand for the facility. Only a small percentage, especially in the 75 year

and older group, would be a part of the first wave of residents. But it is important that there be an understanding of the nature of the events or conditions that respondents believe will cause them to move; the marketing effort can then be directed to assisting the elderly in the timing of this critical housing decision.

Of the 326 householders surveyed, 86 percent own and occupy single family homes or condominiums and 11 percent rent an apartment. When the same group of householders chose the ideal housing which best suited their current needs, 62 percent would prefer to live in their own home or condo, 12 percent would prefer a private apartment either for all ages or preferably for the elderly, 6 percent would prefer subsidized housing, and 3 percent would prefer to live with their children or siblings. Nevertheless, 52 of the 319 who answered the question, or 16 percent, had already decided that a retirement center either with or without a nursing home on site would best suit their current needs.

Clearly, the increasing burden of home upkeep and accompanying health problems are the two interrelated conditions which most frequently trigger the decision to leave the family home. A ranking of the events or conditions which the respondents believed would trigger a decision to move is detailed in Exhibits 34 for all respondents (N=326) and for

CONDITIONS OR EVENTS WHICH MIGHT TRIGGER THE DECISION TO MOVE
ALL RESPONDENTS 65 YEARS AND OLDER

N = 326

QUESTION 16

MULTIPLE RESPONSES PERMITTED

EVENTS	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	RANKING
Health	231	71%	1
Burden of home upkeep	186	57%	2
Death of a spouse	115	35%	3
Financial limitations	53	16%	4
Growing awareness of loneliness	51	16%	5
Opportunity to sell home or farm	50	15%	6
Opportunity to move into subsidized housing	39	12%	7
Children moving away	7	2%	8
Friction with relatives	4	1%	9
Other	2	< 1%	10

EXHIBIT 34

Southwest Research, Inc.

CONDITIONS OR EVENTS WHICH MIGHT TRIGGER THE DECISION TO MOVE
SECONDARY FOCUS GROUP, 65 - 74 YEARS OLD
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER

N = 18

QUESTION 16

MULTIPLE RESPONSES PERMITTED

EVENTS	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	RANKING
Burden of home upkeep	14	78%	1
Death of a spouse	13	72%	2
Health	10	56%	3
Opportunity to sell home or farm	5	28%	4
Growing awareness of loneliness	5	28%	5
Financial limitations	4	22%	6
Opportunity to move into subsidized housing	4	22%	7
Friction with relatives	1	6%	8
Children moving away	0	N/A	9
Other	0	N/A	10

EXHIBIT 34 (Continued)

CONDITIONS OR EVENTS WHICH MIGHT TRIGGER THE DECISION TO MOVE
 PRIMARY FOCUS GROUP, 75 YEARS AND OLDER
 HOME-CONDO OWNERS WITH ANNUAL INCOME \geq \$12,500
 AND INTERESTED IN RETIREMENT CENTER

N = 15

QUESTION 16

MULTIPLE RESPONSES PERMITTED

EVENTS	-----		RANKING
	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	
Health	11	73%	1
Burden of home upkeep	10	67%	2
Death of a spouse	8	53%	3
Opportunity to sell home or farm	2	13%	4
Financial limitations	2	13%	5
Opportunity to move into subsidized housing	2	13%	6
Growing awareness of loneliness	1	7%	7
Children moving away	0	N/A	8
Other	0	N/A	9
Friction with relatives	0	N/A	10

EXHIBIT 34 (Continued)

those in the primary and secondary focus group who expressed an interest of moving into the retirement center in the near future. It is interesting to note, for purposes of validating the realism of the responses, that health moves up to a primary factor for the 75 year and older group and loss of a spouse declines, since an increasing number have already experienced the loss of a spouse.

Respondents also ranked the importance of the reasons which would motivate a move to a retirement center. Freedom from the responsibility and maintenance of home care outranked any other as the most important. A 24-hour emergency response system and a daily check system are the next two most important reasons given, but the order of importance varied with age. The availability of support services and being close to a nursing home to insure continuing care ranked second and third in importance for the 75 year and older group, and companionship with others dropped to ninth; for the 65 to 74 year old group, availability of support services dropped to seventh, and, companionship with others ranked fourth. The least important reason is the need for a special diet. See Exhibit 35 for the ranking of reasons for moving to a retirement center.

3. The Primary Focus Group

All respondents 75 years and older who have an annual gross income of \$12,500 or more and who are home or condo owners

RANKING OF REASONS FOR MOVING INTO A RETIREMENT CENTER
ALL RESPONDENTS 65 YEARS AND OLDER

N = 326

REASONS FOR MOVING INTO A RETIREMENT CENTER	ORDER OF [1] RANKING	VERY IMPORTANT	MODERATELY IMPORTANT	NOT IMPORTANT	NO RESPONSE
Freedom from responsibility and maintenance of home care	1	53%	27%	9%	11%
24-hour emergency response	2	54%	25%	9%	12%
Availability of supportive services	3	41%	39%	9%	11%
Daily check on me	4	45%	33%	11%	11%
Nutritious meal in full-service dining room	5	46%	28%	14%	12%
Companionship with others	6	35%	39%	13%	13%
Close to a nursing home to insure continuing care	7	36%	37%	13%	14%
Near a hospital	8	34%	36%	16%	14%
Close to a nursing home to visit spouse or friends	9	25%	32%	23%	20%
Special diet	10	16%	20%	40%	24%

[1] To rank the important of each reason, an adjusted score was calculated as follows:
the sum of the score for VERY IMPORTANT plus 1/2 the score for MODERATELY IMPORTANT
minus the score for NOT IMPORTANT. The reasons were then ranked in descending order
according to the magnitude of the score.

EXHIBIT 35

Sundmacher Research, Inc.

RANKING OF REASONS FOR MOVING INTO A RETIREMENT CENTER
SECONDARY FOCUS GROUP, 65 - 74 YEARS OLD
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER NOW OR IN YEAR OR SO

N = 18

REASONS FOR MOVING INTO A RETIREMENT CENTER	ORDER OF [1] RANKING	VERY IMPORTANT	MODERATELY IMPORTANT	NOT IMPORTANT	NO RESPONSE
Freedom from responsibility and maintenance of home care	1	72%	28%	0%	0%
24-hour emergency response	2	55%	28%	11%	6%
Daily check on me	3	44%	39%	11%	6%
Companionship with others	4	33%	56%	11%	0%
Close to a nursing home to insure continuing care	5	28%	55%	11%	6%
Near a hospital	6	33%	44%	17%	6%
Availability of supportive services	7	28%	44%	22%	6%
Nutritious meal in full-service dining room	8	44%	22%	28%	6%
Close to a nursing home to visit spouse or friends	9	28%	39%	28%	6%
Special diet	10	6%	28%	55%	11%

[1] To rank the important of each reason, an adjusted score was calculated as follows:
the sum of the score for VERY IMPORTANT plus 1/2 the score for MODERATELY IMPORTANT
minus the score for NOT IMPORTANT. The reasons were then ranked in descending order
according to the magnitude of the score.

EXHIBIT 35 (Continued)

RANKING OF REASONS FOR MOVING INTO A RETIREMENT CENTER
PRIMARY FOCUS GROUP, 75 YEARS AND OLDER
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER

N = 15

REASONS FOR MOVING INTO A RETIREMENT CENTER	ORDER OF [1] RANKING	VERY IMPORTANT	MODERATELY IMPORTANT	NOT IMPORTANT	NO RESPONSE
Freedom from responsibility and maintenance of home care	1	60%	27%	0%	13%
Availability of supportive services	2	67%	13%	0%	20%
Close to a nursing home to insure continuing care	3	60%	20%	0%	20%
Daily check on me	4	53%	27%	0%	20%
Nutritious meal in full-service dining room	5	40%	47%	7%	7%
24-hour emergency response	6	47%	20%	7%	27%
Near a hospital	7	47%	20%	7%	27%
Close to a nursing home to visit spouse or friends	8	33%	27%	0%	40%
Companionship with others	9	27%	40%	20%	13%
Special diet	10	13%	20%	40%	27%

[1] To rank the important of each reason, an adjusted score was calculated as follows:
the sum of the score for VERY IMPORTANT plus 1/2 the score for MODERATELY IMPORTANT
minus the score for NOT IMPORTANT. The reasons were then ranked in descending order
according to the magnitude of the score.

EXHIBIT 35 (Continued)

constitute the primary focus group and are considered the prototype of the most probable users of the proposed retirement center. Reference to Exhibit 27 indicates that 56 respondents qualified for the primary focus group but not all had the same motivation for moving in the near future. Their responses to two of the critical motivational questions are tabulated in Exhibit 36. Although 37 percent of the older qualified respondents found the retirement concept appealing for now or the near future, only 26 percent expressed an interest in moving in the next year or so.

To estimate effective demand for the proposed St. Catherine Retirement Center all respondents who comprise the primary focus group (N=56) are screened for interest in moving into the retirement center; among the 75 year old homeowners who qualify financially, there are 15 who are either seriously interested in moving now, might consider moving in a year or so, or might consider moving, but will wait and see how others like it first. (See Exhibit 36.) Added to this group of most probable users are two renters who qualify financially with an annual gross income of \$15,000 or more, and are interested in moving to the retirement center. These 17 most probable users of the proposed retirement center are profiled by listing for each respondent the critical variables which are most highly correlated with the decision to move to a retirement center;

EXHIBIT 36

COMPARISON OF APPEAL OF RETIREMENT LIVING CONCEPT
AND INTEREST IN MOVING FOR PRIMARY FOCUS GROUP

N = 56

Appeal of Concept

QUESTION 25	N	%
Yes, now	4	7%
Yes, explore	17	30%
Yes, if & when	20	36%
Don't know	7	12%
No	6	11%
No response	<u>2</u>	<u>4%</u>
TOTAL	56	100%

Interest in Move

QUESTION 47	N	%
Serious, now	1	2%
Might, yr or so	7	12%
Might, wait and see	7	12%
If & when	39	70%
No	2	4%
No response	<u>0</u>	<u>0%</u>
TOTAL	56	100%

the data for each respondent is detailed in Exhibit 37 and is accompanied by a statistical summary of the variables.

The responses of each most probable user are analyzed to estimate the probability of that person translating an expressed interest into action and making a commitment to move into the proposed retirement center. Cumulative critical factors include:

1. Age
2. Health status
3. Marital status
4. Acceptability of the proposed site
5. Serious thought given to moving now
6. Ideal housing to best suit needs now
7. The appeal of the retirement concept
8. Income equal to or greater than \$15,000
9. Home value equal to or greater than \$40,000
10. The selection of a suitable combination of entrance fee and monthly service charge
11. No need to sell home

It is assumed that a financially qualified, older, widowed person in fair health who has given serious thought to moving and who believes a retirement center is the ideal housing now is a far more likely market prospect than a financially qualified person who is married, in excellent health, who has given no serious thought to moving, and who considers the single family home as ideal now even though both persons may have indicated an interest in moving in a year or so. The last column of Exhibit 37 focuses on those respondents judged to be the most likely market prospects; a double asterisk denotes a stronger probability than a single asterisk; one double

EXHIBIT 37

PROFILE OF MOST PROBABLE USERS FROM PRIMARY FOCUS GROUP (75+ YEARS) INTERESTED IN RETIREMENT CENTER (N=15) AND FROM INTERESTED AND QUALIFIED RENTERS (N=2)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER	MOST LIKELY MARKET PROSPECTS [1]
83	F	Married	85	2BR-1.5BA	Fair	F	N/A	Yes	No	7	Yes-now	> \$40,000	\$40-50,000	\$40-60 K/\$575-425	No	Partial	Guarantee access	Serious-now	* *
82	F	Widowed	N/A	1BR-1BA	Fair	D	N/A	Yes	Yes	6	Yes-now	\$25-30,000	Renter	\$30-40 K/\$650-575	Rents	Partial	Priority entry	Serious-now	* *
79	F	Single	N/A	1BR-1BA	Average	N/A	F	Yes	Yes	7	Yes-explore	> \$40,000	\$50-60,000	\$10-20 K/\$800-725	No	Partial	Assistance only	Might-yr or so	* *
77	M	Married	75	2BR-1BA	Fair	F	B	Yes	Yes	7	Yes-explore	\$30-40,000	\$50-60,000	\$20-30 K/\$725-650	No	Partial	Priority entry	Might-yr or so	* *
79	F	Widowed	N/A	1BR-1BA	Excellent	D	D	Yes	Yes	1	Yes-explore	\$12.5-15,000	N/A	N/A	Yes	N/A	N/A	Might-yr or so	
76	M	Married	75	2BR-1.5BA	Average	C	N/A	Yes	Yes	4	Yes-explore	> \$40,000	> \$90,000	N/A	No	N/A	Priority entry	Might-yr or so	* *
84	F	Single	N/A	N/A	Fair	A	D	Yes	N/A	N/A	Yes-now	\$15-20,000	\$60-70,000	\$10-20 K/\$800-725	Yes	No refund	Guarantee access	Might-yr or so	* *
78	M	Married	79	1BR-1BA	Fair	Plsnt Prair	N/A	Yes	Yes	1	Yes-explore	\$15-20,000	> \$90,000	\$20-30 K/\$725-650	Yes	Partial	Other	Might-yr or so	* *
83	M	Married	83	1BR-1BA	Fair	N/A	E	Yes	No	3	Yes-explore	\$15-20,000	< \$40,000	N/A	No	No refund	Assistance only	Might-yr or so	
82	F	Widowed	N/A	1BR-1BA	Fair	D	B	Yes	Yes	7	Yes-explore	\$15-20,000	Renter	N/A	Rents	Other	Priority entry	Might-yr or so	
77	F	Widowed	N/A	1BR-1BA	Need some help	F	F	Yes	Yes	N/A	Don't know	\$12.5-15,000	< \$40,000	\$20-30 K/\$725-650	No	Partial	Guarantee access	Might-wait & see	*
76	F	Widowed	N/A	1BR-1BA	Fair	D	B	No	No	1	Yes-if & when	\$12.5-15,000	\$50-60,000	Can't afford	Yes	N/A	Assistance only	Might-wait & see	
86	M	Widowed	N/A	1BR-1BA	Fair	F	F	No	No	1	Yes-explore	\$15-20,000	\$50-60,000	Can't afford	No	No refund	Assistance only	Might-wait & see	
77	M	Single	N/A	1BR-1BA	Average	F	D	No	Yes	5	Yes-explore	\$12.5-15,000	\$40-50,000	\$20-30 K/\$725-650	Yes	Partial	Assistance only	Might-wait & see	*
81	M	Married	72	1BR-1BA	Average	A	B	Yes	No	1	Yes-if & when	\$15-20,000	< \$40,000	N/A	No	Other	Assistance only	Might-wait & see	
75	F	Married	80	2BR-1.5BA	Excellent	C	C	No	No	1	Yes-if & when	\$12.5-15,000	\$70-80,000	Can't afford	Yes	N/A	N/A	Might-wait & see	
75	F	Married	79	1BR-1BA	Average	N/A	B	Yes	Yes	7	Don't know	\$15-20,000	\$60-70,000	\$10-20 K/\$800-725	Yes	Partial	Guarantee access	Might-wait & see	*

[1] Cumulative critical factors include age, marital status, health, site preference, ideal housing now, serious thought to moving, appeal of concept, income ≥ \$15,000, home value ≥ \$40,000, positive combination entry/fee/monthly service charge, and does not need to sell home. See text for more detail.

[*] CODE:
1 = Single family house
2 = Condominium
3 = Government subsidized apartment
4 = Private apartment building - renting to all age levels
5 = Private apartment building - renting only to older adults
6 = Private retirement center - no nursing home on premises
7 = Private retirement center - with nursing home on premises
8 = Live with children

EXHIBIT 37 (Continued)

SUMMARY STATISTICS

AGE
Mean age of respondent = 79 years
Mean age of spouse = 78.5 years

SEX		
By Respondents:	--N	--%
Male	7	41%
Female	10	59%
	17	100%
By Persons in Household:	--N	--%
Male	10	40%
Female	15	60%
	25	100%

MARITAL STATUS		
	--N	--%
Married	8	47%
Widowed or Single	9	53%
	17	100%

UNIT MIX		
	--N	--%
Studio	0	0%
1 BR - 1 BA	12	71%
2 BR - 1 BA	1	6%
2 BR - 1.5 BA	3	18%
No response	1	6%
	17	100%

PLACE OF RESIDENCE IN STUDY AREA		
	--N	--%
Kenosha	13	76%
Pleasant Prairie	1	6%
Somers	3	18%
No response	0	0%
	17	100%

WITHIN KENOSHA		
	--N	--%
Section A	2	15%
Section B	0	0%
Section C	2	15%
Section D	4	31%
Section E	0	0%
Section F	5	38%
	13	100%

BEST LOCATION FOR RETIREMENT CENTER		
	--N	--%
Section A	0	0%
Section B	5	29%
Section C	1	6%
Section D	3	18%
Section E	1	6%
Section F	3	18%
No response	4	24%
	17	100%

CONSIDER MOVING TO PROPOSED SITE		
	--N	--%
Yes	13	76%
No	4	24%
	17	100%

SERIOUS THOUGHT TO MOVING		
	--N	--%
Yes	10	59%
No	6	35%
No response	1	6%
	17	100%

[1] IDEAL HOUSING NOW		
	--N	--%
1 = Single family house	6	35%
2 = Condominium	0	0%
3 = Government subsidized apartment	1	6%
4 = Private apartment building - renting to all age levels	1	6%
5 = Private apartment building - renting only to older adults	1	6%
6 = Private retirement center - no nursing home on premises	1	6%
7 = Private retirement center - with nursing home on premises	5	29%
8 = Live with children	0	0%
No response	2	12%
	17	100%

INCOME LEVEL		
	--N	--%
\$12.5 - 15,000	5	29%
\$15 - 20,000	7	41%
\$20 - 25,000	0	0%
\$25 - 30,000	1	6%
\$30 - 40,000	1	6%
> \$40,000	3	18%
	17	100%

Weighted Average = \$22,000

HOME VALUE		
	--N	--%
< \$40,000	3	17%
\$40 - 50,000	2	12%
\$50 - 60,000	4	23%
\$60 - 70,000	2	12%
\$70 - 80,000	1	6%
\$80 - 90,000	0	0%
> \$90,000	2	12%
Renter	2	12%
No response	1	6%
	17	100%

Weighted Average Home Value = \$58,200

COMBINATION ENTRY FEE AND MONTHLY SERVICE CHARGE		
	--N	--%
\$10-20 K/\$800-725	3	18%
\$20-30 K/\$725-650	4	24%
\$30-40 K/\$650-575	1	6%
\$40-60 K/\$575-425	1	6%
Can't afford	3	18%
No response	5	29%
	17	100%

REFUND POLICY		
	--N	--%
Partial	8	47%
Full	0	0%
None	3	18%
No response or other	6	35%
	17	100%

NURSING HOME POLICY		
	--N	--%
Assistance only	6	35%
Priority entry	4	24%
Guarantee access	4	24%
No response or other	3	18%
	17	100%

asterisk represents one likely market prospect; and two single asterisks represent one likely market prospect. The analyst assumes that only one-half of the likely prospects will actually become residents of the retirement center.

In the case of the older, most probable users profiled in Exhibit 37, seven respondents rate double-asterisks and three rate single asterisks; therefore a total of 8.5 households from this group of 17 most probable users are judged to be the most likely market prospects. Of these most likely prospects, it is estimated that 50 percent will actually become residents in the first 12 to 18 months of operation. Therefore the capture rate estimated for this group of older most probable users is .25; the calculations are as follows:

$$\begin{array}{r} (8.5 \text{ households} \times .50 \text{ chance}) = .25 \text{ or } 1:4 \text{ households} \\ \hline 17 \text{ households} \end{array}$$

This capture rate of .25 is used to extrapolate the number of similar householders in the population of the study area who may become residents of the proposed retirement center. It is estimated that one household out of every four in the elderly population potential of qualified and interested households will become residents of the facility.

4. The Secondary Focus Group

All of the respondents 65 to 74 years old who have an annual gross income of \$12,500 or more and who are home or condo owners constitute the secondary focus. Reference to Exhibit 27 indicates that 120 respondents qualified for this group, but as in the primary group, not all had the same motivation for moving in the near future. Their responses to the two critical motivational questions are tabulated in Exhibit 38. Although 29 percent of the qualified 65 to 74 year old homeowners found the retirement concept appealing now or in the near future, only 15 percent expressed an interest in moving now or in a year or so.

The eighteen respondents who expressed the highest level of interest are categorized by degree of interest, as for the 75 year and older group, and the critical responses of each respondent are analyzed in depth. A profile of the respondents is shown in Exhibit 39 with an accompanying statistical summary of the critical attributes. Added to this group is one qualified renter interested in the project with an annual gross income of \$15,000 or more.

The responses of each of the respondents from the group of most probable users and qualified renters are analyzed in the same manner as was done for the most probable users from the primary focus group and qualified renters. The last column of

EXHIBIT 38

COMPARISON OF APPEAL OF RETIREMENT LIVING CONCEPT
AND INTEREST IN MOVING FOR SECONDARY FOCUS GROUP

N = 120

Appeal of Concept

QUESTION 25	N	%
Yes, now	5	4%
Yes, explore	30	25%
Yes, if & when	60	50%
Don't know	11	9%
No	10	9%
No response	4	3%
TOTAL	120	100%

Interest in Move

QUESTION 47	N	%
Serious, now	1	< 1%
Might, yr or so	8	7%
Might, wait and see	9	7%
If & when	85	71%
No	9	7%
No response	8	7%
TOTAL	120	100%

EXHIBIT 39

PROFILE OF MOST PROBABLE USERS FROM SECONDARY FOCUS GROUP (65-74 YEARS) INTERESTED IN RETIREMENT CENTER (N=18) AND FROM INTERESTED AND QUALIFIED RENTERS (N=1)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	[*] IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER	MOST LIKELY MARKET PROSPECTS [1]
74	M	Widowed	N/A	1BR-1BA	Fair	F	B	Yes	Yes	6	Yes-now	\$15-20,000	\$50-60,000	\$10-20 K/\$800-725	No	Partial	Guarantee access	Serious-now	* *
68	M	Widowed	N/A	2BR-1BA	Fair	Plant Prair	B	Yes	Yes	4	Yes-explore	\$20-25,000	Renter	\$10-20 K/\$800-725	Rents	Partial	Guarantee access	Serious-now	*
69	M	Married	68	2BR-1BA	Fair	C	C	Yes	Yes	3	Don't know	\$15-20,000	\$60-70,000	Can't afford	Yes	None	Priority entry	Might-yr or so	
69	M	Married	65	2BR-1.5BA	Average	D	B	Yes	Yes	1	Yes-explore	\$30-40,000	> \$90,000	\$30-40 K/\$650-575	Yes	Full	Guarantee access	Might-yr or so	*
74	M	Married	69	2BR-1BA	Average	C	B	Yes	No	7	Yes-if & when	\$15-20,000	\$40-50,000	\$20-30 K/\$725-650	No	Partial	Guarantee access	Might-yr or so	*
71	M	Married	63	1BR-1BA	Average	A	B	Yes	No	5	Yes-explore	\$15-20,000	\$60-70,000	N/A	No	N/A	Priority entry	Might-yr or so	
74	M	Married	69	2BR-1.5BA	Average	F	F	Yes	Yes	7	Yes-explore	\$15-20,000	\$40-50,000	\$20-30 K/\$725-650	No	Partial	Guarantee access	Might-yr or so	* *
72	M	Widowed	N/A	1BR-1BA	Excellent	Plant Prair	D	Yes	Yes	7	N/A	\$15-20,000	\$60-70,000	\$20-30 K/\$725-650	Yes	Partial	Priority entry	Might-yr or so	* *
68	M	Married	66	1BR-1BA	Excellent	F	D	Yes	No	1	Yes-now	\$12.5-15,000	\$40-50,000	\$30-40 K/\$650-575	Yes	Partial	Guarantee access	Might-yr or so	
70	M	Married	70	2BR-1BA	Fair	F	B	Yes	No	1	Yes-explore	\$30-40,000	\$70-80,000	\$20-30 K/\$725-650	No	Full	Guarantee access	Might-yr or so	* *
67	M	Married	61	2BR-1.5BA	Fair	B	B	Yes	Yes	6	Yes-explore	\$30-40,000	\$60-70,000	N/A	No	N/A	N/A	Might-wait & see	
70	M	Married	66	1BR-1BA	Excellent	D	D	Yes	Yes	1	Yes-if & when	\$12.5-15,000	< \$40,000	Can't afford	Yes	N/A	Assistance only	Might-wait & see	
71	M	Married	70	1BR-1BA	Excellent	B	B	Yes	No	1	Yes-if & when	\$15-20,000	\$40-50,000	\$40-60 K/\$575-425	Yes	None	Priority entry	Might-wait & see	
69	M	Married	66	2BR-1BA	Excellent	F	D	Yes	No	1	Yes-explore	\$25-30,000	\$70-80,000	\$30-40 K/\$650-575	Yes	Partial	Guarantee access	Might-wait & see	
70	F	Married	72	N/A	Average	C	N/A	N/A	No	1	Don't know	\$12.5-15,000	\$40-50,000	\$10-20 K/\$800-725	Yes	N/A	Assistance only	Might-wait & see	
66	F	Married	63	2BR-1BA	Fair	B	B	Yes	Yes	3	Don't know	\$20-25,000	< \$40,000	Can't afford	No	Partial	Assistance only	Might-wait & see	
74	M	Married	69	1BR-1BA	Fair	E	E	Yes	No	1	Yes-if & when	\$12.5-15,000	\$60-70,000	\$20-30 K/\$725-650	Yes	Partial	Priority entry	Might-wait & see	*
65	F	Married	72	Studio	Average	D	D	No	No	1	Yes-explore	\$12.5-15,000	\$40-50,000	Can't afford	Yes	Partial	Priority entry	Might-wait & see	
70	M	Married	67	2BR-1BA	Average	C	D	Yes	No	1	Yes-now	\$12.5-15,000	\$50-60,000	N/A	Yes	N/A	Assistance only	Might-wait & see	

[1] Cumulative critical factors include age, marital status, health, site preference, ideal housing now, serious thought to moving, appeal of concept, income ≥ \$15,000, home value ≥ \$40,000, positive combination entry/fee/monthly service charge, and does not need to sell home.
See text for more detail.

[*] CODE:
1 = Single family house
2 = Condominium
3 = Government subsidized apartment
4 = Private apartment building - renting to all age levels
5 = Private apartment building - renting only to older adults
6 = Private retirement center - no nursing home on premises
7 = Private retirement center - with nursing home on premises
8 = Live with children

EXHIBIT 39 (Continued)

SUMMARY STATISTICS

AGE
Mean age of respondent = 70 years
Mean age of spouse = 67 years

SEX
By Respondents: --N --%
Male 16 84%
Female --3 --16%
19 100%
By Persons in Household: --N --%
Male 19 54%
Female --16 --46%
35 100%

MARITAL STATUS
--N --%
Married 16 84%
Widowed or Single --3 --16%
19 100%

UNIT MIX
--N --%
Studio 1 5%
1 BR - 1 BA 7 37%
2 BR - 1 BA 7 37%
2 BR - 1.5 BA 3 16%
No response --1 --5%
19 100%

PLACE OF RESIDENCE
IN STUDY AREA --N --%
Kenosha 17 89%
Pleasant Prairie 2 11%
Somers 0 0%
No response --0 --0%
19 100%

WITHIN KENOSHA --N --%
Section A 1 6%
Section B 3 18%
Section C 4 24%
Section D 3 18%
Section E 1 6%
Section F --5 --29%
17 100%

BEST LOCATION FOR RETIREMENT CENTER
--N --%
Section A 0 0%
Section B 9 47%
Section C 1 5%
Section D 6 32%
Section E 1 5%
Section F 1 5%
No response --1 --5%
19 100%

CONSIDER MOVING TO PROPOSED SITE
--N --%
Yes 17 90%
No 1 5%
No response --1 --5%
19 100%

SERIOUS THOUGHT TO MOVING
--N --%
Yes 10 53%
No 9 47%
No response --0 --0%
19 100%

[1] IDEAL HOUSING NOW --N --%
1 = Single family house 10 53%
2 = Condominium 0 0%
3 = Government subsidized apartment 2 11%
4 = Private apartment building - renting to all age levels 1 5%
5 = Private apartment building - renting only to older adults 1 5%
6 = Private retirement center - no nursing home on premises 2 11%
7 = Private retirement center - with nursing home on premises 3 16%
8 = Live with children 0 0%
No response --0 --0%
19 100%

INCOME LEVEL
--N --%
\$12.5 - 15,000 6 32%
\$15 - 20,000 7 37%
\$20 - 25,000 2 11%
\$25 - 30,000 1 5%
\$30 - 40,000 3 16%
> \$40,000 --0 --0%
19 100%

Weighted Average = \$20,000

HOME VALUE --N --%
< \$40,000 2 11%
\$40 - 50,000 6 32%
\$50 - 60,000 2 11%
\$60 - 70,000 5 26%
\$70 - 80,000 2 11%
\$80 - 90,000 0 0%
> \$90,000 1 5%
Renter 1 5%
No response --0 --0%
19 100%

Weighted Average Home Value = \$56,900

COMBINATION ENTRY FEE AND MONTHLY SERVICE CHARGE
--N --%
\$10-20 K/\$800-725 3 16%
\$20-30 K/\$725-650 5 26%
\$30-40 K/\$650-575 3 16%
\$40-60 K/\$575-425 1 5%
Can't afford 4 21%
No response --3 --16%
19 100%

REFUND POLICY
--N --%
Partial 10 53%
Full 2 11%
None 2 11%
No response --5 --26%
19 100%

NURSING HOME POLICY
--N --%
Assistance only 4 21%
Priority entry 6 32%
Guarantee access 8 42%
No response or other --1 --5%
19 100%

Exhibit 39 highlights those respondents judged to be the most likely market prospects. There are four most likely market prospects with a double asterisk and four with single asterisks; therefore six households are presumed to become active market prospects and 51 percent of these, or three, are estimated to become residents of the proposed facility in the first 12 to 18 months of operation. The capture rate estimated for this group of most probable users who are 65 to 74 years old is .16; the calculation is as follows:

$$(6 \text{ households} \times .50 \text{ chance}) = .16 \text{ or } 1:6 \text{ households}$$

19 households

This capture rate of .16 is used to extrapolate the number of similar householders in the study area who may choose retirement center living. Approximately one out of every six households in the elderly population potential of qualified and interested respondents is likely to become a resident of the proposed retirement center.

A comparison of the summary statistics of these two groups of most probable users substantiate the appropriateness of segmenting the most probable users into groups and applying different capture rates to each. The similarities and differences between the two groups are summarized:

74 YEARS AND OLDER

65 TO 74 YEARS

- | | |
|--|--|
| <p>1. 35% consider single family home ideal now</p> <p>2. 35% consider retirement center ideal now</p> <p>3. Unit style preferences are: 71% = 1BR-1BA
24% = 2BR-1.5BA</p> <p>4. Weighted average income: \$22,000</p> <p>5. Weighted average home value: \$58,200</p> <p>6. Partial refund policy preferred: 47%</p> <p>7. 59% selected assistance only or priority entry as preferred nursing home policy and 24% preferred guaranteed access</p> <p>8. Most suitable payment combination: \$20-30 K/
\$725-650 with \$10-20 K/
\$800-725 as secondary choice</p> <p>9. Sex of respondents:
Male = 41%
Female = 59%</p> <p>10. Marital status:
Married = 47%
Widowed or single = 53%</p> | <p>1. 53% consider single family home ideal now</p> <p>2. 27% consider retirement center ideal now</p> <p>3. Unit style preferences are: 42% = Studio and 1BR-1BA
53% = 2BR-1 to 1.5BA</p> <p>4. Weighted average income: \$20,000</p> <p>5. Weighted average home value: \$56,900</p> <p>6. Partial refund policy preferred: 53%</p> <p>7. 53% selected assistance only or priority entry and 42% preferred guaranteed access</p> <p>8. Most suitable payment combination: \$20-30 K/
\$725-650 with an even split between \$10-20 K/
\$800-725 and \$30-40 K/
\$650-575 as secondary choice</p> <p>9. Sex of respondents:
Male = 84%
Female = 16%</p> <p>10. Marital status:
Married = 84%
Widowed or single = 16%</p> |
|--|--|

For both the 75 years and older group (N=15) and the 65 to 74 year old group (N=18), approximately 60 percent believed it more important to keep costs as low as possible than to have as much space as possible. Because three, or 20 percent, of the respondents in the primary group did not respond, it is not known whether space or costs are more important. The comparative results are found in Exhibit 40. In the total group of respondents 65 years and older (N=326) who are not screened for financial qualifications, the response is definitely in favor of low costs with 24 percent choosing more space and 66 percent choosing low cost and 10 percent not responding to the question.

5. Other Potential Sources of Demand

There are several other potential sources of effective demand for the proposed retirement center:

- a. Respondents who did not pass the income screen, but who expressed a serious interest in moving, or who might consider moving in a year or so, or who might be interested after they wait to see how others liked it are examined further to determine if they are financially qualified based upon other indicators.
- b. Respondents from the primary and the secondary focus groups who expressed a more conditional interest in moving into the retirement center based upon their

EXHIBIT 40

COMPARISON OF IMPORTANCE OF
MORE SPACE VERSUS LESS COST
FOR PRIMARY AND SECONDARY FOCUS GROUPS
INTERESTED IN RETIREMENT CENTER

QUESTIONS 21	SECONDARY FOCUS GROUP		PRIMARY FOCUS GROUP	
	N	%	N	%
Have as much space as possible	7	39%	3	20%
Keep costs as low as possible	11	61%	9	60%
No response	0	0%	3	20%
TOTAL	18	100%	15	100%

undefined future needs are further examined to determine if they have given any serious thought to moving. In the primary focus group of qualified homeowners, there are 39 respondents who expressed interest in the retirement center ONLY if and when needed; from the secondary focus group there are 75 respondents in that category.

- c. Respondents between the ages of 55 to 64 years who expressed an interest in the retirement center, 7 of the 11 are qualified homeowners. (There was no attempt to find respondents less than 65 years old, but some responded to the questionnaire.)
- d. Kenosha County residents living outside the study area are potential residents. Only 7 percent of the questionnaires sent outside the study area were returned and none were included in the sample. There was limited immediate interest expressed by those responding, but a thin market may exist in Kenosha County.
- e. Former Kenosha residents who want to return to Kenosha for retirement.

Because of the overall tentative nature of the survey responses, each respondent who expressed an interest in the retirement center but did not pass the income screen (income

less than \$12,500 or did not answer the income question) is also profiled to see if the responses to other questions designed to be indicators of financial capability could be a proxy for the income question. If the home value is at least \$40,000 to \$50,000, if the respondent selected one of the combination entrance fee/monthly service charge categories as suitable, or if there is no need to sell the home to move to the retirement center, then the respondent is assumed to be financially qualified and a potential user of the facility.

These respondents are divided into three groups based upon the degree of interest they have in moving to the proposed retirement center and are profiled in Exhibits 41, 42, and 43. Each respondent in each group is examined for other indicators of qualifying assets. In the next to last column in each of the three exhibits, an asterisk is placed beside each respondent who appears to be financially qualified based on these other indicators. Then each qualified and interested respondent is analyzed as to his/her chance of being a likely market prospect. The last column indicates by a single asterisk or double asterisk the degree of probability of the market prospect becoming a resident in the proposed facility. Because of the relatively low income level of these potential users and the inconsistencies of the responses, it is assumed that only one third of the likely prospects will become retirement center

residents. With reference to Exhibit 41, the resulting capture rate to be used to extrapolate an estimate of effective demand from the population of elderly Kenosha households is .11, the capture rate is estimated as follows:

$$(1 \text{ household} \times .33 \text{ chance}) = .11 \text{ or } 1:9 \text{ households}$$

3 households

For the more tentative group of potential users profiled in Exhibit 42, there are 9 respondents who may have the required financial qualifications and of those, 3 households are the most likely market prospects. The resulting capture rate is estimated as follows:

$$(3 \text{ households} \times .33 \text{ chance}) = .11 \text{ or } 1:9 \text{ households}$$

9 households

For the most tentative group of potential users profiled in Exhibit 43, there are seven respondents who appear to have adequate financial strength to qualify, and of those, 3 households are selected as the most likely market prospects. Because of the inconsistency of the responses and the overall lack of interest in moving to a retirement center found within this group, it is assumed that only 25 percent of the most likely market prospects will move to the proposed retirement center. The resulting capture rate can be estimated:

EXHIBIT 41

PROFILE OF POTENTIAL USERS (65+)
 SERIOUS INTEREST NOW BUT
 DO NOT PASS INCOME SCREEN (N=5)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	[*] IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER	QUALIFIED [1] BASED UPON OTHER INDICATORS (N = 3)	MOST LIKELY MARKET PROSPECTS [2]
75 YEARS AND OLDER																				
84	F	Widowed	N/A	Studio	Needs some help	C	N/A	Yes	Yes	6	Yes-now	< \$12,500	\$40-50,000	Can't afford	Yes	Partial	Priority entry	Serious-now	*	
80	F	Widowed	N/A	Studio	Fair	Somers	C	Yes	No	8	Yes-explore	< \$12,500	≥ \$90,000	\$10-20 K/\$800-725	Yes	Full	Priority entry	Serious-now	*	**
65 - 74 YEARS OLD																				
73	F	Single	N/A	Studio	Average	D	B	Yes	Yes	6	Yes-now	\$12.5-15,000	Renter	Can't afford	Rents	N/A	Guarantee access	Serious-now		
73	F	Widowed	N/A	Studio	Average	B	N/A	Yes	No	3	Yes-if & when	< \$12,500	Renter	\$10-20 K/\$800-725	Rents	N/A	Guarantee access	Serious-now	*	
71	F	Widowed	N/A	1BR-1BA	Average	B	N/A	Yes	Yes	5	N/A	N/A	< \$40,000	Can't afford	Yes	N/A	N/A	Serious-now		

[1] Other indicators include home value > \$40,000, a positive response to combination entry/monthly charge, and lack of need to sell home.

[2] Cumulative critical factors include age, marital status, health, site preference, ideal housing now, serious thought to moving, appeal of concept, income ≥ \$15,000, home value ≥ \$40,000, positive combination entry/fee/monthly service charge, and does not need to sell home.
 See text for more detail.

[*] CODE:
 1 = Single family house
 2 = Condominium
 3 = Government subsidized apartment
 4 = Private apartment building - renting to all age levels
 5 = Private apartment building - renting only to older adults
 6 = Private retirement center - no nursing home on premises
 7 = Private retirement center - with nursing home on premises
 8 = Live with children

EXHIBIT 42
 PROFILE OF POTENTIAL USERS (65+)
 MIGHT CONSIDER - YEAR OR SO
 BUT DO NOT PASS INCOME SCREEN (N=12)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	[*] IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER	QUALIFIED [2] BASED UPON OTHER INDICATORS (N = 9)	MOST LIKELY MARKET PROSPECTS [3]
75 YEARS AND OLDER																				
89	F	Widowed	N/A	N/A	Fair	N/A	N/A	N/A	Yes	7	N/A	N/A	N/A	\$10-20 K/\$800-725	N/A	Partial	Guarantee access	Might-yr or so	*	
84	F	Widowed	N/A	Studio	Average	B	B	Yes	Yes	1	Yes-explore	< \$12,500	\$40-50,000	\$20-30 K/\$725-650	Yes	Partial	Priority entry	Might-yr or so	*	* *
77	F	Widowed	N/A	1BR-1BA	Average	D	B	Yes	Yes	4	Yes-explore	< \$12,500	\$60-70,000	\$20-30 K/\$725-650	Yes	Other [1]	Assistance only	Might-yr or so	*	* *
77	M	Married	75	N/A	Average	N/A	N/A	N/A	No	1	Yes-explore	N/A	N/A	N/A	N/A	N/A	Other	Might-yr or so		
76	F	Widowed	N/A	2BR-1BA	Fair	D	N/A	Yes	Yes	5	Yes-explore	< \$12,500	\$50-60,000	Can't afford	Yes	N/A	Assistance only	Might-yr or so	*	
65 - 74 YEARS OLD																				
74	F	Widowed	N/A	1BR-1BA	Fair	A	B	Yes	No	3	Yes-explore	< \$12,500	\$40-50,000	Can't afford	Yes	Other [1]	Priority entry	Might-yr or so		
73	M	Married	65	2BR-1BA	Fair	C	B	Yes	No	1	Yes-now	< \$12,500	\$50-60,000	\$10-20 K/\$800-725	Yes	N/A	Other	Might-yr or so	*	* *
72	F	Widowed	N/A	N/A	Average	B	B	Yes	Yes	7	Yes-explore	< \$12,500	\$40-50,000	N/A	Yes	Partial	Assistance only	Might-yr or so	*	
71	F	Widowed	N/A	1BR-1BA	Needs help	B	B	Yes	Yes	5	Yes-explore	< \$12,500	< \$40,000	Can't afford	Yes	N/A	Priority entry	Might-yr or so		
70	F	Single	N/A	1BR-1BA	Average	B	N/A	Yes	Yes	6	Yes-explore	< \$12,500	\$60-70,000	Can't afford	Yes	None	Assistance only	Might-yr or so	*	
70	F	Married	75	2BR-1BA	Average	D	N/A	Yes	Yes	7	Yes-explore	< \$12,500	Renter	\$10-20 K/\$800-725	Rents	Partial	Priority entry	Might-yr or so	*	
68	M	Married	68	2BR-1BA	Average	B	B	Yes	Yes	4	Yes-explore	< \$12,500	\$40-50,000	\$10-20 K/\$800-725	Yes	Partial	Priority entry	Might-yr or so	*	

[1] Undecided

[2] Other indicators include home value > \$40,000, a positive response to combination entry/monthly service charge, and lack of need to sell home.

[3] Cumulative critical factors include age, marital status, health, site preference, ideal housing now, serious thought to moving, appeal of concept, income ≥ \$15,000, home value ≥ \$40,000, positive combination entry/fee/monthly service charge, and does not need to sell home. See text for more detail.

[*] CODE:

- 1 = Single family house
- 2 = Condominium
- 3 = Government subsidized apartment
- 4 = Private apartment building - renting to all age levels
- 5 = Private apartment building - renting only to older adults
- 6 = Private retirement center - no nursing home on premises
- 7 = Private retirement center - with nursing home on premises
- 8 = Live with children

EXHIBIT 43

PROFILE OF POTENTIAL USERS (65+) MIGHT - WAIT AND SEE BUT DO NOT PASS INCOME SCREEN (N=13)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER	QUALIFIED [1] BASED UPON OTHER INDICATORS (N = 7)	MOST LIKELY MARKET PROSPECTS [2]
75 YEARS AND OLDER																				
88	F	Widowed	N/A	1BR-1BA	Needs help	Kenosha-D	D	Yes	Yes	7	Yes-explore	< \$12,500	\$40-50,000	\$20-30 K/\$725-650	Yes	Partial	Priority entry	Might-wait & see	*	**
83	F	Widowed	N/A	1BR-1BA	Exclnt	N/A	E	N/A	No	3	N/A	< \$12,500	\$60-70,000	Can't afford	No	N/A	N/A	Might-wait & see	*	
82	F	Widowed	N/A	Studio	Needs help	Kenosha-D	N/A	No	No	1	No-nice/not me	< \$12,500	< \$40,000	Can't afford	Yes	N/A	N/A	Might-wait & see		
77	F	Widowed	N/A	1BR-1BA	Average	Kenosha-B	B	Yes	No	3	Yes-explore	< \$12,500	No house	Can't afford	No house	N/A	Priority entry	Might-wait & see		
77	F	Widowed	N/A	1BR-1BA	Fair	Kenosha-D	D	No	No	5	Don't know	< \$12,500	N/A	Can't afford	N/A	Partial	Assistance only	Might-wait & see		
65 - 74 YEARS OLD																				
74	F	Widowed	N/A	1BR-1BA	Fair	Kenosha-B	E	Yes	Yes	1	Yes-now	< \$12,500	\$40-50,000	Can't afford	No	Partial	Assistance only	Might-wait & see	*	*
74	M	Married	62	1BR-1BA	Average	Kenosha-B	B	N/A	No	1	Don't know	< \$12,500	\$50-60,000	N/A	Yes	N/A	Guarantee access	Might-wait & see	*	
74	M	Married	74	N/A	Average	Somers	D	Yes	No	5	Yes-explore	\$12.5-15,000	Renter	N/A	Rents	N/A	N/A	Might-wait & see		
70	F	Single	N/A	1BR-1BA	Average	Kenosha-E	D	Yes	No	3	Yes-explore	< \$12,500	Renter	Can't afford	Rents	N/A	Assistance only	Might-wait & see		
70	M	Married	68	1BR-1BA	Fair	Kenosha-F	D	Yes	Yes	1	Yes-explore	< \$12,500	\$40-50,000	\$20-30 K/\$725-650	Yes	Full	Assistance only	Might-wait & see	*	**
70	M	Married	74	2BR-1BA	Needs help	Kenosha-E	N/A	Yes	No	7	Yes-explore	\$12.5-15,000	Renter	\$10-20 K/\$800-725	Rents	N/A	N/A	Might-wait & see	*	*
69	F	Widowed	N/A	2BR-1BA	Average	Kenosha-D	B	Yes	N/A	6	Yes-if & when	N/A	Renter	N/A	Rents	N/A	Guarantee access	Might-wait & see	*	
68	N/A	Widowed	N/A	N/A	N/A	Kenosha-F	E	No	N/A	N/A	N/A	N/A	\$70-80,000	Can't afford	No	N/A	N/A	Might-wait & see	*	

[1] Other indicators include home value > \$40,000, a positive response to combination entry/monthly service charge, and the lack of need to sell home.

[2] Cumulative critical factors include age, marital status, health, site preference, ideal housing now, serious thought to moving, appeal of concept, income ≥ \$15,000, home value ≥ \$40,000, positive combination entry/fee/monthly service charge, and does not need to sell home. See text for more detail.

[*] CODE:

- 1 = Single family house
- 2 = Condominium
- 3 = Government subsidized apartment
- 4 = Private apartment building - renting to all age levels
- 5 = Private apartment building - renting only to older adults
- 6 = Private retirement center - no nursing home on premises
- 7 = Private retirement center - with nursing home on premises
- 8 = Live with children

(3 households x .25 chance) = .11 or 1:9 households

7 households

The timing of the conditions which might trigger a decision to move is unknown for the respondents who expressed an interest in moving to the facility "if and when needed." Many of this group will never choose the retirement center as a housing alternative and some will have experienced the trigger conditions between now and the time the facility is ready for occupancy. Although the income levels are generally high for those groups, few had given serious thought to moving to a retirement center. Both groups believed their single family home as best suited to their needs now (primary focus group = 72 percent and secondary focus group = 84 percent) but 20 percent of the older group selected a retirement center as ideal now and only 9 percent of the 65 to 74 year old group selected a retirement center as best meeting their current needs. Only a few of these respondents will be included in the estimate of demand.

The respondents between the ages of 55 and 64 years old who expressed an interest, constitute another future market for the retirement center. Very few had given serious thought to moving; their asset levels are generally high, but their perceptions of what they can afford is somewhat lower, their interest more tentative, and their current overall health

status better. The majority view a single family home as the housing best suited to their current needs. A listing of the profiles of these respondents is found in Exhibit 44.

Initially a proportionate number of questionnaires were mailed to the elderly outside of the the study area, but inside Kenosha County; the return rate was only 7 percent and only 2 of the 10 respondents expressed an interest in the project. Since interest in moving to a retirement center is a function of its proximity to the old familiar neighborhood, it was not surprising to have such a low response rate. Even though the market outside the study area is thin, there are 2,617 elderly persons (1980 Census) west of I-94 in Kenosha County. As the reputation of the retirement center becomes established, St. Catherine's may expect to capture a few households from the county each year as long as there are no alternative private retirement centers nearby.

Respondents, invited to return postcards to request information, sent a few names of friends and relatives from outside the study area. Even though the majority of residents will be from the immediate communities around the proposed center, this is another source of potential demand from those who want to return to the Kenosha area.

EXHIBIT 44

PROFILE OF FUTURE USERS (55 - 64 YEARS OLD)
 INTERESTED BUT NOT SCREENED
 FOR INCOME OR HOME OWNERSHIP (N=11)

AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PREFERRED UNIT STYLE	CURRENT HEALTH STATUS	PLACE OF RESIDENCE	BEST LOCATION FOR RETIREMENT CENTER	CONSIDER MOVING TO PROPOSED SITE	SERIOUS THOUGHT TO MOVING	[*] IDEAL HOUSING NOW	APPEAL OF RETIREMENT CONCEPT	INCOME LEVEL	HOME VALUE	COMBINATION ENTRY/MONTHLY	NEED TO SELL HOME	REFUND POLICY	NURSING HOME POLICY	INTEREST IN RETIREMENT CENTER
61	M	Married	59	2BR-1BA	Average	Kenosha-C	N/A	Yes	No	3	Yes-if & when >	\$40,000	\$50-60,000	\$20-30 K/\$725-650	No	Partial	Guarantee access	Serious-now
56	F	Widowed	N/A	2BR-1.5BA	Fair	Kenosha-C	C	Yes	Yes	1	Yes-explore	< \$12,500	\$60-70,000	\$40-60 K/\$575-425	Yes	Partial	Guarantee access	Might-yr or so
59	F	Widowed	N/A	1BR-1BA	Exclnt	Kenosha-B	D	Yes	No	1	Yes-explore	\$15-20,000	\$50-60,000	Can't afford	Yes	Partial	Priority entry	Might-yr or so
62	F	Married	66	1BR-1BA	Average	Kenosha-F	B	Yes	No	1	Yes-explore	\$20-25,000	\$40-50,000	N/A	No	Other	Priority entry	Might-yr or so
60	F	Single	N/A	N/A	Average	Kenosha-D	D	Yes	No	1	Yes-explore	\$25-30,000	\$70-80,000	N/A	Yes	Partial	Priority entry	Might-yr or so
60	F	Married	57	2BR-1.5BA	Fair	Kenosha-A	A	Yes	Yes	7	Yes-explore	< \$12,500	< \$40,000	Can't afford	N/A	Partial	Other	Might-yr or so
62	F	Married	63	N/A	Average	Kenosha-F	N/A	Yes	Yes	2	Yes-explore	> \$40,000	\$50-60,000	\$20-30 K/\$725-650	Yes	Partial	Priority entry	Might-yr or so
62	F	Married	75	2BR-1BA	Fair	N/A	N/A	N/A	Yes	1	Yes-explore	< \$12,500	< \$40,000	\$10-20 K/\$800-725	Yes	N/A	Assistance only	Might-yr or so
59	F	Widowed	N/A	2BR-1BA	Fair	Kenosha-F	B	Yes	Yes	3	Yes-explore	\$20-25,000	\$60-70,000	Can't afford	Yes	None	Priority entry	Might-wait & see
64	M	Married	61	N/A	Average	Kenosha-B	B	No	No	3	Don't know	< \$12,500	N/A	Can't afford	Yes	Other	Assistance only	Might-wait & see
59	F	Married	63	2BR-1.5BA	Average	Plsnt Prair	N/A	Yes	Yes	1	Yes-explore	N/A	> \$90,000	Missing	Yes	N/A	Priority entry	Might-wait & see

[*] CODE:

- 1 = Single family house
- 2 = Condominium
- 3 = Government subsidized apartment
- 4 = Private apartment building - renting to all age levels
- 5 = Private apartment building - renting only to older adults
- 6 = Private retirement center - no nursing home on premises
- 7 = Private retirement center - with nursing home on premises
- 8 = Live with children

C. Estimate of Effective Demand

Based upon the preceding analysis of the several subsets of potential users of the proposed St. Catherine Retirement Center, the following logic and assumptions are used to estimate the effective demand for the facility during its first year.

The most probable market is comprised of homeowners with an annual income of \geq \$12,500 and renters with an annual income of \geq \$15,000 who have expressed a high level of interest in moving into the retirement facility as soon as it's ready or in a year or so. The more tentative market is comprised of those who expressed an interest in moving to the retirement center, but who did not pass the income screen although they had other assets which qualified them financially. Also included in the tentative market are those from the primary and secondary focus groups of financially qualified homeowners who might be interested in the retirement center ONLY if and when needed.

1. Capture Rate Assumptions

Capture rates are based upon the results of the comparative analysis of each sample subset of probable users; a consistency of the several responses which indicated a strong desire and financial ability to move to the retirement center identified the respondents who are the most probable residents. The more consistency there was found across interest, acceptable fee

levels, and income and assets, the higher the capture rate assigned by the analyst. The capture rates used for each subset of probable users are found in Exhibit 45.

2. The Sample and the Population

The adjusted survey sample consisted of 1,155 households in which the respondents are 65 years or older. The population, adjusted to exclude nursing home residents and subsidized housing residents, consists of 6,277 households. The logic and calculations for the sample and population size are discussed more fully in the beginning of this section of the report.

3. The Estimate of Effective Demand

The extrapolation of the effective demand for the proposed retirement center from the population of elderly persons 65 years and older in the study area is dependent upon the sample survey results. The logic for the calculations is shown in Exhibit 46.

Because there are different capture rates assumed for each subset of potential users, a separate calculation is made for each group. The several calculations do not imply a precision that does not exist when predicting human behavior, but merely recognizes a subjective probability for each potential user translating interest into action. By using small subsets instead of large groups, over or under estimations of capture

EXHIBIT 45

CAPTURE RATES ASSUMED FOR EACH SUBSET OF POTENTIAL
RETIREMENT CENTER RESIDENTS

Group	Number in Sample	Capture Rate
A. 75 years and older, qualified homeowners or renters who expressed an interest in moving	17	1:4 25.0%
B. 65 to 74 year old qualified homeowners or renters who expressed an interest in moving	19	1:6 16.7%
C. 65 years and older potential users who expressed a serious interest in moving now and did not pass initial income screen, although they might qualify, based upon other indicators	3	1:9 11.0%
D. 65 years and older potential users who expressed a more tentative interest in moving in a year or so, but did not pass initial income screen, although they might qualify, based upon other indicators	9	1:9 11.0%
E. 65 years and older potential users who expressed tentative interest, if others liked it, but did not pass initial income screen, although they might qualify based upon other indicators	7	1:9 11.0%
F. 75 years and older qualified homeowners and renters who would be interested ONLY if and when needed	39	1:25 4.0%
G. 65 - 74 year old qualified homeowners and renters who would be interested ONLY if and when needed	85	1:75 1.3%

EXHIBIT 46

LOGIC FOR ESTIMATION OF EFFECTIVE DEMAND
FOR PROPOSED RETIREMENT CENTER

STEP 1:

Number of households in sample
with interested, qualified respondent(s)
----- = Sample ratio
Number of households in sample

STEP 2:

Number of households
in population
segmented by age * Sample ratio = Number of households
in population segmented
by age, income/assets,
and degree of interest

STEP 3:

Number of households in
population segmented by age
income/assets and degree
of interest * Capture rate = Estimate of number
of units proposed
project can capture
from identifiable
groups

STEP 4:

Developer must assume total unit demand will be the sum of
units estimated in STEP 3 plus some units unanticipated from
other communities and market segments.

rates will be minimized by off-setting error. In a large group with only one capture rate, the error would be in only one direction.

The subset of potential users are divided into two groups which distinguish the most probable market from the more tentative market as detailed in Exhibit 47. From the most probable market group it is estimated there are 196 households in the elderly population in which the respondent(s) is financially qualified and interested in moving into the facility in the near future. Of these 196 household units, it is estimated approximately 40 will move to the proposed retirement center in the first 12 to 18 months.

From the tentative market group it is estimated that there are 777 households in the elderly population in which the respondent(s) is financially qualified and interested in moving into a retirement center sometime in the future. Of these 777 household units, it is estimated that another 25 will move to the proposed retirement center in the first 12 to 18 months of operation. Thus, there appears to be an effective demand of approximately 65 units in the first 12 to 18 months after the retirement center is ready for occupancy. At least 50 percent, or 33 of the units should be pre-leased and the remainder leased during and following construction of the center.

ESTIMATION OF EFFECTIVE DEMAND
FOR PROPOSED ST. CATHERINE'S RETIREMENT CENTER

MOST PROBABLE MARKET

SAMPLE RATIO	POPULATION POTENTIAL	CAPTURE RATE	EFFECTIVE DEMAND
GROUP A. 17/1,155 = .0147	6,277 x .0147 = 92	.250	23 units
GROUP B. 19/1,155 = .0165	6,277 x .0165 = 104	.167	17 units
ESTIMATED NUMBER OF UNITS CAPTURED FROM MOST PROBABLE MARKET GROUP 40 UNITS			

TENTATIVE MARKET

GROUP C. 3/1,155 = .0026	6,277 x .0026 = 16	.11	2 units
GROUP D. 9/1,155 = .0078	6,277 x .0078 = 49	.11	5 units
GROUP E. 7/1,155 = .0061	6,277 x .0061 = 38	.11	4 unit
GROUP F. 39/1,155 = .0338	6,277 x .0338 = 212	.04	8 units
GROUP G. 85/1,155 = .0736	6,277 x .0736 = 462	.0130	6 units
ESTIMATED NUMBER OF UNITS CAPTURED FROM TENTATIVE MARKET GROUP 25 UNITS			
TOTAL ESTIMATE - EFFECTIVE DEMAND FROM MOST PROBABLE AND TENTATIVE MARKETS			65 UNITS
			=====

Landmark Research, Inc.

EXHIBIT 47

If there is no relationship established with a nursing home, it is estimated that effective demand could drop to no more than 40 units. A preference was expressed by the secondary focus group (N=120) for the proposed retirement center to provide priority entry to a nursing home, if and when needed, or to provide guaranteed access to a nursing home at a lower cost by the payment of a larger entry fee up front. These preferences are discussed more fully in Section VII.

Although only a few of the most probable users have incomes less than \$15,000, if the entry fee/monthly service outlays are increased, demand will decrease. Kenosha is a very price-conscious community with strong single family home ties.

V. CONSUMER PREFERENCE FOR ENTRANCE FEE AND MONTHLY SERVICE CHARGE LEVELS

A difficult concept for the elderly to understand and to accept is an entrance fee as well as a monthly service charge, incorporating rent, a meal, and contingent services, which is usually greater than the monthly rent of a private, market rate apartment unit. In Kenosha and Racine, elderly residential facilities have no entrance fees, so potential users may not be accustomed to the idea. In a life care facility, the entrance fee represents an insurance policy for nursing home care at reasonable rates when needed. But in a retirement center with no nursing home on the premises, the entrance fee offers no such protection.

To sell the family home, usually a large part of a person's net worth, and to give a sizeable portion of the proceeds to a retirement center, which will provide a pleasant, secure living environment only until a nursing home is required, is not an easy concept to market to the average elderly person on a fixed income. For some, only the growing awareness of the burden of home ownership, declining physical ability often triggered by the death of a spouse, and the need to have supportive services available when needed will force a decision to sell the home and move to a retirement center.

For some elderly persons with adequate financial reserves, a move to a retirement center will be part of a long-range plan designed to promote and insure independent and secure living. The entrance fee is considered an investment in the future. One of the major marketing goals will be to emphasize the desirability of a planned move to maximize the benefits of retirement center living.

A. Acceptable Level of Entrance Fee
and Monthly Service Charge

Survey respondents were asked the level of entrance fee and monthly service charge, incorporating rent, each would be willing and able to pay. Each was also asked to choose the combination of fee and monthly service charge most suitable from a list of four combinations which also included a category that indicated the respondent could not afford any of them.

Exhibit 48 details the responses from the total sample of elderly 65 years and older (N=326) and from each of the focus groups screened for an interest in moving to the facility. As expected, the majority of all respondents selected the lowest entrance fee and monthly service charge or did not respond at all. But, almost half of the most probable users in the primary focus group (75 years and older) selected a monthly service charge greater than \$600 and an entrance fee greater than \$15,000. A majority of the most probable users in the secondary

ACCEPTABLE LEVEL OF ENTRANCE FEE AND MONTHLY SERVICE CHARGE

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
QUESTION 45	COMBINATION ENTRANCE FEE AND MONTHLY SERVICE CHARGE					
OPTIONS	N	%	N	%	N	%
\$10 - 20 K/\$800 - 725	46	14%	2	11%	3	20%
\$20 - 30 K/\$725 - 650	56	17%	5	28%	4	27%
\$30 - 40 K/\$650 - 575	17	5%	3	17%	0	0%
\$40 - 60 K/\$425 - 575	5	2%	1	5%	1	7%
Can't afford any of these	123	38%	4	22%	3	20%
No response	79	24%	3	17%	4	27%
TOTAL	326	100%	18	100%	15	100%

QUESTION 44	MONTHLY SERVICE CHARGE					
OPTIONS	N	%	N	%	N	%
Under \$600	170	52%	9	50%	4	27%
\$600 - 650	54	17%	3	17%	2	13%
\$650 - 700	24	7%	2	11%	1	7%
\$700 - 750	8	3%	0	0%	2	13%
\$750 - 800	9	3%	0	0%	1	7%
Over \$800	4	1%	1	5%	1	7%
No response	57	17%	3	17%	4	27%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 48

Southwest Research, Inc.

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 43	ALL RESPONDENTS 65 YRS AND OLDER N=326		SECONDARY FOCUS GROUP 65-74 YRS OLD N=18		PRIMARY FOCUS GROUP 75 YRS AND OLDER N=15	
	ENTRANCE FEE					
OPTIONS	N	%	N	%	N	%
Under \$15,000	137	42%	4	22%	4	27%
\$15,000 - 20,000	56	17%	5	28%	4	27%
\$20,000 - 25,000	26	8%	3	17%	1	7%
\$25,000 - 30,000	8	3%	0	0%	0	0%
Over \$30,000	6	2%	2	11%	2	13%
No response	93	28%	4	22%	4	27%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 48 (Continued)

focus group (65 to 74 years) selected entrance fees greater than \$15,000, but were less willing to select a monthly service charge greater than \$600. It had been expected that the 75 year and older group of most probable users would be more willing to pay a higher entrance fee than the 65 to 74 year old group because of increasing need for the facility, but there appears to be a resistance to parting with a large sum up front. The open-ended comments reflect this concern and the development team should read the comments quoted in Appendix E.

Among all respondents (N=326), 62 percent either perceived they could not afford any of the combined fee/service charges or did not respond; among the interested group of 65 to 74 year olds, 39 percent could not afford or did not respond, and among the interested group of 75 year olds, 47 percent could not afford or did not respond. The income/asset levels of both the 65 to 74 age group and the 75 and older age group are similar (see summary statistics in Exhibit 37 and 39), and although the need for the benefits of retirement center living is partially a function of age, the older group appears to be more cautious about depleting savings.

For those in the three groups analyzed who can afford the combinations of fee/service charge offered, the preferred choice is \$20,000 to \$30,000 entrance fee with the corresponding monthly service charge of \$725 to \$650; the

second choice for all but the 65 to 74 year old group is the lower entrance fee and higher monthly service charge reflected in the \$10,000 to \$20,000/\$800 to \$725 combination. The second choice of the secondary group is to pay a higher entry fee of \$30,000 to \$40,000 and a lower monthly service charge of \$650 to \$575.

Because there is a small number of respondents in the two focus groups screened for interest in the project (N=17 and N=19), the percentages may be less meaningful. As a check, frequencies are run on the primary and secondary groups before screening for interest in the project (N=56 and N=120); the preference continues to be for the \$20,000 to \$30,000 entrance fee and the \$725 to \$650 monthly service charge with the lower entrance fee and higher monthly service charge as the second choice for all groups.

B. Preferred Refund Policy

The question regarding the preferred refund policy followed the question regarding the most suitable combination of entrance fee and monthly charge; those who believed they could not afford any of the combinations listed, did not express a choice of a preferred refund policy. Of those who did respond, the majority in each group selected the partial refund policy which would keep the monthly service charge at the levels described previously. Some respondents desired to know how

many years the fee would be partially refundable. Of course, a full refund policy with interest paid upon the entrance fee, while on deposit, would clearly be the preferred policy with price conscious Kenosha elderly, but they are unwilling, for the most part, to decrease their spendable monthly cash to achieve this more desirable refund policy. The results are summarized in Exhibit 49.

C. Reasonable Monthly Service Charge

The survey respondents were asked to select a percentage of their gross income which could be committed to a reasonable monthly service charge for the rental of the apartment, all utilities (except phone), transportation, 24-hour emergency response, use of community rooms, and a daily main meal. Using the mid-point of the percentage range selected and the mid-point of the annual gross income given, a reasonable monthly service charge was calculated for each respondent. If the respondent did not answer either the income or percent of income question there was no response recorded. In general, the monthly service charge the consumer deemed reasonable, based upon a percentage of income, is lower than that selected as a defined monthly charge. The results are summarized in Exhibit 50. In the total survey sample of respondents 65 years and older, 58 percent selected levels less than \$600 per month and 22 percent did not respond. In the focus groups screened for

CONSUMER PREFERENCE FOR ENTRANCE FEE REFUND POLICY

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 46	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
OPTIONS	N	%	N	%	N	%
A NO REFUND policy which would REDUCE the Monthly Service Charge	29	9%	2	11%	3	20%
A FULL REFUND policy which would INCREASE the Monthly Service Charge	42	13%	2	11%	0	0%
A PARTIAL REFUND policy which would keep the Monthly Service Charge at levels described in Question 45	106	33%	9	50%	7	47%
Other	25	8%	0	0%	1 [1]	7%
No Response	124	38%	5	28%	4	27%
TOTAL	326	100%	18	100%	15	100%

[1] Undecided

EXHIBIT 49

CONSUMER PERCEPTION OF
REASONABLE MONTHLY SERVICE CHARGE
BASED UPON PERCENTAGE OF GROSS INCOME

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTIONS 40 AND 41	ALL RESPONDENTS 65 YRS AND OLDER N=326		SECONDARY FOCUS GROUP 65-74 YRS OLD N=18		PRIMARY FOCUS GROUP 75 YRS AND OLDER N=15	
	N	%	N	%	N	%
\$300 - 399	71	22%	1	6%	0	0%
\$400 - 499	64	19%	4	22%	3	20%
\$500 - 599	54	17%	7	39%	4	27%
\$600 - 699	25	8%	2	11%	0	0%
\$700 - 799	2	< 1%	0	0%	0	0%
\$800 - 899	15	5%	2	11%	1	7%
\$900 - 999	9	3%	0	0%	2	13%
\$1,000 +	14	4%	1	6%	1	7%
No response	72	22%	1	6%	4	27%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 50

Sturges Research, Inc.

interest in moving to the retirement center, 67 percent of the 65 to 74 year age group selected levels less than \$600 per month with 6 percent not responding, and 47 percent of the 75 year and older age group selected levels less than \$600 per month with 27 percent not responding.

The main conclusions that can be drawn from this comparison are that the elderly are very price conscious and there is need to educate the potential consumer regarding the percentage of income a homeowner actually spends to maintain a shelter and to provide a similar package of services plus a daily meal similar to that offered to the retirement center resident. Also, demand in the first year or so, especially, will be inversely correlated with the pricing structure. While there are a few well-to-do likely prospects for a retirement center in Kenosha, the character of the open-ended comments of the survey respondent, as well as the relatively tentative nature of the interest shown by the majority of the respondents, suggests a real danger that aggressive pricing in the first few years will create a luxury image. This image may turn off the thrifty middle class Kenosha residents who aspire to relocate to the St. Catherine Retirement Center, if and when needed. If the developer chooses to build a high priced luxury retirement center, the number of units built should be scaled sharply downward accordingly, or an extended rent-up period should be included in the financial planning for the facility.

VI. CONSUMER PREFERENCE FOR LEVEL AND TYPE OF SUPPORTIVE SERVICE

The monthly service charge is related to the demand level for a variety of supportive services and to the type of payment plan for these services preferred by the user.

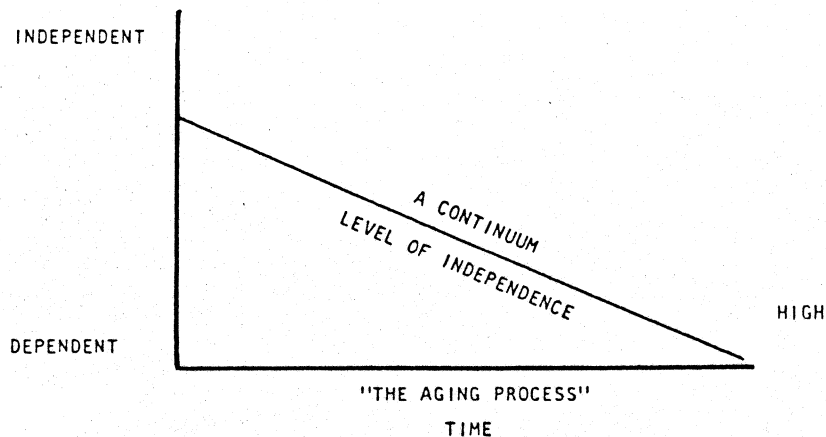
As the aging continuum progresses, there is often an increasing need for some level of supportive services. Depending upon the nature of the physical and/or emotional constraints, the elderly may need help with the following general categories of activities:

1. Meal service with emphasis on adequate nutrition.
2. Home care services which include cleaning, laundry, shopping, repairs, and finances.
3. Personal care such as general hygiene, bathing, and hair care.
4. Health care which includes medication, medical diagnosis and evaluation.
5. Transportation.

Exhibit 51 illustrates the relationship between the aging process, increasing dependency, the availability of supportive services, usually from family and friends, and the need for retirement living facilities. A person with a number of health problems can still maintain himself/herself in a single family home if there are concerned and able family members available, or adequate community home care service. Although this person may fit the profile of the most probable user of the retirement

RELATIONSHIP BETWEEN AGING PROCESS, INCREASING DEPENDENCY AND AVAILABILITY OF SUPPORTIVE SERVICES

LEVEL OF HEALTH (INDEPENDENCE) OVER TIME



LEVEL OF SUPPORT SERVICES NEEDED OVER TIME

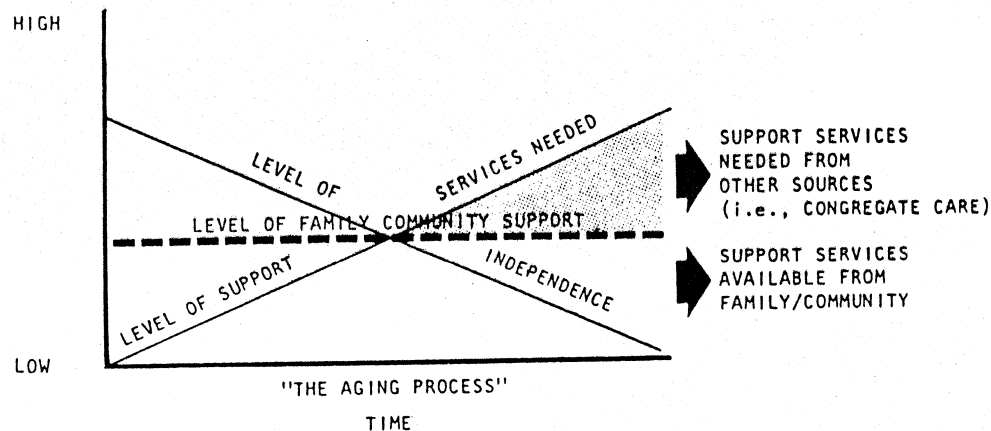
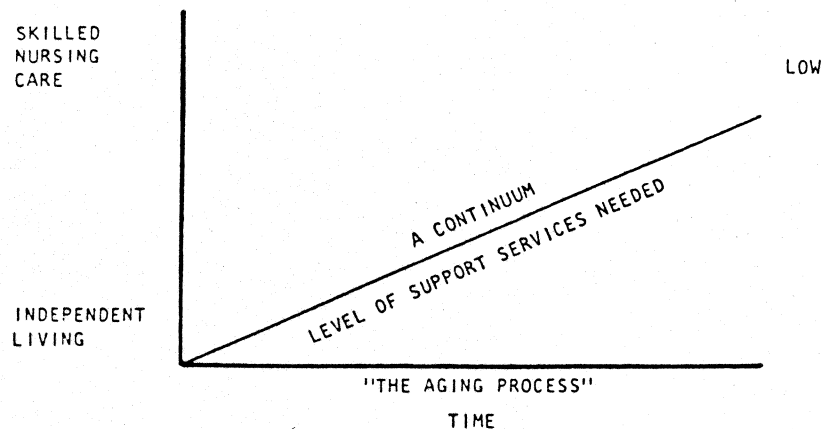


EXHIBIT 51

Sturges Research, Inc.

center, he/she will prefer to stay in the familiar surroundings of the family home.

A. Current Use of Community Services

There is some use of community services in the households surveyed. Of the 326 households in the sample, 82 percent did not use any community support services or did not respond to the question. Of the two focus groups expressing a high level of interest in the retirement center, 94 percent in the 65 to 74 year old group and 80 percent of the 75 year and older group did not use community support services. Three households took meals at nutrition sites or from mobile meals, one used telephone reassurance, and others used the visiting nurse.

B. Preferred Source of Help for Supportive Services

The three preferred sources for supportive services are a retirement center which provides access to supportive services, the family, and hiring people in the home. The total sample group of households of persons 65 years and older and the interested secondary focus group (65 to 74 years) preferred family, but the interested primary focus group (75 year and older) preferred a retirement center. The comparative results are found in Exhibit 52, which shows the responses from each of the three groups analyzed.

PREFERRED SOURCE OF HELP FOR SUPPORTIVE SERVICES WHEN NEEDED
ALL RESPONDENTS 65 YEARS AND OLDER

N = 326

QUESTION 12

MULTIPLE RESPONSES PERMITTED

SOURCE OF HELP	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	RANKING
Family	181	56%	1
Would prefer to live in a retirement facility where I could be closer to support services	114	35%	2
Would prefer to hire people to help me in my home	86	26%	3
Would prefer to use community services in my home	67	21%	4
Friends	61	19%	5
Church group	17	5%	6
Other	4	1%	7

EXHIBIT 52

PREFERRED SOURCE OF HELP FOR SUPPORTIVE SERVICES WHEN NEEDED
 SECONDARY FOCUS GROUP, 65 - 74 YEARS OLD
 HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
 AND INTERESTED IN RETIREMENT CENTER

N = 18

QUESTION 12

MULTIPLE RESPONSES PERMITTED

SOURCE OF HELP	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	RANKING
Family	11	61%	1
Would prefer to live in a retirement facility where I could be closer to support services	10	56%	2
Would prefer to hire people to help me in my home	6	33%	3
Friends	3	17%	4
Would prefer to use community services in my home	3	17%	5
Church group	1	6%	6
Other	0	0%	7

EXHIBIT 52 (Continued)

PREFERRED SOURCE OF HELP FOR SUPPORTIVE SERVICES WHEN NEEDED
SECONDARY FOCUS GROUP, 75 YEARS AND OLDER
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER

N = 15

QUESTION 12

MULTIPLE RESPONSES PERMITTED

SOURCE OF HELP	NUMBER OF RESPONSES TO ITEM	PERCENT OF TOTAL RESPONDENTS	RANKING
Would prefer to live in a retirement facility where I could be closer to support services	7	47%	1
Family	7	47%	2
Would prefer to hire people to help me in my home	6	40%	3
Friends	5	33%	4
Church group	2	13%	5
Would prefer to use community services in my home	0	0%	6
Other	0	0%	7

C. Ranking of Types of Supportive Services Desired
and Preferred Payment Plan

Services to be included in the proposed St. Catherine Retirement Center are a daily meal, the use of community rooms, 24-hour emergency response, all utilities (except phone), building security services, access to transportation, and planned activities and programs.

Respondents were asked to rank the desirability of some of these planned services and of other services not currently included in the plans. They were also asked to express a preference whether or not payment should be included in the monthly service charge. The survey results were quite consistent for all groups; the majority of the respondents preferred to have housecleaning, scheduled transportation, 24-hour emergency assistance, and tray service when ill included in the options on a fee basis. The aggregate group of 326 respondents and the interested older primary focus group of respondents prefer the washer and dryer in the laundry room to be included in the monthly service charge, whereas the 65 to 74 year old most probable users prefer the laundry room available on a fee basis. There is also a split opinion on whether social and recreational program costs and individual basement storage lockers should be provided or available on a fee basis.

All groups expressed the preference for garage parking to be included in the monthly charge. Since approximately 84 percent of all respondents own and drive cars, the garage parking fee is an important consideration in the package of services to be marketed. Personal care, personal laundry, and cable TV outlets are of no interest to the majority of respondents in all three groups and laundry service for linens is of little interest to the majority of the most probable users.

In general, the elderly would prefer to pay a lower base monthly service charge and have the majority of supportive services available on a fee, as needed basis. See Exhibit 53 for a summary of the preferences of each group of respondents.

CONSUMER PREFERENCE FOR TYPE OF SUPPORTIVE SERVICES
AND FOR PAYMENT PLAN
ALL RESPONDENTS 65 YEARS AND OLDER

N = 326

QUESTION 20

TYPE OF SERVICES	INCLUDED IN MONTHLY CHARGE	AVAILABLE FOR FEE AS NEEDED	NOT INTERESTED	NO RESPONSE
Housecleaning	16%	40%	25%	19%
Laundry - linens	18%	34%	24%	23%
Laundry - personal	9%	30%	34%	26%
Personal care	8%	32%	31%	29%
Scheduled transportation	13%	37%	28%	22%
Garage parking	35%	20%	22%	22%
24-hour emergency assistance	25%	33%	20%	23%
Tray service when ill	18%	49%	15%	18%
Organized social and recreational programs	29%	23%	28%	19%
Cable TV outlets	14%	10%	45%	32%
Laundry room with washer and dryer	43%	33%	11%	13%
Individual storage lockers in the basement	42%	24%	15%	19%

- [1] The preferred consumer choice for each service is blocked in black. To determine the preferred choice the following decision process is used: (1) If more than 50% of consumers are not interested in a service, or did not respond, NOT INTERESTED is the preference of choice; (2) Of the remaining services, the preferred choice of payment plan is the one selected by the majority of those interested in the service.

CONSUMER PREFERENCE FOR TYPE OF SUPPORTIVE SERVICES
AND FOR PAYMENT PLAN
SECONDARY FOCUS GROUP, 65 - 75 YEARS OLD
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER

N = 18

QUESTION 20 TYPE OF SERVICES	INCLUDED IN MONTHLY CHARGE	AVAILABLE FOR FEE AS NEEDED	NOT INTERESTED	NO RESPONSE
Housecleaning	0%	61%	28%	11%
Laundry - linens	0%	44%	39%	17%
Laundry - personal	6%	33%	44%	17%
Personal care	0%	22%	56%	22%
Scheduled transportation	6%	50%	33%	11%
Garage parking	56%	22%	11%	11%
24-hour emergency assistance	11%	56%	22%	11%
Tray service when ill	0%	67%	17%	17%
Organized social and recreational programs	22%	44%	22%	11%
Cable TV outlets	22%	17%	50%	11%
Laundry room with washer and dryer	33%	61%	6%	0%
Individual storage lockers in the basement	56%	22%	6%	1%

- [1] The preferred consumer choice for each service is blocked in black. To determine the preferred choice the following decision process is used: (1) If more than 50% of consumers are not interested in a service, or did not respond, NOT INTERESTED is the preference of choice; (2) Of the remaining services, the preferred choice of payment plan is the one selected by the majority of those interested in the service.

EXHIBIT 53 (Continued)

CONSUMER PREFERENCE FOR TYPE OF SUPPORTIVE SERVICES
AND FOR PAYMENT PLAN
PRIMARY FOCUS GROUP, 75 YEARS AND OLDER
HOME-CONDO OWNERS WITH ANNUAL INCOME ≥ \$12,500
AND INTERESTED IN RETIREMENT CENTER

N = 15

QUESTION 20

TYPE OF SERVICES	INCLUDED IN MONTHLY CHARGE	AVAILABLE FOR FEE AS NEEDED	NOT INTERESTED	NO RESPONSE
Housecleaning	13%	40%	40%	7%
Laundry - linens	13%	33%	47%	7%
Laundry - personal	7%	33%	47%	13%
Personal care	0%	33%	53%	13%
Scheduled transportation	13%	53%	20%	13%
Garage parking	40%	40%	7%	13%
24-hour emergency assistance	13%	40%	33%	13%
Tray service when ill	13%	53%	20%	13%
Organized social and recreational programs	27%	40%	13%	20%
Cable TV outlets	7%	20%	40%	33%
Laundry room with washer and dryer	40%	33%	13%	13%
Individual storage lockers in the basement	27%	47%	13%	13%

EXHIBIT 53 (Continued)

- [1] The preferred consumer choice for each service is blocked in black. To determine the preferred choice the following decision process is used: (1) If more than 50% of consumers are not interested in a service, or did not respond, NOT INTERESTED is the preference of choice; (2) Of the remaining services, the preferred choice of payment plan is the one selected by the majority of those interested in the service.

VII. CONSUMER PREFERENCE FOR NURSING HOME ON SITE
AND RANKING OF AREA NURSING HOMES AND HOSPITALS

Before the State of Wisconsin moratorium on additional nursing home beds in the state, on-site nursing homes were a logical addition to a retirement center which provides continuing care for the elderly. And although healthy, independent elderly persons prefer not to relate to a nursing home, many prefer the security of knowing such a facility is available if and when needed.

A. Consumer Preference for Nursing Home on Site

A retirement center without an on-site nursing home would receive a mixed reception among respondents in the Kenosha, Pleasant Prairie, and Somers study area. The question was asked in several different ways, and the results are summarized in Exhibit 54. The importance of a nursing home on site is a function of age; the ideal housing for current needs shifts from the single family home to retirement housing with a nursing home on the premises.

Though not definitive because of the diversity and the small number of responses, the preferred choice, after the single family home, is the retirement center with a nursing home on the premise. But other choices, also considered ideal

DESIRABILITY OF NURSING HOME ON RETIREMENT CENTER SITE

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
QUESTION 15						
IDEAL HOUSING FOR CURRENT NEEDS						
OPTIONS	N	%	N	%	N	%
Own single family home	190	58%	10	56%	6	40%
Own condominium	8	3%	0	0%	0	0%
Subsidized housing	20	6%	2	11%	1	7%
Private apartment - all ages	20	6%	0	0%	1	7%
Private apartment - elderly	19	6%	1	6%	1	7%
Retirement center - no nursing home on premises	20	6%	2	11%	0	0%
Retirement center - with nursing home on premises	32	10%	3	17%	4	27%
Live with children	2	< 1%	0	0%	0	0%
Live with sibling	4	1%	0	0%	0	0%
Other	4	1%	0	0%	0	0%
No response	7	2%	0	0%	2	13%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 54

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
QUESTION 36-6	DESIRED PROXIMITY OF NURSING HOME TO OWN HOME					
OPTIONS	N	%	N	%	N	%
Within walking distance (2 blks)	39	12%	3	17%	5	33%
Within 1-2 miles	69	21%	8	44%	4	27%
Does not matter	118	36%	6	33%	2	13%
No response	100	31%	1	6%	4	27%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 54 (Continued)

EXHIBIT 54 (Continued)

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

ALL RESPONDENTS
65 YRS AND OLDER

SECONDARY
FOCUS GROUP
65-74 YRS OLD

PRIMARY
FOCUS GROUP
75 YRS AND OLDER

N=326

N=18

N=15

QUESTION 14-H IMPORTANCE OF PROXIMITY OF NURSING HOME FOR CONTINUING CARE
AS REASON FOR MOVING TO RETIREMENT CENTER

OPTIONS	N	%	N	%	N	%
Very important	117	36%	5	28%	9	60%
Moderately important	121	37%	10	56%	3	20%
Not important	43	13%	2	11%	0	0%
No response	45	14%	1	6%	3	20%
TOTAL	326	100%	18	100%	15	100%

QUESTION 14-I IMPORTANCE OF PROXIMITY TO NURSING HOME
TO VISIT SPOUSE OR FRIENDS

OPTIONS	N	%	N	%	N	%
Very important	82	25%	5	28%	5	33%
Moderately important	105	32%	7	39%	4	27%
Not important	73	23%	5	28%	0	0%
No response	66	20%	1	6%	6	40%
TOTAL	326	100%	18	100%	15	100%

for current needs by many respondents, such as a private apartment or subsidized housing, have no nursing home on the premise. It is difficult to determine whether the proximity of the nursing home or the ease of admissibility to one is the critical issue.

With reference to Exhibit 35, being close to a nursing home to facilitate continuing care ranked third in importance as a reason for moving into a retirement center for the primary focus group (75+) interested in moving to the project, and ranked fifth with the interested respondents in the secondary focus groups (65 to 74) in a field of ten choices. The concept is considered very important or moderately important for over 80 percent of the respondents in each of the two groups. In the group of all elderly respondents (N=326), the proximity of a nursing home to ensure continuing care ranked seventh and is very important or moderately important for 73 percent of the respondents.

When asked about the desired proximity of a nursing home to the respondent's home, the majority in the primary and secondary groups preferred to have a nursing home at least within one to two miles of their home. The primary focus group preferred the nursing home to be within walking distance. But, on the other hand, at least 39 percent responded in each group that the distance to a nursing home did not matter or did not

respond at all. It is assumed the respondent viewed this question from the point of view of a visitor who would have ease of access for more frequent visits. This is borne out by the responses to the ranking of the importance of the proximity to a nursing home to visit spouse or friends. The majority of all groups considered this to be very or moderately important.

It is recommended the developers of the St. Catherine Retirement Center seek an affiliation with or the purchase of an existing nearby nursing home for the present time or, at least, take the initial steps in the future to create a facility on or near the site when the moratorium is lifted. To identify the opportunities for such an affiliation, the analyst made a special effort to identify and describe existing nursing homes in the Kenosha area in Exhibit 55 supported by a map showing the location of each nursing home in Exhibit 56. Ideally, if it were not for bureaucratic constraints, the excess beds in St. Catherine's Hospital could be designated as skilled nursing care beds to ensure the continuing care of the retirement center residents, as needed, to provide the guaranteed access desired by many, and to guarantee marketability of the retirement units.

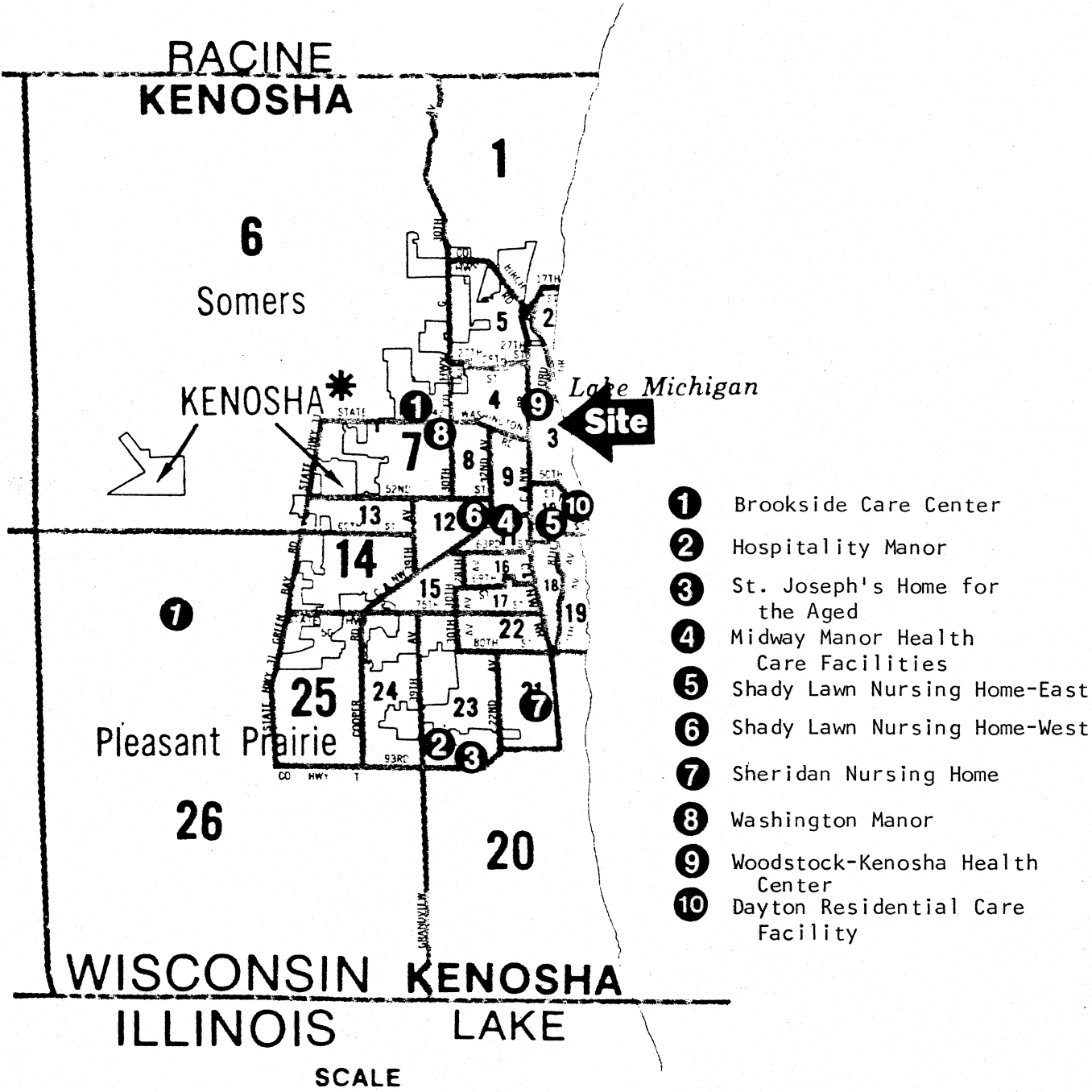
DESCRIPTION OF NURSING HOMES IN THE STUDY AREA

NAME/LOCATION	POTENTIAL SIZE OF FACILITY	OCCUPANCY RATE	DAILY RATE PRIVATE- PAY FEE STRUCTURE	PROPORTION OF PRIVATE MEDICAL ASSISTANCE PATIENTS	MAIN SOURCE OF REFERRALS	AVERAGE AGE OF PATIENTS	AVERAGE ADMISSION PER MONTH	REMARKS
BROOKSIDE CARE CENTER 3506 Washington Rd Kenosha, WI 53142	263 beds (Approximately 176 elderly 65+ years)	100% Waiting list exists	\$80.00 skilled \$60.00 ICF-1, 2, \$50.00 personal \$40.00 residential	Private: 5% Assistance: 95%	Hospital	2/3 over 65 yrs	8 - 10	Varies in ages from 23 - 102 yrs. County care center.
HOSPITALITY MANOR 8633 - 32nd Ave Kenosha, WI 53142	102 beds	99% Waiting list may be 2-4 weeks	\$62.43 ICF 1 & 2	Private: 25% Assistance: 75%	Hospital	Over 85 yrs	6	75% female patients; 1/2 are ambulatory; most like it there.
ST. JOSEPH'S HOME FOR THE AGED 9244 - 29th Ave Kenosha, WI 53140	93 beds	100% Long waiting list for those in advance of need	\$42.70 - \$48.00, private room \$37.00 - \$38.00, double room ICF 1 & 2	Private: 50% Assistance: 50%	From own residence	> 65 yrs	N/A	Works with CCPS; long term care patients.
MIDWAY MANOR HEALTH CARE FACILITIES 1519 - 60th St Kenosha, WI 53140	29 beds (private)	80% Have had waiting list in past	\$30.75, personal care	Private: 100%		13 Veterans over 70 yrs, remaining > 65 yrs	2	Patients are there for psychiatric therapy, alcohol/drug problems; also developmentally disabled; room for 4 women.
SHADY LAWN NURSING HOME - EAST 922 - 61st St Kenosha, WI 53140	80 beds	90% No waiting list	\$56.75, private room \$53.25, double room, ICF 1 & 2 Some grandfathered ICF 3 & 4	Private: 7% Assistance: 93%	Hospitals; A few from residences	Majority > 65 yrs	3 - 4	Most are long term.
SHADY LAWN NURSING HOME - WEST 1703 - 60th St Kenosha, WI 53140	119 beds (private)	Beds avail- able 9/83; have had a waiting list in the past	\$60.50 ICF 1 & 2	Private: 33% Assistance: 67% (Does not require private pay first)	Hospitals	Majority > 65 yrs	7 - 8	60% are discharged on improvement; 40% die; very few can live independently, but do work with ABLE program.
SHERIDAN NURSING HOME 8400 Sheridan Rd Kenosha, WI 53140	106 beds (2 private rooms)	100% A waiting list exists	\$56.00, private room \$52.00, double room, skilled care	Private: 40% Assistance: 60%	Hospitals	Approx. 80 yrs	3	Acute care patients; long stay; patients prefer to remain.
WASHINGTON MANOR 3100 Washington Rd Kenosha, WI 53142	103 beds (13 private)	100%	\$54.00 - ICF 1 \$56.00 - ICF 2 \$58.00 - skilled Add \$5.00 for private	Private: 60% Assistance: 40%	Hospitals, own residences	> 65 yrs	N/A	Only 1 - 2% could live independently; most prefer to stay.
WOODSTOCK - KENOSHA HEALTH CENTER 3415 Sheridan Rd Kenosha, WI 53140	183 beds (7 private)	N/A	Skilled ICF 1 & 2	N/A	N/A	N/A	N/A	---
DAYTON RESIDENTIAL CARE FACILITY 521 - 59th St Kenosha, WI 53142	102 beds (46 elderly 65+ years)	88% No waiting list	\$23.17, private \$18.90, assistance	Private: 33% Assistance: 67%	Hospitals,	45% over 65 yrs	3 - 4	Long term psychiatric care.
TOTAL BEDS FOR ELDERLY IN KENOSHA: 1,037								

Source: Telephone interviews with nursing home personnel.

EXHIBIT 56

LOCATION OF NURSING HOMES IN KENOSHA



B. Preference for Relationship of
Retirement Center to Nursing Home

When asked what degree of assistance and assurance is desired in transferring to and paying for a nursing home bed, if and when needed, respondents were mixed in their preferences. The majority are most concerned with having some assistance in transferring and assurance that a bed is available but are not interested in reducing future nursing home costs by paying a higher entry fee now. The more price conscious respondents from the interested primary focus group (75 years and older) preferred assistance only, whereas the secondary focus group respondents (65 to 74 years) are more willing to pay the higher entrance fee to ensure lower nursing home fees in the future, if and when needed. (See Appendix for wording of Question 13.) The survey results are summarized in Exhibit 57.

An analysis of the most probable users who are profiled in Exhibits 37, 39, and 41 through 43, reveals that 12 of the 37 most likely retirement center prospects, or 32 percent, would prefer guaranteed access to a nursing home and are willing to pay the extra fee to ensure lower nursing home fees in the future. Of the remaining 25 most likely prospects, 11, or 30 percent, prefer priority entry, and 8, or 22 percent only prefer assistance in transferring to a nursing home, if and

CONSUMER PREFERENCE FOR
RELATIONSHIP OF RETIREMENT CENTER AND NURSING HOME

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 13	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
OPTIONS	N	%	N	%	N	%
Prefer only assurance of assistance in transfer to nursing home, if & when needed	92	28%	4	22%	6	40%
Prefer assurance of priority entry to nursing home associated with retirement center, if & when needed	106	33%	6	33%	2	13%
Willing to pay higher entry fee to guarantee access to nursing home bed, if & when needed, at same monthly service charge of apartment	63	19%	7	39%	4	27%
Other	21	6%	0	0%	1 [1]	7%
No response	44	14%	1	6%	2	13%
TOTAL	326	100%	18	100%	15	100%

[1] Undecided

EXHIBIT 57

when needed. Six, or 16 percent, are undecided or gave no response.

C. Need to be Near Hospital

The majority of all respondents believed being near a hospital to be a very important or moderately important reason for moving to a retirement center. On the other hand, respondents are inconclusive as to the need to be within walking distance of a hospital. For as many as want to be within walking distance of a hospital, there are an equal number who feel it does not matter. The survey results are summarized in Exhibit 58. The proximity of the hospital to the site is a positive factor, but there are other factors which will have a greater influence upon the success of the proposed retirement center.

CONSUMER NEED TO BE NEAR HOSPITAL

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
QUESTION 36-12 DESIRED PROXIMITY OF HOSPITAL TO OWN HOME						
OPTIONS	N	%	N	%	N	%
Within walking distance (2 blks)	81	25%	4	22%	5	33%
Within 1-2 miles	95	29%	9	50%	3	20%
Does not matter	96	29%	4	22%	5	33%
No response	54	17%	1	6%	2	13%
TOTAL	326	100%	18	100%	15	100%

QUESTION 14-J IMPORTANCE OF BEING NEAR HOSPITAL AS REASON FOR MOVING TO RETIREMENT CENTER						
OPTIONS	N	%	N	%	N	%
Very important	112	34%	6	33%	7	47%
Moderately important	117	36%	8	44%	3	20%
Not important	52	16%	3	17%	1	7%
No response	45	14%	1	6%	4	27%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 58

VIII. CONSUMER PREFERENCE FOR DESIGN AND MEAL PLAN

Estimates of effective demand are conditional upon the retirement center being constructed to satisfy the design and service preferences of those who are interested in considering the facility as their next home.

A. Preference for Unit Type

As previously discussed, there is a significant correlation between married householders and the ability to afford retirement center living. See Exhibit 29.

1. Of the 67 respondents who are 65 years and older and who also expressed an interest in moving to the proposed retirement center, 52 percent are single or widowed and 48 percent are married even though there are more married (54 percent) than single/widowed (46 percent) householders in the group of survey respondents.
2. Of the 60 respondents who responded to the income question and who expressed an interest in moving to the proposed retirement center, 48 percent are single or widowed householders and 52 percent are married.
3. When this potential market of 60 householders is screened for income \geq \$12,500 for homeowners and \geq

\$15,000 for renters) the ratio shifts to 33 percent single and widowed householders and 67 percent married householders for the 35 householders who pass the income screen.

4. When the income screen of \geq \$15,000 is applied to all householders, the ratio shifts to 32 percent single and widowed and 68 percent married for the 25 householders who pass this more restrictive income screen.

Cross tabulations between preferred unit type and marital status for all householders 65 years and older indicate that 81 percent of the single and widowed and 42 percent of the married householders prefer the one bedroom, one-bath unit. Only 19 percent of the single widowed householders and 48 percent of the couples prefer the two-bedroom unit. Of the 36 respondents (N=19 and N=17) who are qualified and interested in the retirement center and who are profiled in Exhibits 37 and 39, 14 preferred two-bedroom units. Of these 14 respondents, 12, or 86 percent, have annual incomes of \$15,000 or more. In the same group of 36 respondents, 20 preferred one bedroom or studio units. Of these 20 respondents, 12, or 60 percent, have annual incomes of \$15,000 or more. It appears that the respondents are realistic in their expectations regarding their ability to pay and the amount of space desired.

A summary of the preference for unit type is shown in Exhibit 59. The primary focus group, which is comprised of a majority of single and widowed persons, has a strong preference for the one-bedroom unit; the secondary focus group, which is comprised almost entirely of couples (84 percent), is split almost evenly between one and two-bedroom units with a slight preference to the two-bedroom unit.

When respondents are asked to choose between more space or lower cost, lower cost is by far the more popular choice for those qualified financially and seriously interested in the project. (See Exhibit 40.) When the choices of all respondents (N=326) are considered, irregardless of financial qualifications, lower costs are preferred by 73 percent of those responding. To offset the smaller living area, 66 percent of all respondents (N=326) would prefer individual storage lockers in the building and 34 percent either are not interested or did not respond. Of the 66 percent of the respondents who want individual lockers, 64 percent want the use of the locker included in the monthly service charge and 36 percent want to pay for the locker separately.

When making the final decision regarding unit mix of the project, it must be remembered that the majority of elderly who are considering a move to a retirement center have been accustomed to the space of a single family home and find it

PREFERENCE FOR UNIT TYPE

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 22	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
OPTIONS	N	%	N	%	N	%
Living room, kitchen, sleeping area (studio apt.), and 1 bath	28	9%	1	6%	0	0%
Living room, kitchen, 1 bedroom, and 1 bath	166	51%	7	39%	10	67%
Living room, kitchen, 2 bedrooms, and 1 bath	82	25%	6	33%	1	7%
Living rom, kitchen, 2 bedrooms, and 1.5 baths	21	6%	3	17%	3	20%
No response	29	9%	1	6%	1	7%
TOTAL	326	100%	18	100%	15	100%

EXHIBIT 59

difficult to let go of that standard even though the burden of home maintenance and reduced mobility may have triggered the need to move. Provision of adequate storage space will help to offset the need for the extra bedroom. Also, as spouses die, the demand for one-bedroom units will increase when the cost of the extra space becomes a financial burden for the survivor, usually the female, who is more likely to have less income.

On the other hand, there must be an adequate number of two-bedroom units to attract the large group of married couples currently interested in moving to the facility, especially in the secondary focus group (65 to 74 years old). A planning meeting or consumer panel with those respondents who requested more information can give the developer a better sense of the most marketable unit mix. The survey research suggests an immediate need for a moderate number of two-bedroom units, but the developer must factor into the final design plans the changing needs of residents over time.

Given the levels of entrance fees and monthly service charges found most acceptable to prospective residents, and assuming that the option for guaranteed nursing home access or life care would increase their estimated fee, the following unit mix and accompanying charges are suggested:

SUGGESTED UNIT MIX

UNIT TYPE	PERCENTAGE OF PROJECT	NO. OF UNIT TYPE IN 40-UNIT PROJECT	NO. OF UNIT TYPE IN 65-UNIT PROJECT	ENTRANCE FEE/ MONTHLY SERVICE CHARGE [1]
2 bedrooms, 1.5 baths	0-5%	0-2	2-4	\$30-35K/ \$800-\$750
2 bedrooms, 1 bath	10-15%	4-6	6-10	\$25-30K/ \$750-\$700
1 bedroom and large walk-in storage, 1 bath	10-15%	4-6	6-10	\$20-25K/ \$700-650
1 bedroom (small), 1 bath	balance of units	32-26	51-41	\$15-20K/ \$650-\$600

B. Preference for Meal and Importance of
Meal in Central Dining Room

There was a strong preference for only one daily meal served in a central dining room and included in the monthly service charge; a few respondents did not want any meals included in the monthly service charge. Only 1 of the 15 respondents in the primary focus group (75 + years old) of the most probable users, or 7 percent, would prefer two or three

[1] The monthly service charge may be increased slightly for a couple to cover the additional operating expenses incurred by the second person. There also may be a small increase in the entrance fee.

prepared meals. In the secondary focus group of probable users, no one preferred more than one daily meal in the central dining room. The meal plan preferences are detailed in Exhibit 60 for all three groups analyzed.

Even though respondents in all groups favor only one meal a day in a common dining room included in the monthly service charge, the importance of the availability of meals in a central dining room is ranked high. Among all the elderly respondents, not screened for interest or financial qualifications, 75 percent ranked the availability of meals in a central dining room as very or moderately important; of the 65 to 74 year old secondary focus group who are both qualified and interested, 66 percent ranked the availability of meals as very or moderately important, whereas 87 percent of the 75 years and older qualified and interested primary focus group respondents ranked central dining room meals as very or moderately important. See Exhibit 60. Recognition by the older respondents of the utility of meals prepared by others helps confirm the thoughtful answers provided by the respondents.

Among all respondents (N=326), only 10 percent would prefer the availability of all meals optional and/or would prefer to prepare all meals in their own apartment. There is concern about double paying for a meal not eaten in the dining room,

PREFERENCE FOR TYPE OF MEAL PLAN AND
IMPORTANCE OF MEAL IN CENTRAL DINING ROOM

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 24	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
OPTIONS	N	%	N	%	N	%
One daily meal in central dining room included in monthly service charge	222	68%	12	67%	13	87%
Two daily meals in central dining room included in monthly service charge	30	9%	0	0%	1	7%
Three daily meals in central dining room included in monthly service charge	18	6%	0	0%	0	0%
Other [1]	33	10%	4	22%	1	7%
No response	23	7%	2	11%	0	0%
TOTAL	326	100%	18	100%	15	100%

IMPORTANCE OF AVAILABILITY OF MEALS
IN CENTRAL DINING ROOM

QUESTION 14-C

OPTIONS	N	%	N	%	N	%
Very important	149	46%	8	44%	6	40%
Moderately important	93	29%	4	22%	7	47%
Not important	45	14%	5	28%	1	7%
No response	39	12%	1	6%	1	7%
TOTAL	326	100%	18	100%	15	100%

[1] Summary of OTHER responses is found in the Appendix;
the majority want meals optional or none at all.

EXHIBIT 60

Seidman Research, Inc.

but paid for somewhere else. Those who take extended vacations would want some refund for meals not eaten, also.

C. Preference for Garage Type

Of the 326 households responding to the survey, 275, or 84 percent, still own and drive a car. The percentage who own and drive a car is even higher for the primary and secondary focus groups who have an interest in moving to the retirement center; 93 percent of the 75 year and older group and 89 percent of the 65 to 74 year old group still own and drive a car. Their responses are tabulated in Exhibit 61.

Among all respondents (N=326) there is an almost equal preference for a heated and secure underground garage for a monthly fee and a covered stall for a minimum fee. The heated underground garage is the strong preference of the qualified and interested 65 to 74 year olds in the secondary focus group but this preference shifts to the less expensive covered stall for the older group. In the secondary group, for those not desiring the more expensive underground garage, unsheltered surface parking at no fee is an alternative choice to the covered stall. Therefore, properly designed garage facilities are critical in attracting interested respondents to the retirement center.

Reference to Exhibit 35 indicates that there is a slight preference among all respondents, whether or not financially

PREFERENCE FOR GARAGE TYPE

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

QUESTION 34	ALL RESPONDENTS 65 YRS AND OLDER		SECONDARY FOCUS GROUP 65-74 YRS OLD		PRIMARY FOCUS GROUP 75 YRS AND OLDER	
	N=326		N=18		N=15	
OPTIONS	N	%	N	%	N	%
	N=275 [1]		N=17 [1]		N=14 [1]	
Heated and secure underground garage (for a monthly fee)	93	34%	9	53%	3	21%
A covered stall (for a minimum monthly fee)	95	35%	3	18%	7	50%
Unsheltered surface parking lot (no monthly fee)	46	17%	4	24%	2	14%
Sell car and use public/private transportation	31	11%	1	6%	2	14%
Other	10	4%	0	0%	0	0%
No response	0	0%	0	0%	0	0%
TOTAL	275	100%	17	100%	14	100%

[1] Percentages are based upon the number of respondents who reported owning a car or who responded to Question 34 as though they own a car.

EXHIBIT 61

qualified and interested in moving, to have the garage parking fee included in the monthly service charge. This preference is much stronger among the qualified and interested 65 to 74 year old respondents and only slightly stronger among the qualified and interested 75 year and older respondents. These preferences parallel the desire for secure, heated underground parking. A secured, heated underground garage accessible by an elevator is essential in attracting interested and qualified elderly to the retirement center and would be a significant competitive edge. But, given the cost consciousness of the majority of the elderly, many residents may want the alternative option of covered stall parking at a lesser fee, as daily use of the car declines. Therefore for this mobile group of prospective residents, a mix of parking facilities is needed. Visitors and service providers will need adequate, convenient surface parking and the residents will prefer a choice between a covered stall and the secured, heated underground parking garage. It is our opinion that, over time, the majority of users will prefer the security and convenience of an underground parking garage if the price is right. Such a facility will also provide the temporary winter storage which will be needed by some residents. A secured underground garage with an elevator would also provide more discrete access for ambulance transfer of residents.

IX. ACCEPTABILITY OF THE PROPOSED SITE

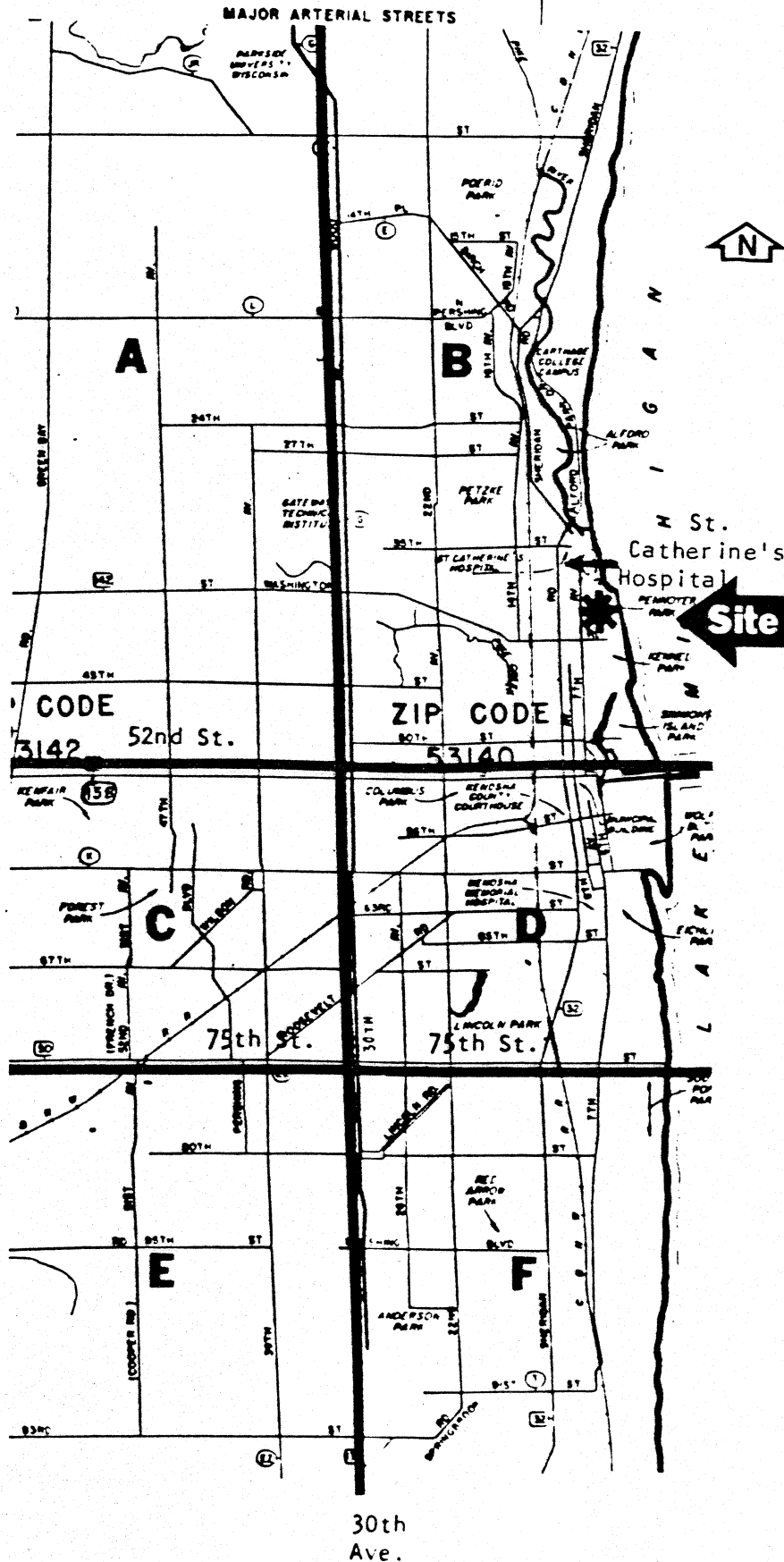
A. Consumer Preference for Site

Although the large majority of respondents in all three groups would consider moving to the general area of the proposed site, the majority do not now live in Section B of Kenosha as designated on the map in Exhibit 62. Among all respondents (N=326), 20 percent live in Section B, 18 percent in Section D, 17 percent in Section C, and 15 percent in Section F; the other 30 percent are scattered elsewhere or did not respond to the question. When screened for interest and financial qualifications, the largest number of respondents are from Section F with Section C and D a close second. Thus there appears to be a willingness to move a short distance from their familiar neighborhoods.

When asked to select the best location in Kenosha for a retirement center, Section B is preferred by the largest number of respondents in each category, but Section D or Section F also are preferred by some which would favor a project by Reverend McClenaghan's group in the area of Lakeside Towers. See Exhibit 63 for a summary of the responses.

The beauty of the park area and lake won the overwhelming approval of the majority of the respondents and only a few are

MAP OF KENOSHA BY DEFINED SECTIONS



ACCEPTABILITY OF THE SITE

HOME-CONDO OWNER WITH
ANNUAL INCOME > \$12,500

INTERESTED IN RETIREMENT CENTER

ALL RESPONDENTS
65 YRS AND OLDER

SECONDARY
FOCUS GROUP
65-74 YRS OLD

PRIMARY
FOCUS GROUP
75 YRS AND OLDER

N=326

N=18

N=15

QUESTION 29 BEST LOCATION IN KENOSHA FOR RETIREMENT CENTER						
OPTIONS	N	%	N	%	N	%
Section A	13	4%	0	0%	0	0%
Section B	121	37%	8	44%	4	27%
Section C	22	7%	1	6%	1	7%
Section D	43	13%	6	33%	3	20%
Section E	22	7%	1	6%	1	7%
Section F	17	5%	1	6%	3	20%
Not in Kenosha	5	1%	0	0%	0	0%
No response	83	26%	1	6%	3	20%
TOTAL	326	100%	18	100%	15	100%

QUESTION 30 CONSIDER MOVE TO PROPOSED SITE						
OPTIONS	N	%	N	%	N	%
Yes	235	72%	16	89%	12	80%
No	53	16%	1	6%	3	20%
No response	38	12%	1	6%	0	0%
TOTAL	326	100%	18	100%	15	100%

Landmark Research, Inc.

EXHIBIT 63

concerned about the cold and dampness from the lake. The lack of shopping in the area is a concern of several of the elderly, although many still will drive their cars to shop elsewhere. The responses to the open-ended questions 31 and 32, which ask respondents what they do and do not like about the site, are found in the Appendix; a review of these comments will assist the reader in understanding the pros and cons of the proposed site. In the Appendix is a tabulation of the frequencies for all respondents (N=326) for Question 36 which tested the consumer tolerance for distance from their home to many commercial, cultural, spiritual, and other facilities. Being within walking distance of a bus stop is the major concern of most respondents; being within walking distance of a grocery store, drug store, and church was also of importance to many. The proximity of recreational facilities and a nursing home are of least concern. Only the older respondents (75 years and older, qualified and interested) preferred a nursing home closer to their home.

B. Relationship of Proposed Site to Elderly
Population Most Qualified to Use Retirement Center

Although income data by age is not available by city or census tract, the purchasing power within census tracts can be evaluated on the basis of home value, homeowner income, and the percentage owner-occupied to renter occupied households. Census

tracts are first screened for the number of elderly in the population; tracts selected are those that have approximately 400 or more elderly persons. The results of the evaluation process are found in Exhibit 64 and a map highlighting the location of these tracts is in Exhibit 65.

The proposed site is located in Census Tract 3, which has only moderate purchasing power or economic strength. Tracts 4 and 5 to the north and west of the proposed site have higher overall income and asset values per household and should be an excellent source of qualified elderly residents for the retirement center. Census Tract 10, located in the vicinity of Lakeside Tower and just north of Kenosha Memorial Hospital, did not pass the screen for the minimum number of elderly nor did it pass the other economic criteria. Census Tracts 9, 11, and 12, also located in Section D (see Exhibit 62 for Kenosha map by sections) have lower home and income values than the tracts (14, 15, 19, 22, and 23) which constitute Sections F and C; all three of these Sections are alternate site choices of survey respondents.

In summary, the proposed site located in Census Tract 3 (see Exhibit 65) and Section B (see Exhibit 62) is a dominant choice among survey respondents, and there is adequate purchasing power in the nearby neighborhoods both north of the site and south of the downtown business district of Kenosha.

EVALUATION OF SELECTED [1] KENOSHA CENSUS TRACTS
BASED UPON NUMBER OF ELDERLY
AND OVERALL ECONOMIC STRENGTH
1980 CENSUS DATA [2]

TRACTS WITH GREATEST ECONOMIC STRENGTH [3]	SELECTED CENSUS TRACT	NUMBER OF ELDERLY IN TRACT [4]	PER CAPITA INCOME ALL RESIDENTS	MEDIAN VALUE ALL OWNER-OCCUPIED HOUSING UNITS	MEDIAN INCOME ALL OWNER-OCCUPIED HOUSEHOLDS	MEDIAN INCOME ALL RENTER-OCCUPIED HOUSEHOLDS	PERCENT OF ALL HOUSING UNITS OWNER-OCCUPIED
	3	437	\$ 6,991	\$37,100	\$19,276	\$12,938	49%
*	4	534	\$ 8,292	\$47,200	\$22,090	\$11,823	87%
*	5	602	\$ 7,114	\$51,200	\$26,719	\$ 4,914	73%
	9	484	\$ 6,367	\$36,000	\$18,068	\$12,030	35%
	11	367	\$ 6,140	\$30,000	\$21,076	\$10,234	22%
	12	566	\$ 7,792	\$38,200	\$22,167	\$14,315	59%
*	14	415	\$ 8,635	\$53,200	\$27,518	\$20,375	94%
*	15	573	\$ 7,339	\$39,100	\$20,714	\$15,167	79%
	17	388	\$ 6,653	\$38,500	\$18,953	\$11,759	78%
*	19	456	\$11,808	\$66,800	\$28,878	\$14,408	68%
*	22	605	\$ 7,893	\$46,700	\$20,531	\$15,938	90%
*	23	644	\$ 8,145	\$54,200	\$26,720	\$ 6,644	76%

EXHIBIT 64

[1] Only those tracts with a minimum of approximately 400 elderly persons 65 years and older (1980 Census) are analyzed.

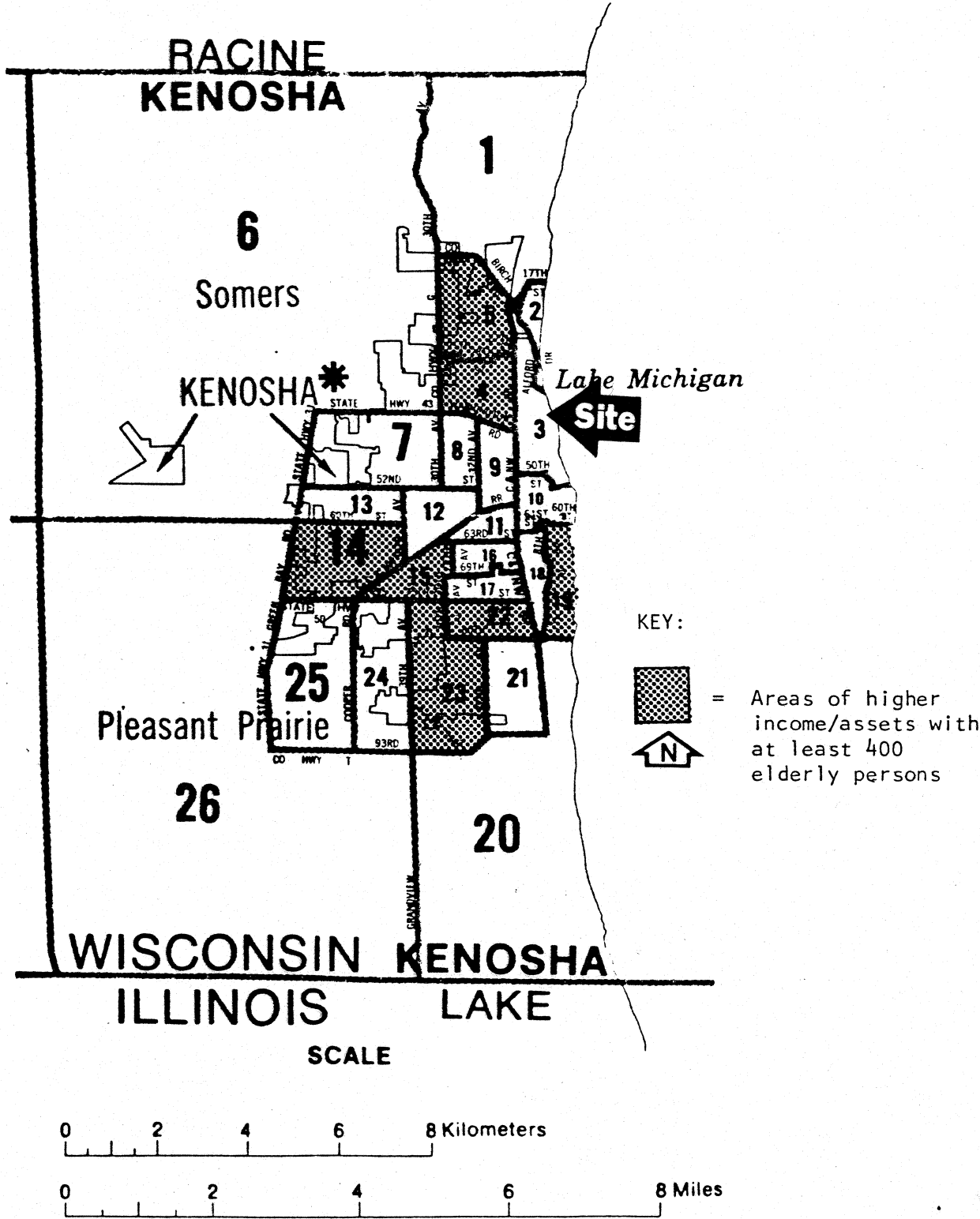
[2] See Census Tract Data--Tract by Tract in Appendix.

[3] Selection criteria = Minimum median home value of \$39,000, minimum median home owner income of \$20,000, and at least 70% of housing units owner-occupied.

[4] Excluded are residents of nursing homes and group quarters.

EXHIBIT 65

LOCATION OF SELECTED CENSUS TRACTS WITH
GREATEST ECONOMIC STRENGTH AND MOST
DENSELY POPULATED BY ELDERLY



X. RELATIONSHIP OF NEED TO SELL HOME AND
COMMITMENT TO MOVE TO RETIREMENT CENTER

The majority of all respondents who answered the question (62 percent) indicated they would need to sell their home as a condition of committing to move to the retirement center. When the respondents are screened for income and assets, the majority narrowed. Of the 18 interested respondents in the secondary focus group, 61 percent would need to sell their home prior to a decision to move, and in the primary focus group, 47 percent would need to sell their home prior to a decision to move.

A developer who could provide non-interest financing for the entrance fee pending sale of the home would shorten the lease-up period and create an excellent competitive edge for the project. Whether or not a non-profit organization such as St. Catherine's could offer this opportunity is a decision for the hospital administrators and their financial advisors.

APPENDIX A

SURVEY METHODOLOGY
INCLUDING NAME SOURCE FOR SAMPLE

APPENDIX A
SURVEY METHODOLOGY

Secondary data supplied from the 1980 Census provided a description of the population frame from which the sample was drawn. Respondents from the sample provided the primary data for the market study. Excluded from the sample were residents of institutions (nursing homes) and group quarters and residents of subsidized elderly housing projects. It is assumed that these persons will never be potential retirement center residents. A breakdown of the secondary and primary data by number of persons, age, sex, economic status, housing type, number of persons per household, and home value enabled the analyst to check the validity of the sample and the reliability of the estimates of demand extrapolated from the data.

Since there is no cost effective way of accessing the names and addresses of the population of persons 65 years and older in the study area (a necessary step to achieve a probability sample), a non-probability quota sample was drawn from various available sources. A total of 1,492 persons were included in the sample and the sources for the names and addresses are as follows:

1. Compiler: A list of names of persons reported to be 65 years and older was purchased from a list broker selected by post office zip code.
2. Community Groups: All elderly community groups were contacted by letter and by a follow-up phone call; each was sent a sign-up sheet for group members to request a questionnaire and/or to be included on the mailing list of interested persons. This group also included

readers of the Kenosha County Department on Aging newsletter who requested a questionnaire.

2. City Directory: A list of persons in selected older areas of the City of Kenosha reported to be retired in the 1982 Kenosha City Directory.
4. Pitts Brothers/Celebre: Names of persons known to be older and potentially interested in a retirement center were selected from the broker's list to supplement the number of single and widowed persons 75 years and older.
5. St. Catherine's Volunteers: Persons who volunteer for service at St. Catherine's Hospital were randomly selected from a membership list.
6. Requests: Persons who phoned St. Catherine's Hospital for a questionnaire or who returned a postcard with a request to send a questionnaire to a friend were included in the sample.

The response rates for each sample source are shown on the following page.

The combination of non-probability judgment/quota samples used for this market research have biases which must be recognized and accounted for when using the survey results as the basis for an estimate of potential market demand. In this case, there is a higher ratio of 75 year and older persons in the population than are in the respondent group. Since persons 75 years and older are the most probable residents of a retirement center, the effective demand may be slightly understated. On the other hand, the respondent group, which is a mix of non-family and family householders, has an income pattern more similar to the more affluent family householders

DESCRIPTION OF SURVEY SAMPLE SOURCES
AND RESPONSE RATES FROM KENOSHA, PLEASANT PRAIRIE, AND SOMERS

SOURCE	NUMBER OF QUESTIONNAIRES SENT	PERCENT OF TOTAL SENT	NUMBER RETURNED	PERCENT RETURNED BASED ON SOURCE SOURCE NO. SENT	PERCENT RETURNED BASED ON TOTAL SENT	PERCENT RETURNED BASED ON TOTAL RETURNED
Compiler	777	52%	177	23%	12%	42%
City Directory	221	15%	66	30%	4%	16%
Community Groups	104	7%	52	50%	3%	12%
Pitts Brothers	190	13%	48	25%	3%	11%
St. Catherine's Volunteers	134	9%	40	30%	3%	9%
Requests	66	4%	36	55%	2%	9%
Unknown	<u>0</u>	<u>0%</u>	<u>2</u>	N/A	<u>< 1%</u>	<u>< 1%</u>
TOTAL	1,492	100%	421	N/A	28%	100%

than to the lower income pattern of all householders. This bias would have a tendency to slightly overstate demand. Although there are proportionately more male respondents in the sample than in the population, the overall proportionate of males and females in the total of all sample households is the same as the population proportion.

A mail survey was conducted to ensure the respondent's privacy and enable contact with a wide variety of elderly residents in the study area. The design of the questionnaire was critical; in this case, brevity was traded for comprehensiveness with the expectation that the majority of cooperative and interested respondents would take the time to complete the lengthy questionnaire. Those who had no interest in retirement housing, in general, would not take the time to respond anyway.

Primary concerns in questionnaire design included achieving market study objectives, consumer readability, comprehensiveness, and adaptability of the responses to statistical analysis. The survey instrument evolved through several pre-tests and revisions.

The questionnaires were mailed on October 21 and the cut-off date was December 16. Postcards were sent to all persons on the original mailing list early in November to remind them to return the questionnaires.

APPENDIX B

WISCONSIN POPULATION PROJECTIONS

1980 - 2010

FOR

KENOSHA COUNTY

WISCONSIN

KENOSHA COUNTY

	1980	1985	1990	1995	2000	2005	2010
MALE							
0 - 4	4533.	4947.	5161.	4986.	4598.	4377.	4403.
5 - 9	4768.	4585.	5013.	5233.	5057.	4668.	4448.
10 - 14	5247.	4690.	4518.	4947.	5169.	4999.	4619.
15 - 19	6300.	5013.	4487.	4332.	4748.	4965.	4805.
20 - 24	5627.	5918.	4724.	4228.	4083.	4481.	4688.
25 - 29	5224.	5516.	5814.	4648.	4165.	4027.	4429.
30 - 34	4438.	5222.	5527.	5828.	4665.	4184.	4050.
35 - 39	3722.	4430.	5229.	5547.	5856.	4697.	4216.
40 - 44	3350.	3693.	4401.	5204.	5529.	5843.	4692.
45 - 49	2967.	3287.	3630.	4333.	5131.	5456.	5764.
50 - 54	3125.	2860.	3177.	3518.	4208.	4990.	5309.
55 - 59	3083.	2930.	2688.	2996.	3326.	3985.	4728.
60 - 64	2607.	2780.	2656.	2447.	2740.	3049.	3657.
65 - 69	2084.	2239.	2405.	2312.	2142.	2407.	2683.
70 - 74	1387.	1657.	1801.	1952.	1891.	1758.	1979.
75 - 79	968.	1002.	1208.	1326.	1451.	1414.	1315.
80 - 84	586.	600.	630.	771.	860.	948.	923.
85 & OVER	412.	454.	492.	535.	634.	733.	825.
TOTAL	60428.	61823.	63561.	65143.	66253.	66981.	67533.
FEMALE							
0 - 4	4286.	4689.	4893.	4726.	4359.	4152.	4179.
5 - 9	4506.	4341.	4754.	4964.	4796.	4427.	4221.
10 - 14	5288.	4474.	4319.	4737.	4951.	4789.	4428.
15 - 19	6202.	5128.	4349.	4210.	4623.	4836.	4681.
20 - 24	5762.	5925.	4920.	4177.	4043.	4443.	4648.
25 - 29	5158.	5665.	5839.	4857.	4134.	4008.	4410.
30 - 34	4511.	5087.	5600.	5782.	4816.	4106.	3986.
35 - 39	3823.	4406.	4977.	5485.	5669.	4725.	4033.
40 - 44	3140.	3745.	4322.	4889.	5394.	5579.	4653.
45 - 49	2935.	3073.	3671.	4245.	4807.	5309.	5495.
50 - 54	3135.	2838.	2978.	3564.	4130.	4683.	5177.
55 - 59	3256.	2988.	2707.	2848.	3415.	3968.	4502.
60 - 64	2860.	3066.	2828.	2568.	2711.	3255.	3790.
65 - 69	2467.	2665.	2869.	2666.	2426.	2569.	3086.
70 - 74	2038.	2219.	2411.	2610.	2437.	2224.	2357.
75 - 79	1498.	1710.	1879.	2059.	2248.	2107.	1926.
80 - 84	1005.	1127.	1310.	1460.	1624.	1787.	1682.
85 & OVER	839.	1020.	1219.	1472.	1747.	2035.	2310.
TOTAL	62709.	64166.	65845.	67319.	68330.	69002.	69564.
TOTAL							
0 - 4	8819.	9636.	10054.	9712.	8957.	8529.	8582.
5 - 9	9274.	8926.	9767.	10197.	9853.	9095.	8669.
10 - 14	10535.	9164.	8837.	9684.	10120.	9788.	9047.
15 - 19	12502.	10141.	8836.	8542.	9371.	9801.	9486.
20 - 24	11389.	11843.	9644.	8405.	8126.	8924.	9336.
25 - 29	10382.	11181.	11653.	9505.	8299.	8035.	8839.
30 - 34	8949.	10309.	11127.	11610.	9481.	8290.	8036.
35 - 39	7545.	8436.	10206.	11032.	11525.	9422.	8249.
40 - 44	6490.	7438.	8723.	10093.	10923.	11422.	9345.
45 - 49	5902.	6360.	7301.	8578.	9938.	10765.	11259.
50 - 54	6260.	5698.	6155.	7082.	8338.	9673.	10486.
55 - 59	6339.	5918.	5395.	5844.	6741.	7953.	9230.
60 - 64	5467.	5846.	5484.	5015.	5451.	6304.	7447.
65 - 69	4551.	4904.	5274.	4978.	4568.	4976.	5769.
70 - 74	3425.	3876.	4212.	4562.	4328.	3982.	4336.
75 - 79	2466.	2712.	3087.	3385.	3699.	3521.	3241.
80 - 84	1591.	1727.	1940.	2231.	2484.	2735.	2605.
85 & OVER	1251.	1474.	1711.	2007.	2381.	2768.	3135.
Total 65+	13,281	14,693	16,224	17,143	17,460	17,782	17,996
TOTAL	123137.	125989.	129406.	132462.	134583.	135983.	137097.
BIRTHS	9549.	9958.	9617.	8868.	8444.	8497.	
DEATHS	5161.	5396.	5628.	5861.	6179.	6590.	
NAT INCR	4388.	4562.	3989.	3007.	2265.	1907.	
NET MIGR	-1536.	-1145.	-933.	-886.	-865.	-793.	
CHANGE	2852.	3417.	3056.	2121.	1400.	1114.	

Wisconsin Population Projections 1980-2010, Wis. Dept. of Admin., 1983

APPENDIX C

CENSUS TRACT DATA

FOR

KENOSHA, PLEASANT PRAIRIE, AND SOMERS

CENSUS TRACT NO.	0001	0002	0003	0004	0005	0006	0007	0008
Total Tract Population	1,236	934	3,557	3,983	5,168	1,501	4,131	2,486
Total Tract Population of Persons 65 Yrs and Older	112	-0-	600	534	602	221	314	298
Percent of Persons in Tract 65 Yrs and Older	9%	-0-	19%	13%	12%	15%	8%	12%
Percent of Females and Males 65 Yrs and Older	F=64% M=36%	-0-	F=62% M=38%	F=57% M=43%	F=69% M=31%	F=63% F=37%	F=62% M=38%	F=55% M=45%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	-0-	-0-	163	-0-	-0-	178	99	-0-
No. of All Households with Social Security Income	100	-0-	366	483	639	34	237	312
Mean Social Security Income per Household	\$4,049	-0-	\$4,516	\$4,190	\$4,053	\$3,171	\$3,661	\$4,390
Per Capita Income - All Non-Institutional Persons	\$8,610	\$2,883	\$6,991	\$8,292	\$7,114	\$8,222	\$6,966	\$6,952
Median Value - All Owner- Occupied Housing Units	\$59,700	-0-	\$37,100	\$47,200	\$51,200	\$49,200	\$42,400	\$35,100
Median Income - All Households	\$17,298	-0-	\$15,891	\$21,587	\$21,280	\$15,817	\$18,952	\$15,529
Median Income - All Owner- Occupied Household	\$24,881	-0-	\$19,276	\$22,909	\$26,719	\$35,165	\$24,237	\$19,468
Median Income - All Renter- Occupied Households	\$14,566	-0-	\$12,938	\$11,823	\$4,914	\$14,921	\$14,357	\$12,240
Percent of Housing Units - Owner-Occupied	22%	-0-	49%	87%	73%	8%	45%	56%

Source: 1980 Census Tracts: Kenosha, WI SMSA - Census of Population and Housing
Pages P-1 to P-4, P-27 to P-30, Table P-1, and Table P-11

CENSUS TRACT NO.	0009	0010	0011	0012	0013	0014	0015	0016
Total Tract Population	4,191	1,608	3,406	4,229	3,783	5,885	3,991	3,512
Total Tract Population of Persons 65 Yrs and Older	484	262	489	566	278	415	573	310
Percent of Persons in Tract 65 Yrs and Older	12%	16%	14%	13%	7%	7%	14%	9%
Percent of Females and Males 65 Yrs and Older	F=60% M=40%	F=60% M=40%	F=60% M=40%	F=56% M=44%	F=56% M=44%	F=58% M=42%	F=55% M=45%	F=58% M=42%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	-0-	79	122	4	-0-	-0-	-0-	-0-
No. of All Households with Social Security Income	393	168	393	519	234	355	509	275
Mean Social Security Income per Household	\$4,400	\$4,099	\$4,724	\$4,364	\$5,052	\$4,872	\$4,360	\$4,576
Per Capita Income - All Non-Institutional Persons	\$6,369	\$6,316	\$6,140	\$7,972	\$7,309	\$8,635	\$7,339	\$5,884
Median Value - All Owner- Occupied Housing Units	\$36,000	\$31,900	\$30,000	\$38,200	\$46,200	\$53,200	\$39,100	\$32,300
Median Income - All Households	\$15,229	\$11,555	\$12,997	\$17,722	\$19,812	\$26,849	\$20,034	\$13,478
Median Income - All Owner- Occupied Households	\$18,068	\$16,923	\$21,076	\$22,167	\$21,263	\$27,518	\$20,714	\$18,250
Median Income - All Renter- Occupied Households	\$12,030	\$10,430	\$10,234	\$14,315	\$16,984	\$20,375	\$15,167	\$10,848
Percent of Housing Units - Owner-Occupied	35%	15%	22%	59%	62%	94%	79%	39%

PLEASANT PRAIRIE CENSUS TRACT NO.	0014	0015	0020	0021	0023	0024	0025	0026	TOTALS
Total Tract Population	648	68	3,220	170	902	1,525	1,150	5,020	12,703
Total Tract Population of Persons 65 Yrs and Older	77	16	160	16	161	222	59	283	994
Percent of Persons in Tract 65 Yrs and Older	12%	24%	5%	9%	18%	15%	5%	6%	8%
Percent of Females and Males 65 Yrs and Older	F=58% M=42%	F=56% M=44%	F=54% M=46%	F=56% M=44%	F=75% M=25%	F=58% M=42%	F=63% M=37%	F=52% M=48%	F=59% M=41%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	-0-	-0-	-0-	-0-	96	11	-0-	-0-	107
No. of All Households with Social Security Income	89	6	129	17	47	159	98	263	808
Mean Social Security Income per Household	\$4,803	\$4,375	\$4,726	\$6,150	\$4,210	\$4,181	\$5,443	\$4,620	
Per Capita Income - All Non-Institutional Persons	\$10,663	\$9,877	\$8,876	\$9,577	\$7,246	\$11,295	\$9,131	\$8,279	
Median Value - All Owner- Occupied Housing Units	\$62,900	\$40,000	\$57,000	\$64,600	\$47,000	\$72,700	\$70,600	\$60,500	
Median Income - All Households	\$20,163	\$14,531	\$25,968	\$32,219	\$22,644	\$23,309	\$27,424	\$25,625	
Median Income - All Owner- Occupied Housing Units	\$21,000	-0-	\$26,985	-0-	\$22,981	\$23,934	\$26,932	\$27,062	
Median Income - All Renter- Occupied Households	\$18,750	-0-	\$17,417	-0-	\$16,406	\$20,729	\$31,165	\$17,955	
Percent of Housing Units - Owner-Occupied	84%	80%	88%	N/A	88%	90%	91%	84%	

SOMERS CENSUS TRACT NO.	0001	0002	0003	0004	0005	0006	0007	0013	TOTALS
Total Tract Population	2,335	-0-	136	14	75	4,848	278	38	7,724
Total Tract Population of Persons 65 Yrs and Older	224	-0-	7	-0-	11	353	41	7	643
Percent of Persons in Tract 65 Yrs and Older	10%	-0-	5%	-0-	15%	7%	15%	18%	8%
Percent of Females and Males 65 Yrs and Older	F=55% M=45%	-0-	F= 0 % M=100%	-0-	F=55% M=45%	F=48% M=52%	F=41% M=59%	F=71% M=29%	F=50% M=50%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	-0-	-0-	-0-	-0-	-0-	-0-	1	-0-	1
No. of All Households with Social Security Income	139	-0-	20	-0-	5	374	26	-0-	564
Mean Social Security Income per Household	\$4,868	-0-	\$3,722	-0-	\$3,230	\$4,055	\$6,255	-0-	
Per Capita Income - All Non-Institutional Persons	\$9,853	-0-	\$6,050	-0-	\$6,495	\$8,522	\$8,429	\$4,839	
Median Value - All Owner- Occupied Housing Units	\$51,300	-0-	\$44,500	-0-	\$44,000	\$63,500	\$46,000	\$62,500	
Median Income - All Households	\$21,111	-0-	\$16,023	-0-	\$18,750	\$24,935	\$20,357	\$12,500	
Median Income - All Owner- Occupied Housholds	\$24,576	-0-	\$20,536	-0-	-0-	\$26,339	\$21,786	\$11,250	
Median Income - All Renter- Occupied Households	\$16,111	-0-	\$6,786	-0-	-0-	\$21,337	\$11,731	\$13,750	
Percent of Housing Units - Owner-Occupied	54%	-0-	37%	-0-	20%	83%	79%	18%	

CENSUS TRACT NO.	0017	0018	0019	0020	0021	0022	0023	0024	0025	TOTALS
Total Tract Population	2,874	2,492	2,704	8	4,206	3,925	4,805	2,894	176	77,685
Total Tract Population of Persons 65 Yrs and Older	398	275	471	-0-	369	605	644	197	8	9,025
Percent of Persons in Tract 65 Yrs and Older	14%	11%	17%	-0-	9%	15%	13%	7%	5%	11.6%
Percent of Females and Males 65 Yrs and Older	F=65% M=35%	F=58% M=42%	F=63% M=37%	-0-	F=63% M=37%	F=59% M=41%	F=67% M=33%	F=66% M=34%	F=50% M=50%	F=39% M=61%
No. of Persons 65 Yrs and Older in Institutions and Group Quarters	10	6	15	-0-	89	-0-	91	-0-	-0-	856
No. of All Households with Social Security Income	334	311	351	-0-	280	538	550	220	17	7,618
Mean Social Security Income per Household	\$4,461	\$4,048	\$4,450	-0-	\$4,925	\$4,826	\$4,395	\$4,334	\$2,440	
Per Capita Income - All Non-Institutional Persons	\$6,653	\$8,192	\$11,808	-0-	\$7,874	\$7,893	\$8,145	\$7,926	\$11,326	
Median Value - All Owner- Occupied Housing Units	\$38,500	\$38,600	\$66,800	-0-	\$46,300	\$46,700	\$54,200	\$61,200	\$71,400	
Median Income - All Households	\$16,750	\$18,125	\$25,127	-0-	\$20,669	\$19,567	\$22,390	\$25,204	\$32,702	
Median Income - All Owner- Occupied Households	\$18,953	\$22,500	\$28,878	-0-	\$22,552	\$20,531	\$26,720	\$26,977	\$32,702	
Median Income - All Renter- Occupied Households	\$11,759	\$11,648	\$14,408	-0-	\$16,771	\$15,938	\$6,644	\$12,000	N/A	
Percent of Housing Units - Owner-Occupied	78%	61%	68%	-0-	62%	90%	76%	80%	N/A	

APPENDIX D

SUMMARY OF RESPONSES

FROM ALL RESPONDENTS

65 YEARS AND OLDER

N=326

SOURCE AND NUMBER OF RETURNED SURVEYS

SOURCE	NUMBER	PERCENTAGE OF TOTAL RETURNED
Compiler	126	39%
City Directory	57	17%
Community Groups	40	12%
Pitts/Celebre	41	13%
St. Catherine		
Volunteers	33	10%
Postcard and Tele-		
phone Requests	28	9%
Unknown Source	<u>1</u>	<u>< 1%</u>
	326	100%

ST. CATHERINE'S SURVEY

I am responding for:
 251 [27] [%] Myself; 10 [3] [%] My parent(s); 0 [0] [%] My friend(s)
 65 [20] No response N = 326

BACKGROUND AND HOUSEHOLD INFORMATION

1. Which of the following best describes your present living arrangement? I live:

[%]
 132 [41] Alone
 165 [51] With my spouse only
 12 [4] With one of my children in my home
 3 [1] In the home of one of my children
 5 [1] With my children and my spouse
 0 [0] With a friend or friends
 8 [2] With relatives other than my spouse and children
 1 [1] Other, please specify: _____
 326

2. What is your present marital status? Are you:

[%] [%] [%]
 29 [9] Single 177 [54] Married 120 [37] A widow or widower
 N = 326

3. Which of the following best describes your present housing type?

[%]
 48 [15] I own a single family home or a duplex:
 226 [69] in which I presently reside
 2 [4] but do not presently reside there
 1 [4] I own a condominium:
 3 [1] in which I presently reside
 0 [0] but do not presently reside there
 35 [11] I rent an apartment
 2 [1] I have a room in someone else's house
 8 [3] Other, please specify: _____
 1 [1] No response
 326

4. How long have you lived in your present home?

[%] [%]
 4 [1] Less than one year 22 [7] Five to ten years
 3 [1] One to two years 39 [12] Ten to twenty years
 20 [6] Two to five years 236 [72] More than twenty years
 [1] No response

5. What is your age (your spouse's age)?

Your Age _____ Your Spouse's Age _____

6. Are you:

152 [47] Male 168 [52] Female
6 [2] No response

N = 326

7. What is/was the main employment (work) for you or the head of your household over the years? (Example: auto worker, tool maker, clerk, lawyer, manager, carpenter, nurse, teacher, farmer, etc.)

8. If you need any help in moving about or walking at this time, do you:

27 [8] Use a cane 0 [0] Use a wheelchair
3 [1] Use a walker 277 [85] Need no assistance at all
19 [6] No response 326

9. Below is a list of activities that many of us have difficulty with as we grow older. Do you have: NO DIFFICULTY, SOME DIFFICULTY, or find you CANNOT DO these activities?

	NO DIFFICULTY	SOME DIFFICULTY	CANNOT DO IT	NO RESPONSE
	%	%	%	%
Cooking	243 [75]	42 [13]	8 [2]	33 [10] = 100%
Shopping	251 [77]	33 [10]	10 [3]	32 [10]
Housekeeping	228 [70]	51 [16]	14 [4]	33 [10]
Personal care (bathing)	269 [83]	22 [7]	3 [1]	32 [10]
Hearing on the telephone	265 [81]	34 [10]	3 [1]	24 [8]
Reading the newspaper	269 [83]	22 [7]	8 [2]	27 [8]
Taking medication	276 [85]	8 [3]	3 [1]	39 [12]
Going up and down stairs	226 [69]	74 [23]	4 [1]	22 [7]
Taking care of personal finances	274 [84]	17 [5]	10 [3]	25 [8]
Driving a car	239 [73]	14 [4]	34 [10]	39 [12]
Walking more than two blocks	236 [71]	60 [18]	19 [6]	17 [5]

10. In general, which of the following best describes your overall state of health?

50 [15] Excellent (plenty of energy)
126 [39] Average (good health - no problems and enough energy)
126 [39] Fair (some health problems but able to live
completely independently)
20 [6] Need some care or assistance
1 [1] Need full-time care and assistance
3 [1]
326

11. Do you currently use any of the following Community Support Services? *Multiple answers possible.*

%
 10 [3] Kenosha Homecare, Inc.
 24 [7] Nutrition site meals
 9 [3] Mobile Meals - American Red Cross
 8 [2] Kenosha Visiting Nurse Association
 6 [2] Tele-Care Program or Life-Line
 4 [1] City Vans
 266 [82] No, do not use support services
 6 [2] Other, please specify: _____

12. If you were to need help with activities of daily living, who would you depend upon? (Check as many as apply.)

%
Multiple answers possible.
 181 [56] Family
 61 [19] Friends
 17 [5] Church group
 86 [26] Could afford to hire people to help me in my home
 67 [21] Would prefer to use community support services in my home
 114 [35] Would prefer to live in a retirement facility where I could be closer to support services
 4 [1] Others, please specify: _____

13. Retirement centers offer different plans to assist residents who need short-term or long-term nursing home care. If one of the following plans were available, which plan would you prefer?

%
 92 [28] I would prefer only to be assured of assistance from the retirement center staff in transferring to a nursing home, if and when needed
 106 [33] I would prefer assurance of priority entry to a nursing home which is associated with the retirement center, if and when needed
 63 [19] I would be willing to pay a significantly higher Entry Fee for a retirement center which would guarantee access to a nursing home bed, if and when needed, for the same Monthly Service Charge I was paying for my apartment. (Of course, doctors' fees, medications, special treatment, and extra meals would be charged separately.)
 21 [6] Other, please specify: _____

44 [14]
 326

14. There are many different reasons for moving into a residential facility designed especially to meet the needs of older adults. How would you rank the following reasons?

	VERY IMPORTANT	MODERATELY IMPORTANT	NOT IMPORTANT	NO RESPONSE
	%	%	%	%
a. For companionship with others of similar interests	113 [35]	128 [39]	43 [13]	42 [13] = 100 %
b. Freedom from the responsibility and maintenance of a single family home	172 [53]	88 [27]	31 [10]	35 [11]
c. Availability of a nutritious meal in a full-service dining room	149 [46]	93 [29]	45 [14]	39 [12]
d. Need for a special diet	52 [16]	67 [21]	129 [40]	78 [24]
e. Security of knowing someone will check on me daily	148 [45]	107 [33]	35 [11]	36 [11]
f. Security of 24-hour emergency assistance nearby	175 [54]	81 [25]	29 [9]	41 [13]
g. Knowing supportive services such as house cleaning and personal care are available if needed	132 [41]	128 [39]	29 [9]	37 [11]
h. Close to a nursing home to insure continuing care, if needed	117 [36]	121 [37]	43 [13]	45 [14]
i. Close to a nursing home to visit my spouse or friends, if needed	92 [25]	105 [32]	73 [22]	66 [20]
j. Near a hospital	112 [34]	117 [36]	52 [16]	45 [14]
k. Other, please specify: -----	5 [1]	2 [1]	4 [1]	315 [97]

15. If you could choose a type of housing best suited for your current needs, would you:

- 190 ^{9%} [58] Live in my own single family house.
- 8 [3] Live in my own condominium.
- 20 [6] Live in an a government subsidized apartment, such as Villa Nova, Tuscan Villas, or Lakeside Towers.
- 20 [6] Live in a private apartment building, such as Imperial House, Wexford, or Capri, that rents to all age levels.
- 19 [6] Live in a private apartment building that only rents to older adults.
- 20 [6] Live in a private retirement center designed especially for older adults which provides supportive services as needed but has no nursing home on the premises.
- 32 [10] Live in a private retirement center designed especially for older adults which provides supportive services as needed and has a nursing home on the premises.
- 2 [4] Live with my children.
- 4 [1] Live with a brother or sister.
- 4 [1] Other, please specify: _____
- 7 [2] No response

- 326
16. In the future, which of the following event(s) might trigger the need to move? (Check as many as apply.) *multiple answers possible.*
- | | | | |
|------------------------|---------------------------------|---------|--|
| 231 ^{9%} [7] | Health problem | 7 [2] | Children moving away |
| 115 ^{3%} [35] | Death of a spouse | 50 [15] | Opportunity to sell home/farm |
| 53 ^{1%} [16] | Financial limitations | | |
| 4 [1] | Friction with my relatives | 39 [12] | Selection of my name for vacant apartment at government subsidized elderly housing project |
| 51 [16] | Growing awareness of loneliness | | Other, please specify: _____ |
| 186 [57] | Burden of home upkeep | 2 [1] | |

17. Have you given any serious thought to moving from your present home?

- 237 ^{9%} [73] No 82 ^{3%} [25] Yes. For what reason? -----
- 7 [2] No response

	Number	Percent
0 = NO RESPONSE	251	77.0 %
1 = HEALTH PROBLEM	7	2.1 %
2 = DEATH OF SPOUSE	0	0.0 %
3 = FINANCIAL LIMIT	5	1.5 %
4 = FRICTION W RELTU	0	0.0 %
5 = LONELINESS	1	0.3 %
6 = HOME UPKEEP	43	13.2 %
7 = CHILDREN MOVING	0	0.0 %
8 = OTHER	19	5.9 %

18. If yes, how soon would you want to move?

	%	
8	[3]	In less than one year
46	[14]	In one to three years
51	[16]	In three years or more
<u>221</u>	<u>[68]</u>	No response
326		

THE PROPOSED PROJECT AND THE RETIREMENT LIVING CONCEPT

St. Catherine's Hospital is considering the development of a private retirement living center in Kenosha which would not be subsidized by the government nor limited to any single religious denomination. The tentative location under consideration for the project is across from St. Catherine's Hospital and is adjacent to Pennoyer Park which fronts on Lake Michigan.

The program being considered by St. Catherine's would provide private apartments for individuals and couples, plus meal service for one or more meals in a large family dining room, the use of community rooms, planned activities and programs, and a resident manager who would schedule supportive services as needed and who would be available for 24-hour emergency assistance. Transportation would be provided for shopping and for other needs. All of these services would be included in the Monthly Service Charge. Retirement living emphasizes convenience, security, and freedom from the burden of home upkeep.

To answer the next few questions, please PRETEND for a moment that you have the need or interest in the residential facility described above. Your responses are IMPORTANT since they will be used in planning the proposed facility.

19. Are you familiar with this retirement living concept?
(Please check as many as apply.)

	%	
113	[35]	Yes, I have visited friends who live in retirement centers.
18	[6]	I am familiar with Alexian Village and St. John's Tower in Milwaukee, Clement Manor in Greenfield, and/or Tudor Oaks in Muskego.
131	[40]	I am only familiar with subsidized developments such as Lakeside Towers and/or Villa Nova.
<u>145</u>	<u>[45]</u>	I am not familiar with this type of retirement living facility.
326		

20. Which supportive services and facilities would YOU want to have included in your Monthly Service Charge and which of these would YOU want to have available on a separate fee basis? (The more services included in your Monthly Service Charge, the higher the charge.)

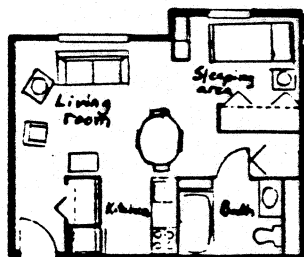
	INCLUDED IN MONTHLY CHARGE	AVAILABLE FOR A FEE AS NEEDED	NOT INTERESTED	NO RESPONSE
	%	%	%	
House cleaning services	52 [16]	131 [40]	81 [25]	62 [19] = 100 %
Laundry service - linens	66 [18]	111 [34]	79 [24]	76 [23]
Laundry service - personal	30 [9]	98 [30]	112 [34]	86 [26]
24-hour emergency assistance	81 [25]	106 [33]	64 [26]	75 [23]
Personal care assistance	25 [8]	104 [32]	102 [31]	95 [29]
Scheduled transportation for shopping and personal appointments	42 [13]	126 [37]	91 [28]	73 [22]
Garage parking	115 [35]	66 [20]	73 [22]	72 [22]
Cable TV outlets	44 [14]	31 [16]	147 [45]	104 [32]
Tray service in my room when I'm ill	59 [18]	160 [49]	48 [15]	59 [18]
Individual storage lockers within the building	136 [42]	78 [24]	49 [15]	63 [19]
Laundry room with washer and dryer	140 [43]	109 [33]	36 [11]	41 [13]
Organized social and recreational programs	96 [29]	75 [23]	92 [28]	63 [19]

21. A larger apartment is more expensive than a smaller unit. Which is more important to you?

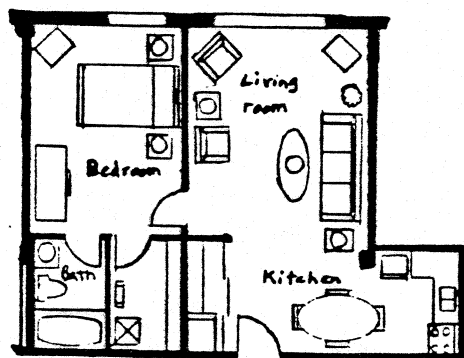
%
 78 [24] Having as much space as possible.
 32 [66] Keeping costs as low as possible.
 216 [16] No response
 326

22. To answer the next question, please refer to the drawings.
There are four floor plans presented:

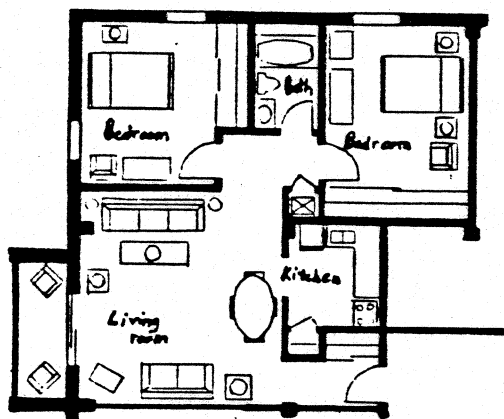
Plan A is a studio apartment with 1 bath (400 sq.ft.),
Plan B is a 1 bedroom apartment with 1 bath (600 sq.ft.),
Plan C is a 2 bedroom apartment with 1 bath (800 sq.ft.),
Plan D is a 2 bedroom apartment with 1-1/2 baths (830 sq.ft.)



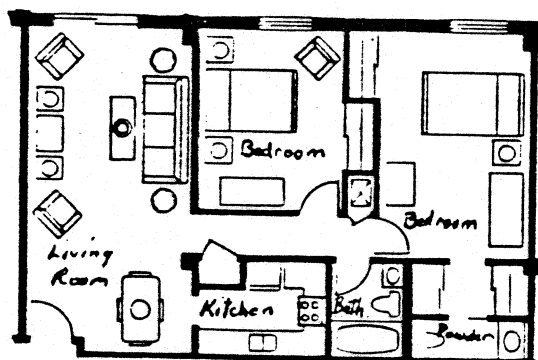
Plan A



Plan B



Plan C



Plan D

WHICH DO
YOU
PREFER?

28 [9]	Plan A
166 [51]	Plan B
82 [25]	Plan C
21 [6]	Plan D
29 [9]	No response
<hr/> 326	

23. How many persons would be living in your apartment?

111 [34] Just myself
53 [16] Just myself, but I would want room for an occasional guest
100 [31] There would be two of us
45 [14] There would be two of us, but we would want room for an occasional guest.
17 [5] No response
326

24. There will be a kitchen in each apartment for meal preparation. As currently planned, there also will be a central dining room for one or more daily meals. Which MEAL PLAN would you prefer included in your Monthly Service Charge?

222 [68] I'd prefer to have ONE MEAL PER DAY PROVIDED in the central dining room.
30 [9] I'd prefer to have TWO MEALS PER DAY PROVIDED in the central dining room.
18 [6] I'd prefer to have ALL THREE MEALS PER DAY PROVIDED in the central dining room.
33 [10] Other, please specify: _____
23 [7] No response
326

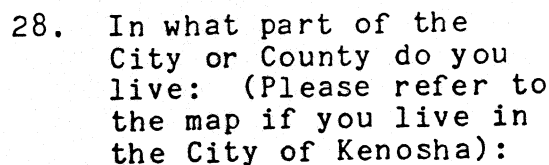
25. After thinking about the concept of retirement living, as previously described, does this appeal to you as an alternative living arrangement?

20 [6] Yes, this would suit my needs now
91 [28] Yes, it looks interesting and I would explore it seriously for the future
130 [40] Yes, if and when needed
36 [11] Don't know, it would depend on _____
20 [6] No, it's nice but not for me
11 [3] No, it's not for me
18 [6] No response
326

26. What do you like about this concept?

27. Is there anything you particularly dislike about this concept?

MAJOR ARTERIAL STREETS



SECTION

SECTION	
22	[8] A - City of Kenosha
64	[20] B - City of Kenosha
54	[17] C - City of Kenosha
58	[18] D - City of Kenosha
28	[9] E - City of Kenosha
48	[15] F - City of Kenosha

12 [4] Town of
Pleasant Prairie
East of I-94 but not
in Kenosha or
Pleasant Prairie
In Kenosha County but
west of I-94
32 10 No response

29.³²⁶ What would be the best location for you in the City of Kenosha for a retirement living facility? (See Map)

13	[4]	Section A
121	[37]	Section B
22	[7]	Section C
43	[13]	Section D
22	[7]	Section E
17	[5]	Section F
5	[2]	I would not want to be in the City of Kenosha
<u>83</u>	<u>[25]</u>	No response

30.³²⁶ The tentatively proposed site for St. Catherine's Hospital residential facility is shown in Section B of the map. If you wanted to move from your present home, would you consider moving to this area?

	%		%
235 [72]		Yes	53 [16]
		No	
38 [12]		No response	
<u>326</u>			

31. What do you like about this location for the proposed residential facility?

32. What do you particularly dislike about this location?

33. Do you own/drive a car?

%
275 [85] I own and drive a car
40 [12] I do not own a car
11 [3] No response
326

34. If you own a car and were to move to the proposed retirement center, which of the following would you prefer?

%
93 [29] A heated and secure underground garage
(for a monthly fee)
95 [29] A covered stall (for a minimum monthly fee)
46 [14] A surface parking lot (no monthly fee)
31 [10] I would sell my car and use public/private
transportation as needed
10 [3] Other, please specify: -----
51 [16] No response
326

35. What mode of transportation do you use for shopping and errands?

%
271 [83] I use my car
8 [3] I use the bus
0 [0] I use a taxi
4 [1] I walk
6 [2] I catch a ride with friends
24 [7] My family drives me where I need to go
3 [1] Other, please specify: -----
10 [3] No response
326

36. Ideally, how close to your home would you want each of these facilities? Please check the distance that is best for you.

	WITHIN WALKING DISTANCE (2 blocks) %	WITHIN 1 MILE FROM HOME %	WITHIN 2 MILES FROM HOME %	DOES NOT MATTER %	NO RESPONSE
Bus Stop	213 [65]	10 [3]	0 [0]	43 [13]	60 [18] = 100%
Grocery store	147 [45]	74 [23]	12 [4]	49 [15]	44 [14]
Drug store	132 [41]	72 [22]	14 [4]	56 [17]	52 [16]
Medical offices	79 [24]	71 [22]	41 [13]	82 [25]	53 [16]
Dental offices	51 [16]	65 [20]	42 [13]	97 [30]	71 [22]
Nursing home	39 [12]	45 [14]	24 [7]	118 [36]	100 [31]
Shopping center	78 [24]	58 [18]	40 [12]	96 [29]	54 [17]
Bank and/or Savings and Loans	80 [25]	79 [24]	40 [12]	84 [26]	43 [13]
Recreational facilities	46 [14]	39 [12]	19 [6]	130 [40]	92 [28]
Library	42 [13]	56 [17]	23 [7]	120 [37]	85 [24]
Churches	97 [30]	85 [26]	26 [8]	72 [22]	46 [14]
Hospital	81 [25]	55 [17]	40 [12]	96 [30]	54 [17]
Other, please specify: -----	0 [0]	3 [1]	1 [4]	2 [4]	320 [98]

37. People often have a number of sources of income. Which of the following are your main sources of income now? (Please check as many as are appropriate.)

6 [2]	Salary/wages	2 [4]	Assistance from community
298 [91]	Social security	196 [60]	Interest/dividends on investments
202 [62]	Pension/Annuity		Income rental property
4 [1]	Assistance from family members	20 [6]	
6 [2]	Other, please specify: -----	326	

38. IF YOU OWN A HOME, what price do you think it would sell for today? Would it sell for...

%
 47 [14] Less than \$40,000
 76 [23] \$40,000 to \$50,000
 72 [22] \$50,000 to \$60,000
 35 [11] \$60,000 to \$70,000
 19 [6] \$70,000 to \$80,000
 6 [2] \$80,000 to \$90,000
 11 [3] \$90,000 or more
 60 [18] No response
326

How did you arrive at this figure?

	Number	Percent
0 = NO RESPONSE	121	37.1 %
1 = APPRAISAL	10	3.1 %
2 = TAX ASSESSMENT	130	39.9 %
3 = INSURANCE VALUE	2	0.6 %
4 = FAIR MARKET VALUE	37	11.3 %
5 = MY OPINION	24	7.4 %
6 = OTHER	2	0.6 %
Total	326	100.0 %

Missing cases = 0
 Response percent = 100.0 %

39. Do you still have a mortgage on your home?

%
 7 [2] Yes 264 [81] No
 55 [17] No response
326

For statistical purposes only, we need to know your TOTAL annual income for 1982. (Note: There is no way of knowing your identity.)

40. What was your (and your spouse's) TOTAL ANNUAL gross income for 1982?

%		%	
98 [36]	Less than \$12,500	19 [6]	\$25,000 - \$30,000
71 [22]	\$12,500 to \$15,000	15 [5]	\$30,000 - \$40,000
53 [16]	\$15,000 to \$20,000	15 [5]	\$40,000 or more
21 [6]	\$20,000 to \$25,000		
34 [10]	No response		
<u>326</u>			

41. What percentage of your gross income would you consider to be a reasonable Monthly Service Charge for your retirement apartment which would also include all utilities (except phone), a daily meal, scheduled transportation, 24-hour emergency assistance, and the use of community rooms?

%		%	
93 [29]	less than 30 percent	43 [13]	40 to 50 percent
108 [33]	30 to 40 percent	15 [5]	50 percent or more
67 [21]	No response	<u>326</u>	

42. Are you able to pay your current ordinary living expenses each month without going into savings?

%
 206 [61] Yes
 11 [3] No
 23 [7] Occasionally need to go into savings for ordinary living expenses
 75 [23] Occasionally need to go into savings for major purchases, taxes, or emergencies
 17 [5] No response
326

43. The payment plan being considered includes a one-time Entry Fee which may be partially refundable when you leave and a Monthly Service Charge.

The Entry Fee is applied to financing the construction costs which, in turn, reduces the amount of the mortgage required and the monthly interest and principal payments. A higher Entry Fee can permit a lower Monthly Service Charge. In most cases, the resident will obtain money for the Entry Fee payment from the sale of a home or from savings.

How much would you be willing and able to pay as an Entry Fee to live in the proposed retirement center.

137	[%] [42]	Under \$15,000
56	[17]	\$15,000 - \$20,000
26	[8]	\$20,000 - \$25,000
8	[3]	\$25,000 - \$30,000
6	[2]	Over \$30,000
93	[29]	No response
326		

44. As currently envisioned, the Monthly Service Charge would include the apartment of your choice with all utilities provided, except telephone; a daily meal served in the main dining room; a 24-hour emergency response and building security; scheduled opportunities for transportation; and social and leisure time activities.

If your Monthly Service Charge included all of the items listed above, what would you be willing and able to pay each month:

170	[%] [52]	Under \$600
54	[17]	\$600 - \$650
24	[7]	\$650 - \$700
8	[3]	\$700 - \$750
9	[3]	\$750 - \$800
4	[1]	Over \$800
57	[18]	No response
326		

45. Sound fiscal management requires that the payment plan include both a partially refundable Entry Fee and a Monthly Service Charge. Some people prefer to pay a higher Entry Fee and a lower Monthly Service Charge while others prefer a lower Entry Fee and a higher Monthly Service Charge. A typical one bedroom apartment in a retirement center might have the following alternative combinations. Please indicate which combinations would be most suitable for you:

[%]
46 [14] A partially refundable Entry Fee between \$10,000 and \$20,000 could result in a Monthly Service Charge between \$800 and \$725.

56 [17] A partially refundable Entry Fee between \$20,000 and \$30,000 could result in a Monthly Service Charge between \$725 and \$650.

17 [5] A partially refundable Entry Fee between \$30,000 and \$40,000 could result in a Monthly Service Charge between \$650 and \$575.

5 [2] A partially refundable Entry Fee between \$40,000 and \$60,000 could result in a Monthly Service Charge between \$575 and \$425.

123 [38] Could not afford any of these.

79 [24] No response
326

46. The refund policy for the proposed facility is in the planning stage. The proportion of the Entry Fee which would be refundable when you leave would also affect the amount of the Monthly Service Charge. Which of the following refund policies would be acceptable to you?

[%]
29 [9] A NO REFUND policy which would REDUCE the Monthly Service Charge (as described in Question 45) by approximately 10%.

42 [13] A FULL REFUND policy which would INCREASE the Monthly Service Charge (as described in Question 45) by approximately 10%.

106 [33] A PARTIAL REFUND policy which would help keep the Monthly Service Charge at the levels described in Question 45.

25 [8] Other, please specify: _____

124 [38] No response
326

47. If this retirement living concept appeals to you as an alternative to your present living arrangement, when would you seriously consider a move?

%

9 [3] I would like to seriously explore the possibility of moving to St. Catherine's proposed retirement center now.

28 [9] I might consider living in such a facility in a year or so.

30 [9] I might be interested, but I would want to wait to see how others liked it first.

203 [62] I would be interested ONLY if something happened to me so that I needed the extra help with daily living activities.

32 [10] I would never be interested in such a facility. If never, why? Please specify: _____

24 [7] No response

326

48. If you currently live in your own home, is the sale of your house critical to your decision and/or readiness to move into the planned retirement center?

%

161 [49] Yes, the house would have to be sold before a final decision could be made to move

71 [22] No, the decision to move is not necessarily dependent upon the sale of my house

21 [6] The house would not be sold even if I decided to move to the planned retirement center

5 [2] Other, please specify: _____

68 [21] No response

326

Additional Comments: _____

IF YOU WOULD LIKE TO LEARN MORE ABOUT THE PROJECT AS IT EVOLVES, PLEASE CHECK THE APPROPRIATE BOX ON THE ENCLOSED RETURN POSTCARD AND RETURN IT TO US.

Remember: DO NOT SIGN the questionnaire. Please return the questionnaire in the postage paid envelope as soon as possible.

THANK YOU FOR YOUR HELP!

APPENDIX E

RESPONSES TO OPEN-ENDED QUESTIONS

OTHER RESPONSES,
AND ADDITIONAL COMMENTS

RESPONSES TO OPEN-ENDED QUESTIONS

RESPONSES TO OPEN-ENDED QUESTIONS
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #26 - WHAT DO YOU LIKE ABOUT THIS CONCEPT?
(RETIREMENT LIVING)

	<u>NO. OF RESPONSES</u>
Needed, like it, good idea, want it when I need it, excellent for those who can afford it	66
Availability of services/help when needed/meals	60
Independence and privacy	47
Freedom from responsibility/ burden of home care	31
Security and better feeling for future	23
Companionship, other adults, community living, only older people, social and recreational activities	21
Location in Kenosha	12
Near hospital	5
Compact, ample floor plans, on one floor	4
Availability of nursing home	2
Wouldn't have to keep moving	1
Wish it had been available four years ago	1
Nothing, no	<u>50</u>
TOTAL	323

RESPONSES TO OPEN-ENDED QUESTIONS
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #27 - IS THERE ANYTHING YOU PARTICULARLY DISLIKE ABOUT
THIS CONCEPT?

	NO. OF RESPONSES
Too expensive	19
The whole idea	9
Near too many old people/strangers	7
Too restrictive - too many planned activities	6
Central community dining and meal plan	4
Design and floor plan - not enough windows	3
Lacks enough privacy	2
Too close to lake (location)	2
Prefer to live at home	1
Fear of facility in financial problems	1
Feels like nursing home	1
No pets allowed	1
Lack of storage space	1
No government subsidy	1
Inadequate soundproofing	1
Would not want to be controlled denominationally	1
TOTAL	60

RESPONSES TO OPEN-ENDED QUESTIONS
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #31 - WHAT DO YOU LIKE ABOUT THIS LOCATION FOR THE
PROPOSED RESIDENTIAL FACILITY?

	NO. OF RESPONSES
Lake view, beauty, parks	120
Near hospital	43
Transportation - bus	20
Nice part of town	13
Handy, convenient to everything	13
Ability to go for long walks	12
Near present home	3
Near own children, relatives	6
Near downtown, city, shopping, church, doctor	13
Familiar area	5
Nice in summer	2
Quiet, clean, private	10
No children	1
Near Parkside, Carthage & education	2
Near Racine - northside	2
"Good", perfect, excellent	22
Don't know area	1
Nothing, no	8

RESPONSES TO OPEN-ENDED QUESTIONS
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #32 - WHAT DO YOU PARTICULARLY DISLIKE ABOUT THIS
LOCATION?

	<u>NO. OF RESPONSES</u>
Stores, bank, churches, restaurants, movies, library, family, too far away	44
Too close to lake	14
North end of city	10
Cold winds in winter	6
Traffic	4
Ambulance sirens	2
Crowded parking	1
Crowded with swimmers & fishermen	1
Safety of area	1
Old housing area	1
Prefers "woodsy" more cheerful area	1
Takes away from a recreation area	1
Congested - prefer space & security would feel threatened by crime & vandalism	1
No place to walk for change of scene	1
None as long as transportation provided	1
Nothing, none	27

OTHER RESPONSES

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #1 - WHICH OF THE FOLLOWING BEST DESCRIBES YOUR
PRESENT LIVING ARRANGEMENT? I LIVE:

	NO. OF RESPONSES
With my spouse and mother	1
With women	1
With my spouse and mother-in-law	1
With my spouse and grandson	__1
TOTAL	4

QUESTION #3 - WHICH OF THE FOLLOWING BEST DESCRIBES YOUR
PRESENT HOUSING TYPE?

	NO. OF RESPONSES
Mobile home	2
Rent a single family home which I previously owned	1
Rent a house	1
Own home - 3 room apartment upstairs	1
I live in my spouse's home	1
No answer	__1
TOTAL	7

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #11 - DO YOU CURRENTLY USE ANY OF THE FOLLOWING
COMMUNITY SUPPORT SERVICES?

	<u>NO. OF RESPONSES</u>
Have oxygen in my apartment	1
Handyman	1
Companionship Senior Citizen Center	1
VA Hospital based Home Care Services	1
Required these services after surgery last year	1
Cut grass - need advice	1
Expect to use more of the above services	1
No answer	--2
TOTAL	9

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #12 - IF YOU WERE TO NEED HELP WITH ACTIVITIES OF
DAILY LIVING, WHO WOULD YOU DEPEND UPON?
(CHECK AS MANY AS APPLY.)

	<u>NO. OF RESPONSES</u>
Spouse	1
None	1
Neighbors	1
As I come to need more help, would prefer to be in retirement facility	1
No answer	__1
TOTAL	5

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #13 - RETIREMENT CENTERS OFFER DIFFERENT PLANS TO
ASSIST RESIDENTS WHO NEED SHORT-TERM OR
LONG-TERM NURSING HOME CARE. IF ONE OF THE
FOLLOWING PLANS WERE AVAILABLE, WHICH PLAN
WOULD YOU PREFER?

	<u>NO. OF RESPONSES</u>
Undecided now - dependent upon circumstances and needs and costs at the time	6
Don't know or did not give reason	6
Never plan to go to nursing home	4
Prefer to stay at home	3
Medical insurance/VA will provide care or will move elsewhere	3
Relatives/children will decide	2
Want to select own nursing home or have assistance doing so	2
Could not afford nursing home for long term	--1
	27

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #14 - THERE ARE MANY DIFFERENT REASONS FOR MOVING
INTO A RESIDENTIAL FACILITY DESIGNED ESPECIALLY
TO MEET THE NEEDS OF OLDER ADULTS. HOW WOULD
YOU RANK THE FOLLOWING REASONS?

	<u>NO. OF RESPONSES</u>
Not to be afraid to live alone any more	1
Affordable	1
Near a church	3
Near one of our children	1
Security from theft or violence	1
Transportation to church, doctor, shopping, social functions	1
Connection with the outside world, creative activities, transportation trips, responsibility for self	1
No answer	--2
TOTAL	11

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #15 - IF YOU COULD CHOOSE A TYPE OF HOUSING BEST
SUITED FOR YOUR CURRENT NEEDS, WOULD YOU:

	<u>NO. OF RESPONSES</u>
Mobile home	2
Live with grandchildren	1
Own an apartment that serves dinner and provides help if emergency arises	1
If we find single family home too much, we prefer all age levels	__1
TOTAL	5

QUESTION #16 - IN THE FUTURE, WHICH OF THE FOLLOWING EVENT(S)
MIGHT TRIGGER THE NEED TO MOVE? (CHECK AS MANY
AS APPLY.)

	<u>NO. OF RESPONSES</u>
To feel free to travel	1
If I had to sell home	1
Possibly Kings, Wisconsin	1
Decay of neighborhood	__1
TOTAL	4

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #17 - HAVE YOU GIVEN ANY SERIOUS THOUGHT TO MOVING
FROM YOUR PRESENT HOME:

<u>OTHER REASONS</u>	<u>NO. OF RESPONSES</u>
Warmer climate	7
Age, getting older	5
No, except to feel free to travel	1
For a larger home	1
Would prefer house all on one floor	1
From a flat to an apartment	1
Old age, no family to make arrangements	1
Fear corner lot on two busy streets invites trouble, vandalism	1
Too busy a street	1
Hoping for a retirement home for people on middle income	1
Am waiting to see how I make out	1
For another job	1
Same reasons checked in Q-16	1
High tax	1
Too big	1
TOTAL	25

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #24 - THERE WILL BE A KITCHEN IN EACH APARTMENT FOR MEAL PREPARATION. AS CURRENTLY PLANNED, THERE ALSO WILL BE A CENTRAL DINING ROOM FOR ONE OR MORE DAILY MEALS. WHICH MEAL PLAN WOULD YOU PREFER INCLUDED IN YOUR MONTHLY SERVICE CHARGE?

	<u>NO. OF RESPONSES</u>
Meals available if needed or desired	16
No meals provided	13
Prefer to do my own cooking	9
Mobile meals if needed	1
Meals on Wheels one time per day in my own residential unit	1
Service in apartment	1
Discount for meals not eaten	1
One meal in dining room	1
Not interested	1
No answer	1
TOTAL	45

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #34 - IF YOU OWN A CAR AND WERE TO MOVE TO THE
PROPOSED RETIREMENT CENTER, WHICH OF THE
FOLLOWING WOULD YOU PREFER?

	<u>NO. OF RESPONSES</u>
Unheated garage	3
Regular garage	1
Do not like underground garage, would be afraid	1
Depends on my health and if I can afford it	1
Cost per month would determine this	1
Cannot tell now what I would prefer	1
Not sure about this	1
Keep car as long as I can afford	1
Car too old to keep	1
No car	1
Do not drive	1
TOTAL	13

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #35 - WHAT MODE OF TRANSPORTATION DO YOU USE FOR
SHOPPING AND ERRANDS?

	<u>NO. OF RESPONSES</u>
Wife drives and runs errands	1
Husband drives	1
It depends on the weather	1
No answer	__1
TOTAL	4

QUESTION #36 - IDEALLY, HOW CLOSE TO YOUR HOME WOULD YOU
WANT EACH OF THESE FACILITIES? PLEASE CHECK
THE DISTANCE THAT IS BEST FOR YOU.

	<u>NO. OF RESPONSES</u>
Restaurant (within 1 mile from home)	1
Restaurant (within 2 miles from home)	1
Liquor store (within walking distance)	1
Theaters (within 1 miles from home)	1
Without a car wants to be within 1 mile from above choices. With a car it doesn't matter how far away from above choices	__1
TOTAL	5

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #37 - PEOPLE OFTEN HAVE A NUMBER OF SOURCES OF
INCOME. WHICH OF THE FOLLOWING ARE YOUR MAIN
SOURCES OF INCOME NOW? (PLEASE CHECK AS MANY
AS ARE APPROPRIATE.)

	<u>NO. OF RESPONSES</u>
My husband	1
My wife is still teaching	1
My husband received Social Security. I work part time.	1
Wages of spouses investment income	1
Income from trust	1
Installment sales	1
Investments	1
Government compensation	1
Military	1
No answer	<u>2</u>
TOTAL	11

QUESTION #38 - HOW DID YOU ARRIVE AT THE FIGURE YOUR HOME
WOULD SELL FOR TODAY?

	<u>NO. OF RESPONSES</u>
I am a co-owner	1
Old home, needs repairs badly	<u>1</u>
TOTAL	2

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #46 - WHICH OF THE FOLLOWING REFUND POLICIES WOULD BE
ACCEPTABLE TO YOU?

	<u>NO. OF RESPONSES</u>
Don't know or no answer	6
Need more HUD apartments in Kenosha, can't afford these plans; entry fee/ service fee too high	5
Not interested in entrance fee or at all	5
Entry fee and service fee too high	3
Need better explanations on entry fee, refund policy & service charges	1
Where & why would a person expect to leave a retirement center?	1
At this time I can't afford any of this but may have to think about it in future	1
Willing to pay like rent only or pay as I go along	2
If I had the kind of money you're talking about, I'd stay in my house	1
Partial refund is what - 20, 50, 75%	1
Full at first, declining to no refund, i.e., 5 - 10 year term	1
I would not like to change standard of living	1
Can't answer now, don't know what financial status will be when I'm ready to enter	2

OTHER RESPONSES
ALL RESPONDENTS 55 YEARS AND OLDER
IN STUDY AREA

N = 395

QUESTION #46 - WHICH OF THE FOLLOWING REFUND POLICIES WOULD BE
(continued) ACCEPTABLE TO YOU?

	<u>NO. OF RESPONSES</u>
I'd have to study this more & use a table of figures, or need more information	2
Did not fully understand this page, or sounds too complicated	2
My answers for one person might be different for two of us	1

TOTAL	32

QUESTION #48 - IF YOU CURRENTLY LIVE IN YOUR OWN HOME, IS THE
SALE OF YOUR HOUSE CRITICAL TO YOUR DECISION
AND/OR READINESS TO MOVE INTO THE PLANNED
RETIREMENT CENTER?

	<u>NO. OF RESPONSES</u>
Plan to die in my own home	1
Willed to my children	1
Not interested at all	1
No answer	--1
	4

ADDITIONAL COMMENTS

ST. CATHERINE'S SURVEY

ADDITIONAL COMMENTS

This survey is not to help the elderly but to see how much money they have and constant-fee them to death.

Regarding question 45--prices and entry fee seem too expensive.

I'm sure the above is only for the wealthy.

At the present time--with the excellent health I enjoy--I am sure that I would not be interested for 10 years or more.

We need a place like this in this city.

Not interested at this time.

This is a nice concept but as long as I am able I prefer to live in a less structured environment.

My reading about this retirement concept leads me to believe that service charges escalate so rapidly that people cannot afford to live there.

We hope we never need such a facility, but one never knows what might develop.

Proposal too expensive, I think services should be less and cost per month should be under \$300.

We do not understand why St. Catherine's Hospital is getting involved in this. With hospital costs going too high for many older folks, why not concentrate on lowering costs to everyone - especially old folks who need and cannot afford hospital costs - instead of building retirement homes for folks with money?!

Am afraid this project would be beyond our means.

No comments except living costs too high.

The City of Kenosha certainly needs this kind of facility. None exists now, and as the senior citizens group grows larger, so will the demand for this type of facility.

At the present time I see no need for a facility of this type in Kenosha. Too expensive to build.

None

ADDITIONAL COMMENTS (Continued)

I would like to live in a nice and neat place, but it would not have to be so beautiful that I couldn't afford it.

Would consider only on death of spouse, in which event single income would put cost beyond my means for retirement center.

This sounds like a good idea for those that can afford it. But most of us wouldn't last long - we would be destitute.

Kenosha could use all the above; I myself would but for now I don't.

Kenosha needs another place like this.

The idea seems practical if the cost is reasonable since a nursing home, which might be needed later, would be very costly.

Not interested.

None

I think most people cannot afford a place like Alexian Village but would prefer something near church and transportation.

Would you pay interest on the entry fee?

I would rather have more HUD apartments in Kenosha--that would be most needed.

I think I can live much cheaper in my own home. When we get too old for ourselves, we can learn more about this plan.

Don't have no house.

"If stands on the corner stiff." Health and wealth cannot be predicted. These answers are suitable for us.

At this time it is difficult to know the affordability of this plan--age at moving, inflation, etc., would be factors.

No mention made of facilities for religious worship (mass) or facilities to entertain friends or family. No mention of number of apartments, height of building (multi-story).

ADDITIONAL COMMENTS (Continued)

I realize there are people who could afford such excellent care and services, but most cannot. There is a need for such a facility, however.

Good luck in what you are trying to do--Kenosha needs this.

A recent surgery pointed out how dependent I am on my younger, actively employed neighbors and friends. (We never know when we need help.)

As stated earlier in this survey, would only give up our present home if our health became such that we couldn't keep up the care (physically) necessary to live in one's own home.

I find this very interesting and feel Kenosha could use such a facility.

I would prefer to rent an apartment only, and take care of my services myself.

It would be essential that there be a workshop to pursue hobbies such as woodworking, varnishing, upholstering, and crafts.

My house has a second mortgage.

Would have to rent at primary rental rates in this area.

At this time we are doing well as we are - that could change!

No comments.

If I were to sell my house now or in near future, I would go into an apartment.

All of this sounds very interesting. I wish you great success!

None

Kenosha does need such a facility.

At 57 and in good health - it really made me think.

Rent at present time.

ST. CATHERINE'S SURVEY

ADDITIONAL COMMENTS

THOSE LIVING WEST OF I-94

The monthly fee would be higher than I could afford if it would be over \$750 per month.

65-74 YEARS OLD - SECONDARY FOCUS GROUP
QUALIFIED AND INTERESTED

N=18

The more questions I answered, the less interested I became. Why the entry fee and large monthly service charge? This is ridiculous to say the least.

75 YEARS AND OLDER - PRIMARY FOCUS GROUP
QUALIFIED AND INTERESTED

N=15

If the need became urgent I might need to have help before I could sell but I don't think I'd have any trouble selling.

STATEMENT OF LIMITING CONDITIONS

1. Facts and Forecasts Under Conditions of Uncertainty

- . Inferences of market demand which combine census data estimates and parameters generated from survey research are always subject to an unknown degree of error due to the time differences in underlying economic conditions and other circumstances as well as variations in definitions and research frame of reference of the two types of study inputs.
- . Primary survey research is always subject to an unknown bias in sample selection as well as potential bias in the nature of the response and non-response rates from different segments of the sample population. In this case, the sample sacrificed a claim to random cross-sectionality in order to exploit the availability of various mailing lists which were known to represent primarily the elderly within selected census enumeration districts in a market area defined by judgments of the analysts. Therefore traditional statistical tests of statistical inference were not considered appropriate.
- . The presentation and analysis of data in this report has been done in a craftsmanlike manner but the results suggested are only intended to scale the potential market opportunity since ultimate achievement is conditional on so many intervening factors both within and beyond the control of the developer.

2. Controls on This Market Report

- . All information regarding property sales and rentals, financing, or projections of income and expense is from sources deemed reliable. No warranty or representation is made regarding the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental, or other conditions, prior sale, lease, financing, or withdrawal without notice.
- . Information furnished by others in this report, while believed to be reliable, is in no sense guaranteed by these analysts.

- . Possession of this report or any copy thereof does not carry with it the right of publication nor may the same be used for any other purpose by anyone without the previous written consent of the appraisers or the applicant, and in any event, only in its entirety.
- . Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the authors, particularly regarding the market conclusions, and the identity of the analysts, or of the firm with which they are connected or any of their associates.

J E A N B . D A V I S

EDUCATION

Master of Science - Real Estate Appraisal and Investment Analysis,
University of Wisconsin

Master of Arts - Elementary Education, Stanford University

Bachelor of Arts - Stanford University (with distinctions)

Additional graduate and undergraduate work at Columbia Teachers
College and the University of Wisconsin

PROFESSIONAL EDUCATION

Society of Real Estate Appraisers

Appraising Real Property	Course 101
Principles of Income Property Appraising	Course 201

American Institute of Real Estate Appraisers

Residential Valuation (formerly Course VIII)

Certified as Assessor I, Department of Revenue,
State of Wisconsin

PROFESSIONAL EXPERIENCE

With a significant background in education, practiced in California, Hawaii and Wisconsin, Ms. Davis is currently associated with Landmark Research, Inc. Her experience includes the appraisal and analysis of commercial and residential properties, significant involvement in municipal assessment practices, and market and survey research to determine demand potentials.

J A M E S A . G R A A S K A M P

PROFESSIONAL DESIGNATIONS

SREA, Senior Real Estate Analyst, Society of Real Estate Appraisers

CRE, Counselor of Real Estate, American Society of Real Estate
Counselors

CPCU, Certified Property Casualty Underwriter, College of Property
Underwriters

EDUCATION

Ph.D., Urban Land Economics and Risk Management - University of Wisconsin
Master of Business Administration Security Analysis - Marquette University
Bachelor of Arts - Rollins College

ACADEMIC AND PROFESSIONAL HONORS

Chairman, Department of Real Estate and Urban Land Economics,
School of Business, University of Wisconsin
Urban Land Institute Research Fellow
University of Wisconsin Fellow
Omicron Delta Kappa
Lambda Alpha - Ely Chapter
Beta Gamma Sigma
William Kiekhofers Teaching Award (1966)
Urban Land Institute Trustee

PROFESSIONAL EXPERIENCE

Dr. Graaskamp is the President and founder of Landmark Research, Inc., which was established in 1968. He is also co-founder of a general contracting firm, a land development company, and a farm investment corporation. He is formerly a member of the Board of Directors and treasurer of the Wisconsin Housing Finance Agency. He is currently a member of the Board and Executive Committee of First Asset Realty Advisors, a subsidiary of First Bank Minneapolis. He is the co-designer and instructor of the EDUCARE teaching program for computer applications in the real estate industry. His work includes substantial and varied consulting and valuation assignments to include investment counseling to insurance companies and banks, court testimony as expert witness and the market/financial analysis of various projects, both nationally and locally, and for private and corporate investors and municipalities.

