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## Market survey analysis for proposed Lasata Retirement Housing in Ozaukee County.

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MARKET SURVEY ANALYSIS  
FOR  
PROPOSED LASATA RETIREMENT HOUSING  
IN  
OZAUKEE COUNTY

Landmark  
Research  
Inc.



MARKET SURVEY ANALYSIS  
FOR  
PROPOSED LASATA RETIREMENT HOUSING  
IN  
OZAUKEE COUNTY

PREPARED FOR  
POTTER, LAWSON AND PAWLOWSKY, INC., AIA  
FOR PRESENTATION TO  
THE LASATA BOARD OF TRUSTEES

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.

October 15, 1984

Mr. Randall G. Krentz  
Administrator  
LASATA Nursing Home  
W76 N677 Wauwatosa Road  
Cedarburg, WI 53012

Dear Mr. Krentz:

With this letter we are providing you with our market analysis which focuses on the scale and the character of effective demand for retirement housing designed for the independent elderly and located on the LASATA site in Cedarburg, Wisconsin. The population frame for the study was comprised of households headed by individuals who are 65 years and older and who reside in Ozaukee County. 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 to estimate the possible market penetration the proposed project could enjoy, given certain basic product and price specifications.

We are pleased to report that our analysis of Ozaukee County census data and our interpretation of 339 mail survey responses from persons 65 years and older suggest there is an opportunity to meet an effective demand level for up to 60 one- and two-bedroom apartment units in a retirement housing setting described within this report. Additional supportive services would be offered for a fee on an as-needed basis.

Also included in our analysis are 21 adult respondents from the Disabled Citizens, Inc., of Ozaukee County. In addition to the effective demand for up to 60 retirement apartments, there appears to be a potential effective demand for five units for disabled adults who are capable of living independently. This market demand is discussed in more detail within the report.

The basic product would include a mix of one- and two-bedroom independent living units featuring a secured, underground garage accessible by elevator, an in-house infirmary, private storage facilities, laundry rooms with washer and dryer, a 24-hour emergency response system, community/recreation rooms, and a common area dining room. Pricing would include a security deposit, a basic rental charge, and optional service charges. All of the above are more carefully detailed in our report.

Randall G. Krentz  
Page Two  
October 15, 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 excellent opportunity. 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 found at the end of this report.

It is always satisfying to discover what seems to be a need in the market place for a product which may enjoy sufficient effective demand to operate without a direct rent subsidy. We look forward to your comments and any questions you may have.

FOR LANDMARK RESEARCH, INC.

*Jean B. Davis*

Jean B. Davis  
Real Estate Appraiser/Analyst

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

jc

Enclosure

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OZAUKEE COUNTY ELDERLY HOUSING STUDY  
SUMMARY OF MAJOR RESEARCH FINDINGS

1. The growth rate for the number of persons 65 years and older in Ozaukee County in the next 10 years is more than double that for Wisconsin or for the Milwaukee SMSA. The Wisconsin State Data Center projects a 47 percent increase in 10 years for Ozaukee County's elderly population or, in absolute numbers, an increase from 5,662 persons to 8,295 persons. In 20 years the number of persons 65 years and older in Ozaukee County will grow to 11,070, and in that 20-year period the proportion of elderly will have shifted from 8 percent of the total population to 13 percent.

The average age of entry into retirement housing in Wisconsin has been between 75 and 80 years of age. In the 1980 census there were 1,727 persons in Ozaukee County between the ages of 75 and 84 years. In 10 years it is estimated that there will be a 42 percent increase in this age group, or 2,446 persons. Thus, a continuing and growing market exists in Ozaukee County for housing, especially designed to meet the special needs of the elderly.

2. There are 205 units of elderly subsidized housing in Ozaukee County which serve the housing needs of 227 low income elderly residents, or 4 percent of Ozaukee's elderly population. Although there are several private apartment projects in the LASATA area, most have no vacancies and/or a waiting list, and none provide congregate dining facilities nor access to supportive services if and when needed. None provide a systematic daily check of their residents nor a 24-hour emergency care system.
3. It was initially assumed that the primary market area would be Cedarburg-Grafton, but survey results indicate that Mequon-Thiensville elderly are equally interested in LASATA retirement housing. The Mequon-Thiensville respondents, in general, are younger than the Cedarburg-Grafton respondents, and their interest in retirement housing will be strongest in three to five years.

A strong secondary market exists in Port Washington and a lesser market is in Saukville. Although Fredonia had a proportionately high response rate, it is included in the tertiary market with Belgium, Newburg, and West Bend.

The Port Washington area, with a relatively high proportion of elderly, can be considered as the most probable location for a second retirement housing project. Port Washington elderly residents are loyal to their community and many would prefer to move to retirement housing in their own community. Before screening for financial strength and interest in LASATA's retirement project, 53 percent selected the Cedarburg zip code area as their preferred location, but another 21 percent selected the Port Washington zip code as their preferred place to live.

4. For the majority of all respondents, regardless of income or interest in moving to a LASATA apartment, the location of retirement housing on the LASATA site is acceptable. Although only 26 percent of the 339 respondents presently live in the Cedarburg zip code area, 65 percent of the respondents indicated they prefer the LASATA site with its country atmosphere, or they are indifferent to location, or they want to stay close to their home which is already in Cedarburg. The second most popular alternative is to live in retirement housing which is adjacent to a shopping district in a small town; this is the preference of 18 percent of the respondents.

When the respondents are screened for income and interest in moving to LASATA, the LASATA site is found to be extremely attractive to persons 75 years old and older. Of this group of 19 qualified and older respondents, 75 percent prefer the LASATA site with proximity to a shopping district as the second choice for 16 percent of the remaining respondents.

When the respondents are asked to select factors which would enhance the appeal of LASATA retirement housing, only 6 percent of the 339 respondents prefer NOT to be located adjacent to the LASATA nursing home. Another 26 percent prefer to be located off the LASATA site and near a shopping center. Respondents who are financially qualified and interested in moving to a LASATA apartment gave similar responses.

5. There is wide spread community acceptance of the retirement living concept. Before screening for financial qualifications, 97 percent of all of the respondents found the concept an appealing alternative. Of these respondents, 31 percent found the concept immediately appealing and indicated it suits their needs now or they would explore it for the future. The other 66 percent of the respondents found it appealing, if and when needed. Only 3 percent did not find the concept appealing.



6. The primary pool of prospective residents of LASATA retirement housing are homeowners who have the financial strength necessary to afford private retirement housing. The married homeowner is the best qualified financially with married renters following a close second. The majority of single and widowed homeowners and renters do not pass the income screen of  $\geq \$10,000$ , but the single and widowed homeowners have a convertible asset to invest in order to augment their annual income, which make them more eligible.
7. A market of elderly persons 65 years and older who are seriously interested in and financially qualified for private retirement housing presently exists in Ozaukee County. Assuming consumer preferences for product design, meal plan, an affordable rent, and type and level of supportive services available are satisfied, an estimated 55 to 65 living units can be leased within the first year after opening. This estimate assumes approximately five units to be set aside for disabled persons.
8. The conditions, or trigger events, most likely to cause elderly persons to move from the family residence to retirement housing are the burden of home maintenance and the need to be closer to supportive services which accompanies a growing awareness of declining health and the loss of a spouse. The proportion of persons who need to gain freedom from home maintenance and to be closer to supportive services is, of course, highly correlated to age. The third most frequently mentioned reason Ozaukee County respondents would consider a move out of the family home is to reduce living expenses.
9. Although it is recognized that respondents, when asked to select an affordable monthly rent, will be conservative and will use historical rents as a basis, the frequency and range of these rents offer a suggestion of the consumers perception of market rents. The 19 respondents, aged 75 years and older, who are financially qualified and interested in moving to a LASATA apartment within the next five years, estimated an average affordable rent of \$415 per month  $\pm$  \$70, or a range of \$345 to \$485 per month for a one- or two-bedroom apartment. 42 respondents, ages 65 to 74 years, who are financially qualified and interested in moving to a LASATA apartment within the next five years, estimated an average affordable rent of \$435 per month  $\pm$  \$105, or a range of \$330 to \$540 per month. These estimates are relatively close to or slightly above current (1984) market rents for private apartments in the Cedarburg-Grafton-Mequon- Thiensville area, the primary market area.

The sale of the family home, generally in the average value range of \$70,000 to \$100,000, and the investment of the net proceeds would yield at least \$450 to \$700 per month to bridge the gap between market rent for a private apartment and for a retirement apartment with a common dining room, community rooms, 24-hour security and emergency care, an infirmary, and access to supportive services when needed.

10. By an overwhelming majority the elderly prefer to be billed monthly for the electricity used in an individual's apartment. They do not want to pay for someone else's wasteful habits.
11. A majority of interested and financially qualified potential residents are married, and the preference is for two-bedroom units. Even though many single householders would prefer two-bedroom units, the preference shifts to one-bedroom units for the older person. There is no interest in efficiency apartments among the more independent elderly. The marketable unit mix of one- and two-bedroom units must be in a proportion which can accommodate the increasing number of widowed persons who will continue to reside in the retirement apartments. The two-bedroom and two-bath units can accommodate married couples who need more space or can be shared by unrelated persons who want both companionship and lower per person housing costs. Given the levels of rent found most acceptable today to prospective residents, the following unit mix and rental ranges are suggested from the survey data:

RESPONDENT PERCEPTION OF APPROPRIATE  
RENTAL RANGE AND UNIT MIX  
1983-1984

=====			
UNIT TYPE	APPROXIMATE UNIT SIZE (SQ.FT.)	PERCENTAGE OF PROJECT	RENTAL RANGE (INCLUDES HEAT BUT DOES NOT INCLUDE A DAILY MEAL)
-----			
Efficiency		0%	N/A
1 BR, 1 BA	550-600	35% - 25%	\$385 - \$425
1 BR, 1 BA	650-700	40% - 35%	\$450 - \$475
2 BR, 1 BA	750-800	20% - 30%	\$500 - \$525
2 BR, 2 BA	900-975	5% - 10%	\$575 - \$600
-----			

12. The rental ranges suggested from the survey data fall short of those necessary to justify new construction. LASATA has significant cost advantages relative to new private construction in terms of low land costs, tax exempt interest rates, and real estate tax exemption. For reasons described more fully within the report, Landmark Research believes the gap between rents perceived affordable and rents required by alternative, realistic cost parameters can be bridged.
13. Based upon further analysis of 1985 project costs, and 1986 projected rents, Landmark Research suggests a unit mix for the initial phase which favors one-bedroom units, the majority choice of the primary prospects from the most likely market prospects who are 75 years and older. The more luxurious two-bedroom units registered as the preference of the more well-to-do and younger Ozaukee residents are downplayed because it is recognized that when the actual decision is made, for the majority, rental cost will be the most important determinant. The following unit mix and rental ranges are based upon 1985 project costs and 1986 projected rents:

CONSULTANT RECOMMENDATION OF APPROPRIATE  
RENTAL RANGE AND UNIT MIX  
1985 - 1986

NO. OF UNITS	UNIT TYPE	APPROXI- MATE UNIT SIZE (SF)	% OF PROJECT	RENTAL RANGES/MONTH (INCLUDES HEAT BUT NOT DAILY MEAL) BASED ON PROJECT COSTS		RENTAL RANGES PER SF/MONTH BASED ON PROJECTS COSTS	
				@ \$40/SF GBA	@ \$45/SF GBA	@ \$40/SF GBA	@ \$45/SF GBA
27	1 BR, 1 BA	550	45%	\$460	\$510	\$0.83	\$0.91
18	1 BR, 1 BA	650	30%	525	580	0.81	0.89
12	2 BR, 1 BA	750	20%	600	645	0.80	0.86
3	2 BR, 2 BA	900	5%	700	750	0.78	0.83

14. 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. However, interviews with administrators of all the major Milwaukee retirement centers indicate they have needed more two-bedroom units than anticipated and expansion programs are emphasizing two-bedroom units to bring the unit mix ratio closer to one two-bedroom unit to every two one-bedroom units. A

one to two ratio, rather than the one to three ratio recommended by the consultant will slant a project toward higher income younger elderly in the initial rent-up period. The ratio of one to two bedrooms is a public policy decision. Studios and efficiencies have proven to be inappropriate and obsolete.

15. 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. Ozaukee County elderly concurred in the preference for the availability of storage in the building. Private storage lockers ranked among the top three amenities desired by a wide majority of the respondents.
16. The elderly of Ozaukee County are a highly mobile group, in general, 80 percent of all 339 respondents indicating they get from place to place by driving their own car. For those financially qualified and interested in moving to LASATA, almost 100 percent drive their own car in both the 65 to 74 year age group and the 75 year and over age group. Eighteen percent of all respondents had two cars per household; the percentage of two-car households is higher for the respondents financially qualified and interested in moving to LASATA.
17. A heated and underground garage for an extra monthly fee is the choice of over 60 percent of the financially qualified and interested respondents in both the 65 to 74 year and 75 year and older age categories. When asked to rank the importance of several facilities and supportive services, an enclosed garage ranked first with the 75 year and older group of qualified and interest respondents. For the 65 to 74 year old group of qualified and interested respondents, the importance of the enclosed garage ranked third with only a laundry room with washer and dryer and private storage lockers ranking higher.

A detached garage which can be locked was the choice of about 30 percent of the respondents, but surface parking is definitely unpopular.

18. With a highly mobilized elderly society in Ozaukee County, the need to be near grocery and drug stores, shopping centers, medical offices, churches, and hospitals is greatly diminished. But the majority of elderly would prefer to have a grocery store and a drug store within walking distance (two blocks) or at least within one mile of their residence. For financially qualified and interested respondents who are 65 to 74 years old, at least 50 percent indicated it does not matter whether they are near churches, shopping centers, medical offices, or hospitals. For the older group 75 years and older it became more important to be closer to these facilities, as driving becomes more stressful. A regularly scheduled transportation system will need to be available for those who drive less as they become older. Accessibility of the grocery store, drug store, and other stores and services must be apparent to the residents of LASATA retirement housing, even though, for the majority, the automobile will be the primary means of transportation until driving is no longer possible. For the few who presently do not drive or prefer not to drive, transportation is a critical issue in their decision to move to LASATA.
19. When the elderly in Ozaukee County need assistance with tasks of daily living, the majority turn to a spouse, and/or their children for help. Many of these people would also prefer to move to a retirement center which is closer to established supportive services. The only community services used by more than 1 percent to 2 percent of the elderly population are nutrition site meals; the wide majority do not use any community services.

In ranking the importance of facilities and supportive services usually sought by the elderly, the facilities such as laundry room with washer and dryer, private storage lockers, and an enclosed garage outranked any supportive services. Only the two services, 24-hour emergency assistance, and a daily check on each resident, which would be included in the rental fee, rank close in importance to the previously mentioned facilities in importance.

Housecleaning services, laundry services, and personal care assistance always ranked last in importance for all respondents. Nutritious meals in a full-service dining room always ranked sixth out of ten in importance.

20. Most respondents would prefer to have nutritious meals available in a common dining room, but the wide majority do not want the fee for the meal to be included in the monthly rent. All meals should be optional and only meals that are eaten should be paid for, according to the majority of survey respondents. Only about 10 percent to 13 percent are not interested in having meals available at all.

In the 65 to 74 year old age group of financially qualified respondents who are interested in moving to a LASATA apartment, 86 percent prefer all meals to be optional, whereas in the 75 year and older group of qualified and interested respondents, only 63 percent prefer all meals optional. The rest of the 75 year and older group were evenly split between one and two meals included in the monthly rent and served daily in the common dining room.

21. Ozaukee County residents are indifferent to the height of a retirement residence building. There was a fairly even split between preference for a one-story and a two-story building with from 35 percent to 45 percent of the respondents indifferent to the height of a residential apartment building. Note that those who now live in single family homes do not relate to the concept of elevator living; experience has shown that as persons grow older, they prefer elevators to the discomfort of long hallways of low rise buildings.
22. Assured access to a bed in the LASATA nursing home, if needed, would enhance the appeal of LASATA's retirement housing for the majority of survey respondents. Of the 61 respondents who are financially qualified and are seriously considering a move to a LASATA apartment in the next five years, over 61 percent want assured access to a nursing home bed at LASATA.
23. Of even greater appeal would be the inclusion of an on-site infirmary for LASATA retirement residents. Almost 70 percent of the most likely residents found such a service appealing.
24. To check the assertion that large numbers of Ozaukee County elderly are moving out of the county, respondents were asked if any of their friends have moved. More than 60 percent did not know of anyone who had moved; the majority of people who have left Ozaukee County have moved to a warmer climate in another state or to be closer to their children who live outside of Ozaukee County. Only in the 65 to 74 year old group were there a small percentage (21 percent) of friends who had left because they could not find quality, affordable retirement housing in the county. The construction of retirement housing on

the LASATA site would help to reduce this reason for out-migration.

25. Of the 50 questionnaires mailed to persons on the Ozaukee Disabled Citizens' list, 21 were returned. Four would seriously consider moving to a LASATA apartment within the year, six would consider a move in one to two years, and one would consider a move in three to five years. Of these 11 respondents interested in LASATA in the next two years, only six had a gross annual income of  $\geq$  \$10,000. Rent levels perceived affordable for these six respondents are as follows:

AFFORDABLE RENT LEVEL	NUMBER OF RESPONDENTS
\$300 - \$349	2
\$350 - \$399	3
\$500 - 549	1

One of the respondents at the \$300 to \$349 rent level currently owns a home valued at \$40,000 to \$70,000, and finds LASATA very appealing. The other respondent who indicated \$300 to \$349 rent level as affordable does not own a home so this respondent is considered less likely to be able to afford a LASATA apartment. Therefore, of these six qualified respondents, five are considered primary prospects for LASATA housing. Their ages, sex, and marital status are as follows:

AGE	SEX	MARITAL STATUS
34	M	Single
55	M	Married
75	M	Married
28	M	Single
57	F	Married



26. Of the 38 questionnaires mailed and delivered to persons on the inactive waiting list for the LASATA Nursing Home, 17 responded. The majority do not drive, are of fair to poor health, are in their 80s, are single/widowed females, rank supportive services as most important, and reside in Cedarburg. Only five of the eight respondents interested in moving to a LASATA apartment qualified financially with an annual income of  $\geq$  \$10,000, and only three of these wanted to move in within the next five years.

Only one of the three respondents, who are both financially qualified and interested in a LASATA apartment, drives a car; a secured underground parking garage is the first choice for this respondent. Of the same three qualified and interested respondents, two prefer optional meals, even though among all respondents in this group of more frail elderly, 53 percent preferred to have one or two meals served daily and included in the monthly rent.

In ranking the importance of supportive services, 24-hour emergency assistance, personal laundry services, the security of knowing someone will check on each resident daily, housecleaning services, and nutritious meals served in a full service dining hall ranked as the five most important services to this older group of potential residents. The needs of this group of older, more frail respondents serve as a proxy for the future needs of the initial group of more independent and younger residents who will have aged in place several years from now.



## I. MARKET STUDY OBJECTIVES AND METHODOLOGY

The retirement housing needs of the low-income elderly of Ozaukee County are served by four subsidized housing projects which provide approximately 205 living units for 227 elderly residents in Cedarburg, Grafton, Port Washington, and Saukville. This housing accommodates 4 percent of the elderly 65 years and older in Ozaukee County. There are several private apartment developments in the Cedarburg-Grafton-Mequon-Thiensville area, but there are waiting lists or there are no vacancies for most projects. There are no other known retirement living alternatives in Ozaukee County for middle- and upper-income persons who prefer to live independently without the burden of home maintenance and who also want the security of knowing that supportive services are available, on site, if needed.

### A. Major Objectives

The major objectives of the market for the proposed LASATA retirement housing are to evaluate the following for persons 65 years and older:

1. Effective demand for independent living rental apartment units in retirement housing to be located on the LASATA site.
2. Definition of primary and secondary market areas.
3. Acceptability of site location.

4. Need for proximity to shopping, offices, restaurants, hospital, and churches.
5. Most acceptable level of monthly rent for an apartment, which includes heat, as perceived by respondents.
6. Most marketable unit mix of preferred unit styles.
7. Preference for type of supportive services available. (Assume fee for service as used.)
8. Preferred meal plan.
9. Preferred building height.
10. Need for garage, and if so, preference for type.
11. Preferred relationship with LASATA nursing home.
12. Preference for an on-site infirmary in retirement housing.

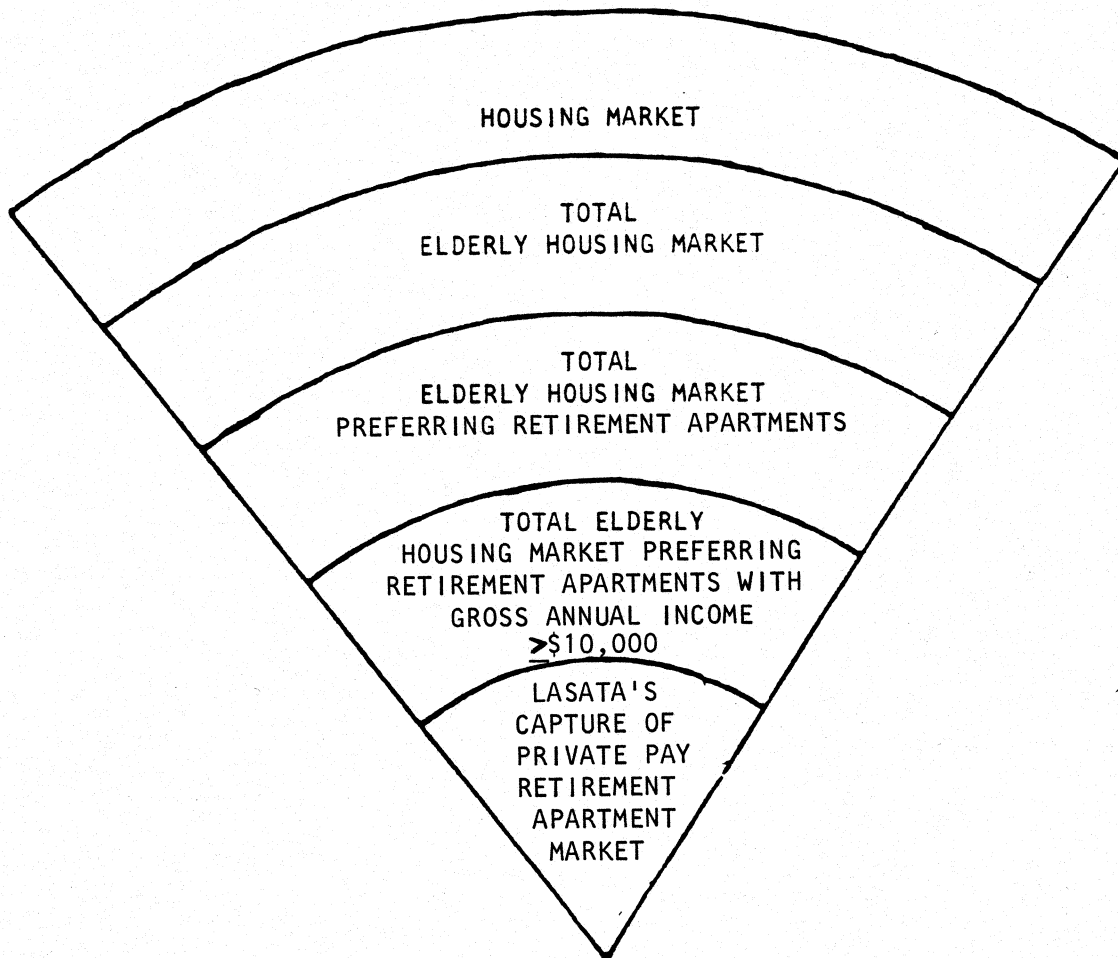
An additional objective is to evaluate the effective demand for rental housing designed for disabled persons of all ages who are capable of living independently and who prefer to have supportive services available if needed.

The estimate of effective demand, the primary study objective, will assist the LASATA Board of Trustees to scale and phase the project's construction to fit the appropriate segment of demand for retirement housing. In Exhibit I-1 the total Ozaukee County housing market is segmented into subsets from which LASATA will capture a share of the market demand for retirement apartments for the initial phase of its development of elderly housing.

EXHIBIT I-1

SEGMENTATION OF STUDY AREA

HOUSING MARKET



A substantial waiting list for subsidized housing in Ozaukee County is indicative of the continuing need for more housing for the elderly who are desirous and capable of independent living, but who also want supportive services more accessible if needed. If a rent subsidy for low income persons was available for a new retirement housing project, there is no question that 100 to 150 units could be rented within the 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 available and fee schedules for these services, the meal plan offered, an acceptable monthly rental charge, ease of access to a nursing home, and the type of garage available. Among those who want and can afford private retirement living in Ozaukee County are those who will select another housing alternative or delay their decision to sell their home. Thus the capture rate, that is, those who move into the facility, will be a percentage of those who have the necessary income/assets and who have expressed a serious 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, 393 persons are on a mailing list to receive more information from LASATA about the proposed facility. Thus, approximately 28 percent of the households receiving questionnaires were interested enough in the retirement housing concept to learn more about the LASATA project as it develops. This list of prospective residents has been provided separately from this report to maintain confidentiality.

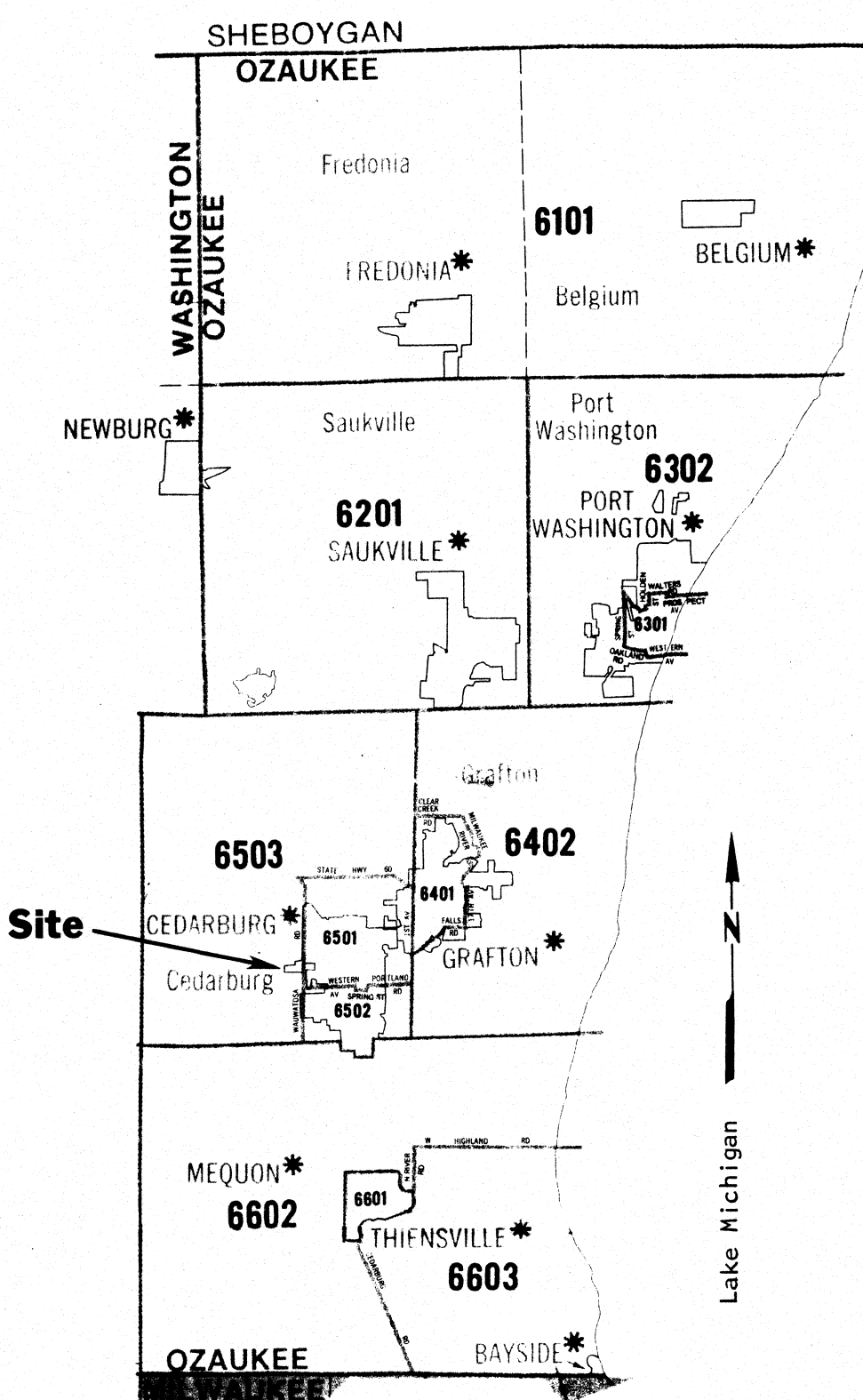
#### B. The Study Area

The location of the site for the proposed LASATA retirement housing is on the western edge of the City of Cedarburg and is identified in Exhibit I-2. The 25 acre site is also the location of LASATA, (Ozaukee's Home for the Elderly), a 204 bed skilled care nursing home for Ozaukee County residents. The topography of the site is slightly rolling and the grassy ground cover on the informally landscaped portion of the site adds to the country-like atmosphere of the site.

Although the site is located on the edge of an urban area, downtown Cedarburg is less than one mile away. The Villages of Grafton and Thiensville are within a five-mile radius of the site and the Cities of Port Washington, and Mequon, and the Village of Saukville are within a nine-mile radius of the site.

EXHIBIT 1-2

LOCATION OF SITE FOR  
PROPOSED LASATA RETIREMENT HOUSING



Fredonia and Belgium are approximately 13 and 19 miles, respectively, from the LASATA site.

With 68 percent of Ozaukee County's elderly population living in the Cedarburg-Grafton-Mequon-Thiensville area, the LASATA site is especially well located for retirement housing because the majority of the elderly who move to retirement housing prefer to live near their old neighborhoods, friends, and families.

### C. The Delineation of Market Areas

A preliminary study of the population centers of Ozaukee County led to the initial conclusion that the primary source of demand for LASATA retirement housing would be centered in the Cedarburg-Grafton area. But the response rates from Mequon-Thiensville elderly are equally as high as from Cedarburg and Grafton and the interest in LASATA retirement housing is strong. Therefore, the primary market area is defined as the 65 year and older population of the Cedarburg-Grafton area and the Mequon-Thiensville area.

The 1980 Census reported the elderly population of this primary market area to be 3,827, or 68 percent of Ozaukee County's elderly population. The secondary market area is defined as the Port Washington-Saukville area which has a 65 year and older population of 1,325 or 23 percent of Ozaukee County's elderly population. The tertiary market area is

Fredonia-Belgium with 510, or 9 percent of Ozaukee's elderly population. (See Appendix B, Exhibit B-6.)

It is assumed that the majority of LASATA's retirement housing residents will be drawn from the Cedarburg-Grafton area and the Mequon-Thiensville area, based upon the following factors: (1) proximity to the site, (2) the high concentration of elderly in Cedarburg and the Village of Thiensville, and (3) the high level of interest expressed by persons from these areas who responded to the questionnaire.

A strong interest in LASATA retirement housing also exists in the Port Washington-Saukville area, but many of these elderly residents would prefer to remain in the Port Washington area. The City of Port Washington has a high concentration of elderly with 14 percent of its citizens 65 years and older.

Exhibit I-3 details the response rates and serious interest in the project as segmented by zip code areas. The map in Exhibit I-4 delineates these primary, secondary, and tertiary market areas by zip code. The proportion of elderly respondents in each of the three market areas closely resembles the population proportions in those same areas as shown below:



# DEFINITION OF PRIMARY, SECONDARY, AND TERTIARY MARKET AREAS [1]

PLACE OF RESIDENCE		NUMBER OF QUESTIONNAIRES MAILED AND DELIVERED	NUMBER OF QUESTIONNAIRES RETURNED	% RETURNED BY ZIP CODE AREA [2]	% RETURNED BY TOTAL NUMBER RETURNED	NUMBER OF RESPONDENTS QUALIFIED AND INTERESTED [3]	% QUALIFIED AND INTERESTED BY ZIP CODE AREA [2]	% QUALIFIED AND INTERESTED BY AGE AND BY ZIP CODE AREA [2]	
ZIP CODE	COMMUNITY	N	N	%	%	N	%	65-74 YRS N	75+ YRS N
PRIMARY MARKET AREA									
53012	Cedarburg	199	89	45%	26%	16	8%	9	7
53024	Grafton	128	63	49%	19%	10	8%	7	3
53092	Mequon- Thiensville	151	71	47%	21%	23	15%	18	5
TOTAL % RETURNED					66%				
SECONDARY MARKET AREA									
53074	Port Washington	224	74	33%	22%	9	4%	6	3
53080	Saukville	37	13	35%	4%	1	3%	0	1
TOTAL % RETURNED					26%				
TERTIARY MARKET AREA									
53004	Belgium	47	11	23%	3%	0	0%	0	0
53021	Fredonia	50	15	30%	5%	2	4%	2	0
53045 53060	West Bend & Newburg	1	0	0%	0%	0	0%	0	0
TOTAL % RETURNED					8%				
TOTAL		837	336 [4]		100% 100%	61		42	19

[1] Based upon responses of 339 respondents who are 65 years and older from Commission on Aging source list.

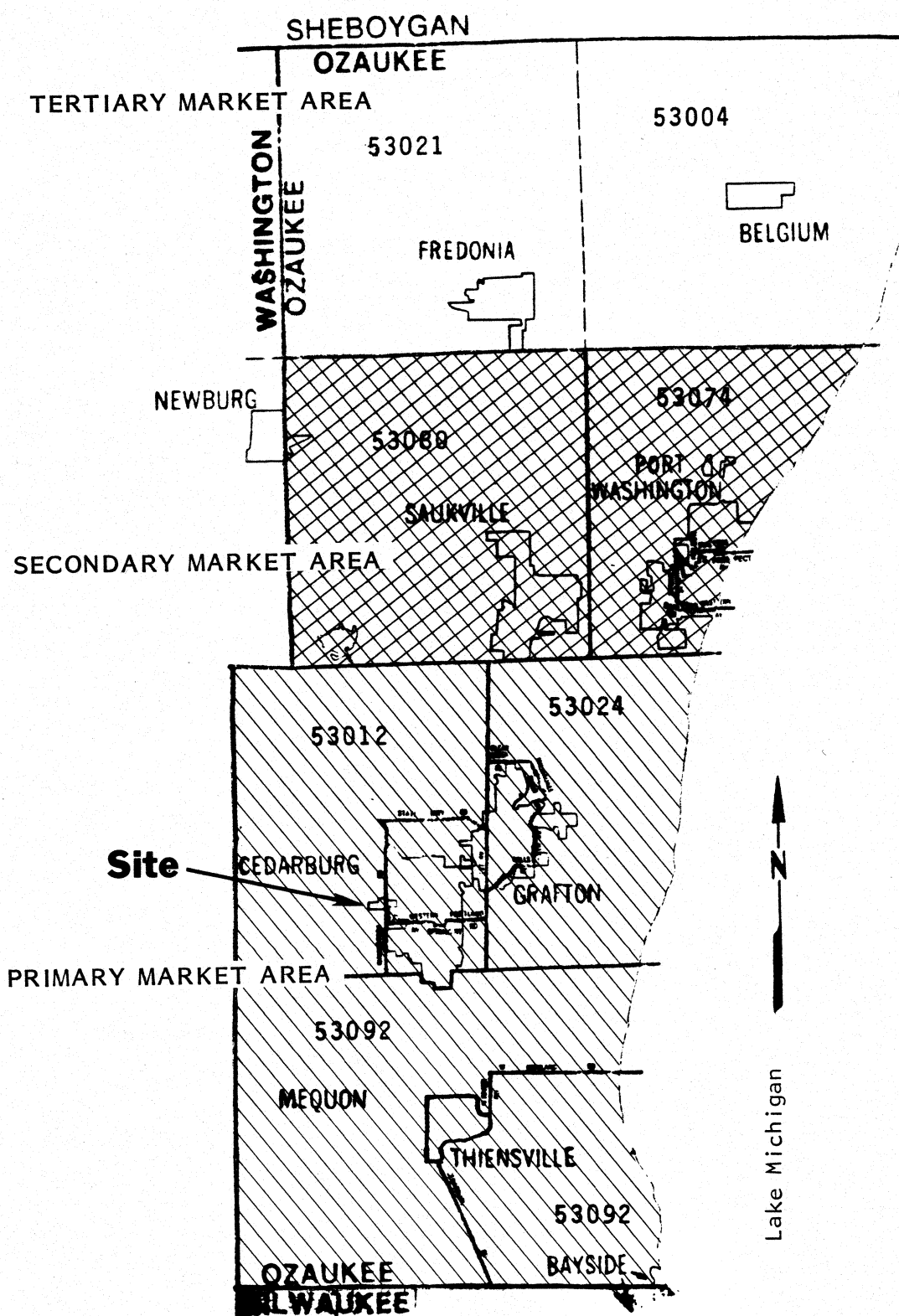
[2] The number of respondents is divided by the number of potential respondents who received a questionnaire, e.g., in the Cedarburg zip code, 199 persons 65 years and older from the Commission on Aging list received a questionnaire.

[3] Homeowners and renters with a gross annual income of  $\geq$  \$10,000 who would seriously consider moving to LASATA retirement housing within the next year to five years.

[4] Of the 339 respondents 65 years and older, 3 did not respond to Question 42 and therefore are not included in this total.

EXHIBIT I-4

MAP OF STUDY AREA BY  
MARKET AREAS AND ZIP CODE AREAS



NOTE: Zip code areas are approximate.

	% OF ELDERLY IN AREA 1980 CENSUS DATA	% OF RESPONDENTS IN AREA RANDOMLY SELECTED SAMPLE
PRIMARY MARKET AREA	68%	66%
SECONDARY MARKET AREA	23%	26%
TERTIARY MARKET AREA	--9%	--8%
TOTALS	100%	100%

#### D. Summary of Survey Methodology

Questionnaires were mailed to a randomly selected sample of elderly households taken from the Ozaukee County Commission on Aging Senior Citizens' Discount Card source list. The 339 responses of persons 65 years and older from this randomly selected sample provide the basis for the LASATA retirement housing market study. These sample respondents are assumed to be representative of the population of persons 65 years and older in the County.

Of the 339 randomly selected respondents who are 65 years and older, 203 respondents are homeowners or renters with an annual gross income of  $\geq$  \$10,000 and 61 of these financially qualified respondents are seriously interested in considering moving to a LASATA retirement apartment within the next five years.

Convenience samples were also analyzed to discover the characteristics and housing needs of specific groups such as the members of Disabled Citizens, Inc., persons on the LASATA Nursing Home inactive waiting list, and those persons who requested a questionnaire. Of the 99 persons requesting a questionnaire in response to an article in the Commission on Aging Newsletter, 87 persons returned the questionnaire and 30 are financially qualified (annual income  $\geq$  \$10,000), 65 years and older, and expressed a serious interest in moving to a LASATA apartment within the next five years.

Throughout the report, when appropriate, the characteristics and preferences of this self-selected sample of Ozaukee's elderly will be compared with the characteristics and preferences of the randomly selected sample group of 339 respondents who are further subdivided into two groups of respondents. These two groups are composed of the most likely prospects for LASATA's retirement housing. The two groups, which are described in detail later in the report, are: (1) homeowners and renters who are 75 years and older with an annual gross income of  $\geq$  \$10,000 and who expressed a serious interest in moving to a LASATA apartment within the next five years, (N=19), and (2) homeowners and renters who are 65 to 74 years old with the same financial and interest characteristics, (N=42).

Of the total number of 1,470 questionnaires mailed, 1,418 were delivered, and 673, or 47 percent, were returned, but the rate of return by source varied from 43 percent to 89 percent. A discussion of the sampling and survey methods, which include the response rates by list source is found in Appendix A.

## II. SUPPLY OF RETIREMENT HOUSING IN OZAUKEE COUNTY

Except for four Section 8 projects located in Cedarburg, Grafton, Saukville, and Port Washington, which provide 205 units of subsidized housing to the low-income elderly in Ozaukee County, there are limited alternative housing opportunities for the middle- and upper-income elderly within the County. (See Exhibit II-1 for list of subsidized projects.)

The existing supply of private rental apartments in Ozaukee County offers an alternative to the maintenance of the single family home, but lack the proximity to supportive services and the organized delivery of these services when needed. There is no community dining room to insure a daily, nutritious meal and to provide the companionship of others.

An inventory was made of private apartments in the Cedarburg-Grafton and Mequon-Thiensville area to determine occupancy rates, unit size, 1983-1984 monthly rental rates, and amenities expected in the private market. Exhibit II-2 summarizes this information for 12 apartment projects. All of the projects were built in the 1970s, before the onset of high interest rates of the 1980s, and have rental rates that range from \$0.36 per square foot per month to \$0.50 per square foot per month with the majority of the rents in the middle range.

## EXHIBIT II-1

ELDERLY SUBSIDIZED HOUSING RESIDENTS [1]  
IN OZAUKEE COUNTY

NAME AND LOCATION	TOTAL NO. OF UNITS	TOTAL NO. OF RESIDENTS	NO. OF WOMEN	NO. OF MEN	NO. OF SINGLES	NO. OF COUPLES
FISCHER TERRACE Cedarburg	50	56	44	12	44	6
CHADWICK VILLAGE III Saukville	40	47	26	21	33	7
MANCHESTER HEIGHTS Grafton	67	74 (approx.)	Breakdown unavailable.			
WESTPORT MEADOWS Port Washington	48	50	39	11	46	2
	205	227				

Source: Telephone interviews with project managers, March 1984.

- [1] The number of elderly persons on subsidized housing waiting lists, as reported by project managers, are listed below. Some persons may be on more than one waiting list:

	NO. ON WAITING LIST	REMARKS
Fischer Terrace	137	(60-70 are ready to move today)
Chadwick Village III	15	
Manchester Heights	200	
Westport Meadows	<u>100</u>	
TOTALS	452	

It is not known how frequently lists are updated to exclude those who are no longer interested or who no longer qualify.

INVENTORY OF MARKET RATE APARTMENTS  
IN LASATA'S PRIMARY MARKET AREA IN OZAUKEE COUNTY  
1983-1984 RENTS

PROJECT NAME/ADDRESS	YEAR BUILT	NO. OF UNITS	UNIT TYPES	RENT PER MONTH [1]	SQ.FT. AREA	RENT PER SQ.FT. PER MONTH	UTILITIES INCLUDED	PARKING	VACANCY RATE	COMMENTS
CANTERBURY COURT Evergreen Blvd. and Washington Ave. Cedarburg, WI	1979	16	12 - 2 BR, 1.5 BA 4 - 2 BR, Den, 1.5 BA	\$455 \$470	1,100 1,164	\$0.41 \$0.40	None	Indoor (1 space per unit) and outdoor	Waiting list	Adults only No pets Locked lobby Intercom
CEDAR EDGE Lincoln Street and Highway 57 Cedarburg, WI	1974, 1979	74	6 - 1 BR, 1 BA 68 - 2 BR, 1.5 BA	\$330 \$475	700 +/- 970- 1,050 +/-	\$0.47 \$0.49-0.45	Heat for 2 BR only. Hot water	Indoor (1 space per unit) and outdoor	N/A	Separate elec. utilities Fire-alarm systems Porch/balcony Pool, tennis courts
HAMILTON MEADOWS Pierce Court Cedarburg, WI	1975	48	12 - 2 BR, 1 BA 24 - 2 BR, 1.5 BA 12 - 2 BR, 1 BA	\$450 \$440-450 \$415	975 1,100 +/- 1,000 +/-	\$0.46 \$0.40-0.41 \$0.42	None	1-car garage Indoor and outdoor	No vacancies	Individual entries Adults only No pets 1 tennis court
HAMPTON COURT Cedarburg Rd. S of Pioneer Rd. Cedarburg, WI	1977	64	64 - 1 BR, 1 BA	\$310	750-800	\$0.41-0.39	Electric heat	Outdoor	No vacancies	Electric heat Pool
PINE SHADOWS Western Ave. Cedarburg, WI	1979- 1980	32	32 - 1 BR, 1 BA	\$300	600 +/-	\$0.50	Electric heat	Indoor (underground in 16-unit @ \$20/mo extra) and outdoor	No vacancies	Electric heat
WOODMERE APARTMENTS Woodmere & Lincoln Cedarburg, WI	1975	128	96 - 2 BR, 1 BA 32 - 2 BR, 1.5 BA	\$419 \$446	1,000 +/- 1,100 +/-	\$0.42 \$0.41	Heat and hot water	Indoor (1 space per unit), attached garage @ extra charge, also outdoor	No vacancies	No pets Limited no. of children Utility room in each hall Storage in bsmt 2 tennis courts
CHATEAU DEVILLE 2045 & 2055 - 1st Ave. Grafton, WI	1975	16	16 - 2 BR, 1.5 BA	\$400	1,100	\$0.36	Heat and hot water	Outdoor	No vacancies	Pool

[1] Society of Real Estate Appraisers, Milwaukee Chapter 64, Apartment Rental Study, 1983.

[2] 1984 rents updated per phone conversation with employee at Society of Real Estate Appraisers, Milwaukee Chapter 64, based upon the Apartment Rental Study, 1984.



EXHIBIT 11-2 (Continued)

PROJECT NAME/ADDRESS	YEAR BUILT	NO. OF UNITS	UNIT TYPES	RENT PER MONTH [1]	SQ.FT. AREA	RENT PER SQ.FT. PER MONTH	UTILITIES INCLUDED	PARKING	VACANCY RATE	COMMENTS
GREENBRIAR N. Pt. Washington Rd. Mequon, WI	1976	80	35 - 1 BR, 1 BA	\$395-415	839-890	\$0.47	Hot water	\$20 per extra indoor space	One vacancy	Pool Electric heat Clubhouse w/ party room Natural fire- place in some units
			35 - 2 BR, 2 BA	\$510-540	1,103-1,302	\$0.46-0.42				
MEQUON PARC Hwy. 57, S. of Mequon Rd. Mequon, WI	1974	44	22 - 1 BR, 1 BA	\$385	800 +/-	\$0.48	Heat and	Indoor (1 space	No	Balcony or
			22 - 2 BR, 1.5 BA	\$405	990 +/-	\$0.41	hot water	per unit in 2 of	vacancies	patio
				\$415-425	1,090 +/-	\$0.38-0.39		3 bldgs.) and outdoor		Locked common entry with intercom Laundry in bsmt
LAUREL LAKES APARTMENTS Thiensville, WI	1972- 1979	240	112 - 2 BR, 1.5 BA	\$410-440	1,000- 1,100	\$0.41	Heat and hot water	Indoor (1 space per unit) and outdoor	No vacancies	No children or pets Laundry and storage in bsmt
RIVER GARDEN APARTMENTS Thiensville, WI	1972	24	8 - 1 BR, 1 BA	\$320	700	\$0.46	Electric	Indoor	No	—
			16 - 2 BR, 1.5 BA	\$360	950 +/-	\$0.36	heat	(\$5 for extra outdoor space)	vacancies	
WILLIAMSBURG APARTMENTS Williamsburg Drive Thiensville, WI	1972	120	40 - 2 BR, 1 BA	\$410-440	1,000 +/-	\$0.41-0.44	Heat and hot water	Indoor (under ground) and outdoor	No vacancies, waiting list	Laundry and storage in bsmt

[1] Society of Real Estate Appraisers, Milwaukee Chapter 64, Apartment Rental Study, 1983.

[2] 1984 rents updated per phone conversation with employee at Society of Real Estate Appraisers, Milwaukee Chapter 64, based upon the Apartment Rental Study, 1984.

Dollar amounts per unit per month range from a low of \$300 for a 600 square foot one-bedroom, one-bath unit with electric heat included in the rent and underground parking an extra \$20 per month, to a high of \$540 for a 1,300 square foot, two-bedroom, two-bath unit, which does not include heat or electricity. Indoor garage space is also \$20 extra per month. Some projects have waiting lists and all but one, which was vacant at the time of the inventory in the spring of 1984, had no vacancy.

Although nursing homes are not included in the general category of retirement housing, an inventory of nursing homes in Ozaukee County is included in the supply section of the report as an alternative housing opportunity for the elderly. It is necessary to know the number of nursing home beds occupied by the elderly so that nursing home residents are excluded from the general population census. This adjustment is discussed later in Section IV. Exhibit II-3 contains an inventory of nursing home beds in Ozaukee County as of July 1984.

Given the lack of supply of non-subsidized retirement housing in Ozaukee County 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 market rate elderly housing development in Ozaukee County. To exploit

## EXHIBIT II-3

INVENTORY OF NURSING HOME BEDS  
IN OZAUKEE COUNTY: 1984 [1]

=====				
NAME AND ADDRESS	NUMBER OF BEDS	OCCUPANCY RATE	ESTIMATED NUMBER OF ELDERLY RESIDENTS	REMARKS
MEQUON CARE CENTER 10911 N. Port Washington Rd Mequon, WI	213	100%	213	Predominantly elderly. Center does not account for other cate- gories.
HERITAGE NURSING HOME 1119 N. Wisconsin Port Washington, WI	156	90%	140	All elderly.
LASATA NURSING HOME W76 N677 Wauwatosa Rd Cedarburg, WI	<u>204</u>	97%	<u>196</u>	Has four intensive care beds. One resident is disabled-the rest are elderly.
TOTALS	573		549	

[1] As of July 27, 1984.

this general opportunity area, a successful developer must know the preferred design, financial and program elements which will attract this financially qualified, but presently unsatisfied, retirement housing market.

### III. CHARACTERISTICS OF THE ELDERLY POPULATION IN OZAUKEE COUNTY

The target population for this market study includes all residents 65 years and older of Ozaukee County who are not in a nursing home, group quarters, or living in subsidized elderly housing; the sample was drawn to approximate a proportionate number of this population from each zip code area of the county.

The survey sample 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 Ozaukee County 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, are extrapolated.

#### A. Secondary Data - Characteristics of Ozaukee Elderly Population

Population characteristics of special interest include the total count of elderly persons, historical and projected future growth patterns in the elderly population, the proportion of elderly in each census tract, the proportion of women to men

in each census tract, the count of households headed by elderly persons and elderly persons per household in the study area, and the general economic strength of the population in the study area.

#### 1. Projected Growth of Elderly Population in Ozaukee County

The population of persons 65 years and older in Ozaukee County has increased from 3,969 to 5,662, or 4.3 percent per year, in the 10 years from the 1970 Census to the 1980 Census. In another five years the number of persons 65 years and older are expected to continue to increase at the rate of 4.2 percent per year to 6,842, and to 8,295 by 1990. As of 1980, persons 65 years and older constituted 8 percent of Ozaukee County's population. By 1990 the elderly will be 11 percent of the county's total population and by 2000 the elderly will make up 13 percent of Ozaukee's total population. (See Exhibit III-1 for summary of comparative growth rates over time.)

#### 2. Proportion of Elderly in Each Ozaukee County Census Tract

Although the elderly constitute 8 percent of Ozaukee County's total population, the proportion varies from census tract to census tract. The number of persons 65 years and older in any one census tract varies from 6 percent to 16 percent of the total population within that census tract (1980

## EXHIBIT III-1

POPULATION GROWTH RATE SUMMARY [1]  
 FOR ALL AGES, ALL OVER 55 YEARS OF AGE,  
 AND ALL OVER 65 YEARS OF AGE  
 WISCONSIN, MILWAUKEE SMSA, AND OZAUKEE COUNTY

PERCENT GROWTH 1980-1990  
 CUMULATIVE PERCENTAGE CHANGE OVER 10 YEARS

	WISCONSIN	MILWAUKEE SMSA	OZAUKEE COUNTY
ALL AGES	7%	3%	17%
ALL 55 +	7%	5%	35%
ALL 65 +	16%	15%	47%

PERCENT GROWTH 1980-2000  
 CUMULATIVE PERCENT CHANGE OVER 20 YEARS

	WISCONSIN	MILWAUKEE SMSA	OZAUKEE COUNTY
ALL AGES	13%	6%	31%
ALL 55 +	15%	10%	73%
ALL 65 +	25%	25%	96%

PERCENT GROWTH 1980-2010  
 CUMULATIVE PERCENT CHANGE OVER 30 YEARS

	WISCONSIN	MILWAUKEE SMSA	OZAUKEE COUNTY
ALL AGES	17%	8%	37%
ALL 55 +	42%	33%	125%
ALL 65 +	34%	31%	146%

[1] See Appendix B, Exhibit B-1, B-3, and B-4, for breakdown by age groups for Ozaukee County.

Based on County Population Projections, Wisconsin State Data Center (1983), Landmark Research, Inc., 1984

Census Data). The communities of Cedarburg, Port Washington, and Thiensville have the highest concentration of elderly persons. Cedarburg and Port Washington also have a high proportion of women, but Thiensville, with the highest concentration of elderly in the county, does not have a corresponding high proportion of women. It is assumed that in the Village of Thiensville, there are an unusually large number of elderly married couples. (See Exhibit III-2 for Census Tract map of Ozaukee County and Exhibit III-3 for the distribution of the elderly populaton by Census Tracts.)

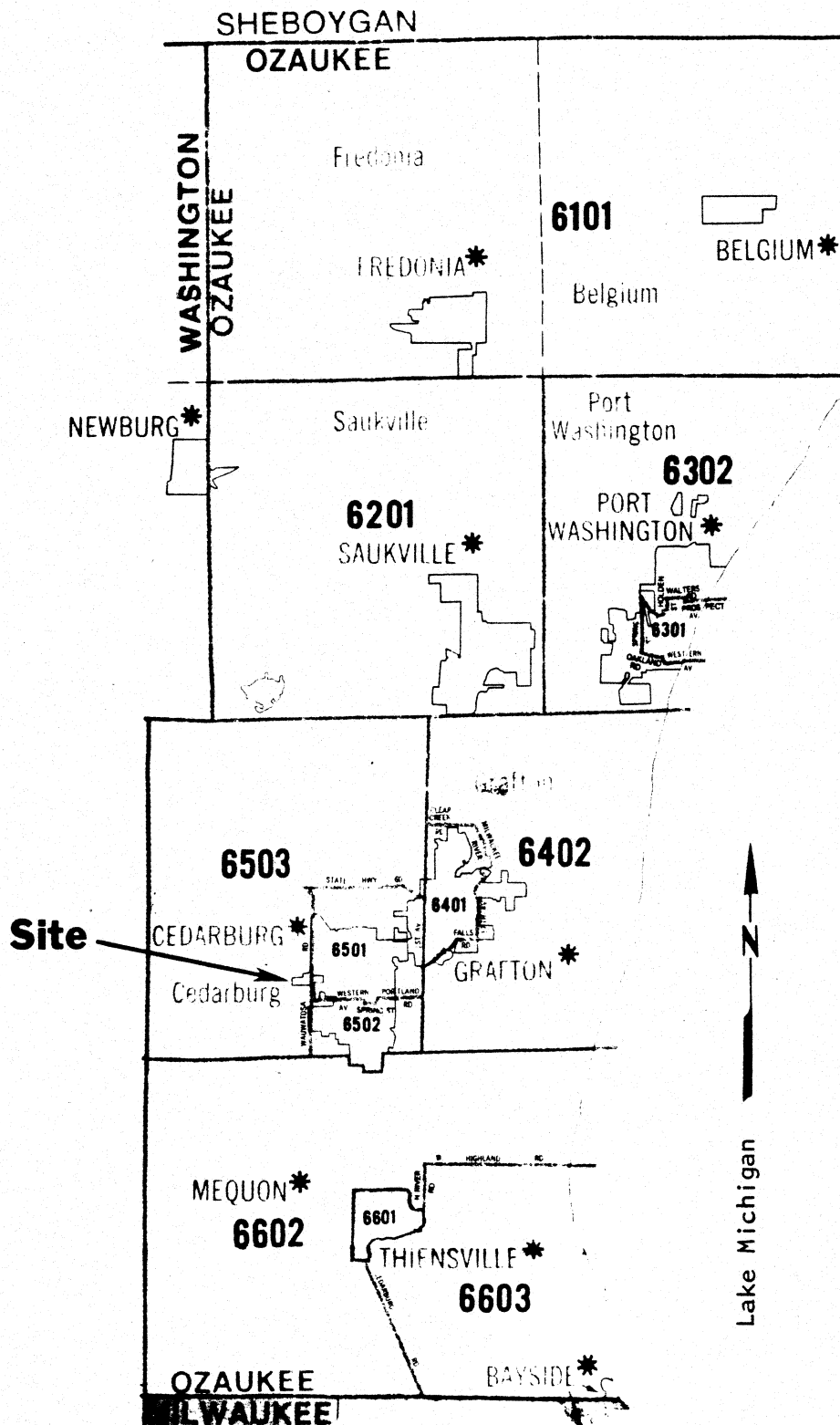
### 3. Average Number of Elderly Per Household and Proportion of Females to Males by Census Tract

According to 1980 Census Data, the average number of persons per household is 1.57 in Ozaukee County for households headed by persons 65 years and older, but the number varies from 1.83 to 1.46 elderly persons per household for specific cities, towns, and villages in the county. These averages do not include elderly persons in institutions or group quarters. The Cities of Cedarburg and Port Washington, which have the highest proportion of women to men, also have the smallest number of persons per household; more widowed and single women living alone are concentrated in urban areas of Ozaukee County. (See Appendix B, Exhibit B-9.)



EXHIBIT III-2

STUDY AREA - OZAUKEE COUNTY  
1980 CENSUS TRACTS



## EXHIBIT III-3

DISTRIBUTION OF POPULATION AND  
PROPORTION OF PERSONS 65 YEARS AND OLDER  
AND PROPORTION OF FEMALES AND MALES BY CENSUS TRACTS  
IN OZAUKEE COUNTY - 1980 CENSUS DATA

		TOTAL POPULATION	POPULATION 65 YRS AND OLDER	PERCENTAGE OF TRACT POPULATION 65 YRS AND OLDER	PERCENTAGE OF MALES AND FEMALES 65 YRS AND OLDER
<b>PRIMARY MARKET AREA</b>					
AREA	CENSUS TRACT				
Grafton-Urban	6401	6,218	462	7%	F=58% M=42%
Grafton-Rural	6402	4,247	248	6%	F=54% M=46%
Cedarburg-Urban	6501	7,623	612	8%	F=60% M=40%
Cedarburg-Urban	6502	3,650	379	10%	F=63% M=37%
Cedarburg-Rural	6503	4,480	404	9%	F=61% M=39%
Thiensville-Urban	6601	3,341	529	16%	F=59% M=41%
Mequon-Rural	6602	5,656	557	10%	F=59% M=41%
Mequon-Urban & Rural	6603	<u>10,649</u>	<u>636</u>	<u>6%</u>	F=51% M=49%
SUBTOTAL		45,864 (68%)	3,827 (68%)	8%	
<b>SECONDARY MARKET AREA</b>					
AREA	CENSUS TRACT				
Port Washington- Urban	6301	2,857	406	14%	F=62% M=38%
Port Washington- Rural	6302	7,191	641	9%	F=58% M=42%
Saukville-Urban & Rural	6201	<u>5,172</u>	<u>278</u>	<u>5%</u>	F=52% M=48%
		15,220 (23%)	1,325 (23%)	9%	
<b>TERTIARY MARKET AREA</b>					
AREA	CENSUS TRACT				
Belgium & Fredonia	6101	<u>5,897</u>	<u>510</u>	<u>9%</u>	F=53% M=47%
SUBTOTAL		<u>5,897</u> (9%)	<u>510</u> (9%)	9%	
TOTAL		66,981 =====	5,662 =====	8%	
		(100%)	(100%)		

#### 4. Financial Status of Elderly in Ozaukee County

Although Ozaukee County has the highest median income for elderly family households and for unrelated individuals 65 years and older of any county in Wisconsin, there is a wide variance of annual income levels among age groups. Families headed by persons 55 to 59 years old had a median income of \$31,341 according to 1980 Census data for 1979 income, but for families headed by persons 65 years and older, the median income was \$16,383. For unrelated individuals 65 years and older the mean income for males was \$7,800 and for females the mean income was \$5,832; these levels of mean income are significant indicators that many single elderly are dependent upon subsidy by their children, their community, or existing subsidized facilities, even in a county with the highest average income. (See Appendix B, Exhibits B-10, B-11, B-12, B-13, and B-14.)

For all elderly families households (65 years and older) 36 percent had annual incomes of < \$12,500, whereas only 6 percent of family households headed by persons 55 to 59 years old had annual incomes < \$12,500. For 83 percent of the unrelated individuals 65 years and older, annual income levels were < \$12,500.

A more detailed discussion of Ozaukee County's population characteristics is found in Appendix B. A summary of the 1980

Census Data, which gives several indicators of economic strength for each of the Census Tracts in Ozaukee County, is shown in Appendix B, Exhibit B-15.

B. Primary Data -- Characteristics of  
Survey Respondents

Throughout this section of the report, the characteristics of several sample groups are described and compared. The frequencies of the responses from all respondents (N=339) 65 years and older in the randomly selected sample from the Commission on Aging source list are compared with the frequencies of the respondents from two subsets from the larger sample. One group is composed of persons 65 to 74 years old, who are financially qualified [1] and interested in moving to a LASATA retirement apartment within a year to five years, and the second group is composed of persons 75 years and older with the same qualifications. (See Exhibit IV-1 for a diagram of the screening process and the number of respondents who passed each screen.)

The responses of these three randomly selected groups are then compared with the responses of a self-selected group of

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[1] All respondents were screened on the basis of age, income, and interest in moving. An annual income of  $\geq$  \$10,000 is used as a proxy for the financial qualifications necessary to afford a LASATA retirement apartment. (See Exhibit IV-3.)

persons who requested a questionnaire in response to a Commission on Aging newsletter article mailed to the majority of elderly households in Ozaukee County. The group that is used for comparative purposes is screened so that it is composed of persons 65 years and older, who have annual incomes of  $\geq$  \$10,000, and who are interested in moving to a LASATA apartment within a year to five years. This self-selected group is used as a check on the dependability of the responses of the randomly selected and screened sample groups. If there are wide variances in the response patterns, a more in-depth analysis is done for that variable to determine if the differences may have a bearing on the consultant's analysis of Ozaukee County's retirement housing market.

#### 1. Marital Status of Respondents

Although the elderly who are single or widowed may have a greater need for the companionship and security offered by a retirement housing project, a large number of married couples also expressed an interest in seriously considering a LASATA retirement apartment as an alternative to their current living situation.

The respondents in the larger sample (N=339) are fairly evenly divided between married and single/widowed persons. In the 65 to 74 year old group who passed the financial and interest screens, the proportion of married respondents

increased dramatically to 81 percent from 54 percent in the larger sample. In the older group of qualified and interested respondents who are more likely to have lost a spouse, the proportion of married householders decreased to 63 percent. The percent of single/widowed householders increased from 19 percent in the 65 to 74 age group to 37 percent in the group of respondents 75 years and older. The self-selected respondents 65 years and older who requested the questionnaire include 70 percent married couples and 30 percent single/widowed persons. (See upper half of Exhibit III-4.)

## 2. Sex of Respondents

In the group of randomly selected respondents (N=339), women outnumber men slightly but, as would be expected, when financial screens are applied, the proportion of women who qualify decreases. In the self-selected group of respondents, the qualified and interested females are only slightly outnumbered by qualified and interested males, but that is explained, in part, by the fact that before the financial and interest screens are applied, the percentage of women respondents are 62 percent compared to 58 percent in the randomly selected larger sample. Although the proportion of married couples to single/widowed persons is similar for both the self-selected and randomly selected larger samples, more women took the initiative to send for and respond to the

# CHARACTERISTICS OF SURVEY RESPONDENTS

QUESTION 29	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER	
	N=339		N=42		N=19	
YOUR PRESENT MARITAL STATUS:						
OPTIONS	N	%	N	%	N	%
Married	184	54%	34	81%	12	63%
Single	30	9%	3	7%	1	5%
Widowed or widower	125	37%	5	12%	6	32%
No response	0	0%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%

## QUESTION 28

### YOUR SEX:

OPTIONS	N	%	N	%	N	%
Male	138	41%	26	62%	11	58%
Female	196	58%	16	38%	7	37%
No response	5	2%	0	0%	1	5%
TOTALS	339	100%	42	100%	19	100%

questionnaire, but the screening process eliminated many of these women as prospects for a LASATA retirement apartment. (See Exhibit III-4.)

As retirement housing residents grow older, the proportion of women to men would be expected to increase, but it must be remembered that, initially, there are more married couples who are interested in and have the financial capability of moving to the proposed LASATA retirement apartment.

### 3. Age of Respondents

Since the average age for a person to make the decision to move to retirement housing is usually in the latter part of his/her 70s, it is important to examine the age pattern of each group of sample respondents in relationship to other characteristics which will affect the decision making process. The percentage of persons in each age group from each sample analyzed are quite similar to one another; the average age of the larger randomly selected sample (N=339) and of the self-selected, qualified sample (N=30), each of which includes respondents 65 years of age and older, is 73 and 75 years old, respectively. When the 65 to 74 year olds who are financially qualified are isolated (N=42), the average age of the smaller group is 69.3 years and the average age of the 75 years and older financially qualified group (N=19) is 78.8 years. In the self-selected group (N=30) when respondents 75 years and older



are isolated, the average age of these older respondents is 80.2 years. (See Exhibit III-5.)

#### 4. Overall Health Status of Respondents

The level of an elderly person's health and independence will be a factor in the decision to move to retirement housing. Among the four sample groups analyzed, approximately one-third of the respondents in each group reported fair health with some problems, but able to live independently. In the larger randomly selected sample (N=339) and in the subset of qualified and interested 65 to 74 year old respondents, approximately 20 percent rated their health as excellent with plenty of energy, and approximately 45 percent rated their health as average with no major problems. But in the older group and in the self-selected group there were only a small proportion who perceived themselves to be in excellent health. The wide majority of all groups are able to move about with no assistance; only a few use a cane and/or a wheelchair. See Exhibit III-6.

#### 5. Current Living Style of Respondents

The wide majority of the randomly selected respondents currently live in single family homes, but among the self-selected sample of respondents there is a slightly larger percentage of qualified apartment renters who would seriously

# AGE GROUPINGS OF RESPONDENTS

	HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS						HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	ALL RESPONDENTS		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 30	N=339		N=42		N=19		N=30	
AGE OF RESPONDENT:								
OPTIONS	N	%	N	%	N	%	N	%
65 - 69 years old	110	33%	23	55%	N/A	N/A	9	30%
70 - 74 years old	109	32%	19	45%	N/A	N/A	8	27%
75 - 79 years old	65	19%	N/A	N/A	13	68%	7	23%
80 - 84 years old	35	10%	N/A	N/A	3	16%	3	10%
85 + years old	20	6%	N/A	N/A	3	16%	3	10%
TOTALS	339	100%	42	100%	19	100%	30	100%
Average age of each sample:	73.1		69.3		78.8		74.2	
Average age of 65 - 74 year olds	69.4		69.3		N/A		69.5	
Average age of 75 years and older	79.6		N/A		78.8		80.2	

EXHIBIT 111-5

LEVEL OF HEALTH AND INDEPENDENCE

	LEVEL OF HEALTH AND INDEPENDENCE						HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS					
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
QUESTION 32								
OVERALL STATE OF HEALTH:								
OPTIONS	N	%	N	%	N	%	N	%
Excellent (plenty of energy)	57	17%	9	21%	2	11%	2	7%
Average (good health-no major problems)	158	47%	19	45%	11	58%	18	60%
Fair (some problems, but able to live independently)	107	32%	14	33%	6	32%	9	30%
Need some care or assistance	14	4%	0	0%	0	0%	0	0%
Need full-time care and assistance	1	< 1%	0	0%	0	0%	0	0%
No response	2	< 1%	0	0%	0	0%	1	3%
TOTALS	339	100%	42	100%	19	100%	30	100%

QUESTION 33

IF YOU NEED HELP IN MOVING  
ABOUT, WHAT DO YOU USE:

OPTIONS	N	%	N	%	N	%	N	%
Electric wheelchair	3	1%	0	0%	0	0%	0	0%
Wheelchair	4	1%	0	0%	0	0%	2	7%
Walker	5	2%	0	0%	0	0%	0	0%
Cane	28	8%	1	2%	3	16%	1	3%
Need no assistance at all	271	80%	40	95%	15	79%	26	87%
No response	28	8%	1	2%	1	5%	1	3%
TOTALS	339	100%	42	100%	19	100%	30	100%

consider moving to a LASATA retirement apartment. These apartment dwellers want both to be closer to supportive services offered in a retirement housing setting and to reduce living expenses. (See upper half of Exhibit III-7.) These two goals may be exclusive of one another depending on the market rent that will be necessary to make the project feasible and self-supporting. The largest proportion of respondents who are currently living in a single family home are those who are 75 years and older from the randomly selected sample. (See upper half of Exhibit III-7.)

Whereas 79 percent of the 65 to 74 year old group live with a spouse, and 14 percent live alone, only 58 percent of the 75 year and older group of randomly selected respondents still live with a spouse and the remaining 42 percent live alone. Of the self-selected sample of respondents who requested the questionnaire, 63 percent of the respondents live with their spouse and 23 percent live alone. (See lower half of Exhibit III-7.)

#### 6. Motivation for Moving to Retirement Housing

It appears that the 75 year and older group will have the greatest motivation to move to retirement housing because the increasing number who live alone are still living in single family homes and the burden of home maintenance will become more apparent as the level of good health diminishes. Added

# CURRENT LIVING SITUATION

	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 38	N=339		N=42		N=19		N=30	
CURRENT RESIDENCE:								
OPTIONS	N	%	N	%	N	%	N	%
Single family home	260	77%	29	69%	15	79%	12	40%
Apartment	51	15%	12	29%	3	16%	14	47%
Condominiums	11	3%	0	0%	1	5%	1	3%
Retirement center	1	< 1%	0	0%	0	0%	0	0%
Other	9	3%	1	2%	0	0%	3	10%
No response	7	2%	0	0%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

## QUESTION 37

WITH WHOM DO YOU LIVE:

OPTIONS	N	%	N	%	N	%	N	%
Alone	118	35%	6	14%	8	42%	7	23%
With spouse only	170	50%	33	79%	11	58%	19	63%
With relatives such as your children	34	10%	1	2%	0	0%	1	3%
With a friend or friends	4	1%	2	5%	0	0%	0	0%
Other	12	4%	0	0%	0	0%	2	7%
No response	1	< 1%	0	0%	0	0%	1	3%
TOTALS	339	100%	42	100%	19	100%	30	100%

support for this assertion comes from responses to the first question on the survey which asks for a preference for living style. Whereas there is a fairly even split between a preference for the single family home and the rental retirement apartment life styles for all respondents 65 years and older (N=339), those respondents who are financially qualified and have expressed a serious interest in a LASATA apartment prefer the retirement apartment life style, as would be expected. But the choice of the retirement apartment increases dramatically from the 65 to 74 year old respondents to those who are 75 years and older. (See Exhibit III-8 for a summary of the responses.)

Whereas the majority of all respondents (64 percent) had given no serious thought to moving from their present location, the wide majority of those screened for interest in the project and financial ability to pay, have already given serious thought to moving. As would be expected, the greatest number who have seriously considered moving are from the self-selected group. (See upper half of Exhibit III-9.)

The most satisfactory alternative type of housing selected by respondents in each sample group is an affordable retirement apartment project. No other housing alternative, even the option of a smaller, single family home, has as wide an appeal. The term affordable is relative to a respondent's

PREFERENCE FOR LIVING STYLE

	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 1	N=339		N=42		N=19		N=30	
WHICH LIVING STYLE DO YOU PREFER:								
OPTIONS	N	%	N	%	N	%	N	%
Live independently in your own home where you provide your own home maintenance, transportation, meals, and supportive services such as housecleaning, personal care, and health care, when needed	167	49%	16	38%	3	16%	8	27%
Live in a rental retirement apartment unit which also provides building maintenance and, as needed, provides scheduled transportation, a prepared dinner served in a community dining room, and access to supportive services such as housecleaning, personal care, and health care on a fee basis	136	40%	25	60%	16	84%	20	67%
No response	36	11%	1	2%	0	0%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

# INTENT TO MOVE FROM PRESENT RESIDENCE

QUESTION 2	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
HAVE YOU GIVEN SERIOUS THOUGHT TO MOVING:								
OPTIONS	N	%	N	%	N	%	N	%
No	217	64%	11	26%	5	26%	3	10%
Yes	115	34%	30	72%	14	74%	25	83%
No response	7	2%	1	2%	0	0%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

## QUESTION 4

## MOST SATISFACTORY ALTERNATIVE TYPE OF HOUSING

IF YOU SHOULD WANT TO MOVE, WHAT WOULD  
BE THE MOST SATISFACTORY HOUSING TYPE:

OPTIONS	N	%	N	%	N	%	N	%
Smaller, single family home	39	12%	1	2%	1	5%	1	3%
Private apartment building	39	12%	5	12%	2	11%	2	7%
Affordable retirement apartment project	177	52%	30	71%	14	74%	22	73%
Subsidized apartment project (Section 8)	39	12%	3	7%	1	5%	3	10%
Relative's home	9	3%	0	0%	0	0%	0	0%
Other	4	1%	1	2%	0	0%	0	0%
Nothing suits me in Ozaukee County	7	2%	1	2%	0	0%	1	3%
No response	25	7%	1	2%	1	5%	1	3%
TOTALS	339	100%	42	100%	19	100%	30	100%



perception of what he/she can afford and to his/her total assets. (See Section V for a discussion of affordable rents.)

As an alternative to their present living arrangement, the wide majority of all respondents found the LASATA retirement living concept appealing; there is wide community acceptance of the retirement living concept which will make the decision to move easier for those most in need of retirement housing now. As would be expected, the largest number of respondents who found the concept an answer to their current housing needs are from the 75 year and older group and the self-selected group. (See Exhibit III-10.)

#### 7. Income Levels of Respondents

Although Ozaukee County residents have higher than average incomes, there are still those who could not afford LASATA retirement housing, based upon the screen on income of  $\geq \$10,000$  as a proxy for ability to pay. There are 108 respondents, or 32 percent, in the entire sample of 339 who reported incomes less than \$10,000. This group will be analyzed in Section IV to determine their level of interest in LASATA and the possibility that other assets, such as a home, will make them financially eligible and therefore a part of the effective demand for a LASATA apartment.

The pattern of household incomes for both the 65 to 74 year olds (N=42) and the 75 year and older (N=19) groups indicate

APPEAL OF LASATA RETIREMENT LIVING CONCEPT  
AS AN ALTERNATIVE TO PRESENT LIVING ARRANGEMENT

QUESTION 23  APPEAL OF RETIREMENT LIVING CONCEPT:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS	N	%	N	%	N	%	N	%
Yes, would suit my needs now	31	9%	6	14%	6	32%	7	23%
Yes, would explore it for the future	69	20%	20	48%	6	32%	7	23%
Yes, if and when needed	217	64%	16	38%	6	32%	14	47%
No, its not for me	9	3%	0	0%	0	0%	0	0%
No response	13	4%	0	0%	1	5%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

EXHIBIT 111-10

the majority are primarily clustered in the \$10,000 to \$20,000 category and, secondarily, in the \$20,000 to \$30,000 category. The older group has a proportionately larger number who have incomes greater than \$30,000. The self-selected group is more heavily concentrated in the \$10,000 to \$20,000 income category. (See Exhibit III-11.)

#### 8. Income Sources of Respondents

The major sources of income for each group of respondents analyzed are social security, interest and dividends, and pensions, annuities, and/or inheritance. Some respondents still have a salary or wage; in the group of all randomly selected respondents (N=339), 11 percent still earn a wage, and 14 percent of the 65 to 74 year old group also earn a salary or wage. There is little to no evidence of the use of family or community assistance. (See Exhibit III-12.)

#### 9. Home Ownership of Respondents

The wide majority of respondents in the randomly selected sample (N=339) and its subsets of financially qualified and interested respondents are homeowners. Only the self-selected sample of respondents 65 years and older who are financially qualified and interested include a majority of renters. (See upper half of Exhibit III-13 for the details.

# HOUSEHOLD INCOME LEVELS

QUESTION 46 WHAT IS THE GENERAL RANGE OF YOUR TOTAL GROSS ANNUAL INCOME:	ALL RESPONDENTS 65 YRS AND OLDER N=339		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 65-74 YRS OLD N=42		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 75 YRS AND OLDER N=19		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 65 YRS AND OLDER N=30	
	N	%	N	%	N	%	N	%
Less than \$5,000	26	8%	N/A	N/A [1]	N/A	N/A [1]	N/A	N/A [1]
\$5,000 to \$10,000	82	24%	N/A	N/A [1]	N/A	N/A [1]	N/A	N/A [1]
\$10,000 to \$20,000	130	38%	25	60%	11	58%	23	77%
\$20,000 to \$30,000	48	14%	11	26%	4	21%	6	20%
\$30,000 to \$40,000	12	4%	1	2%	2	11%	0	0%
\$40,000 to \$50,000	5	2%	3	7%	0	0%	0	0%
More than \$50,000	14	4%	2	5%	2	11%	1	3%
No response	22	7%	0	0%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

[1] These groups were screened to exclude all respondents who reported a gross annual income of less than \$10,000.

EXHIBIT III-11

# SOURCES OF INCOME

QUESTION 45 WHICH OF THE FOLLOWING CONTRIBUTE TO YOUR GROSS INCOME:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER	
	N=339		N=42		N=19	N=30
OPTIONS	N	% [1]	N	% [1]	N	% [1]
Salary, wages	38	11%	6	14%	1	5%
Social security	319	94%	41	98%	16	84%
Pension, annuity, inheritance	161	48%	26	62%	12	63%
Rental property	23	7%	3	7%	1	5%
Interest, dividends	242	71%	32	76%	17	90%
Community assistance	1	< 1%	1	2%	0	0%
Family assistance	2	< 1%	0	0%	0	0%
Other	3	1%	1	2%	0	0%

[1] Percentages for each option based upon the total number of respondents in each group.

## HOME OWNERSHIP

	HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	ALL RESPONDENTS		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 39	N=339		N=42		N=19		N=30	
OWN OR RENT YOUR PRESENT RESIDENCE:								
OPTIONS	N	%	N	%	N	%	N	%
Own your present residence	260	77%	31	74%	14	74%	13	43%
Rent your present residence	58	17%	11	26%	5	26%	17	57%
Other	12	4%	0	0%	0	0%	0	0%
No response	9	3%	0	0%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

## NEED TO SELL HOME TO MOVE TO LASATA RETIREMENT APARTMENT [1]

	ALL RESPONDENTS		HOMEOWNERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=260		N=31		N=14		N=13	
QUESTION 27								
NEED TO SELL HOME BEFORE MOVING:								
OPTIONS	N	%	N	%	N	%	N	%
Yes	172	66%	23	74%	9	64%	11	85%
No or did not respond	88	34%	8	26%	5	36%	2	15%
TOTALS	260	100%	31	100%	14	100%	13	100%

[1] Only the respondents who own their present residence are included.

Upon further analysis of the self-selected sample, it was found that the majority of homeowners are 65 to 74 years old and the majority of the renters are 75 years and older. The following table shows the age breakdown of the renters and owners of self-selected respondents interested enough in the project to request a questionnaire:

	OWN		RENT	
	<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
65-74 yrs old	10	77%	7	41%
75 + yrs old	3	23%	10	59%
	13	100%	17	100%

It can be expected that a large number of initial inquiries about a LASATA retirement apartment will come from older renters in the primary market area.

In all four groups of respondents, the majority of homeowners need to sell their home before moving to a LASATA apartment. A sluggish housing market, inflation, and high interest rates could affect the timing of an Ozaukee County resident's commitment to the rental of a LASATA retirement apartment. (See lower half of Exhibit III-13.)

#### 10. Home Value of Respondents

Home value is another proxy for ability to pay the full costs of retirement housing. The pattern of home values, by each sample group, is found in Exhibit III-14. The younger, financially qualified and interested group of randomly selected 65 to 74 year olds have the highest home values with 26 percent of the group reporting home values \$100,000 and over. None reported homes valued less than \$40,000. The older, randomly selected group of 75+ years old have home values concentrated at \$70,000 to \$100,000 with 64 percent of the respondents reporting values in this range.

The self-selected group of respondents have a pattern of home values similar to the 75+ year olds with 62 percent reporting home values from \$70,000 to \$100,000. But it must be recalled that 57 percent of the respondents are renters so the asset value of the home equity, as a source of increased cash flow, is evident for only 43 percent of the respondents. Renters may have been homeowners who have already invested the home sale proceeds to create a source of cash flow. A review of each applicant's resources will reveal his or her total net worth and financial strength. (See Exhibit III-14.)

#### 11. Predictors of Ability to Afford Retirement Housing

For the elderly consumer on a relatively fixed to declining income who lives with the fear of increasing medical costs



QUESTION 44 VALUE OF HOME IF SOLD TODAY:	HOME VALUE							
	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS	N	%	N	%	N	%	N	%
< \$40,000	8	3%	0	0%	1	7%	0	0%
\$40,000 - \$70,000	113	43%	12	39%	4	29%	4	31%
\$70,000 - \$100,000	74	28%	10	32%	9	64%	8	62%
\$100,000 - \$150,000	25	10%	7	23%	0	0%	1	8%
> \$150,000	10	4%	1	3%	0	0%	0	0%
Do not know	29	11%	0	0%	0	0%	0	0%
No response	1	< 1%	1	3%	0	0%	0	0%
	—	—	—	—	—	—	—	—
	260	100%	31	100%	14	100%	13	100%
	(79 are not owners)		(11 are renters)		(5 are renters)		(17 are renters)	
	—	—	—	—	—	—	—	—
TOTALS	339	[1]	42		19		30	

[1] 58 are renters, 12 neither own nor rent, 9 did not respond.

further eroding his/her financial security, the price of retirement housing is the critical element. Using income of  $\geq \$10,000$  as a proxy for the ability to afford a LASATA retirement apartment, an analysis of the results of the randomly selected sample (N=339) indicates that marital status, primarily, and homeownership, secondarily, are good predictors of the characteristics of those most likely to be able to pay the full costs of retirement housing. Exhibit III-15 demonstrates which respondents are most able to pass income screens of  $\geq \$10,000$  and  $\geq \$20,000$ . The majority of married homeowners (35 of 39, or 90 percent) and married renters, (9 of 12, or 75 percent) pass the  $\geq \$10,000$  screen and 41 percent of the respondents of each of the two groups pass the  $\geq \$20,000$  screen. Single and widowed homeowners and renter respondents do not fare the test of financial adequacy as well; only eight of the 22 single/widowed homeowners, or 36 percent, and 7 of the 15 single/widowed renters, or 47 percent, pass the  $\geq \$10,000$  screen and only three out of 22, or 14 percent, of the single/widowed homeowners pass the  $\geq \$20,000$  income screen. None of the single/widowed renters report income  $\geq \$20,000$ .

The remainder of Exhibit III-15 breaks the living style categories by male and female respondents. Married females seem to have the same proportionate income levels as men. The

## EXHIBIT III-15

PATTERN OF PRESENT LIVING STYLE BY  
INCOME LEVEL FOR THOSE WHO ARE INTERESTED [1]  
IN MOVING TO LASATA RETIREMENT HOUSING

LIVING STYLE OF THOSE SERIOUSLY INTERESTED NOW OR IN NEXT 5 YRS	ALL INCOME LEVELS		INCOME ≥ \$10,000/YR		INCOME ≥ \$20,000/YR	
	N [2]	%	N [2]	%	N	%
Married Homeowners	39	44%	36	60%	16	67%
Married Renters	12	14%	9	15%	5	21%
Single/Widowed Homeowners	22	25%	8	13%	3	12%
Single/Widowed Renters	15	17%	7	12%	0	0%
	88	100%	60	100%	24	100%

[1] Interested refers to those who would seriously consider moving to a LASATA apartment within the next five years. Source of respondent is the Commission on Aging List, N=339.

[2] Although there are 96 respondents from all income levels seriously considering a LASATA retirement apartment, and 63 respondents remaining when screened for annual income ≥ \$10,000, some respondents were dropped from the analysis because they did not respond to the questions regarding marital status and/or home ownership.

## EXHIBIT III-15 (Continued)

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

=====

MARRIED HOMEOWNERS

HEAD OF HOUSEHOLD	ALL INCOME LEVELS		INCOME ≥ \$10,000/YR		INCOME ≥ \$20,000/YR	
	N	%	N	%	N	%
Male	31	80%	29	81%	13	81%
Female	8	20%	7	19%	3	19%
	39	100%	36	100%	16	100%

SINGLE/WIDOWED HOMEOWNERS

HEAD OF HOUSEHOLD	ALL INCOME LEVELS		INCOME ≥ \$10,000/YR		INCOME ≥ \$20,000/YR	
	N	%	N	%	N	%
Male	3	14%	2	25%	0	0%
Female	19	86%	6	75%	3	100%
	22	100%	8	100%	3	100%

-----

[1] Interested refers to those who would seriously consider moving to a LASATA apartment within the next five years. Source of list is from the Commission on Aging, N=339.

## EXHIBIT III-15 (Continued)

MARRIED RENTERS

HEAD OF HOUSEHOLD	ALL INCOME LEVELS		INCOME ≥ \$10,000/YR		INCOME ≥ \$20,000/YR	
	N	%	N	%	N	%
Male	7	58%	5	56%	3	60%
Female	<u>5</u>	<u>42%</u>	<u>4</u>	<u>44%</u>	<u>2</u>	<u>40%</u>
	12	100%	9	100%	5	100%

SINGLE/WIDOWED RENTERS

HEAD OF HOUSEHOLD	ALL INCOME LEVELS		INCOME ≥ \$10,000/YR		INCOME ≥ \$20,000/YR	
	N	%	N	%	N	%
Male	1	7%	1	14%	0	0%
Female	14	93%	6	86%	0	0%
	<u>15</u>	<u>100%</u>	<u>7</u>	<u>100%</u>	<u>0</u>	<u>0%</u>

proportion of males to females drops dramatically for the single/widowed homeowners and even more dramatically among renters. The female renters are most likely not to pass the income screen of  $\geq \$10,000$ . There are so few male respondents who are single/widowed and renters that the results are inconclusive.

### C. Conclusion

Based upon the characteristics and preferences of the sample respondents, the most likely prospects who can afford a LASATA retirement apartment are the married homeowners and renters who are 75 years and older and who expressed a serious interest in considering a move to LASATA within a year or in one to two years from now. Single and widowed homeowners and renters who are financially qualified and 75 years and older are also likely prospects, but this group will be more sensitive to price.

The frequencies for the responses to all survey questions by the 339 respondents are found in Appendix C.

#### IV. ESTIMATION OF EFFECTIVE DEMAND FOR PROPOSED LASATA RETIREMENT HOUSING

To estimate the effective demand for retirement housing on the LASATA site, potential residents, whose names were randomly selected from a cross section of the elderly population in Ozaukee County, were surveyed to learn of their interest in the project. From their responses (the primary data) the potential market demand from the study area which encompasses all of Ozaukee County was then extrapolated from the 1980 Census Data (secondary data) available for the county. (See Appendix B, Exhibit B-6 for total elderly population in study area.)

The major steps in 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 Appendix A, Exhibit A-3.

##### A. Analysis of Survey Results for Indicators of Effective Demand

The 339 respondents, 65 years and older, whose names were randomly selected from the Commission on Aging source list are assumed to be representative of the elderly residents of Ozaukee County. From this larger group will emerge the primary market prospects and the more tentative market prospects for the proposed LASATA retirement housing project.

This larger group of 339 respondents and its subsets are the subjects of this analysis.

1. Segmentation of the Sample to Screen for Likely Retirement Housing Prospects

Effective demand is a function of the degree of interest in the project and the ability to pay. Many more respondents are interested in a LASATA retirement apartment than can afford to pay for it. A gross annual income of  $\geq \$10,000$  is used as a proxy for the capacity to pay the monthly rent fee, electricity charges, fees for supportive services as needed, and the cost of a daily prepared meal. The personal residence represents the major asset which could be invested to augment the monthly cash flow. Income and assets of all respondents in the survey sample and of the most likely prospects for retirement housing are discussed in Section III.

Degree of interest in the project is directly correlated to age; the average age of residents in retirement housing vary with the age of the facility, but in general, the average entry age into retirement housing is in the mid-to-late 70s.

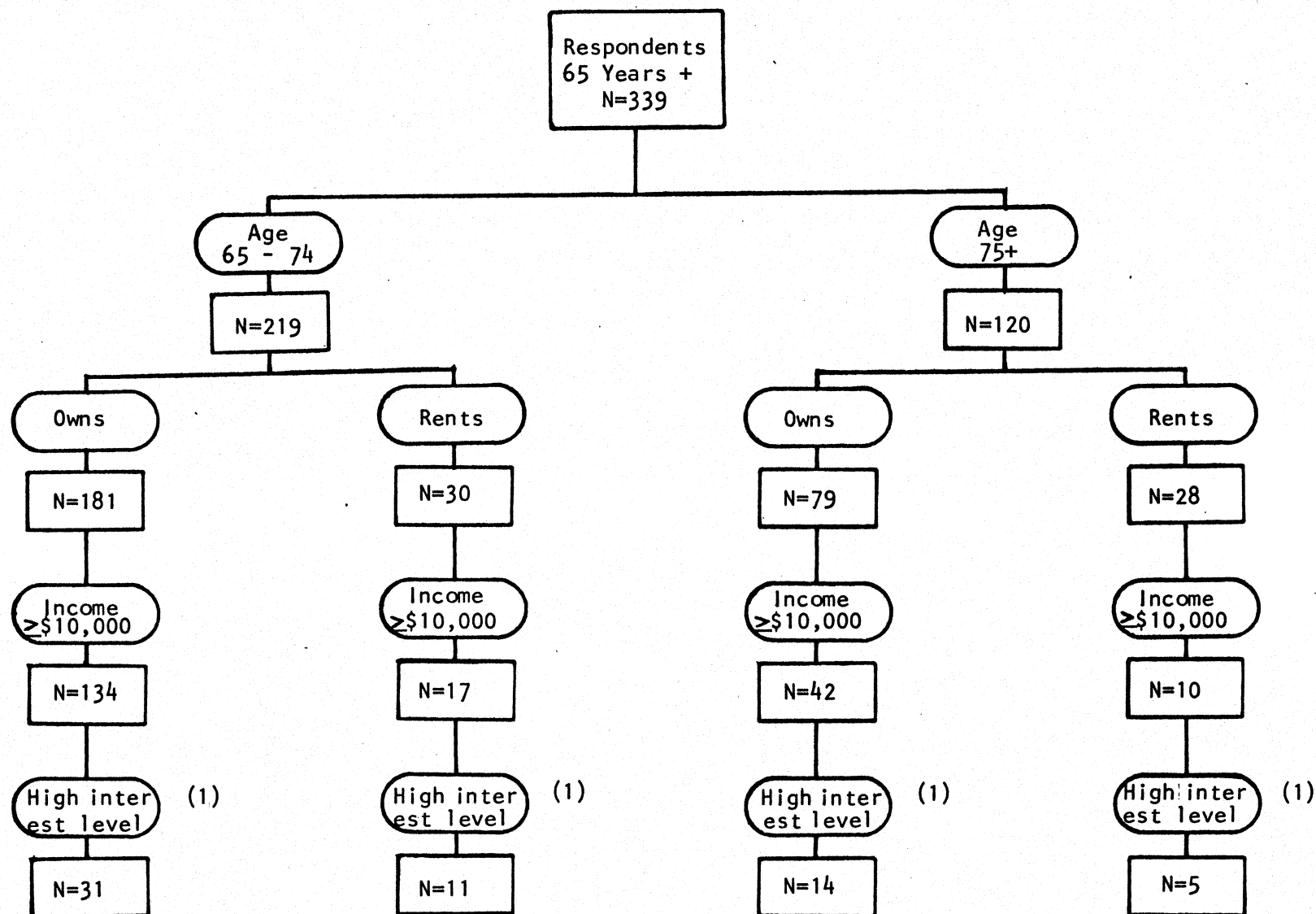
To segment the larger sample into smaller subsets of likely market prospects, screens are used to first separate on the basis of age, and then subsequently by homeowners and renters, on income  $\geq \$10,000$ , and then on the degree of interest in seriously considering a move to a LASATA retirement apartment



within the next five years. A diagram of the screening process and the number of respondents who pass each screen is shown in Exhibit IV-1. Those persons 75 years and older who qualify financially are considered to be the prototype of the most likely residents of the facility within the first year. Those persons 65 to 74 years who qualify financially are also considered to be the prototype of likely residents of the proposed retirement center, although the likelihood of any one member of this group becoming a resident in the first year is somewhat less.

Those financially qualified homeowners and renters in both age groups who would seriously consider moving into a LASATA apartment within the year or within one to two years are considered to be the primary source of effective demand for the LASATA retirement housing project. Qualified respondents in both age groups who expressed a more tentative interest in the facility in the next three to five years are considered to be a source of potential residents in the future, but it is assumed that within the next year or so some of these respondents will experience an event or series of events such as the loss of a spouse or an increasing awareness of the burden of home care due to declining health to hasten their decision to move to retirement housing. Thus LASATA will be able to capture some persons in the first year from this more tentative market. The

SCREENS USED TO SUBSET MOST PROBABLE USERS  
OF PROPOSED LASATA RETIREMENT HOUSING



(1) High degree of interest in project is defined as those who answered question #26 with a 1, 2, or 3 response. These respondents are interpreted as having serious interest now or in one to five years. See questionnaire in Appendix for exact wording of the question.

group will mainly be a major source of replacement residents for the first phase of the project and the primary source of effective demand for a future phase should demand warrant it.

2. Motivation for Moving to Retirement Housing -  
A Comparison Among Sample Groups

The largest percentage (64 percent) of the respondents who expressed any degree of interest in moving to the retirement center would consider a move only when conditions or events caused them to need to move to a more supportive environment. Since the occurrence of these events or conditions is 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, most likely from the 75 year and older group, would be a part of the first increment 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 assist the elderly in the timing of this critical housing decision.

a. Appeal for the Retirement Living Concept and  
Degree of Interest in LASATA Retirement Housing

Because the elderly, like any consumer group, is strongly influenced by the opinion of its peers, it is important to

assess the attitudes of the larger group of respondents 65 years and older and compare them with those of the more likely prospects for LASATA retirement housing.

Before the final screening of the respondents for their degree of interest in LASATA's proposed retirement housing, a comparison is made of the responses of the unscreened larger sample (N=339) with both the 65 to 74 year olds and the 75 year and older subsets of financially qualified homeowners and renters in regard to the appeal of retirement living and interest in the LASATA project. Exhibit IV-2 shows the survey results for each group; over 90 percent of the respondents in each found the concept appealing and would consider LASATA retirement housing as an alternative place of residence. The concept has wide appeal across all groups and only a very few would never be interested in LASATA retirement housing. (See Appendix E for profile of the seven respondents who would never be interested.) But the wide majority in each group found the appeal conditional upon a future undefined need. The same pattern of responses are given when the respondents are asked to indicate their interest in seriously considering a move to a LASATA apartment. Only in the older group of respondents 75 years and older is there a significant shift from a conditional interest to an expression of immediate need for retirement housing.

## EXHIBIT IV-2

APPEAL OF RETIREMENT LIVING CONCEPT  
 AND INTEREST IN MOVING TO A  
 LASATA RETIREMENT APARTMENT  
 A COMPARISON

=====						
			HOMEOWNERS AND RENTERS			
			WITH ANNUAL INCOME ≥ \$10,000			
			65-74 YRS OLD		75 YRS AND OLDER	
			N=339		N=151	
					N=52	
=====						
QUESTION 23:						
<u>OF RETIREMENT LIVING CONCEPT</u>			<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
					<u>N</u>	<u>%</u>
1. Yes, would suit my needs now	31	9%	8	5%	8	15%
2. Yes, would explore it for the future	69	20%	32	21%	12	23%
3. Yes, if and when needed	217	64%	105	70%	30	58%
4. No, its not for me	9	3%	5	3%	0	0%
5. No response	<u>13</u>	<u>4%</u>	<u>1</u>	<u>&lt; 1%</u>	<u>2</u>	<u>4%</u>
TOTALS	339	100%	151	100%	52	100%
QUESTION 26:						
<u>INTEREST IN MOVING TO LASATA</u>						
<u>RETIREMENT APARTMENT</u>			<u>N</u>	<u>%</u>	<u>N</u>	<u>%</u>
					<u>N</u>	<u>%</u>
1. Within the year	24	7%	4	3%	6	12%
2. In one to two years	27	8%	10	6%	6	12%
3. In three to five years	45	13%	28	19%	7	13%
4. Only if something happened so I needed the extra help	217	64%	98	65%	30	58%
5. Would never be interested in LASATA's Retirement Housing	7	2%	6	4%	0	0%
6. No response	<u>19</u>	<u>6%</u>	<u>5</u>	<u>3%</u>	<u>3</u>	<u>6%</u>
TOTALS	339	100%	151	100%	52	100%
=====						

b. Current Living Situation and Most Satisfactory Housing Type

The large majority of respondents in each group currently reside in a single family home, but when asked what the most satisfactory housing would be if the respondent should consider a move, the affordable retirement apartment project was the choice of a large majority in each group. Although in the larger sample of respondents 65 years and older, not screened for income and interest, a smaller single family home or private apartment had some appeal for 24 percent of the respondents, at least 70 percent of the financially qualified and interested respondents preferred the retirement apartment. A summary of the responses is found in Exhibit IV-3.

c. Main Reasons for Considering a Move from Current Residence

In the larger sample (N=339) the majority of respondents have not given serious thought to moving, but the percentages reverse with the two smaller groups of respondents who have already expressed a serious interest in moving to a LASATA retirement apartment. But even 26 percent of these respondents in each subset have not given serious thought to such a move; the majority have expressed a future interest in the next three to five years. (See Exhibit IV-4.)

## EXHIBIT IV-3

CURRENT RESIDENCE AND CHOICE OF HOUSING, IF MOVING -  
A COMPARISON

HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS						
ALL RESPONDENTS	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER	
QUESTION 38	N=339		N=42		N=19	
CURRENT RESIDENCE:						
OPTIONS	N	%	N	%	N	%
Single family home	260	77%	29	69%	15	79%
Apartment	51	15%	12	29%	3	16%
Condominiums	11	3%	0	0%	1	5%
Retirement center	1	< 1%	0	0%	0	0%
Other	9	3%	1	2%	0	0%
No response	7	2%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%

## QUESTION 4

## MOST SATISFACTORY ALTERNATIVE TYPE OF HOUSING

IF YOU SHOULD WANT TO MOVE, WHAT WOULD  
BE THE MOST SATISFACTORY HOUSING TYPE:

OPTIONS	N	%	N	%	N	%
Smaller, single family home	39	12%	1	2%	1	5%
Private apartment building	39	12%	5	12%	2	11%
Affordable retirement apartment project	177	52%	30	71%	14	74%
Subsidized apartment project (Section 8)	39	12%	3	7%	1	5%
Relative's home	9	3%	0	0%	0	0%
Other	4	1%	1	2%	0	0%
Nothing suits me in Ozaukee County	7	2%	1	2%	0	0%
No response	25	7%	1	2%	1	5%
TOTALS	339	100%	42	100%	19	100%

# INTENT TO MOVE FROM PRESENT RESIDENCE

QUESTION 2	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER	
	N=339		N=42		N=19	
HAVE YOU GIVEN SERIOUS THOUGHT TO MOVING:						
OPTIONS	N	%	N	%	N	%
No	217	64%	11	26%	5	26%
Yes	115	34%	30	72%	14	74%
No response	7	2%	1	2%	0	0%
TOTALS	339	100%	42	100%	19	100%



As shown in Exhibit IV-5, the increasing burden of home upkeep, the need to reduce living expenses, and the desire to be closer to supportive services are among the most frequently mentioned conditions which would trigger a decision to leave the family home. It is interesting to note that a proportionately larger number of respondents in the 75 years and older group mention the interrelated conditions of the burden of home maintenance and the desire to be closer to supportive services as main reasons for moving. Also, for this group, the loss of a spouse is a strong precipitating factor in the decision to move.

3. Profile of Most Likely Prospects for  
LASATA Retirement Housing (75 Years and Older)

All respondents 75 years and older, randomly selected from the Commission on Aging source list, who reported an annual gross income of \$10,000 or more, and who are homeowners, constitute the most likely group of prospective residents of LASATA's retirement housing project. Reference to Exhibit IV-1 indicates that 42 respondents passed the age, homeownership, and income screens, but not all had the same motivation for moving in the near future. Only 14, or 33 percent, indicated a serious interest in considering a move to a LASATA apartment within the next five years. Of the 10 renters who passed the age and income screens, only five, or 50 percent, indicated a

## MAIN REASONS FOR CONSIDERING MOVE FROM CURRENT RESIDENCE

QUESTION 3 IF YOU HAVE GIVEN SERIOUS THOUGHT TO MOVING, WHAT IS THE MAIN REASON:	ALL RESPONDENTS 65 YRS AND OLDER N=339		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 65-74 YRS OLD N=42		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 75 YRS AND OLDER N=19		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 65 YRS AND OLDER N=30	
	N	% [1]	N	% [1]	N	% [1]	N	% [1]
Freedom from burden of home maintenance	113	33%	29	69%	14	74%	15	50%
Need for more companionship	20	6%	1	2%	3	16%	4	13%
Health problems	40	12%	10	24%	3	16%	2	7%
Want to be closer to supportive services	54	16%	12	29%	11	58%	12	40%
Want to be closer to shopping, medical offices, church	37	11%	8	19%	3	16%	5	17%
Loss of spouse	34	10%	3	7%	5	26%	2	7%
Need to reduce living expenses	68	20%	18	43%	6	32%	13	43%
Do not plan to move	56	17%	0	0%	0	0%	0	0%
Other reasons	12	4%	2	5%	0	0%	2	7%

[1] Percentages are based upon the number in each of the samples.

EXHIBIT IV-5

high level of interest in moving to a LASATA apartment. A study of all of the responses of both interested and qualified homeowners and renters suggested that the renters were of sufficient financial strength to be grouped with the homeowners for further analysis and estimation of effective demand. Each of the 19 respondents, the prototype of the most\_likely LASATA retirement housing resident, is profiled by key characteristics in Exhibit IV-6 with an accompanying statistical summary of these attributes in Exhibit IV-7.

Each of the qualified and interested respondents are scored on those attributes most likely to influence a decision to move to a LASATA apartment such as age, preference for retirement housing location, and type of site, health needs, marital status, and motivation to move. Those receiving the highest scores are starred as a primary prospect in the last column of Exhibit IV-6 and these primary prospects become the basis for the estimate of LASATA's capture of this Ozaukee County pool of prospects who may seriously consider moving to a LASATA retirement apartment within the year after the project is built.

#### 4. Profile of Likely Prospects for LASATA Retirement Housing (65 to 74 Years Old)

All respondents 65 to 74 years old, randomly selected from the Commission on Aging source list, who reported an annual

PROFILE OF MOST LIKELY PROSPECTS  
HOMEOWNERS, AGE 75+, ANNUAL INCOME > \$10,000  
WOULD SERIOUSLY CONSIDER MOVING TO LASATA RETIREMENT APARTMENTS  
WITHIN THE YEAR OR IN ONE TO TWO OR IN THREE TO FIVE YEARS

QUESTION-NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [1]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT
381	75	M	Married	72	Port Washington-T	Ozaukee Co.	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	N/A	\$300-\$349	\$40-\$70,000	\$10-\$20,000	Yes	Yes-now	Within the year	*
023	88	M	Married	85	Cedarburg-T	Cedarburg	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	< \$300	\$70-\$100,000	\$20-\$30,000	Yes	Yes-now	Within the year	*
431	75	M	Widowed	N/A	Cedarburg-T	Cedarburg	LASATA site	Fair	Retirement apartment	No	Subsidized housing	1 BR - 1 BA	\$500-\$549	\$70-\$100,000	\$10-\$20,000	Yes	Yes-now	Within the year	*
157	87	M	Married	80	Cedarburg-C	Cedarburg	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$450-\$499	\$70-\$100,000	\$30-\$40,000	Yes	Yes-when needed	One to two years	*
380	75	F	Widowed	N/A	Grafton-T	Cedarburg	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$450-\$499	\$40-\$70,000	\$30-\$40,000	No	Yes-when needed	One to two years	*
313	84	M	Single	N/A	Port Washington-T	Port Washington	LASATA site	Average	Retirement apartment	No	Affordable retirement apt.	2 BR - 1 BA	\$400-\$449	\$40-\$70,000	\$10-\$20,000	No	Yes-when needed	One to two years	*
435	77	F	Married	81	Cedarburg-C	Cedarburg	Near shopping center	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$400-\$449	\$70-\$100,000	\$10-\$20,000	Yes	Yes-explore for future	One to two years	*
002	78	F	Married	86	Grafton-N/A	Grafton	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	< \$40,000	\$10-\$20,000	No	Yes-when needed	One to two years	*
317	80	F	Widowed	N/A	Cedarburg-T	Cedarburg	LASATA site	Average	Own home	No	Private apartment	1 BR - 1 BA	\$350-\$399	\$70-\$100,000	> \$50,000	Yes	Yes-when needed	One to two years	*
031	75	M	Married	75	Mequon-Thiensville-C	Cedarburg	LASATA site	Average	Own home	Yes	Affordable retirement apt.	1 BR - 1 BA	\$800-\$849	\$70-\$100,000	> \$50,000	No	Yes-explore for future	Three to five years	*
050	75	F	Widowed	N/A	Port Washington-T	Port Washington	N/A	Average	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$300-\$349	\$70-\$100,000	\$10-\$20,000	Yes	Yes-explore for future	Three to five years	*
498	79	M	Married	74	Mequon-Thiensville-C	Mequon-Thiensville	LASATA site	Average	Own home	No	N/A	N/A	N/A	\$40-\$70,000	\$10-\$20,000	No	N/A	Three to five years	*
363	77	M	Married	75	Mequon-Thiensville-T	Mequon-Thiensville	Near shopping center	Fair	Retirement apartment	No	Private apartment	2 BR - 2 BA	\$450-\$499	\$70-\$100,000	\$20-\$30,000	Yes	Yes-explore for future	Three to five years	*
304	78	N/A	Married	72	Cedarburg-T	Cedarburg	LASATA site	Average	Retirement apartment	Yes	Smaller, single family home	2 BR - 2 BA	\$450-\$499	\$70-\$100,000	\$10-\$20,000	Yes	Yes-explore for future	Three to five years	*

[1] T = Lives in town  
C = Lives in the country

PROFILE OF MOST LIKELY PROSPECTS  
RENTERS, AGE 75+, ANNUAL INCOME > \$10,000  
WOULD SERIOUSLY CONSIDER MOVING TO LASATA RETIREMENT APARTMENTS  
WITHIN THE YEAR OR IN ONE TO TWO YEARS OR IN THREE TO FIVE YEARS

QUESTION-NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [1]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT
158	75	M	Married	68	Cedarburg-T	Cedarburg	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$450-\$499	Rents	\$20-\$30,000	Rents	Yes-now	Within the year	*
114	81	F	Widowed	N/A	Saukville-T	Saukville	Near shopping center	Average	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$350-\$399	Rents	\$10-\$20,000	Rents	Yes-now	Within the year	*
166	87	M	Married	83	Mequon-Thiensville-T	Mequon-Thiensville	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$350-\$399	Rents	\$10-\$20,000	Rents	Yes-now	Within the year	*
020	76	M	Married	72	Grafton-T	Cedarburg	LASATA site	Excellent	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$400-\$449	Rents	\$20-\$30,000	Rents	Yes-explore for future	Three to five years	*
336	75	F	Widowed	N/A	Mequon-Thiensville-T	Cedarburg	LASATA site	Excellent	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$450-\$499	Rents	\$10-\$20,000	Rents	Yes-when needed	Three to five years	*

[1] T = Lives in town  
C = Lives in the country

## EXHIBIT IV-7

SUMMARY STATISTICS - MOST LIKELY PROSPECTS  
HOMEOWNERS AND RENTERS, AGE 75+,  
ANNUAL INCOME  $\geq$  \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
WITHIN THE NEXT FIVE YEARS

AGE

Mean age of respondent = 79 years ( $\pm$  4.5 years)

Mean age of spouse = 77 years ( $\pm$  5.9 years)

SEX

By respondents:

	<u>N</u>	<u>%</u>
Male	11	58%
Female	7	37%
No response	1	5%
	19	100%

By persons in household:

	<u>N</u>	<u>%</u>
Male	14	45%
Female	17	55%
	31	100%

MARITAL STATUS

	<u>N</u>	<u>%</u>
Married	12	63%
Widowed or single	7	37%
	19	100%

## EXHIBIT IV-7 (Continued)

AVERAGE NUMBER OF PERSONS PER HOUSEHOLD

	<u>---N</u>
Persons 65 yrs and older	31
Number of households	19
Persons per households	1.63

CURRENT PLACE OF RESIDENCE

	<u>---N</u>	<u>---%</u>	
Cedarburg	7	37%	79%
Grafton	3	16%	
Mequon-Thiensville	5	26%	
Port Washington	3	16%	21%
Saukville	<u>---1</u>	<u>---5%</u>	
	19	100%	

PLACE OF RESIDENCE  
TOWN OR COUNTRY

	<u>---N</u>	<u>---%</u>
Town	14	74%
Country	4	21%
No response	<u>---1</u>	<u>---5%</u>
	19	100%

PREFERRED PLACE OF RESIDENCE  
IN COUNTY

	<u>---N</u>	<u>---%</u>
Cedarburg-Grafton	12	63%
Mequon-Thiensville	3	16%
Port Washington	2	11%
Saukville	1	5%
Move out of county	0	0%
In Ozaukee County	1	5%
	<u>---</u>	<u>----</u>
	19	100%

## EXHIBIT IV-7 (Continued)

PREFERRED TYPE OF SITE

	<u>--N</u>	<u>--%</u>
LASATA site-country atmosphere	15	79%
Residential neighborhood	0	0%
Adjacent to shopping center- small town	3	16%
Adjacent to downtown in larger city	0	0%
Within larger city	0	0%
Close to my home	0	0%
Does not matter	0	0%
No response	<u>1</u>	<u>5%</u>
	19	100%

SERIOUS THOUGHT TO MOVING

	<u>--N</u>	<u>--%</u>
Yes	14	74%
No	5	26%
No response	<u>0</u>	<u>0%</u>
	19	100%

IDEAL HOUSING NOW

	<u>--N</u>	<u>--%</u>
Smaller single family home	1	5%
Private apartment building	2	11%
Affordable retirement apartment	14	74%
Subsidized housing	1	5%
Relative's home	0	0%
Other	0	0%
No response	<u>1</u>	<u>5%</u>
	19	100%

## EXHIBIT IV-7 (Continued)

UNIT MIX

	<u>--N</u>	<u>--%</u>
Efficiency	0	0%
1 BR - 1 BA	9	47%
2 BR - 1 BA	4	21%
2 BR - 2 BA	4	21%
No response	<u>--2</u>	<u>--11%</u>
	19	100%

MONTHLY RENT PERCEIVED AFFORDABLE

	<u>--N</u>	<u>--%</u>
< \$300	1	5%
\$300-\$399	6	32%
\$400-\$499	9	47%
\$500-\$599	1	5%
\$500-\$699	0	0%
\$600-\$699	0	0%
\$700-\$799	0	0%
\$800-\$899	1	5%
No response	<u>--1</u>	<u>--5%</u>
	19	100%

HOME VALUE

	<u>--N</u>	<u>--%</u>
< \$40,000	1	7%
\$40-\$70,000	4	29%
\$70-\$100,000	9	64%
\$100-\$150,000	0	0%
> \$150,000	<u>--0</u>	<u>--0%</u>
	14	100%

NEED TO SELL HOME

	<u>--N</u>	<u>--%</u>
Yes	9	64%
No	5	36%
No response	<u>--0</u>	<u>--0%</u>
	14	100%



## EXHIBIT IV-7 (Continued)

ANNUAL INCOME LEVEL

	<u>--N</u>	<u>--%</u>
\$10-\$20,000	11	58%
\$20-\$30,000	4	21%
\$30-\$40,000	2	11%
\$40-\$50,000	0	0%
> \$50,000	<u>--2</u>	<u>--11%</u>
	19	100%

Weighted Average: \$23,000/year using mid-points

Weighted Average: \$74,300 using mid-point values

SERIOUSLY CONSIDER MOVE TO  
LASATA APARTMENT

	<u>--N</u>	<u>--%</u>
Within the year	6	32%
One to two years	6	32%
Three to five years	<u>7</u>	<u>37%</u>
	19	100%

gross income of \$10,000 or more, and who are homeowners constitute another group of likely, though more tentative, users of retirement housing on the LASATA site. Although 134 respondents passed the screens for age, homeownership and income, not all had the same motivation for moving to a retirement apartment in the near future. Only 31, or 23 percent, indicated a serious interest in moving to a LASATA retirement apartment within the next five years. Of the 17 renters who passed the age and income screens, 11, or 65 percent, expressed a high level of interest in moving to the proposed LASATA project. Based on a comparative analysis of homeowners and renters, the two groups were combined for the purpose of estimating effective demand. Each of the 42 respondents, the prototype of the likely LASATA retirement resident, is profiled by key characteristics in Exhibit IV-8. A statistical summary of the aggregate attributes of this group is found in Exhibit IV-9.

The same scoring system used to define the primary prospects for a LASATA apartment from the pool of likely prospects for the 75 years and older group is also utilized for the 65 to 74 year old pool of likely prospects. Those receiving the highest scores are denoted by a star in the last column of Exhibit IV-8 and these primary prospects become the basis for the estimate of LASATA's capture of this Ozaukee

## EXHIBIT IV-8

PROFILE OF LIKELY PROSPECTS  
 HOMEOWNERS AGES 65 TO 74 s.b. 74  
 ANNUAL INCOME > \$10,000  
 INTERESTED IN LASATA RETIREMENT HOUSING  
 WITHIN THE NEXT FIVE YEARS

QUESTION-NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [1]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT
175	73	M	Married	70	Mequon-Thiensville-T	Mequon-Thiensville	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$300-\$349	\$40-\$70,000	\$10-\$20,000	Yes	Yes-now	Within the year	*
223	67	M	Married	67	Port Washington-T	Port Washington	Downtown site	Excellent	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$350-\$399	\$40-\$70,000	\$10-\$20,000	Yes	Yes-now	Within the year	
024	67	M	Married	57	Cedarburg-T	Move out of county	Residential site	Average	Own home	No	Smaller, single family home	1 BR - 1 BA	< \$300	\$100-\$150,000	\$10-\$20,000	Yes	Yes-when needed	In one to two years	
122	71	M	Married	70	Port Washington-T	Port Washington	Site close to home	Fair	Own home	No	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	\$70-\$100,000	\$10-\$20,000	Yes	Yes-when needed	In one to two years	
003	65	M	Married	59	Mequon-Thiensville-C	Mequon-Thiensville	Doesn't matter	Average	Retirement apartment	Yes	Private apartment	2 BR - 2 BA	\$300-\$349	\$100-\$150,000	\$10-\$20,000	Yes	Yes-now	In one to two years	
048	73	F	Widowed	N/A	Mequon-Thiensville-T	Mequon-Thiensville	Residential site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$650-\$699	\$100-\$150,000	\$40-\$50,000	Yes	Yes-would explore	In one to two years	*
105	72	M	Married	65	Port Washington-T	Port Washington	Site close to home	Average	Own home	Yes	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	\$40-\$70,000	\$10-\$20,000	Yes	Yes-when needed	In one to two years	
039	66	M	Married	58	Fredonia-T	Cedarburg	LASATA site	Average	Retirement apartment	No	Affordable retirement apt.	1 BR - 1 BA	< \$300	\$40-\$70,000	\$10-\$20,000	Yes	Yes-when needed	In one to two years	
238	65	F	Married	68	Grafton-C	Cedarburg	Site near shopping center	Fair	Own home	Yes	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	\$100-\$150,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	
451	74	M	Married	67	Mequon-Thiensville-T	Mequon-Thiensville-T	LASATA site	Fair	Own home	Yes	Private apartment	2 BR - 2 BA	\$850 or more	> \$150,000	> \$50,000	Yes	Yes-would explore	In three to five years	
056	69	M	Married	67	Grafton-T	Cedarburg	Doesn't matter	Fair	Own home	Yes	Private apartment	1 BR - 1 BA	\$300-\$349	\$40-\$70,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	
251	66	F	Married	71	Grafton-T	Cedarburg	Site near shopping center	Fair	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$400-\$449	\$40-\$70,000	\$10-\$20,000	N/A	Yes-would explore	In three to five years	
364	67	M	Married	63	Cedarburg-T	Cedarburg	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$500-\$549	\$70-\$100,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	*
416	69	M	Married	69	Mequon-Thiensville-T	Mequon-Thiensville-T	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$350-\$399	\$40-\$70,000	\$20-\$30,000	No	Yes-when needed	In three to five years	*
155	67	M	Married	61	Mequon-Thiensville-C	Mequon-Thiensville	Site close to home	Average	Own home	Yes	Affordable retirement apt.	2 BR - 1 BA	\$500-\$549	\$70-\$100,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	
118	66	M	Married	66	Cedarburg-T	Cedarburg	Residential site	Excellent	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$600-\$649	\$100-\$150,000	\$30-\$40,000	No	Yes-when needed	In three to five years	
085	70	M	Married	68	Mequon-Thiensville-T	Mequon-Thiensville	N/A	Excellent	Own home	Yes	Affordable retirement apt.	N/A	\$600-\$649	\$100-\$150,000	\$10-\$20,000	No	Yes-when needed	In three to five years	

[1] T = Lives in town  
 C = Lives in the country

EXHIBIT IV-8 (Continued)

QUESTION- NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [1]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT
137	66	F	Married	68	Cedarburg-C	Cedarburg	Residential site	Fair	Retirement apartment	No	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	\$70-\$100,000	\$20-\$30,000	Yes	Yes-when needed	In three to five years	
253	72	F	Widowed	N/A	Cedarburg-T	Cedarburg	N/A	Excellent	Retirement apartment	Yes	Subsidized housing	1 BR - 1 BA	\$300-\$349	N/A-lives in an apt., but owns a home.	\$10-\$20,000	No	Yes-would explore	In three to five years	
060	71	F	Married	76	Mequon-Thiensville-T	Mequon-Thiensville	Site near shopping center	Fair	Own home	Yes	Affordable retirement apt.	2 BR - 2 BA	\$450-\$499	\$70-\$100,000	\$20-\$30,000	Yes	Yes-would explore	In three to five years	
316	74	M	Married	68	Grafton-T	Cedarburg	Doesn't matter	Average	Own home	Yes	Affordable retirement apt.	2 BR - 2 BA	\$400-\$449	\$40-\$70,000	\$20-\$30,000	No	Yes-when needed	In three to five years	
115	69	M	Married	70	Mequon-Thiensville-C	Cedarburg	LASATA site	Excellent	Own home	Yes	Affordable retirement apt.	2 BR - 2 BA	\$600-\$649	\$70-\$100,000	\$20-\$30,000	No	Yes-would explore	In three to five years	*
108	66	M	Married	65	Mequon-Thiensville-T	Cedarburg	LASATA site	Excellent	Retirement apartment	Yes	ARA-retirement community	2 BR - 2 BA	\$500-\$549	\$70-\$100,000	> \$50,000	Yes	Yes-would explore	In three to five years	*
080	66	F	Married	74	Mequon-Thiensville-T	Mequon-Thiensville	LASATA site	Excellent	Own Home	Yes	Private apartment	2 BR - 2 BA	\$450-\$499	\$100-\$150,000	\$20-\$30,000	Yes	Yes-would explore	In three to five years	
384	72	M	Married	66	Mequon-Thiensville-C	Cedarburg	LASATA site	Average	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$350-\$399	\$40-\$70,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	*
142	70	F	Widowed	N/A	Grafton-T	Cedarburg	LASATA site	Average	N/A	N/A	Affordable retirement apt.	1 BR - 1 BA	\$350-\$399	\$40-\$70,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	
428	67	M	Married	65	Mequon-Thiensville-T	Cedarburg	LASATA site	Average	Retirement apartment	No	Affordable retirement apt.	2 BR - 2 BA	\$600-\$649	\$40-\$70,000	\$40-\$50,000	No	Yes-would explore	In three to five years	*
543	73	M	Married	70	Port Washington-T	P. Washington or Cedarburg	LASATA site	Average	Own home	Yes	Affordable retirement apt.	2 BR - 1 BA	\$350-\$399	\$40-\$70,000	\$10-\$20,000	Yes	Yes-when needed	In three to five years	
141	74	M	Married	75	Cedarburg-C	Cedarburg	Site with public transportation	Fair	Own home	Yes	Private apartment	1 BR - 1 BA	\$500-\$549	\$70-\$100,000	\$20-\$30,000	Yes	Yes-when needed	In three to five years	
388	66	M	Married	65	Port Washington-C	Prefer to move	LASATA site	Fair	Own home	Yes	N/A	1 BR - 1 BA	\$500-\$549	\$70-\$100,000	\$10-\$20,000	Yes	Yes-would explore	In three to five years	
107	65	M	Married	61	Fredonia-T	Move out of county	Downtown in larger city	Excellent	Own home	No	Nothing suits in Ozaukee Co.	2 BR - 1 BA	\$500-\$549	\$70-\$100,000	\$20-\$30,000	Yes	Yes-would explore	In three to five years	

[1] T = Lives in town  
C = Lives in the country

EXHIBIT IV-8 (Continued)

PROFILE OF LIKELY USERS  
RENTERS AGES 65 TO ~~75~~ 74  
ANNUAL INCOME > \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
WITHIN THE NEXT FIVE YEARS

QUESTION- NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [1]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	SERIOUS THOUGHT TO MOVING	IDEAL HOUSING	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT
165	69	M	Married	61	Port Washington-T	Port Washington	Residential site	Fair	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 1 BA	\$300-\$349	N/A	\$10-\$20,000	N/A	Yes-now	Within the year	
392	68	M	Married	69	Grafton-T	Cedarburg- Grafton	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$400-\$449	N/A	\$20-\$30,000	N/A	Yes-now	Within the year	*
042	71	F	Single	N/A	Cedarburg-T	Cedarburg	Site close to home	Average	Retirement apartment	No	Subsidized housing	1 BR - 1 BA	\$400-\$449	N/A	\$10-\$20,000	N/A	Yes-would explore	In one to two years	
059	73	M	Single	N/A	Cedarburg-N/A	Cedarburg	Doesn't matter	Average	Retirement apartment	No	Subsidized housing	1 BR - 1 BA	\$400-\$449	N/A	\$10-\$20,000	N/A	Yes-would explore	In one to two years	
252	67	F	Married	71	Mequon- Thiensville-T	Cedarburg	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$450-\$499	N/A	\$10-\$20,000	N/A	Yes-when needed	In one to two years	*
315	71	F	Single	N/A	Grafton-T	Cedarburg- Grafton	Site near shopping center	Average	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$300-\$349	N/A	\$10-\$20,000	N/A	Yes-now	In one to two years	*
058	73	F	Married	75	Mequon- Thiensville-T	Mequon- Thiensville	Site close to home	Average	Retirement apartment	No	Affordable retirement apt.	2 BR - 2 BA	\$450-\$499	N/A	\$40-\$50,000	N/A	Yes-when needed	In three to five years	
248	67	F	Widowed	N/A	Mequon- Thiensville-T	Cedarburg	LASATA site	Fair	Retirement apartment	Yes	Affordable retirement apt.	1 BR - 1 BA	\$400-\$449	N/A	\$10-\$20,000	N/A	Yes-when needed	In three to five years	*
159	68	F	Married	71	Mequon- Thiensville-T	Mequon- Thiensville-C	Doesn't matter	Fair	Retirement apartment	No	Affordable retirement apt.	1 BR - 1 BA	\$350-\$399	N/A	\$10-\$20,000	N/A	Yes-would explore	In three to five years	
421	72	F	Widowed	N/A	Cedarburg-T	Cedarburg	LASATA site	Average	Retirement apartment	No	Affordable retirement apt.	1 BR - 1 BA	\$500-\$549	N/A	\$20-\$30,000	N/A	Yes-when needed	In three to five years	*
025	74	F	Married	77	Mequon- Thiensville-T	Mequon- Thiensville	Site near shopping center	Excellent	Retirement apartment	Yes	Affordable retirement apt.	2 BR - 2 BA	\$350-\$399	N/A	\$20-\$30,000	N/A	Yes-when needed	In three to five years	

[1] T = Lives in town  
C = Lives in the country

## EXHIBIT IV-9

SUMMARY STATISTICS - LIKELY PROSPECTS  
HOMEOWNERS AND RENTERS AGE 65 - 74  
ANNUAL INCOME  $\geq$  \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
WITHIN THE NEXT FIVE YEARS

AGE

Mean age of respondent = 69  $\pm$  3 years

Mean age of spouse = 67  $\pm$  5 years

SEX

By respondent:

	<u>N</u>	<u>%</u>
Male	26	62%
Female	16	38%
No response	0	0%
	---	----
	42	100%

By persons in household:

	<u>N</u>	<u>%</u>
Male	35	46%
Female	41	54%
No response	0	0%
	---	----
	76	100%

MARITAL STATUS

	<u>N</u>	<u>%</u>
Married	34	81%
Widowed or single	8	19%
	---	----
	42	100%

## EXHIBIT IV-9 (Continued)

AVERAGE NUMBER OF  
PERSONS PER HOUSEHOLD

	<u>---N</u>
Persons 65 yrs and older	69
Number of households	42
Persons per households	1.64

CURRENT PLACE OF RESIDENCE

	<u>---N</u>	<u>---%</u>
Cedarburg	9	21%
Grafton	7	17%
Fredonia	2	5%
Mequon-		
Thiensville	18	43%
Port Washington	6	14%
	<u>---</u>	<u>----</u>
	42	100%

PLACE OF RESIDENCE  
TOWN OR COUNTRY

	<u>---N</u>	<u>---%</u>
Town	33	79%
Country	8	19%
No response	<u>1</u>	<u>2%</u>
	42	100%

PREFERRED PLACE OF RESIDENCE  
IN OZAUKEE COUNTY

	<u>---N</u>	<u>---%</u>
Cedarburg-Grafton	22	52%
Mequon-		
Thiensville	13	31%
Port Washington	5	12%
Move out of county	2	5%
	<u>---</u>	<u>----</u>
	42	100%

## EXHIBIT IV-9 (Continued)

PREFERRED TYPE OF SITE

	<u>N</u>	<u>%</u>
LASATA site	17	40%
Residential area	4	10%
Near shopping-small town	5	12%
Near large city-downtown	3	7%
In large city	0	0%
Close to my home	5	12%
Does not matter	5	12%
No response	2	5%
Near public transportation	1	2%
	42	100%

SERIOUS THOUGHT TO MOVING

	<u>N</u>	<u>%</u>
Yes	30	72%
No	11	26%
No response	1	2%
	42	100%

IDEAL HOUSING NOW

	<u>N</u>	<u>%</u>
Smaller single family home	1	2%
Private apartment building	5	12%
Affordable retirement apartment	31	74%
Subsidized housing	3	7%
Relative's home	0	0%
Other		
Nothing suits me in Ozaukee County	1	2%
No response	1	2%
	42	100%



## EXHIBIT IV-9 (Continued)

UNIT MIX

	<u>N</u>	<u>%</u>
Efficiency	0	0%
1 BR, 1 BA	15	36%
2 BR, 1 BA	12	29%
2 BR, 2 BA	14	33%
No response	1	2%
	---	----
	42	100%

MONTHLY RENT PERCEIVED AFFORDABLE

	<u>N</u>	<u>%</u>
< \$300	2	5%
\$300 - \$399	17	40%
\$400 - \$499	10	24%
\$500 - \$599	7	17%
\$600 - \$699	5	12%
\$700 - \$799	0	0%
\$800 - \$899	1	2%
No response	0	0%
	---	----
	42	100%

HOME VALUE

	<u>N</u>	<u>%</u>
\$40-\$70,000	12	39%
\$70-\$100,000	10	32%
\$100-\$150,000	7	23%
> \$150,000	1	3%
No response	1	3%
	---	----
	31	100%

Weighted average = \$84,500 using midpoints values

EXHIBIT IV-9 (Continued)

NEED TO SELL HOME

	<u>N</u>	<u>%</u>
Yes	23	74%
No	7	23%
No response	1	3%
	---	---
	31	100%

ANNUAL INCOME LEVEL

	<u>N</u>	<u>%</u>
\$10-\$20,000	25	60%
\$20-\$30,000	11	26%
\$30-\$40,000	1	2%
\$40-\$50,000	3	7%
> \$50,000	2	5%
	---	---
	42	100%

Weighted average = \$22,000 using midpoints values

SERIOUSLY CONSIDER MOVE  
TO LASATA APARTMENT

	<u>N</u>	<u>%</u>
Within the year	4	9%
One to two years	10	24%
Three to five years	28	67%
	---	---
	42	100%

County pool of prospects who may seriously consider moving to a LASATA retirement apartment when the first phase of construction is completed.

5. Comparative Analysis of the  
Two Age Groups of Likely Users  
(See Summary Statistics for each Group  
in Exhibits IV-7 and IV-9)

The majority of primary prospects from the 75 year and older group of most\_likely users are seriously considering a move to a LASATA retirement apartment within a year or two, but the majority of primary prospects from the 65 to 74 year old group of likely users will make the decision to move in three to five years.

Currently 53 percent of the 75 year and older most\_likely users live in the Cedarburg-Grafton area, with another 26 percent living in the Mequon-Thiensville area. But the highest concentration of likely users (43 percent) in the 64 to 75 year old age group now lives in the Mequon-Thiensville area and another 38 percent are residents of the Cedarburg-Grafton area.

The LASATA site is very acceptable to almost all of the older group of most likely users. The 65 to 74 year old group expressed a high degree of acceptance of the site, but the alternative choices were more numerous and diverse.

The financial strength of both groups is similar based on annual income as its proxy. The 65 to 74 year old group reported home values of approximately \$10,000 higher, on the average, than the older group. The majority in both groups perceived affordable monthly rent including heat, but excluding meals, to be clustered between \$400 to \$600 per month. The need to sell the home before moving to retirement housing decreased slightly with age.

There was greater preference for a one-bedroom, one-bathroom unit in the older group. In the younger group, 81 percent of the respondents were married, but only 63 percent of the respondents in the older group are still married. Even though, some of the older single and widowed respondents would still prefer to maintain two bedroom units.

Both groups showed similar patterns in the serious thought already given to moving from their present residence and in their choice of ideal housing now. Over 70 percent in each group are seriously considering a move and 74 percent in each group would select an affordable retirement apartment as their housing alternative. Only in the timing of this move is there a distinctive difference: among the older group, 64 percent would seriously consider a move within two years and only 33 percent of the 65 to 74 year old group would seriously consider a LASATA apartment within two years. The differences are even

greater in the short term. Within the year 32 percent of the older group would seriously consider a move, whereas only 9 percent of the younger group find the need to move so imminent.

#### 6. Other Potential Sources of Demand

There are several other potential sources of effective demand for LASATA's proposed retirement housing project:

1. Respondents from both the 75 year and older group and the 65 to 74 year old group of financially qualified homeowners and renters who expressed a more conditional interest in moving to a LASATA retirement apartment ONLY if something happened so that extra help was needed. Only a small fraction of this group will have need for LASATA's retirement apartments within the next one to two years. As previously mentioned, this group will be a major source of replacement residents as the project ages.
2. Respondents from both age groups who have an annual gross income of less than \$10,000, but who own a home which can be converted to a cash producing investment with home sale proceeds.
3. Former Ozaukee County residents who could pass the residency and the financial requirement and who want to return to Ozaukee County for retirement.

4. Ozaukee County residents between the ages of 55 and 64 years old who are financially qualified and have a need for retirement housing now.
5. Adult disabled citizens of all age groups who have a need for housing especially designed for the special needs of the handicapped and who have need for the proximity of supportive services.

Of these five groups, only the first group of respondents from both the 75 year and older group and the 65 to 74 year old group of financially qualified homeowners and renters who expressed an interest in LASATA for the undefined future is included in the estimate of effective demand for elderly units. A capture rate is estimated and the resulting number of units is included in the total estimate. The financially qualified respondents with a contingent interest in the retirement center are assumed to constitute a replacement pool of potential users for the first phase of the project and, when effective demand exceeds supply in the near future, this pool will be a source of users for a second phase. In the older group of most likely users, 30 of the 52 financially qualified homeowners and renters, or 58 percent, expressed an interest in retirement housing only if and when needed. In the 65 to 74 year old group 98 of the 151 financially qualified homeowners and renters, or 65 percent, expressed an interest only if and when needed.

The timing of the combined trigger conditions of declining health and the burden of home maintenance are unknowns for the respondents who expressed interest in the facility "if and when needed." Many of this group will never choose the retirement center as a housing alternative; however some will have experienced events that will trigger the need for a LASATA retirement apartment before the facility is ready for occupancy, thereby accelerating their time frame for a decision to move. Only a small proportion of these respondents are included in the estimate of demand as residents in the first year.

Also included in the total estimate of effective demand are units for financially qualified disabled citizens. This group will be analyzed in more detail in Section IX of this market study.

Respondents who have a gross annual income of less than \$10,000, but who own a home which could be converted to a source of supplementary income are also analyzed. Of the 108 lower-income respondents, 68, or 62 percent, are homeowners. Seventeen homeowners expressed an interest in moving to LASATA within the next five years, but three of these respondents did not indicate a home value. Of the remaining fourteen low-income homeowners, two expressed serious interest in moving to a LASATA retirement apartment within the year, six expressed

serious interest within one to two years, and the remaining six were more tentative with interest in moving in three to five years. All but three of the homes were valued at \$40,000 to \$70,000. The other three were valued between \$70,000 and \$100,000. Seven of the eight persons interested in a LASATA apartment within the next two years are widowed or single females with an average age of 76 years and in average to fair health. All respondents perceived an affordable rent to be less than \$400 per month. In summary, this older group of respondents are likely prospects based upon age, marital status, and health, but will be limited by income. The sale of the home will enable some of these respondents to afford a LASATA retirement apartment, but a more in-depth analysis of assets will be needed before an estimate of effective demand can be made for this group.

There was no systemized attempt to survey persons 55 to 64 years old or former Ozaukee County elderly residents who want to return to the area. Some persons in the 55 to 64 year old category did respond to the questionnaire and many expressed interest in the future, and many urged that the project be built. They will be a source of replacements in future years.



B. Need/Desire and Effective Demand -  
A Comparison By Zip Code Areas

Although many respondents expressed a serious interest in considering a move to a LASATA retirement apartment, not all of those interested can afford a retirement apartment, based upon the screen of  $\geq \$10,000$  of annual gross income. It must be remembered that the  $\geq \$10,000$  screen is a proxy for financial capability, and that homeowners on a limited income of  $\leq \$10,000$  may still have enough potential cash flow, which is locked in home equity, to adequately augment cash flow when moving to a retirement apartment. But for the purpose of illustrating the difference between need/desire and effective demand by zip code area, the only financial qualification considered is that of an annual income of  $\geq \$10,000$ .

In the screening process diagrammed in Exhibit IV-1 and discussed at the beginning of this Section, there are 203 randomly selected respondents out of the 339 who passed the income screen of an annual income of  $\geq \$10,000$ . Before the screen for income, 23, or 5 percent, of the 317 [1] respondents wanted to move into a LASATA retirement apartment within the year, and 25, or 8 percent, more wanted to move within the next two years. But when the income screen is applied, only 10 of 23

---

[1] 317 out of 339 respondents answered the income and zip code questions

respondents who want to move to LASATA to retirement housing within the year survive the financial test and 16 of the 25 who want to move within the next two years survive the financial test. A series of exhibits demonstrates the effect that income levels have upon effective demand. (See Exhibit IV-10 for an exhibit in three parts that detail the statistics regarding the distribution and analysis of need and demand for LASATA retirement housing among the randomly selected sample of respondents.)

As another point of comparison, the self-selected group of respondents, who made the effort to request a questionnaire and who are described in Section III, are analyzed in the same manner to compare need/desire and effective demand by zip code area. Of the 73 [2] respondents 65 years and older in the self-selected group, 19, or 26 percent, want to move to a LASATA retirement apartment within the year and 17, or 23 percent, want to move within two years. When the income screen is applied, only 9 of 19 who are interested in moving within the year survive, and only 12 of the 17 who want to move within the next two years also survive the financial test.

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[2] 73 out of 76 respondents answered the income and zip code questions

AN ANALYSIS OF THE DISTRIBUTION AND COMPARISON OF  
NEED [1] AND EFFECTIVE DEMAND [2]  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
FOR THOSE INTERESTED WITHIN A YEAR TO FIVE YEARS  
BASED UPON A RANDOMLY SELECTED SAMPLE [3]

QUESTION 42  
CURRENT PLACE OF RESIDENCE

QUESTION 26 (INTEREST) [1]  
|----- NEED FOR LASATA RETIREMENT HOUSING -----|

QUESTION 26 (INTEREST) & 46 (INCOME) [2]  
|----- EFFECTIVE DEMAND FOR LASATA RETIREMENT HOUSING -----|

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		TOTALS		WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		TOTALS	
		N	% [4]	N	% [4]	N	% [4]	N	% [4]	N	% [5]	N	% [5]	N	% [5]	N	% [5]
53012	Cedarburg	4	4%	10	11%	9	10%	23	25%	3	5%	6	10%	7	11%	16	26%
53024	Grafton	5	5%	6	6%	9	10%	20	22%	1	2%	3	5%	6	10%	10	16%
53092	Mequon-Thiensville	4	4%	5	5%	19	20%	28	30%	2	3%	3	5%	18	30%	23	38%
53074	Port Washington	5	5%	3	3%	7	8%	15	16%	3	5%	3	5%	3	5%	9	15%
53080	Saukville	2	2%	0	0%	0	0%	2	2%	1	2%	0	0%	0	0%	1	2%
53004	Belgium	1	1%	0	0%	0	0%	1	1%	0	0%	0	0%	0	0%	0	0%
53021	Fredonia	2	2%	1	1%	1	1%	4	4%	0	0%	1	2%	1	2%	2	3%
		23	25%	25	27%	45	48%	93	100%	10	16%	16	26%	35	58%	61	100%

- [1] Respondents who indicated they would seriously consider moving to a LASATA apartment, but may or may not be able to afford it are included in this group.
- [2] Respondents who indicated they would seriously consider moving to a LASATA apartment and have a gross annual income of  $\geq$  \$10,000 are assumed to be able to afford to move to LASATA.
- [3] Sample households were randomly selected from the Commission on Aging List of 2,884 households in Ozaukee County headed by persons 65 years and older. See Appendix A for further discussion of sample selection.
- [4] Percentages are based on the total number of 93 respondents.
- [5] Percentages are based on the total number of 61 respondents.

AN ANALYSIS OF THE DISTRIBUTION OF NEED [1]  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
ALL RESPONDENTS 65 YEARS AND OLDER  
N=339

=====

QUESTION 42

CURRENT PLACE OF RESIDENCE

|----- QUESTION 26: NEED FOR LASATA RETIREMENT HOUSING -----|

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		ONLY IF AND WHEN NEEDED		NEVER BE INTERESTED		TOTALS	
		N	% [2]	N	% [2]	N	% [2]	N	% [2]	N	% [2]	N	% [2]
53012	Cedarburg	4	1%	10	3%	9	3%	58	18%	0	0%	81	26%
53024	Graton	5	< 2%	6	2%	9	3%	36	11%	1	< 1%	57	18%
53092	Mequon-Thiensville	4	1%	5	2%	19	6%	40	13%	1	< 1%	69	22%
53074	Port Washington	5	2%	3	1%	7	2%	52	16%	5	2%	72	23%
53080	Saukville	2	< 1%	0	0%	0	0%	11	4%	0	0%	13	4%
53004	Belgium	1	< 1%	0	0%	0	0%	10	3%	0	0%	11	3%
53021	Fredonia	<u>2</u>	<u>&lt; 1%</u>	<u>1</u>	<u>&lt; 1%</u>	<u>1</u>	<u>&lt; 1%</u>	<u>10</u>	<u>3%</u>	<u>0</u>	<u>0%</u>	<u>14</u>	<u>4%</u>
TOTALS		23	5%	25	8%	45	14%	217	68%	7	2%	317	100%

[3]

[1] This analysis includes ALL those respondents 65 years and older randomly selected from the Commission on Aging source list questionnaire; those who indicate a need or desire for retirement housing may or may not be able to afford it.

[2] Percentages are based upon 317 valid responses.

[3] Although there are 339 respondents, 19 did not respond to Question 26 and 3 did not respond to Question 42; therefore 22 respondents could not be included in this analysis.

EXHIBIT VI-10 (Continued)

Southwest Research, Inc.

AN ANALYSIS OF THE DISTRIBUTION OF EFFECTIVE DEMAND [1]  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
HOMEOWNERS AND RENTERS WITH  
GROSS ANNUAL INCOME OF  $\geq$  \$10,000  
65 YEARS AND OLDER  
N=203

QUESTION 42

CURRENT PLACE OF RESIDENCE

QUESTIONS 26 & 46: EFFECTIVE DEMAND FOR LASATA RETIREMENT HOUSING -1

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		ONLY IF AND WHEN NEEDED		NEVER BE INTERESTED		TOTALS	
		N	% [2]	N	% [2]	N	% [2]	N	% [2]	N	% [2]	N	% [2]
53012	Cedarburg	3	2%	6	3%	7	4%	31	16%	0	0%	47	24%
53024	Graton	1	< 1%	3	2%	6	3%	21	11%	1	< 1%	32	16%
53092	Mequon-Thiensville	2	1%	3	2%	18	9%	32	16%	1	< 1%	56	29%
53074	Port Washington	3	2%	3	2%	3	2%	30	15%	4	2%	43	22%
53080	Saukville	1	< 1%	0	0%	0	0%	5	3%	0	0%	6	3%
53004	Belgium	0	0%	0	0%	0	0%	6	3%	0	0%	6	3%
53021	Fredonia	0	0%	1	< 1%	1	< 1%	3	2%	0	0%	5	3%
TOTALS		10	5%	16	8%	35	18%	128	66%	6	3%	195	100%

[3]

- [1] Effective demand is defined as needed/desired and affordable. Respondents were randomly selected from the Commission on Aging source list who are 65 years and older and who are included in this analysis have been screened for annual gross income of  $\geq$  \$10,000.
- [2] Percentages are based upon 195 valid responses.
- [3] Although there are 203 respondents 65 years and older who passed the income screen of  $\geq$  \$10,000, 8 did not respond to Question 26 regarding their interest in LASATA's retirement housing and therefore could not be included in this analysis.

EXHIBIT VI-10 (Continued)

Soudanville Research, Inc.

The self-selected group of respondents have a proportionately greater preference for the proposed LASATA retirement housing project than is found in the elderly population as a whole. For example, from the larger randomly selected sample, before screening for income, 5 percent of all respondents 65 years and older express a serious interest in a move within the year, but in the self-selected group before screening for income, 26 percent of all self-selected respondents 65 years and older want to seriously consider a move within the year. (See Exhibit IV-11 for a similar exhibit in three parts for the self-selected sample of respondents.)

After screening for income, 5 percent of the randomly selected and financially qualified respondents express serious interest in a LASATA apartment within the year but 20 percent of the self-selected and financially qualified respondents are interested within the first year. Such a comparison emphasizes the need for a randomly selected sample group when estimating effective demand or the estimate will be overstated.

In the self-selected group of respondents, a disproportionate number of respondents are residents of the primary market area. Seventy-nine percent of those in the self-selected sample responding to the questionnaire are from Cedarburg-Grafton-Mequon-Thiensville, and only 66 percent of the randomly selected respondents are from the primary market

AN ANALYSIS OF THE DISTRIBUTION AND COMPARISON OF  
NEED [1] AND EFFECTIVE DEMAND [2]  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
FOR THOSE INTERESTED WITHIN A YEAR TO FIVE YEARS  
BASED UPON THOSE WHO REQUESTED A QUESTIONNAIRE [3]  
65 YEARS AND OLDER

QUESTION 42  
CURRENT PLACE OF RESIDENCE

QUESTION 26 (INTEREST)  
|----- NEED FOR LASATA RETIREMENT HOUSING -----|

QUESTION 26 (INTEREST) & 46 (INCOME)  
|----- EFFECTIVE DEMAND FOR LASATA RETIREMENT HOUSING -----|

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		TOTALS		WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		TOTALS	
		N	% [4]	N	% [4]	N	% [4]	N	% [4]	N	% [5]	N	% [5]	N	% [5]	N	% [5]
53012	Cedarburg	8	16%	6	12%	3	6%	17	34%	5	17%	3	10%	3	10%	11	37%
53024	Grafton	2	4%	3	6%	2	4%	7	14%	0	0%	2	7%	1	3%	3	10%
53092	Mequon-Thiensville	3	6%	5	10%	7	14%	15	30%	2	7%	5	17%	4	13%	11	37%
53074	Port Washington	2	4%	3	6%	1	2%	6	12%	1	3%	2	7%	1	3%	4	13%
53080	Saukville	2	4%	0	0%	0	0%	2	4%	0	0%	0	0%	0	0%	0	0%
53004	Belgium	0	0%	0	0%	1	2%	1	2%	0	0%	0	0%	0	0%	0	0%
53021	Fredonia	1	2%	0	0%	0	0%	1	2%	0	0%	0	0%	0	0%	0	0%
53060	Newburg	1	2%	0	0%	0	0%	1	2%	1	3%	0	0%	0	0%	1	3%
		19	38%	17	34%	14	28%	50	100%	9	30%	12	40%	9	30%	30	100%

- [1] This group includes all respondents 65 years and older who used a coupon from the Commission on Aging Newsletter to request a questionnaire; those who indicate a need or desire for retirement housing may or may not be able to afford it.
- [2] This group includes all respondent households which indicated they would seriously consider moving to a LASATA apartment and have a gross annual income of  $\geq$  \$10,000 are assumed able to afford to move to LASATA.
- [3] These households were self-selected because of an interest in the project. The responses are not representative of all elderly persons in Ozaukee County and cannot be used to make inferences about the total population of persons 65 years and older.
- [4] Percentages are based upon 50 respondents.
- [5] Percentages are based upon 30 respondents.

AN ANALYSIS OF THE DISTRIBUTION OF NEED [1]  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
HOMEOWNERS AND RENTERS WHO REQUESTED A QUESTIONNAIRE [2]  
65 YEARS AND OLDER  
N=76

QUESTION 42

CURRENT PLACE OF RESIDENCE

|----- QUESTION 26: NEED FOR LASATA RETIREMENT HOUSING -----|

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		ONLY IF AND WHEN NEEDED		NEVER BE INTERESTED		TOTALS	
		N	% [3]	N	% [3]	N	% [3]	N	% [3]	N	% [3]	N	% [3]
53012	Cedarburg	8	11%	6	8%	3	4%	6	8%	0	0%	23	32%
53024	Grafton	2	3%	3	4%	2	3%	4	6%	0	0%	11	15%
53092	Mequon-Thiensville	3	4%	5	7%	7	10%	8	11%	0	0%	23	32%
53074	Port Washington	2	3%	3	4%	1	1%	1	1%	0	0%	7	10%
53080	Saukville	2	3%	0	0%	0	0%	3	4%	0	0%	5	7%
53004	Belgium	0	0%	0	0%	1	1%	0	0%	0	0%	1	1%
53021	Fredonia	1	1%	0	0%	0	0%	1	2%	0	0%	2	3%
53060	Newburg	<u>1</u>	<u>1%</u>	<u>0</u>	<u>0%</u>	<u>0</u>	<u>0%</u>	<u>0</u>	<u>0%</u>	<u>0</u>	<u>0%</u>	<u>1</u>	<u>1%</u>
		19	26%	17	23%	14	19%	23	32%	0	0%	73	100%
												[4]	

[1] This group includes all respondents 65 years and older who used a coupon from the Commission on Aging Newsletter to request a questionnaire; those who indicate a need or desire for retirement housing may or may not be able to afford it.

[2] These households were self-selected because of an interest in the project. The responses are not representative of all elderly persons in Ozaukee County and cannot be used to make inferences about the total population of persons 65 years and older.

[3] Percentages are based upon 73 valid responses.

[4] Although there are 76 respondents who used a Newsletter coupon to receive and return a questionnaire, 3 did not answer either Question 26 or Question 42.

EXHIBIT IV-11 (Continued)

Sudman Research, Inc.



AN ANALYSIS OF THE DISTRIBUTION OF EFFECTIVE DEMAND  
IN OZAUKEE COUNTY FOR LASATA RETIREMENT HOUSING  
HOMEOWNERS AND RENTERS WHO REQUESTED AND RETURNED A QUESTIONNAIRE [2]  
WITH GROSS ANNUAL INCOME  $\geq$  \$10,000  
65 YEARS AND OLDER

QUESTION 42

CURRENT PLACE OF RESIDENCE

--- QUESTIONS 26 & 46: EFFECTIVE DEMAND FOR LASATA RETIREMENT HOUSING ---

ZIP CODE	COMMUNITY	WITHIN THE YEAR		IN ONE TO TWO YEARS		IN THREE TO FIVE YEARS		ONLY IF AND WHEN NEEDED		NEVER BE INTERESTED		TOTALS	
		N	% [3]	N	% [3]	N	% [3]	N	% [3]	N	% [3]	N	% [3]
53012	Cedarburg	5	11%	3	7%	3	7%	5	11%	0	0%	16	36%
53024	Grafton	0	0%	2	4%	1	2%	2	4%	0	0%	5	11%
53092	Mequon-Thiensville	2	4%	5	11%	4	9%	4	9%	0	0%	15	33%
53074	Port Washington	1	2%	2	4%	1	2%	1	2%	0	0%	5	11%
53090	Saukville	0	0%	0	0%	0	0%	2	4%	0	0%	2	4%
53004	Belgium	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
53021	Fredonia	0	0%	0	0%	0	0%	1	2%	0	0%	1	2%
53060	Newburg	1	2%	0	0%	0	0%	0	0%	0	0%	1	2%
		9	20%	12	27%	9	20%	15	33%	0	0%	45	100%
												[4]	

- [1] Effective demand is defined as needed/desired and affordable. Respondents 65 years and older who requested a questionnaire via a coupon from the Commission on Aging Newsletter who are homeowners or renters and who have a gross annual income of  $\geq$  \$10,000 are included in this analysis.
- [2] These households were self-selected because of an interest in the project. The responses are not representative of all elderly persons in Ozaukee County and cannot be used to make inferences about the total population of persons 65 years and older.
- [3] Percentages are based upon 45 valid responses.
- [4] Although 47 respondents from the coupon source list qualified based upon income, 2 did not respond to Question 26.

EXHIBIT IV-11 (Continued)

Soudman Research, Inc.

area. But this difference in response rates does suggest that those living closest to the site are going to be more interested in actively considering LASATA as an alternative to their present living situation.

C. 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 1984. (See Exhibit II-1 and Appendix B for growth rates.) Through the use of projected growth rates prepared by the Wisconsin State Data Center, the 1984 population of elderly persons 65 years and older is estimated to be 6,606. The growth rates applied to each age group which compose the elderly population in the study area are found in Exhibit IV-12.

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 housing residents at LASATA 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 IV-13.

## EXHIBIT IV-12

PROJECTED GROWTH IN ELDERLY POPULATION  
BY AGE SEGMENTS  
IN OZAUKEE COUNTY

AGE GROUP	=====		
	AVERAGE PROJECTED GROWTH RATE/ YEAR [1]	POPULATION CENSUS 1980	PROJECTED 1984
65 - 74	4.26%	3,473	4,065
75 - 84	3.22%	1,727	1,949
85 and older	7.06%	<del>462</del>	<del>592</del>
		5,662	6,606 [2]
PROJECTED AVERAGE GROWTH RATE			4.26%/YR

- [1] Based upon County Population Projection, Wisconsin State Data Center (1983). The 1980-1985 projected growth rates by age groups, divided by five years, is the average growth rate applied to estimate projected growth rate from 1980-1984. (See Appendix B, Exhibit B-3.)
- [2] Includes persons in nursing homes and other group quarters.

## EXHIBIT IV-13

ADJUSTED 1984 ELDERLY POPULATION FRAME  
FOR OZAUKEE COUNTY

=====

Projected elderly population in Ozaukee County as of 1984 (See Exhibit IV-12)	6,606
Less: Elderly nursing home residents (See Exhibit II-3)	(549)
Less: Persons 65 years and older residing in group quarters [1]	(80)
Less: Subsidized housing residents (See Exhibit II-1)	(227)
Less: Disabled persons 65 years and older who responded to questionnaire [2]	____(5)
TOTAL PERSONS IN OZAUKEE COUNTY 65 YEARS AND OLDER PROJECTED FOR 1984	5,745
Average number of persons 65 years and older per household in Ozaukee County (See Appendix B, Exhibit B-9)	<u>1.57</u>
TOTAL NUMBER OF ELDERLY HOUSEHOLDS IN OZAUKEE COUNTY IN 1984	3,659

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[1] It is assumed the number of elderly in group quarters reported in the 1980 Census remains stable.

[2] Disabled respondents are analyzed separately and are not included in this group.

## 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 married, the household usually contains two persons, and if single or widowed, the household (termed non-family) usually contains only one person. The average number of elderly persons per household in the Ozaukee County population is found to be 1.57, as shown in Appendix B, Exhibit B-9.

Using 1.57 persons per household, the adjusted study area population of 5,745 elderly persons converts to 3,659 households ( $5,745/1.57$ ). (See Exhibit IV-13.) These households form the basis for the estimate of effective demand for the proposed retirement center.

## 3. Adjustment of Survey Sample Size

Although 1,470 households were included on the mailing list for the questionnaire, only the 882 households randomly selected from the Ozaukee County Commission on Aging source list constitute the survey sample used to estimate effective demand for the proposed LASATA retirement housing project. Forty-five of the 882 questionnaires were not delivered due to death, transfer to a nursing home, or the lack of a forwarding

address. An estimated 64 of the questionnaires were completed by persons who were younger than 65 years and therefore, were outside the population frame of persons 65 years and older. Incomplete questionnaires were treated as non-responses.

The remaining 773 randomly selected households, assumed to be representative of all elderly households in Ozaukee County, is the sample from which the estimate of effective demand is extrapolated from the population of persons 65 years and older. A more detailed discussion of the sample size adjustments is found in Appendix A.

#### D. 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. Based upon the preceding analysis of the several subsets of potential users of the proposed LASATA retirement housing project, the following logic and assumptions are used to estimate the effective demand for the facility during its first year. (See Exhibit IV-14.)

The most likely users are homeowners and renters who are 75 years and older with an annual income of  $\geq$  \$10,000 who have expressed a serious interest in moving into a LASATA retirement apartment within the year or in one to two years. Other respondents are grouped in descending order of their

EXHIBIT IV-14

LOGIC FOR CALCULATION OF EFFECTIVE DEMAND  
FOR PROPOSED LASATA RETIREMENT HOUSING PROJECT

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	x	Sample Ratio	=	Number of households in population segmented by age, income/assets, and degree of interest represents pool of prospective tenants
---	---	-----------------	---	--

STEP 3:

Pool of prospective tenants	x	Propensity ratio [1] developed from analysis of interested, qualified sample respondents	=	Primary pool of prospective tenants
-----------------------------------	---	---	---	---

STEP 4:

Primary pool  
of prospective  
tenants

x	Capture Rate	=	Effective Demand
---	--------------	---	------------------

STEP 5:

Developer must assume that total unit demand will be the sum of the units estimated for the elderly in STEP 4 plus units estimated for the disabled.

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[1] The propensity ratio is discussed in Section IV of this report.

likeliness of moving into a LASATA apartment in the first year of operation. This segmentation of the market prospects is shown in Exhibit IV-15.

#### 1. Propensity Ratios and Capture Rate Assumptions

Propensity ratios are based upon an analysis of the responses of each prospective tenant profiled in Exhibits IV-6 and IV-8 to estimate the likelihood of that person becoming a primary prospect who will be more inclined to translate an expressed interest into action and make a commitment to move into LASATA's proposed retirement housing project. Each financially qualified homeowner and renter seriously interested in moving to a LASATA retirement apartment was assigned a score based upon the following critical factors:

1. Age
2. Preferred place of residence
3. Preferred type of site
4. Serious thought given to moving
5. Preferred living style
6. Ideal housing preferred
7. Current health status
8. Marital status
9. Need to sell home
10. Appeal of retirement concept



## EXHIBIT IV-15

SEGMENTATION OF POTENTIAL  
RETIREMENT HOUSING RESIDENTS  
WITH CORRESPONDING RATIOS

GROUP	=====			
	NUMBER OF RESPONDENT HOUSEHOLDS IN EACH GROUP FROM SURVEY SAMPLE OF 773 HOUSEHOLDS	SAMPLE RATIO [1]	PROPENSITY RATIO [2]	CAPTURE RATE
-----				
SOURCE OF PRIMARY MARKET PROSPECTS				
-----				
A. 75 years and older, qualified homeowners and renters who would seriously consider moving to LASATA project within the year	6	.0078	1.00	1:2
B. 75 years and older, qualified homeowners and renters who would seriously consider moving to LASATA project in one to two years	6	.0078	.67	1:2
C. 65 to 74 years old, qualified homeowners and renters who would seriously consider moving to LASATA project within the year	4	.0052	.50	1:25
D. 65 to 74 years old, qualified homeowners and renters who would seriously consider moving to LASATA project in one to two years	10	.0129	.33	1:3

(continued)

- 
- [1] Number of respondent households from survey sample divided by 773 households.
- [2] Propensity ratios are developed from analysis of individual sample responses for each group and are discussed in Section IV and Appendix A.
- [3] Capture rates are assumptions about the number of very best prospects who will become signed tenants.

## EXHIBIT IV-15 (Continued)

GROUP	NUMBER OF RESPONDENT HOUSEHOLDS IN EACH GROUP FROM SURVEY SAMPLE OF 773 HOUSEHOLDS	SAMPLE RATIO [1]	PROPENSITY RATIO [2]	CAPTURE RATE
E. 75 years and older, qualified homeowners and renters who would seriously consider moving to LASATA project in three to five years	7	.0091	.43	1:4
F. 65 to 74 years old, qualified homeowners and renters who would seriously consider moving to LASATA project in three to five years	28	.0362	.29	1:10

## SOURCE OF TENTATIVE MARKET PROSPECTS

G. 75 years and older, qualified homeowners and renters who would seriously consider moving to LASATA project only if and when needed	30	.0388	N/A	1:40
H. 65 to 74 years old, qualified homeowners and renters who would seriously consider moving to LASATA project only if and when needed	98	.1268	N/A	1:50

[1] Number of respondent households from survey sample divided by 773 households.

[2] Propensity ratios are developed from analysis of individual sample responses for each group and are discussed in Section IV and Appendix A.

[3] Capture rates are assumptions about the number of very best prospects who will become signed tenants.

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 apartment 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. A star in the last column of Exhibits IV-6 and IV-8 indicates those respondents judged to be the primary market prospects.

A range of capture rates is then applied to the primary pool of prospective tenants in each subset to estimate the effective demand for the LASATA retirement apartment project. It is highly unlikely that all the primary pool of prospects will decide to make the move to LASATA. The rental rates required may be out of range for some prospects, especially renters who do not have real estate convertible to a cash investment which can augment a budget for retirement housing. Each group of prospective tenants will incur some shrinkage; therefore the higher capture rates are assigned to the primary prospects who are most likely to need and desire a retirement apartment now. 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. The propensity ratios and capture rates assumed for each subset of potential retirement housing residents are found in Exhibit IV-15.

## 2. The Sample and the Population

The adjusted survey sample consists of 773 households in which the respondents are 65 years or older. The population, adjusted to exclude nursing home residents and subsidized housing residents, consists of 3,659 households. The logic and calculations for the sample and population size are discussed more fully earlier in this section of the report and in Appendix A.

## 3. The Estimate of Effective Demand

The subset of potential users are divided into two groups which distinguish the primary market from the more tentative market as detailed in Exhibit IV-16. From the primary market group it is estimated there are 289 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 289 household units, it is estimated approximately 126 have the greatest propensity to move to a LASATA apartment in

ESTIMATE OF EFFECTIVE DEMAND FOR  
LASATA RETIREMENT HOUSING PROJECT

GROUP	SAMPLE RATIO	POOL OF PROSPECTIVE TENANTS INTERESTED WITHIN FIVE YEARS	PRIMARY PROSPECTS [1] INTERESTED WITHIN FIRST YEAR	CAPTURE RATE [2] OF PRIMARY PROSPECTS WITHIN FIRST YEAR	BEST ESTIMATE OF HOUSEHOLDS CAPTURED WITHIN FIRST YEAR FROM PRIMARY PROSPECTS
A	6/773 = .0078	3,659 x .0078 = 29	29 x 1.00 = 29	1:2	15
B	6/773 = .0078	3,659 x .0078 = 29	29 x .67 = 19	1:2	10
C	4/773 = .0052	3,659 x .0052 = 19	19 x .50 = 10	1:2.5	4
D	10/773 = .0129	3,659 x .0129 = 47	47 x .33 = 16	1:3	5
E	7/773 = .0091	3,659 x .0091 = 33	33 x .43 = 14	1:4	4
F	28/773 = .0362	3,659 x .0362 = 132	132 x .29 = 38	1:10	4
		289	126		42
ESTIMATED NUMBER OF HOUSEHOLDS CAPTURED FROM PRIMARY MARKET PROSPECTS					42 ± 15%, or 48 - 36 households

TENTATIVE MARKET

G	30/773 = .0388	3,659 x .0388 = 142		1:40	4
H	98/773 = .1268	3,659 x .1268 = 464		1:50	9
		606			13
ESTIMATED NUMBER OF HOUSEHOLDS CAPTURED FROM TENANT MARKET PROSPECTS					13 ± 20%, OR 16 - 10 households
TOTAL RANGE OF ESTIMATE OF EFFECTIVE DEMAND FOR RETIREMENT HOUSING UNITS (EXCLUDING FIVE UNITS ESTIMATED FOR DISABLED PERSONS) (SEE SECTION IX)					55                      64 - 46 ==                      ==                      == (BEST ESTIMATE)    (HIGH)    (LOW)

- [1] Propensity ratios for conversion of pool of prospects to primary prospects derived from evaluation of sample prospects using point scoring.
- [2] Capture rates are quotas assigned to the sales force for conversion of prospects to signed tenants. The best experience indicates that only 50 percent of the very best prospects actually commit when confronted with the decision to sign a lease, sell a house, and move, as compared to simply indicating a preference on a questionnaire.

its first year of operation and are termed primary prospects. Based upon the most probable capture rates, 42 household units will be taken by this primary market segment.

From the tentative market group it is estimated that there are 606 households in the elderly population in which the respondent(s) is financially qualified and interested in moving into the facility some time in the future. Of these 606 households units, it is estimated that another 10 to 16 will move to the proposed retirement center in the first year. Thus, there appears to be an effective demand of approximately 50 to 60 units in the first year after the retirement center is ready for occupancy.

V. ACCEPTABLE RENT LEVELS,  
UNIT TYPES, UNIT MIX, AND PRODUCT DESIGN

Effective demand, in terms of units, must be related to unit design, services expected, and the relationship of rents to the ability to pay.

Estimates of effective demand are conditional upon the retirement housing being constructed to satisfy the design and service preferences of those who would seriously consider the facility their next home. These estimates are also conditional upon the level of rents charged being within the financial capabilities of the elderly in Ozaukee County.

A. Consumer Perception of Affordable Rent for Retirement Apartment Which Includes Heat

Although it is recognized that respondents, when asked to select an affordable monthly rent, will be conservative and will use known historical rents as a benchmark, the frequency and range of these rents offer a suggestion of the consumer perception of market rents.

Whereas 63 percent of all of the randomly selected respondents (N=339) perceived affordable rent levels to be less than \$400 per month for a retirement apartment, only 37 percent of the most likely prospects who are 75 years and older, financially qualified and interested in a LASATA apartment

selected the low-end of the rent schedule with another 5 percent giving no response. The majority, or 53 percent, of this older group indicated an affordable rent range would be between \$400 per month and \$550 per month with one respondent stating \$800 to \$850 per month to be reasonable. Excluding the \$800 to \$850 figure, the average affordable estimated rent is \$415 per month  $\pm$  \$70, or a range of \$345 to \$485 per month.

Of the younger group (65 to 74 years) of randomly selected, qualified, and interested respondents and likely LASATA apartment prospects, 46 percent perceived affordable rents to be less than \$400 per month for a retirement apartment. But 24 percent selected \$400 to \$500 per month as affordable and 29 percent selected \$500 to \$700 to be an affordable range. One respondent stated \$850 or more per month to be reasonable. Excluding the \$850 rent figure, the average affordable rent is estimated to be \$435 per month  $\pm$  \$105, or a range of \$330 to \$540 per month. These estimates from both groups are relatively close to or slightly above current market rents for private apartments in the primary market area.

The self-selected group of respondents who are 65 years and older, financially qualified and interested in a LASATA apartment more nearly mirrored the 65 to 74 year old group with 50 percent perceiving affordable rents as less than \$400 per month. There was a slight decrease in the percentage of those



who perceived \$400 to \$500 per month and over \$500 per month affordable. (See Exhibit V-1.)

All respondents in each sample group strongly agreed that electricity should be separately metered and billed monthly as used by each resident. Residents do not want to be responsible for the potential excessive use of electricity by their neighbors. See Exhibit V-2 for survey results.

#### B. Preference for Unit Type

No respondent who is financially qualified and interested in a LASATA apartment prefer an efficiency apartment and just a few respondents (4 percent) in the larger random sample (N=339) prefer efficiencies. Only among the more frail elderly who are on LASATA's inactive waiting list for placement in the nursing home is there an interest in efficiencies with 38 percent of the respondents expressing a preference for this unit type.

The older group of randomly selected respondents (75 years and older) show a preference for one-bedroom units, but the respondents of the other sample groups preferred the two-bedroom unit with one or two baths. When asked if space or cost is more important, there is a slight preference for space by the financially qualified and interested randomly selected respondents in both age groups. This choice is consistent with the large number of respondents who prefer two-bedroom units. (See Exhibit V-3.)

PERCEPTION OF AFFORDABLE RENT FOR RETIREMENT APARTMENT  
(HEAT INCLUDED IN RENT)

QUESTION 17  AFFORDABLE LEVEL OF RENT YOU COULD PAY FOR APARTMENT WHICH INCLUDED HEAT:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS	N	%	N	%	N	%	N	%
Less than \$300 per month	72	21%	2	5%	1	5%	0	0%
\$300 - \$349	82	24%	10	24%	3	16%	9	30%
\$350 - \$399	60	18%	7	17%	3	16%	6	20%
\$400 - \$449	32	9%	6	14%	3	16%	2	7%
\$450 - \$499	22	6%	4	10%	6	32%	4	13%
\$500 - \$549	23	7%	7	17%	1	5%	4	13%
\$550 - \$599	2	< 1%	0	0%	0	0%	0	0%
\$600 - \$649	7	2%	4	10%	0	0%	2	7%
\$650 - \$699	2	< 1%	1	2%	0	0%	0	0%
\$700 - \$749	0	0%	0	0%	0	0%	1	3%
\$750 - \$799	1	< 1%	0	0%	0	0%	0	0%
\$800 - \$849	4	1%	0	0%	1	5%	0	0%
\$850 or more	7	2%	1	2%	0	0%	0	0%
No response	25	10%	0	0%	1	5%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

EXHIBIT V-1

Landmark Research, Inc.

## MONTHLY RENT WITH OR WITHOUT ELECTRICITY INCLUDED

QUESTION 18	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER N=339		65-74 YRS OLD N=42		75 YRS AND OLDER N=19	65 YRS AND OLDER N=30
ELECTRICITY INCLUDED IN RENT OR BILLED SEPARATELY:						
OPTIONS	N	%	N	%	N	%
Include electricity costs in the monthly rent	84	25%	7	17%	5	26%
Bill monthly for the electricity I would use in my apartment	240	71%	35	83%	13	68%
No response	15	4%	0	0%	1	5%
TOTALS	339	100%	42	100%	19	100%

EXHIBIT V-2

# PREFERENCE FOR UNIT TYPE

QUESTION 15	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER N=339		65-74 YRS OLD N=42		75 YRS AND OLDER N=19		65 YRS AND OLDER N=30	
WHAT TYPE OF UNIT STYLE WOULD YOU PREFER:								
OPTIONS	N	%	N	%	N	%	N	%
Efficiency apartment, kitchen, 1 bath	15	4%	0	0%	0	0%	0	0%
Living room, kitchen, 1 bedroom, 1 bath	188	56%	15	36%	9	47%	7	23%
Living room, kitchen, 2 bedrooms, 1 bath	76	22%	12	29%	4	21%	15	50%
Living room, kitchen, 2 bedrooms, 2 baths	40	12%	14	33%	4	21%	8	27%
No response	20	6%	1	2%	2	11%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

## QUESTION 16

## PREFERENCE FOR SIZE VS. COST

A LARGER APARTMENT IS MORE  
EXPENSIVE THAN A SMALLER UNIT.  
WHICH IS MORE IMPORTANT TO YOU:

OPTIONS	N	%	N	%	N	%	N	%
Have as much space as possible	91	27%	22	53%	8	42%	12	40%
Keep costs as low as possible	220	65%	19	45%	7	37%	18	60%
No response	28	8%	1	2%	4	21%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

Landmark Research, Inc.

EXHIBIT V-3

C. Suggested Unit Mix and Rent Schedule

Given the levels of rents perceived to be affordable by the aggregate group of respondents in each sample group and by individuals judged to be the primary prospects for a LASATA retirement apartment and the corresponding selection of preferred unit types (see Section IV), the following unit mix and rent scheduled is suggested from survey results and is shown in Exhibit V-4.

Although some frail elderly may prefer the reduced floor area or lower price of an efficiency unit, Wisconsin experience and survey results show no preference for the efficiency unit for the truly independent elderly. A majority of interested and financially qualified potential residents are married, and the preference is for two-bedroom units. The marketable unit mix of one- and two-bedroom units should be in proportions which can accommodate the increasing number of widowed persons who continue to reside in the retirement apartments. Even though many single/widowed person households would prefer two-bedroom units, the preference shifts to one-bedroom units a person's age and/or income falls. The two-bedroom and two-bath units can accommodate married couples who need more space or can be shared by unrelated persons who want both companionship and lower per person housing costs.

## EXHIBIT V-4

UNIT MIX AND RENT SCHEDULE  
SUGGESTED FROM SURVEY RESULTS

=====

UNIT TYPE	APPROXIMATE UNIT SIZE (SQ.FT.)	PERCENTAGE OF PROJECT	RENTAL RANGE (INCLUDES HEAT BUT DOES NOT INCLUDE A DAILY MEAL
Efficiency		0%	N/A
1 BR, 1 BA	550-600	45% - 25%	\$385 - \$425
1 BR, 1 BA	650-700	30% - 35%	\$450 - \$485
2 BR, 1 BA	750-800	20% - 30%	\$500 - \$525
2 BR, 2 BA	900-975	5% - 10%	\$575 - \$600

=====

The rental ranges reported in Exhibit V-1 represent rents perceived as affordable by respondents. Perceived rents fall short of those necessary to justify new construction. The significance of the short fall depends on the construction costs, operating costs, and debt service parameters and to a lesser degree, on accounting policies set by the LASATA Board of Trustees. Assuming that there is no direct land cost and that the project will pay 5 percent of the gross rents received in lieu of real estate taxes, it is then possible to evaluate the significance of the gap between rents perceived as affordable and rents required by alternative, realistic cost parameters.

For illustrative purposes, construction costs, including all indirect charges, for alternative budgets of \$35, \$40, and \$45 per square foot of gross building area are used to solve for the gross rent required to support construction costs and are shown in a sequence of Exhibits V-5, V-6, V-7, V-8, and V-9. Notice that there is no significant gap between perceived affordability and required solvency if construction costs could be held to \$35 per square foot. Alternatively, at project costs of \$40 per square foot, rents for the smaller units would need to be increased 8 percent over those currently perceived affordable. Rents for the largest units would need to be increased nearly 17 percent over those currently

## EXHIBIT V-5

## GROSS BUILDING AREA REQUIRED FOR 60 UNITS

=====					
UNIT TYPE	UNIT SIZE (SQ.FT.)	PERCENTAGE OF PROJECT	NUMBER OF UNITS	TOTAL SF NET LEASEABLE AREA (NLA)	TOTAL SF [1] GROSS BUILDING AREA (GBA)
1 BR, 1 BA	550	45%	27	14,850	18,563
1 BR, 1 BA	650	30%	18	11,700	14,625
2 BR, 1 BA	750	20%	12	9,000	11,250
2 BR, 2 BA	900	5%	<u>3</u>	<u>2,700</u>	<u>3,375</u>
TOTALS			60	38,250	47,813

[1] To allow for adequate common area space for a community dining room, recreation rooms, and an infirmary, the building efficiency ratio is assumed to be 80 percent.



## EXHIBIT V-6

GROSS RENT REQUIRED FOR  
ALTERNATIVE PROJECT BUDGETS FOR 60 UNITS  
WITH 47,800 SQUARE FEET OF GROSS BUILDING AREA (GBA)

=====			
	TOTAL PROJECTS COSTS [1]		
	\$35/SF	\$40/SF	\$45/SF
Total Cost to Construct	\$1,673,000	\$1,912,000	\$2,151,000
Debt with 100% Financing	1,673,000	1,912,000	2,151,000
Debt Service With 11.5% Constant	192,395	219,880	247,365
Required Net Operating Income with Debt Cover Ratio of 1.10	211,635	241,868	272,102
Operating Expenses Assumed to be \$2 per SF of GBA	95,600	95,600	95,600
Gross Rents Required Before Real Estate Taxes and Vacancy Allowance	307,235	337,468	367,702
Payment in Lieu of Real Estate Taxes at 5% of Gross Rents	17,069	18,748	20,428
Vacancy and Turnover Costs at 5% of Gross Rents	<u>17,069</u>	<u>18,748</u>	<u>20,428</u>
REQUIRED GROSS RENT OR AVERAGE RENT/SF/MONTH OF RENTAL UNIT (NLA)	\$ 341,372 \$0.74/SF/MO	\$ 374,964 \$0.82/SF/MO	\$ 408,558 \$0.89/SF/MO

[1] Assumes no direct land cost.

[2] At an 80 percent building efficiency ratio, the 47,800 SF of GBA equates to 38,250 SF of NLA.

## EXHIBIT V-7

ESTIMATED UNIT RENTS REQUIRED WHEN  
PROJECT BUDGET AT \$35 PER SQUARE FOOT OF  
GROSS BUILDING AREA

UNIT TYPE	UNIT SIZE (SF)	NO. OF UNITS [1]	TOTAL NET LEASEABLE AREA (SF)	RENT PER SF PER MONTH	ANNUAL GROSS RENT REQUIRED	REQUIRED RENT/ MONTH [2]
1 BR, 1 BA	550	27	14,850	\$0.76	\$135,432	\$418
1 BR, 1 BA	650	18	11,700	0.74	103,896	481
2 BR, 1 BA	750	12	9,000	0.73	78,840	548
2 BR, 2 BA	900	<u>3</u>	<u>2,700</u>	0.71	<u>23,004</u>	639
TOTALS		60	38,250	\$0.74/SF/ MONTH (Average)	\$341,172	\$474/SF/ MONTH (Average)

[1] Proposed unit mix consists of 75 percent one-bedroom units and 25 percent two-bedroom units.

[2] Sale of a home which nets \$60,000 for reinvestment at 10 percent interest would provide \$500 per month for housing costs, in addition to savings on utilities, real estate taxes, and home maintenance. Moreover, the capital base of \$60,000 remains intact for emergencies in contrast to alternative elderly housing which requires a partially refundable entry fee.

## EXHIBIT V-8

ESTIMATED UNIT RENTS REQUIRED WHEN  
PROJECT BUDGET AT \$40 PER SQUARE FOOT OF  
GROSS BUILDING AREA

UNIT TYPE	UNIT SIZE (SF)	NO. OF UNITS [1]	TOTAL NET LEASEABLE AREA (SF)	RENT PER SF PER MONTH	ANNUAL GROSS RENT REQUIRED	REQUIRED RENT/ MONTH [2]
1 BR, 1 BA	550	27	14,850	\$0.84	\$149,688	\$462
1 BR, 1 BA	650	18	11,700	0.81	113,724	527
2 BR, 1 BA	750	12	9,000	0.80	86,400	600
2 BR, 2 BA	900	<u>3</u>	<u>2,700</u>	0.78	<u>25,272</u>	702
TOTALS		60	38,250	\$0.82/SF/ MONTH (Average)	\$375,084	\$521/SF/ MONTH (Average)

[1] Proposed unit mix consists of 75 percent one-bedroom units and 25 percent two-bedroom units.

[2] Sale of a home which nets \$60,000 for reinvestment at 10 percent interest would provide \$500 per month for housing costs, in addition to savings on utilities, real estate taxes, and home maintenance. Moreover, the capital base of \$60,000 remains intact for emergencies in contrast to alternative elderly housing which requires a partially refundable entry fee.

## EXHIBIT V-9

ESTIMATED UNIT RENTS REQUIRED WHEN  
PROJECT BUDGET AT \$45 PER SQUARE FOOT OF  
GROSS BUILDING AREA

UNIT TYPE	UNIT SIZE (SF)	NO. OF UNITS [1]	TOTAL NET LEASEABLE AREA (SF)	RENT PER SF PER MONTH	ANNUAL GROSS RENT REQUIRED	REQUIRED RENT/ MONTH [2]
1 BR, 1 BA	550	27	14,850	\$0.92	\$163,944	\$506
1 BR, 1 BA	650	18	11,700	0.89	124,956	579
2 BR, 1 BA	750	12	9,000	0.86	92,880	645
2 BR, 2 BA	900	<u>3</u>	<u>2,700</u>	0.84	<u>27,216</u>	756
TOTALS		60	38,250	\$0.89/SF/ MONTH (Average)	\$408,996	\$568/SF/ MONTH (Average)

- [1] Proposed unit mix consists of 75 percent one-bedroom units and 25 percent two-bedroom units.
- [2] Sale of a home which nets \$60,000 for reinvestment at 10 percent interest would provide \$500 per month for housing costs, in addition to savings on utilities, real estate taxes, and home maintenance. Moreover, the capital base of \$60,000 remains intact for emergencies in contrast to alternative elderly housing which requires a partially refundable entry fee.

perceived affordable where demand would be less sensitive to price in exchange for two bedrooms.

Is the apparent gap between rents which are perceived as affordable by the prospective tenant and rents which are recognized as necessary for solvency for the prospective landlord a clear impasse in terms of effective demand? Landmark Research believes the answer is NO for the following reasons:

1. The project feasibility must assume 1985 construction costs and a 1986 rental market, which is one reason why FHA "fair market rents" are always greater than current market rents from 10 percent to 20 percent.
2. On the other hand, the respondent is conditioned by 1983 rentals in the primary market areas for standard units which represent time-lagged individual cases.
3. Homeowners generally do not perceive the full monthly cost of homeownership. There is the lost opportunity cost of investment income on their home equity and the risk of devaluation due to deferred maintenance and to high interest rates which restrict prospective buyers and which prolong the time required for sale. Since the elderly have paid off their mortgages and often defer home maintenance, they perceive their housing costs to be real estate taxes, utilities, and minor repairs. These costs are the reference points when estimating affordable rent,

but without recognition of new investment income from home sale proceeds.

4. A project with special sensitivity to the social, emotional, and physical needs of the independent elderly is not competing directly with market rent units which are otherwise physically adaptable to individual elderly households.
5. High interest rates make it unlikely that the supply of market rent apartments in the primary market area will be expanded by new construction and there is little, if any, vacancy to absorb increasing utilization by the elderly retrenching from single family home ownership. (See Exhibit II-2.)
6. The fixed supply and the continued demand pressure for apartments in the primary market area will cause rents to rise significantly in 1985-86 and thus close the rent gap required for \$45 per square foot construction costs. LASATA would still have significant cost advantages relative to new private construction in terms of:
  - a. Low land costs
  - b. Tax-exempt interest rates
  - c. Real estate tax exemption
7. The rent revenue gap at project costs of \$45 per square foot may be slightly overstated if operating expenses are less than \$2 per square foot of gross building area, public

spaces are less than 20 percent of the total building area, the debt service constant is less than 11.5 percent and/or payments in lieu of real estate taxes are less than 5 percent of gross revenue.

8. Whatever rent level is set, the resources available to the elderly household that has sold its home in favor of a retirement rental unit will be more than adequate. For example, the sale of a home that nets \$60,000 for reinvestment at 10 percent interest would provide \$500 per month for housing costs, in addition to savings on utilities, real estate taxes, and home maintenance. Moreover, the capital base of \$60,000 remains intact for emergencies in contrast to alternative elderly housing which requires a partially refundable entry fee.

Therefore the proper conclusions to be drawn from the market study must bridge the time-gap between the respondents' time-lagged perceptions of the rental market and the developer's time-lead recognitions that the actual rental market is 1985-86. As a result, Exhibit V-4 should be restated, using a \$40 and \$45 per square foot project budget, to provide architectural guidance, as shown in Exhibit V-8. It should be noted the project unit mix recommended by Landmark Research is in the nature of a policy statement. The mix favors the lower rent one-bedroom units for the single/widowed resident and

downplays the more luxurious two-bedroom units registered as the preference of the more well-to-do Ozaukee residents. Still the project does recognize the survey response showing an approximate 50/50 trade off between more space and lower costs, but also recognizes that when the actual decision is made, for the majority, rental cost will be the most important determinant. (See Exhibit V-3.)

One alternative for the LASATA Board of Trustees to consider would be to take a more aggressive marketing position favoring couples by providing more expensive two-bedroom units in the first phase. Additional one-bedroom units for aging, widowed residents from the first phase would then need to be built within five years, because in the long run, if more two-bedrooms are built today, more one-bedrooms will be needed tomorrow. The rental mix proposed is a conservative recognition of the reality that as residents age, lower rents with less space will be preferred.

To illustrate the relationship between project costs and rent required for a project with more two-bedroom units than in the mix proposed, a sequence of Exhibits V-10, V-11, and V-12 show the calculations to estimate the gross rents required for an alternative mix with 60 percent one-bedroom units and 40 percent two-bedroom units at a project cost of \$45 per square foot of gross building area.



## EXHIBIT V-10

GROSS BUILDING AREA REQUIRED FOR 60 UNITS  
- AN ALTERNATIVE UNIT MIX -

UNIT TYPE	UNIT SIZE (SQ.FT.)	PERCENTAGE OF PROJECT	NUMBER OF UNITS	TOTAL SF NET LEASEABLE AREA (NLA)	TOTAL SF [1] GROSS BUILDING AREA (GBA)
1 BR, 1 BA	550	35%	21	11,550	14,437
1 BR, 1 BA	650	25%	15	9,750	12,188
2 BR, 1 BA	750	30%	18	13,500	16,875
2 BR, 2 BA	900	<u>10%</u>	<u>6</u>	<u>5,400</u>	<u>6,750</u>
TOTALS		100%	60	40,200	50,250

[1] To allow for adequate common area space to be used for a community dining room, recreation room, and an infirmary, the building efficiency ratio is assumed to be 80 percent.

EXHIBIT V-11

GROSS RENT REQUIRED FOR  
PROJECT BUDGET FOR 60 UNITS WITH  
50,250 SQUARE FEET OF GROSS BUILDING AREA (GBA)  
- AN ALTERNATIVE UNIT MIX -

=====	
PROJECT CONSTRUCTION COSTS [1] \$45/SQUARE FOOT	
-----	
Total Cost to Construct	\$2,261,250
Debt With 100% Financing	2,261,250
Debt Service with 11.5% Constant	260,044
Required Net Operating Income With Debt Cover Ratio of 1.10	286,048
Operating Expenses Assumed to be \$2 per Square Foot of GBA	____100,500
Gross Rents Required before Real Estate Taxes and Vacancy Allowance	386,548
Payment in Lieu of Real Estate Taxes @ 5% of Gross Rents	21,475
Vacancy and Turnover costs at 5% of Gross Rents	____21,475
Required Gross Rent or	\$ 429,498
Average Rent Per Square Foot per Month of Rental Unit [2]	\$0.89/SF
-----	

[1] Assumes no direct land cost.

[2] At an 80 percent building efficiency ratio, the 50,250 SF of GBA equates to 40,200 SF of NLA.

## EXHIBIT V-12

ESTIMATED UNIT RENTS REQUIRED WHEN  
PROJECT BUDGET AT \$45/SQUARE FOOT OF GROSS BUILDING AREA (GBA)  
- AN ALTERNATIVE UNIT MIX -

UNIT TYPE	UNIT SIZE (SF)	NO. OF UNITS [1]	TOTAL NET LEASEABLE AREA (SF)	RENT PER SF PER MONTH	ANNUAL GROSS RENT REQUIRED	REQUIRED RENT/ MONTH [2]
1 BR, 1 BA	550	21	11,550	\$0.91	\$126,126	\$500
1 BR, 1 BA	650	15	9,750	0.89	104,130	579
2 BR, 1 BA	750	18	13,500	0.88	142,560	660
2 BR, 2 BA	900	<u>6</u>	<u>5,400</u>	0.87	<u>56,376</u>	783
TOTALS		60	40,200	\$0.89/SF/ MONTH (Average)	\$429,192	\$596/SF/ MONTH (Average)

[1] Alternative unit mix proposed is 60 percent one-bedroom units and 40 percent two-bedroom units.

[2] Sale of a home which nets \$60,000 for reinvestment at 10 percent interest would provide \$500 per month for housing costs, in addition to savings on utilities, real estate taxes, and home maintenance. Moreover, the capital base of \$60,000 remains intact for emergencies in contrast to alternative elderly housing which requires a partially refundable entry fee.

#### D. Preference for Product Design

The large majority (90 to 98 percent) of all financially qualified and interested sample respondents own and drive one or more cars. (See Exhibit VII-5.) Even among all respondents (N=339) not screened for income or interest in a LASATA retirement apartment, 81 percent own and drive at least one car and 18 percent of these respondents own and drive two cars. Unlike many elderly apartment projects, the parking ratio will need to be 1.5 stalls per unit for both owners and their guests who are socially active suburbanites. Moreover, the perversity of climate and the need for reliable automobiles will create significant demand for garage facilities for many of the more well-to-do residents.

The most likely prospects, the 75 year and older group, strongly prefer the heated and secured underground garage for a monthly fee. The other sample groups of financially qualified and interested respondents also favored the enclosed, secured garage. The group of all respondents (N=339), not screened for income or interest in LASATA, are divided between the enclosed garage and the detached, locked garage which would rent for a lesser fee. The second choice for all sample groups is the detached garage. Unsheltered reserved surface parking stalls are not popular with any group of respondents. (See Exhibit V-13 for the garage preferences of each group of respondents.)

PREFERENCE FOR GARAGE TYPE

QUESTION 19	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
IF OWN AND DRIVE A CAR, WHAT IS PREFERENCE FOR CAR STORAGE:								
OPTIONS	N	%	N	%	N	%	N	%
Heated and secured underground garage for monthly fee	126	37%	25	60%	12	63%	15	50%
Detached garage, which can be locked (for a lesser monthly fee)	111	33%	16	38%	4	21%	10	33%
Unsheltered reserved surface parking stall (no fee)	24	7%	1	2%	1	5%	1	3%
Have no need for parking space	40	12%	0	0%	0	0%	1	3%
No response	38	11%	0	0%	2	11%	3	10%
TOTALS	339	100%	42	100%	19	100%	30	100%

QUESTION 22-8

IMPORTANCE OF HAVING AN  
ENCLOSED GARAGE:

OPTIONS	N	%	N	%	N	%	N	%
Must have available	78	23%	16	38%	9	47%	10	33%
Would prefer to have available	129	38%	21	50%	5	26%	13	43%
Not interested	47	14%	2	5%	1	5%	2	7%
No response	85	25%	3	7%	4	21%	5	17%
TOTALS	339	100%	42	100%	19	100%	30	100%

EXHIBIT V-13

The largest number of respondents in each sample group indicate that the height of the apartment building is not important. There is a fairly even split between preference for a one-story and a two-story elevatored building with from 35 percent to 45 percent of the respondents indifferent to the height of a residential apartment building. Note that those who now live in single family homes do not relate to the concept of elevator living; experience has shown that as persons grow older, they prefer elevators to the discomfort of long hallways of low rise buildings. (See Exhibit V-14 for a summary of survey results.)

In Section VI respondents rank the importance of certain supportive services and facilities. The product designs that rank high in importance include a laundry room equipped with washer and dryer, private storage lockers, and enclosed garages. Community rooms and a large family dining room which were included in the initial description of the proposed project are assumed to be a given and no further analysis was done for these features.

The respondents of each sample group that was analyzed indicate a strong preference for the inclusion of infirmary care for temporary illness. (See Exhibit VII-6 for survey results.) Such an addition would enhance the appeal of the retirement housing proposed for the LASATA site. The facility

PREFERENCE FOR BUILDING HEIGHT

	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 20	N=339		N=42		N=19		N=30	
PREFERRED BUILDING HEIGHT:								
OPTIONS	N	%	N	%	N	%	N	%
One story building	114	34%	10	24%	6	32%	4	13%
Two story building with elevators	92	27%	13	31%	5	26%	9	30%
Building height not important	120	35%	19	45%	7	37%	15	50%
No response	13	4%	0	0%	1	5%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

EXHIBIT V-14

would be built within the apartment project itself, to avoid the trauma of entering a nursing home prematurely. The elderly who live independently are not likely to want to identify with the nursing home, except for the future security it may imply.

E. Design Suggestions from Other Elderly Retirement Housing Projects

The following composite list of suggestions resulted from interviews with administrators of elderly housing facilities, interviews with elderly persons, and from observations by the consultant:

1. Thermostats need to be at eye level and the numbers should be large enough to be read by the elderly. Room lighting should adequately illuminate the thermostat.
2. There needs to be adequate heating for the bathroom either from the main furnace or from an auxilliary unit.
3. An emergency call cord needs to be located both in the bathroom and in the bedroom.
4. Kitchen design should include:
  - a. Accessible cupboards--not too high and difficult to reach.
  - b. Adequate drawers in kitchen area.



- c. Refrigerator and freezer at eye level instead of under kitchen counter. Stooping down becomes more difficult with age.
  - d. Provision of place to eat in the kitchen.
  - e. Recessed panel and cabinet doors below the kitchen sink to provide knee space for a person sitting on a stool while working at the sink.
  - f. Open pass-through to living room and outside window. Should be able to see TV from kitchen.
- 5. Stoves must be on separate circuit breakers so they can be disconnected if resident is no longer able to cook safely.
  - 6. A warning light in the hallway is needed to alert the apartment manager when a stove burner is left on.
  - 7. Each apartment must have its own full bathroom with adequate room for wheelchair or walker.
  - 8. Bathrooms should enter into bedrooms. Since one-bedroom units typically have only one resident, it is desirable to have direct path from bed to toilet.
  - 9. Elevators should be five feet wide and seven feet deep to allow for transport of ambulance cart.
  - 10. Entry into an apartment should be straight line to allow for passage of ambulance cart.

## VI. CONSUMER PREFERENCE FOR SUPPORTIVE SERVICES AND FACILITIES INCLUDING THE MEAL PLAN

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 such as cleaning, laundry, shopping, and repairs.
3. Personal care such as general hygiene, bathing, and hair care.
4. Health care such as medication, diagnosis, and evaluation, and care during temporary illnesses.
5. Transportation for shopping, errands, appointments, church, and social events.

Exhibit VI-1 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 likely user of retirement housing, he/she will prefer to stay in the familiar surroundings of the family home.

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

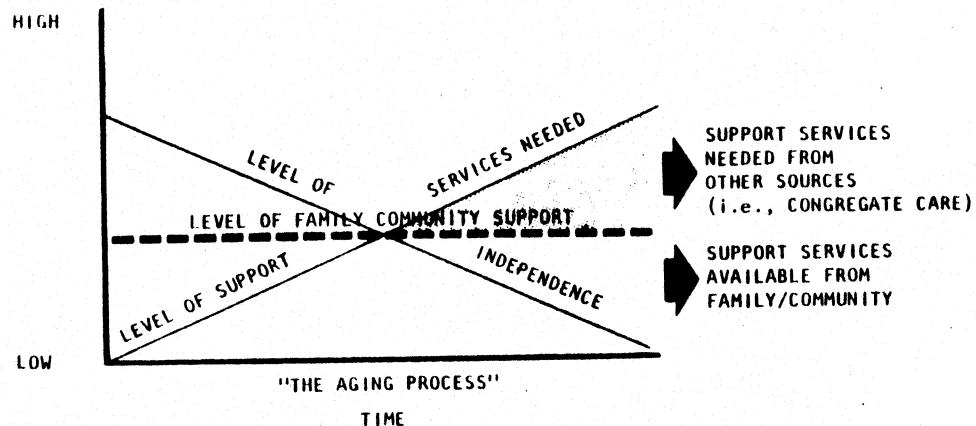
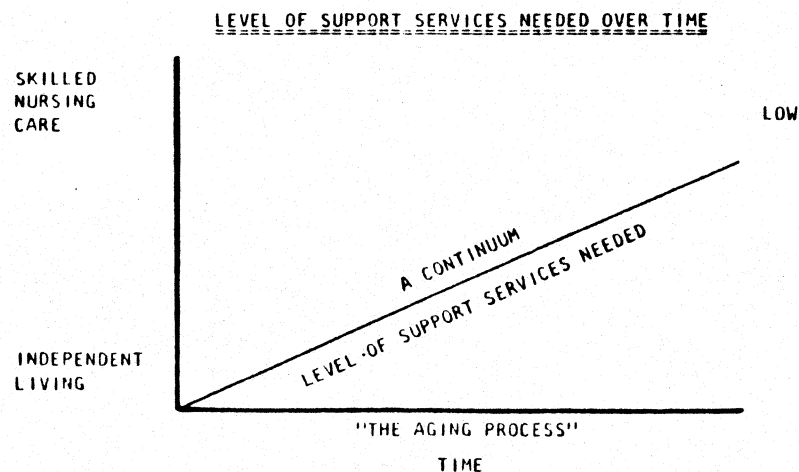
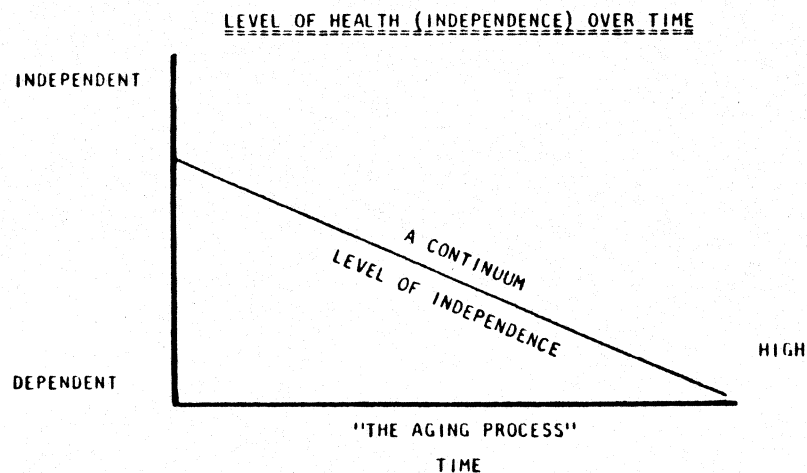


EXHIBIT VI-1

But as quality and affordable retirement centers become the accepted housing alternative for the active and healthy elderly persons, the decision to move may occur before supportive services are needed. The majority of survey respondents who would seriously consider moving into a LASATA retirement apartment are in average to good health and are not currently dependent upon others.

A. Current Use of Community Services

In general, the majority of respondents do not use community support services in their homes or apartments and, if help was needed, community services would not be the first choice as a source of help. The most frequently used service (10 percent to 26 percent of the respondents), nutrition site meals, fulfill several needs for the elderly. Besides the daily nutritional needs, which often are overlooked by the elderly, the opportunity to economize and to combat loneliness make nutrition site meals popular. See Exhibit VI-2.

B. Preference of Source for Supportive Services

A large number of respondents in each sample group would first look to their spouse and/or children as the source of help with daily activities when needed, but an equally large number would also move to a retirement apartment to be closer to supportive services. Community services and relatives would

## CURRENT USE OF COMMUNITY SERVICES

	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 35	N=339		N=42		N=19		N=30	
CURRENT USE OF COMMUNITY SUPPORT SERVICES:								
OPTIONS (Multiple answers)	N	%	N	%	N	%	N	%
Homemaker Services	1	< 1%	0	0%	0	0%	0	0%
Specialized community trans- portation services (STS)	6	2%	0	0%	0	0%	1	3%
Home health services	4	1%	0	0%	0	0%	0	0%
Home personal care services	1	< 1%	0	0%	0	0%	0	0%
Home delivered meals	4	1%	0	0%	0	0%	0	0%
Nutrition site meals	35	10%	1	2%	5	26%	3	10%
Cedarburg police telephone program	0	0%	0	0%	0	0%	0	0%
Telephone reassurance program	1	< 1%	0	0%	0	0%	0	0%
No, do not use community support services	260	77%	38	91%	10	53%	25	83%
Other	2	< 1%	0	0%	1	5%	0	0%

[1] Percentages are based upon the number in each of the samples.

be the last sources of help when needed. The pattern of choices was fairly consistent for all sample groups. See Exhibit VI-3 for the responses of each sample group.

C. Consumer Need for Availability of Supportive Services and Facilities

Respondents from each sample group ranked the importance of having certain services and facilities available. The results are summarized in Exhibits VI-4, VI-5, VI-6, VI-7, with a separate exhibit for each respondent group because of the nature of the data. For these respondents, the majority of whom are in average to good health, facilities such as laundry room, private storage lockers, and enclosed garage, in general, are ranked as more important than supportive services such as transportation, laundry, housecleaning, and personal care services. The 24-hour emergency assistance and the security of a daily check on each person are ranked as more important than the more personal services such as laundry, housecleaning, and personal care.

The most likely prospects, the 75 years and older group of randomly selected respondents, rank an enclosed garage as most important whereas all other respondents rank the laundry room with washer and dryer as most important. The self-selected group of respondents and the 65 to 74 year old group of respondents rank the importance of each facility and service

PREFERENCE OF SOURCE FOR SUPPORTIVE SERVICES

QUESTION 36 IF HELP NEEDED WITH DAILY ACTIVITIES, UPON WHOM WOULD YOU DEPEND:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS (Multiple answers)	N	%	N	%	N	%	N	%
Spouse	132	39%	26	62%	8	42%	15	50%
Children	151	45%	15	36%	8	42%	15	50%
Relatives	58	17%	3	7%	3	16%	4	13%
Friends	68	20%	4	10%	5	26%	6	20%
Hire people to help me in my home	68	20%	4	10%	2	11%	7	23%
Use community services in my home	53	16%	4	10%	1	5%	5	17%
Move to a retirement apartment closer to supportive services	117	35%	29	69%	8	42%	16	53%
Other	2	< 1%	0	0%	0	0%	0	0%

EXHIBIT VI-3

## EXHIBIT VI-4

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
ALL RESPONDENTS 65 YEARS AND OLDER  
N=339

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

TYPE OF SERVICE OR FACILITY	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
Laundry room with washer and dryer	309	1	47%	51%	3%
Private storage lockers within the building	286	2	37%	56%	7%
24-hour emergency assistance (no extra charge)	275	3	32%	60%	8%
Security of knowing someone will check on me daily (no extra charge)	296	4	33%	56%	11%
Enclosed garage	254	5	31%	51%	19%
Nutritious meals in full- service dining room	269	6	19%	65%	16%
Scheduled transportation within the county for shopping and personal appointments	276	7	22%	57%	21%
Laundry services	260	8	14%	51%	35%
Housecleaning services	275	9	7%	58%	35%
Personal care assistance	230	10	8%	55%	37%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.



## EXHIBIT VI-5

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
HOMEOWNERS AND RENTERS WITH  
ANNUAL INCOME  $\geq$  \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
FROM WITHIN A YEAR TO FIVE YEARS  
65-74 YEARS OLD - N=42

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

TYPE OF SERVICE OR FACILITY	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
Laundry room with washer and dryer	42	1	60%	38%	2%
Private storage lockers within the building	39	2	51%	46%	3%
Enclosed garage	39	3	41%	54%	5%
Security of knowing someone will check on me daily (no extra charge)	41	4	22%	73%	5%
24-hour emergency assistance (no extra charge)	39	5	31%	64%	5%
Nutritious meals in full- service dining room	37	6	11%	78%	11%
Scheduled transportation within the county for shopping and personal appointments	38	7	16%	68%	16%
Laundry services	35	8	11%	51%	37%
Personal care assistance	33	9	3%	61%	36%
Housecleaning services	38	10	5%	53%	42%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.

## EXHIBIT VI-6

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
HOMEOWNERS AND RENTERS WITH  
ANNUAL INCOME  $\geq$  \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
FROM WITHIN A YEAR TO FIVE YEARS  
75 YEARS AND OLDER - N=19

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

TYPE OF SERVICE OR FACILITY	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
Enclosed garage	15	1	60%	33%	7%
Laundry room with washer and dryer	18	2	56%	39%	6%
Private storage lockers within the building	15	3	47%	47%	7%
24-hour emergency assistance (no extra charge)	14	4	29%	57%	14%
Scheduled transportation within the county for shopping and personal appointments	15	5	33%	47%	20%
Nutritious meals in full- service dining room	14	6	21%	64%	14%
Security of knowing someone will check on me daily (no extra charge)	16	7	31%	44%	25%
Housecleaning services	12	8	8%	75%	17%
Laundry services	10	9	0%	70%	30%
Personal care assistance	11	10	9%	46%	46%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.

## EXHIBIT VI-7

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
HOMEOWNERS AND RENTERS WITH  
ANNUAL INCOME  $\geq$  \$10,000  
INTERESTED IN LASATA HOUSING  
FROM WITHIN A YEAR TO FIVE YEARS  
WHO REQUESTED A QUESTIONNAIRE  
65 YEARS AND OLDER - N=30

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
TYPE OF SERVICE OR FACILITY					
Laundry room with washer and dryer	28	1	71%	29%	0%
Private storage lockers within the building	28	2	64%	32%	4%
Enclosed garage	25	3	40%	52%	8%
Security of knowing someone will check on me daily (no extra charge)	27	4	37%	56%	7%
24-hour emergency assistance (no extra charge)	24	5	38%	50%	13%
Nutritious meals in full- service dining room	24	6	17%	71%	13%
Scheduled transportation within the county for shopping and personal appointments	22	7	18%	64%	18%
Housecleaning services	23	8	4%	65%	30%
Personal care assistance	21	9	14%	43%	43%
Laundry services	22	10	5%	59%	36%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.

similarly except for housecleaning services and laundry services.

D. Future Consumer Need for Supportive Services

Since a retirement facility must plan not only for the needs of the first group of residents, but also for the needs of residents who will age in place, it is important to compare the needs and preferences of an older, more frail group of persons who have expressed an interest in LASATA. Of the 38 questionnaires mailed to persons on the inactive waiting list for a place in the LASATA Nursing Home, 17 persons completed and returned a questionnaire.

A brief description of the characteristics of this sample group of respondents is given to help explain the changing priorities of this aging group. Almost 60 percent of these respondents are female, and all but one respondent is single or widowed. Two of the respondents are 54 and 64 years of age, but the remaining respondents' ages range from 72 to 90 years old. The 54 year old needs some care and assistance and the 64 year old is married to a 69 year old. The level of health and independence of this group can be described as frail with the majority in fair health or in need of assistance and dependent upon a cane or walker. There is a greater dependency upon family and community services for assistance in daily activities.

The LASATA site is overwhelmingly acceptable and 82 percent of the respondents prefer assured access to the LASATA Nursing Home; the large majority are currently residents of Cedarburg.

Over 50 percent want one to two meals served daily in the dining room and the cost included in the monthly rent. The majority want to keep costs low and 71 percent want either efficiencies or one-bedroom units. Approximately 35 percent perceive affordable rent levels to be over \$400 per month with \$550 as the maximum; 38 percent perceive affordable rent to be between \$300 to \$399 per month and 25 percent chose the less than \$300 per month category as affordable. Five of these respondents have income over \$10,000 per year, ten have income between \$5,000 and \$10,000 per year, and one has income less than \$5,000 per year.

Eight of the respondents would seriously consider moving to a LASATA retirement apartment within two years and seven are interested only when the extra help is needed. One respondent, age 83, needs full-time care and believes the nursing home is the next appropriate move. Of the eight respondents who would seriously consider a move to a LASATA apartment within the next two years, five had annual incomes between \$5,000 and \$10,000 and three had incomes greater than \$10,000.

The ranking of the importance of supportive facilities and services changes dramatically with age and decreasing good

health and mobility. Exhibit VI-8 details the responses of this group. The enclosed garage was least important with almost a third of the group no longer driving a car. Private lockers and scheduled transportation did not rank as most important either. The availability of 24-hour emergency assistance, the security of knowing someone will make a daily check, and the availability of laundry and housekeeping services were the top ranking services needed by this group.

E. The Importance of Prepared Meals and Preference for Type of Meal Plan

Although the majority of respondents in all sample groups would prefer to have nutritious meals available in a community dining room, only 10 to 15 percent believe the availability of meals in the dining room would be an absolute necessity. For a review of the responses of each group regarding the importance of daily meals, see the bottom half of Exhibit VI-9. In comparison, the more frail elderly respondents from the inactive LASATA Nursing Home waiting list are fairly evenly split in their ranking of the importance of having meals available. This same shift, although less emphatic, in the ranking of the importance of a daily meal served in a dining room is found in the randomly selected groups of financially qualified and interested respondents who are 75 years and older.

## EXHIBIT VI-8

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
ALL RESPONDENTS FROM LASATA NURSING HOME  
INACTIVE WAITING LIST  
AVERAGE = 80 YEARS OLD - N=17

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

TYPE OF SERVICE OR FACILITY	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
24-hour emergency assistance (no extra charge)	14	1	57%	43%	0%
Laundry services	11	2	55%	45%	0%
Security of knowing someone will check on me daily (no extra charge)	15	3	53%	40%	7%
Housecleaning services	13	4	38%	62%	0%
Nutritious meals in full- service dining room	15	5	40%	53%	7%
Laundry room with washer and dryer	14	6	50%	29%	21%
Personal care assistance	11	7	27%	64%	9%
Scheduled transportation within the county for shopping and personal appointments	14	8	29%	57%	14%
Private storage lockers within the building	13	9	23%	38%	38%
Enclosed garage	9	10	11%	44%	44%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.

IMPORTANCE OF PREPARED MEALS AND  
PREFERENCE FOR TYPE OF MEAL PLAN

QUESTION 21	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER N=339		65-74 YRS OLD N=42		75 YRS AND OLDER N=19		65 YRS AND OLDER N=30	
PREFERENCE FOR MEALS IN COMMUNITY DINING ROOM:								
OPTIONS	N	%	N	%	N	%	N	%
All meals optional-pay for meals eaten	241	71%	36	86%	12	63%	36	68%
One meal per day in dining room and included in monthly rent	60	18%	6	14%	3	16%	13	25%
Two meals per day in dining room and included in monthly rent	21	6%	0	0%	3	16%	1	2%
No response	17	5%	0	0%	1	5%	3	6%
TOTALS	339	100%	42	100%	19	100%	53	100%

QUESTION 22-9

IMPORTANCE OF AVAILABILITY OF  
NUTRITIOUS MEALS IN DINING ROOM:

OPTIONS	N	%	N	%	N	%	N	%
Must have available	52	15%	4	10%	3	16%	4	13%
Would prefer to have available	174	51%	29	69%	9	47%	17	57%
Not interested	43	13%	4	10%	2	11%	3	10%
No response	70	21%	5	12%	5	26%	6	20%
TOTALS	339	100%	42	100%	19	100%	30	100%

Landmark Research, Inc.

EXHIBIT VI-9



The preference for a daily meal is accompanied by the strongly expressed desire to have the meal optional and paid for only when consumed. In the older group of respondents (75 years and older) there is more willingness to have one or two meals a day included in the monthly rent. See top half of Exhibit VI-9. In the more frail group, from the LASATA Nursing Home waiting list, discussed earlier in this section, over 50 percent want one to two daily meals served and included in the monthly rent.

Even though there would be initial resistance to the cost of a daily meal included in the rent, the current preference is to have a daily meal served in a common dining room using a negotiable pay plan and, as the residents age in place, there will be a greater demand for the daily prepared meal; as the demand increases, the residents will see the economic advantage of the pre-purchase of meals, either included in the rent or in the form of a monthly meal ticket.

#### F. The Impact of Changing Perceptions of Retirement Living

It is generally believed that elderly persons who are homeowners will resist the sale of the single family home and the relocation to retirement housing until some traumatic event forces them to consider the move. However, there is growing recognition by the elderly that good retirement housing

situations are limited in supply, and may have lengthy waiting periods which may not fit the timing of their future, often unpredictable needs. Retirement housing can offer a social vitality and sense of security for the healthy elderly. This, in turn, aids in prolonging the ability to live independently which is preferable to the growing dependency and isolation that can occur at home.

Moreover, elderly homeowners are becoming increasingly aware of the cash costs of homeownership and the more subtle opportunity costs of having a significant part of their savings locked in a home investment which is not likely to appreciate in an era of high interest costs for prospective buyers. There is a changing sophistication among the elderly in terms of both the investment advantages of retirement housing that does not require a large up-front cash investment as well as the changing social perception about the vitality of communities of elderly persons of common interest. These changes will gradually increase the willingness of retired persons to relocate before health deteriorates or a spouse dies. This social trend may also be reflected in a gradual decline in the average age of entry into retirement housing.

Many persons who have already sold the family home and are now renting a private apartment are also realizing the advantages of retirement housing. The major difference between

private market-rate apartments and retirement apartments is the availability of supportive services and special features which make it possible for the elderly to continue to live independently. The presence of grab bars in a shower/bathtub, an emergency pull-cord in the bathroom, an in-house infirmary for temporary illness, community rooms and recreational activities, a daily nutritious meal served in a community dining room, the availability of assistance with tasks of daily living, scheduled transportation for shopping, appointments, and errands, and the opportunity to socialize daily can make the difference in a person's ability to continue to live independently.

## VII. ACCEPTABILITY OF THE SITE

Although the LASATA site is not located within walking distance (two blocks) of stores, the majority of respondents who are used to driving found the location acceptable and heartily approved of the quiet, country-like atmosphere of the site.

### A. Preferred Location of Retirement Housing in Ozaukee County

The Cedarburg-Grafton area is the preferred location of retirement housing for 50 percent or more of each sample group. Of the 75 years and older group of financially qualified and interested respondents (N=19), 63 percent show a preference for the Cedarburg-Grafton area, although only 53 percent currently live in that area now. The self-selected group of respondents 65 years and older who are financially qualified and interested are also enthusiastic about Cedarburg-Grafton as the location of retirement housing; 60 percent of these respondents prefer Cedarburg-Grafton even though only 47 percent of these respondents currently live in Cedarburg-Grafton. Although only 38 percent of the respondents who are 65 to 74 years old, financially qualified and interested, currently live in the Cedarburg-Grafton area, 50 percent also prefer that general area for the location of retirement housing.

For each group there was a preference for migration to, not away from, the general area most proximate to the LASATA site. Even in the larger randomly selected sample of respondents 65 years and older, (N=339) there are 45 percent who currently live in the Cedarburg-Grafton area, but 50 percent who would prefer this area for retirement housing. (See Exhibit VII-1 for the range of consumer choices for the location of retirement housing in Ozaukee County.)

B. Preference for Type of Site Location  
for Retirement Housing

In addition to the elderly's preference for the location of retirement housing in the Cedarburg-Grafton area, it is critical to learn of consumer preference for the type of site. In Ozaukee County the possibilities could include a rural, country-like setting, a residential neighborhood, or an urban setting near a shopping district. Other choices could be based upon the single criteria that the site be close to the present residence, or that the site be out of the County.

For the randomly selected qualified and interested 75 + year old respondent (N=19), the LASATA site with its country-like atmosphere is the overwhelming choice. The large majority of self-selected 65 year and older respondents who are qualified and interested also prefer the LASATA site. The younger group of randomly selected respondents has a wider

PREFERENCE FOR LOCATION OF RETIREMENT HOUSING IN OZAUKEE COUNTY

QUESTION 9 WHERE WOULD YOU PREFER TO LIVE IN OZAUKEE COUNTY:	ALL RESPONDENTS 65 YRS AND OLDER N=339		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS 65 YRS AND OLDER N=30	
			65-74 YRS OLD N=42		75 YRS AND OLDER N=19			
	N	%	N	%	N	%	N	%
Cedarburg-Grafton	170	50%	21	50%	12	63%	20	67%
Mequon-Thiensville	47	14%	10	24%	3	16%	8	27%
Port Washington	66	20%	6	14%	2	11%	2	7%
Saukville	6	2%	0	0%	1	5%	0	0%
Belgium	7	2%	0	0%	0	0%	0	0%
Fredonia	11	3%	1	2%	0	0%	0	0%
West Bend-Newburg	1	< 1%	1	2%	0	0%	0	0%
Would not want to stay in Ozaukee County	4	1%	2	5%	0	0%	0	0%
Other	5	2%	0	0%	0	0%	0	0%
No response	22	7%	1	2%	1	5%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

variety of preferences, but the largest number either prefer LASATA or the site type did not matter. The strongest second choice, most frequently mentioned by all groups is a more urban setting near a shopping district. (See Exhibit VII-2 for a summary of responses for all groups.)

C. Preference for Proximity to  
Selected Stores and Services

The need of respondents to be near basic stores such as grocery and drug, or to be near shopping centers serves as another indicator of the acceptability of the LASATA site. In the sample group of all randomly selected respondents 65 years and older (N=339), the majority would prefer to be either within walking distance or within one mile of the grocery store, the drug store, church, and a shopping center. The relative proximity of medical offices is important to 47 percent of the respondents, but the location of a hospital to the site is of least importance.

In general, both the randomly selected respondents 65 to 74 years of age and the self-selected respondents 65 years and older who are financially qualified and interested in a LASATA apartment are more indifferent to the proximity of all shopping and services except for the grocery store and the drug store. The 75 year and older group of randomly selected, qualified and interested respondents expressed a lesser degree of

PREFERENCE FOR TYPE OF SITE LOCATION FOR RETIREMENT HOUSING

QUESTION 10  WHAT KIND OF LOCATION WOULD YOU PREFER:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS	N	%	N	%	N	%	N	%
On LASATA site which has country atmosphere	143	42%	17	41%	15	79%	22	73%
In residential neighborhood	26	8%	5	12%	0	0%	0	0%
Adjacent to shopping district in a small town	61	18%	5	12%	3	16%	2	7%
Adjacent to downtown in a larger city	4	1%	2	5%	0	0%	1	3%
Within a larger city	1	< 1%	0	0%	0	0%	0	0%
As close to my present home as possible	52	15%	5	12%	0	0%	0	0%
Does not matter	26	8%	5	12%	0	0%	4	13%
Other	3	< 1%	1	2%	0	0%	0	0%
No response	23	7%	2	5%	1	5%	1	3%
TOTALS	339	100%	42	100%	19	100%	30	100%

EXHIBIT VII-2



indifference. Apparently those respondents who absolutely have to be near an urban area with its shopping and other services would not seriously consider moving to a LASATA apartment and would drop out of the pool of likely prospects for LASATA retirement housing.

The self-selected respondents (N=30) are the most indifferent to linkages with stores and services. For the majority of respondents it does not matter how close they live to stores and services, even to a grocery or drug store. This group already accepts the shopping inconveniences associated with the more rural location. (See Exhibit VII-3 for the responses of each sample group.)

#### D. Means of Transportation in Ozaukee County

Without a public transportation system in Ozaukee County, citizens are dependent upon the automobile as the main means of getting from place to place. The wide majority of all respondents drive a car to shop, run errands, visit friends, seek medical help, go to church, and visit friends. Walking is also a preferred means of getting around, but only about one-third of the groups (except the 75 year and older group) walk to do their errands, on occasion.

Thus, the location of the LASATA site is perceived accessible and convenient because a drive of a few miles is a way of life in Ozaukee County for the majority. (See Exhibit

# PREFERENCE FOR PROXIMITY TO SELECTED STORES AND SERVICES

Sawmark Research, Inc.

## ALL RESPONDENTS

65 YRS AND OLDER

QUESTION 11

N=339

HOW CLOSE WOULD YOU WANT  
EACH OF THE FOLLOWING  
STORES/SERVICES:

HOMEOWNERS AND RENTERS WITH  
ANNUAL INCOME ≥ \$10,000  
INTERESTED IN LASATA RETIREMENT HOUSING  
FROM WITHIN A YEAR TO FIVE YEARS

65-74 YRS OLD

N=42

75 YRS AND OLDER

N=19

HOMEOWNERS AND RENTERS  
WITH ANNUAL INCOME ≥ \$10,000  
WHO REQUESTED QUESTIONNAIRE  
INTERESTED IN LASATA RETIREMENT  
FROM WITHIN A YEAR TO FIVE YEARS

65 YRS AND OLDER

N=30

PARTIAL LIST OF OPTIONS	WITHIN WALKING DISTANCE		WITHIN ONE MILE		DOES NOT MATTER		WITHIN WALKING DISTANCE		WITHIN ONE MILE		DOES NOT MATTER		WITHIN WALKING DISTANCE		WITHIN ONE MILE		DOES NOT MATTER							
	N	% [1]	N	% [1]	N	% [1]	N	% [2]	N	% [2]	N	% [2]	N	% [3]	N	% [3]	N	% [3]	N	% [4]	N	% [4]	N	% [4]
Grocery store	131	39%	95	28%	66	20%	11	26%	12	29%	16	38%	6	32%	6	32%	4	21%	6	20%	6	20%	17	57%
Drug store	106	31%	95	28%	71	21%	10	24%	13	31%	15	36%	5	26%	6	32%	5	26%	5	17%	6	20%	18	60%
Church	88	26%	85	25%	92	27%	8	19%	8	22%	22	52%	2	11%	5	26%	6	32%	5	17%	6	20%	18	60%
Shopping center	85	25%	79	23%	99	29%	6	14%	10	21%	21	50%	3	16%	4	21%	6	32%	2	7%	8	27%	18	60%
Medical offices	70	21%	88	26%	100	30%	4	10%	10	24%	24	57%	4	21%	5	26%	6	32%	3	10%	7	23%	18	60%
Hospital	50	15%	65	19%	135	40%	4	10%	6	28%	28	67%	1	5%	2	11%	8	42%	1	3%	7	23%	20	67%

[1] Percentages are based upon 339 respondents.

[2] Percentages are based upon 42 respondents.

[3] Percentages are based upon 19 respondents.

[4] Percentages are based upon 30 respondents.

NOTE: The number of NO RESPONSES are not recorded for any group.

EXHIBIT VII-3

VII-4 and VII-5 for a summary of the main means of transportation and the number of respondents who own one or more cars.)

E. Other Indicators of Site Acceptability

Respondents were questioned about factors which would enhance (and detract from) the appeal of LASATA retirement housing.

Of importance for this discussion are the responses to the last two options involving the proximity of retirement housing to the LASATA nursing home and the distance of the site from a shopping center. The presence of the nursing home is not a detraction for the large majority of respondents; in fact, the reaction to the first option indicates a preference to be near and have assured access to the nursing home. A larger number (17 to 37 percent) of respondents would prefer, if there is a choice, to be near a shopping center. The most likely prospects for LASATA's retirement housing, the 75 year and older randomly selected respondents, show the greatest interest in locating LASATA retirement housing near a shopping center. The location of shopping within walking distance of the site, especially the basic grocery and drug store items, would enhance the desirability of LASATA retirement housing. (See Exhibit VII-6 for the responses of each sample group.)

MEANS OF GETTING FROM PLACE TO PLACE IN OZAUKEE COUNTY

QUESTION 34 MEANS OF GETTING AROUND TO SHOP, RUN ERRANDS, VISIT FRIENDS, AND GO TO CHURCH:	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
OPTIONS (Multiple answers)	N	%	N	%	N	%	N	%
Drive my car	271	80%	42	100%	19	100%	28	93%
Walk	94	28%	14	33%	2	11%	11	37%
Community transportation services	8	2%	0	0%	0	0%	1	3%
Ride with friends	40	12%	1	2%	0	0%	6	20%
Relatives drive me	65	19%	2	5%	1	5%	4	13%
Other	3	1%	0	0%	0	0%	0	0%

EXHIBIT VII-4

# CAR OWNERSHIP

QUESTION 41-4	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS				HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
	N=339		N=42		N=19		N=30	
DO YOU/YOUR SPOUSE PRESENTLY OWN AND DRIVE A CAR:								
OPTIONS	N	%	N	%	N	%	N	%
Does not own and drive a car	60	18%	1	2%	2	11%	2	7%
Owns and drives a car	273	81%	41	98%	17	90%	28	93%
No response	6	2%	0	0%	0	0%	0	0%
TOTALS	339	100%	42	100%	19	100%	30	100%

## QUESTION 41-2

### HOW MANY CARS:

OPTIONS	N	%	N	%	N	%	N	%
One car	192	57%	29	69%	12	63%	22	73%
Two cars	62	18%	13	31%	4	21%	6	20%
Three cars or more	3	< 1%	0	0%	0	0%	0	0%
No response	82	24%	0	0%	3	16%	2	7%
TOTALS	339	100%	42	100%	19	100%	30	100%

FACTORS WHICH WOULD ENHANCE APPEAL OF LASATA RETIREMENT HOUSING

EXHIBIT VII-6

	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS			
	65 YRS AND OLDER		65-74 YRS OLD		75 YRS AND OLDER		65 YRS AND OLDER	
QUESTION 14	N=339		N=42		N=19		N=30	
PROPOSED APARTMENT PROJECT WOULD BE MORE APPEALING IF:								
OPTIONS (Multiple answers)	N	% [1]	N	% [1]	N	% [1]	N	% [1]
It included assured access to a bed in LASATA Nursing Home, if needed	169	50%	26	62%	12	63%	17	57%
It included infirmary care for temporary illness	165	49%	29	69%	13	68%	24	80%
It were not located adjacent to LASATA Nursing Home	19	6%	3	7%	2	11%	0	0%
It were located off the LASATA site near a shopping center	88	26%	7	17%	7	37%	6	20%

[1] Percentages are based upon the number in each of the samples.

VIII. OUT-MIGRATION OF RETIRED PERSONS FROM  
OZAUKEE COUNTY

Although very few respondents indicate plans to leave Ozaukee County for retirement living elsewhere, it can be assumed that most recipients of the questionnaire who plan such a move are non-respondents. Therefore to learn of a possible trend of out-migration by elderly residents, respondents were asked if retired friends had moved out of Ozaukee County and for what reasons.

From 20 to 36 percent of the respondents, depending upon the nature of the sample group, have known friends who have moved out of Ozaukee County, but the major reason, a warmer climate in another state, is not one that can be overcome by anyone Ozaukee County. Only in the 65 to 74 year age group of financially qualified and interested randomly selected respondents is there a significant number (21 percent) who have moved because they could not find quality affordable retirement housing in the county. Only a few have moved to a retirement center in Milwaukee. A summary of the survey results is found in Exhibit VIII-1.

OUT-MIGRATION OF RETIRED PERSONS  
FROM OZAUKEE COUNTY

QUESTION 5	ALL RESPONDENTS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS		HOMEOWNERS AND RENTERS WITH ANNUAL INCOME ≥ \$10,000 WHO REQUESTED QUESTIONNAIRE INTERESTED IN LASATA HOUSING FROM WITHIN A YEAR TO FIVE YEARS	
	65 YRS AND OLDER N=339		65-74 YRS OLD N=42	75 YRS AND OLDER N=19	65 YRS AND OLDER N=30	
HAVE RETIRED FRIENDS MOVED OUT OF OZAUKEE COUNTY:						
OPTIONS	N	%	N	%	N	%
No	253	75%	25	60%	12	63%
Yes	66	20%	15	36%	4	21%
No response	20	6%	2	5%	3	16%
TOTALS	339	100%	42	100%	19	100%

QUESTION 6

REASONS FRIENDS TEND TO  
LEAVE OZAUKEE COUNTY:

OPTIONS (Multiple answers)	N	% [1]	N	% [1]	N	% [1]	N	% [1]
Could not find quality, affordable retirement housing	25	7%	9	21%	1	5%	5	17%
Moved to a Milwaukee retirement center	7	2%	3	7%	0	0%	4	13%
Moved to warmer climate in another state	77	23%	16	38%	3	16%	9	30%
Moved closer to children who live outside Ozaukee County	12	4%	2	5%	1	5%	1	3%
Do not know anyone who has moved	27	8%	0	0%	2	11%	2	7%
Other reason	8	2%	2	5%	1	5%	0	0%

[1] Percentages are based upon the number in each of the samples.



IX. EFFECTIVE DEMAND FOR A LASATA APARTMENT  
BY DISABLED CITIZENS OF OZAUKEE COUNTY

Of the 50 questionnaires mailed to all the members of the Disabled Citizens, Inc., of Ozaukee County, 21 returned completed surveys.

A. Summary of Characteristics of Respondents

The characteristics of these respondents are quite varied with ages ranging from 22 years to 87 years old. Only five are 65 years and older. There is an almost even split between single/widowed and married respondents and a fairly even split between males and females. The overall state of health varies from excellent (5 percent) to fair (33 percent), and need some care or need full care (38 percent). Eleven persons use an electric or regular wheelchair and three use a cane or a walker. The other respondents either need no assistance (19 percent), or did not respond to the question (14 percent).

In general, disabilities have not diminished the mobility of this group. Seventeen households, or 81 percent, have a car and either the respondent or his/her spouse drives. Others depend upon friends, relatives, or community transportation services to get around in the area. The disabled group indicated only a slightly greater need to be within walking distance of basic stores such as grocery and drug and shopping

centers. But the pattern of need to be near stores and services is very similar to that expressed by the total group of randomly selected respondents (N=339). The proximity to hospitals, medical and dental offices, restaurants, and churches does not matter to the majority of this group.

The majority of the respondents now live in the Cedarburg-Grafton area (57 percent) and in the Mequon-Thiensville area (24 percent), and 67 percent would prefer to have retirement housing located in the Cedarburg-Grafton area.

The frequencies for the responses to all survey questions by the 21 respondents are found in Appendix D.

#### B. Preference for Site and Product Design

Although there is an even split (7-7) between the number of respondents who prefer a site location with a country atmosphere like LASATA and the number who prefer a site located near a shopping or residential area, three other respondents are indifferent to the site location. For this group, in general, the proposed apartment project would be more appealing if it were located off the LASATA site near a shopping center; nine of the 21 respondents express this preference.

There is an even split between the respondents' preference for the one-bedroom and the two-bedroom unit, but a wide majority (71 percent) choose lower costs over more space. For all but one respondent, affordable rents are perceived to be

less than \$400 per month and 57 percent want electricity to be billed separately.

The preference for garage type is not as clear-cut as it is for the elderly. The responses are as follows:

	N	%
	---	----
Underground and secured	8	38%
Detached and locked	6	29%
Reserved surface stall	3	14%
None needed	2	10%
No response	--2	--10%
	21	100%

The disabled respondents express a strong preference (67 percent) to have all meals optional. Their ranking of the importance of supportive services and facilities is similar to the randomly selected sample respondents who are 65 years and older (N=339) except the enclosed garage drops to the position of least importance. See Exhibit IX-1 for the rankings.

#### C. Profile of Seriously Interested Respondents and Estimate of Effective Demand

The 11 respondents who expressed an interest in seriously considering a LASATA apartment within the next five years are profiled as is done for the elderly retirement housing prospects, but the disabled group is not screened for annual

## EXHIBIT IX-1

CONSUMER NEED FOR AVAILABILITY OF  
SUPPORTIVE SERVICES AND FACILITIES  
ALL DISABLED RESPONDENTS: AGE RANGE=22 to 87 YEARS OLD  
N=21

## =====

QUESTION 22  
WHICH SERVICES/FACILITIES  
ARE IMPORTANT TO YOU?

|----- RANKING BY RESPONDENTS [1] -----|

	NO. PERSONS RESPONDING TO ITEM	RANKING OF [2] IMPORTANCE	MUST HAVE AVAILABLE	WOULD PREFER TO HAVE AVAILABLE	NOT INTERESTED
TYPE OF SERVICE OR FACILITY					
Laundry room with washer and dryer	20	1	50%	45%	5%
Private storage lockers within the building	20	2	30%	60%	10%
24-hour emergency assistance (no extra charge)	20	3	35%	50%	15%
Security of knowing someone will check on me daily (no extra charge)	20	4	30%	50%	20%
Scheduled transportation within the county for shopping and personal appointments	20	5	20%	60%	20%
Nutritious meals in full- service dining room	21	6	14%	67%	19%
Housecleaning services	20	7	10%	70%	20%
Personal care assistance	20	8	20%	45%	35%
Laundry services	20	9	20%	45%	35%
Enclosed garage	20	10	15%	55%	30%

[1] Percentages for each service or facility are based upon the number of persons responding to each item.

[2] To rank the services/facilities in order of importance, the percentage for MUST HAVE AVAILABLE and 1/2 of the percentage for WOULD PREFER TO HAVE AVAILABLE are added for a score. The services/facilities are ranked in descending order.

income  $\geq$  \$10,000. The characteristics and preferences of each respondent is shown in Exhibit IX-2.

Four respondents would seriously consider moving to a LASATA apartment within the year, six would consider a move in one to two years, and one would consider a move in three to five years. Of these 11 respondents interested in LASATA in the next two years, only six have a gross annual income of  $\geq$  \$10,000. Rent levels perceived affordable by those six respondents are as follows:

AFFORDABLE RENT LEVEL	NUMBER OF RESPONDENTS
\$300 - \$349	2
\$350 - \$399	3
\$500 - \$549	1

One of the respondents at the \$300 to \$349 rent level currently owns a home valued at \$40,000 to \$70,000, and finds LASATA very appealing. The other respondent is a 27 year old renter and not enough is known about his assets to determine what rent level he could afford. Therefore, of these six qualified respondents, five are considered primary prospects for LASATA housing. Their ages, sex, and marital status are as follows:

## EXHIBIT IX-2

PROFILE OF POTENTIAL USERS OF ALL AGES  
WHO ARE DISABLED  
AND WOULD CONSIDER MOVING TO LASATA RETIREMENT APARTMENTS  
WITHIN THE YEAR OR IN ONE TO TWO YEARS OR IN THREE TO FIVE YEARS [1]

QUESTION- NAIRE NUMBER	RESPONDENT'S AGE	SEX	MARITAL STATUS	AGE OF SPOUSE	PLACE OF RESIDENCE [2]	PREFERRED PLACE OF RESIDENCE	PREFERRED TYPE OF SITE	CURRENT HEALTH STATUS	PREFERRED LIVING STYLE	IDEAL HOUSING	MOVES AROUND BY	UNIT STYLE BEDROOM/BATH	MONTHLY RENT PERCEIVED AFFORDABLE	ESTIMATED VALUE OF HOME	GROSS ANNUAL INCOME	NEED TO SELL HOME	APPEAL OF LASATA RETIREMENT CENTER	SERIOUSLY CONSIDER MOVE TO LASATA APT.	PRIMARY PROSPECT [3]
150	34	M	Single	N/A	Port Washington-C	Cedarburg	LASATA site	Average	Retirement apartment	Private apartment	Wheelchair	2 BR - 1 BA	\$350-\$399	< \$40,000	\$10-\$20,000	Yes	Yes-now	Within the year	*
210	44	M	Single	N/A	Cedarburg-T	N/A	N/A	Fair	Retirement apartment	Subsidized apartment	Walker/cane	N/A	< \$300	N/A	Unemployed N/A	Rents	Yes-explore	Within the year	
245	27	M	Single	N/A	Cedarburg	Cedarburg	LASATA site	Average	Own home	Private apartment	Wheelchair	1 BR - 1 BA	\$300-\$349	N/A	\$10-\$20,000	Rents	Yes-explore	Within the year	
293	48	F	Single	N/A	Cedarburg-T	Cedarburg	LASATA site	Need some assistance	Retirement apartment	Affordable retirement apt.	Electric wheelchair	2 BR - 1 BA	\$300-\$349	N/A	\$5-\$10,000	Rents	Yes-now	Within the year	
005	55	M	Married	46	Grafton-T	Cedarburg- Grafton	Near shopping ctr., small town	Need some assistance	Own home	Affordable retirement apt.	Wheelchair	1 BR - 1 BA	\$300-\$349	\$40-\$70,000	\$10-\$20,000	Yes	Yes-now	One to two years	*
006	75	M	Married	69	Cedarburg-C	Cedarburg	Near shopping ctr., small town	Average	Retirement apartment	Affordable retirement apt.	No assistance	2 BR - 1 BA	\$350-\$399	\$100-\$150,000	\$10-\$20,000	Yes	Yes-explore	One to two years	*
063	42	M	Single	N/A	Cedarburg-T	Cedarburg	Does not matter	Need full-time assistance	Retirement apartment	Affordable retirement apt.	Electric wheelchair	2 BR - 1 BA	\$300-\$349	N/A	\$5-\$10,000	Mother's home	Yes-now	One to two years	
065	72	M	Widowed	N/A	Mequon- Thiensville-T	Mequon- Thiensville	Near shopping ctr., small town	Need some assistance	Own home	Affordable retirement apt.	No asst. now; has Parkinson's disease & handicapped daughter	2 BR - 2 BA	\$350-\$399	\$70-\$100,000	\$5-\$10,000	Yes	Yes-explore	One to two years	
152	28	M	Single	N/A	Cedarburg-T	Cedarburg	Does not matter	Fair	Retirement apartment	Affordable retirement apt.	Wheelchair	1 BR - 1 BA	\$350-\$399	N/A	\$10-\$20,000	Rents	Yes-explore	One to two years	*
522	57	F	Married	60	Mequon- Thiensville-T	Mequon- Thiensville	LASATA site	Need some assistance	Retirement apartment	Affordable retirement apt.	Electric wheelchair	2 BR - 2 BA	\$500-\$549	\$70-\$100,000	\$30-\$40,000	Yes	Yes-explore	One to two years	*
345	N/A	N/A	Single	N/A	Cedarburg-T	Cedarburg	Residential neighborhood	Fair	Own home	Affordable retirement apt.	Cane	1 BR - 1 BA	\$350-\$399	\$100-\$150,000	N/A	Yes	Yes-explore	Three to five years	

[1] All respondents have given serious thought to moving.  
Only respondents #293 and #063 do not own/drive a car.

[2] T = Lives in town  
C = Lives in the country

[3] Of the 21 respondents, six had an annual income  $\geq$  \$10,000. Of these six, only five are considered to be likely prospects.  
The renter who has no home equity and who perceived an affordable monthly rent at \$300 - \$349 per month probably would not find a LASATA apartment affordable.

=====		
AGE	SEX	MARITAL STATUS
-----		
34	M	Single
55	M	Married
75	M	Married
28	M	Single
57	F	Married
-----		

Rent levels perceived to be affordable may be a limiting factor on the effective demand for LASATA apartments. Only one renter was included in the group of primary prospects; his income was adequate and he selected an affordable rent range of \$350 to \$399 which may or may not be feasible for a smaller one-bedroom unit. The rest of the primary prospects are homeowners who can transfer home equity into an investment which will augment cash flow.

## 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. 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.



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