



SEES

The Canadian Seniors Housing Newsletter

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Letter From the Editor

A Message From Michelle Roth



Welcome to our 2nd *SenbridGe Sees* publication! With the help – and sheer brilliance! – of our contributors, we expanded this issue to spotlight more of your communities, probe into thought-provoking areas, learn about industry trends and emerging rules and, (my personal favourite) share fun facts about our industry leaders and the world of health and aging around us.

This issue explores tough topics like the often challenging terrain we navigate when dealing

with the media, emerging debt opportunities available through CMHC's new rules and a discovery of how art stimulates the aging brain. I am particularly proud of our pictorial tribute to the super – and ageless! – humans who make me look forward to days when I will climb the outside of my building, complete a triathlon and perhaps gain a few more university degrees!

In 2017, we looked at ways to grow and challenge ourselves through our innovation and technology offerings. This led to a collaboration

between SenbridGe, Aging 2.0 and Revera that, in turn, led to the Inaugural Americas Summit, as well as featured articles in this issue that reveal exciting new apps and ways to 'design' the future of seniors living with technology.

A big highlight for me was my Q&A with Tom DeRosa – particularly when I discovered that his favourite cocktail is exactly the same as mine! (See page 7).

We keep pushing the SenbridGe platform to provide opportunities across health and aging disciplines and are thrilled to launch our newest initiative, SenbridGe NEXT. SenbridGe NEXT focusses on a younger group of seniors housing stars. These events will be accessible (no registration fees!), engage interesting keynote speakers and create robust networking opportunities amongst owners, operators, innovators, government, banks and investors.

What will happen NEXT?

Cheers!

Michelle

Editor-in-Chief

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And a special thank you to Daniela Cerrone

Snapshots of the transactions shaping the sector

Anbang/Retirement Concepts

The acquisition by Chinese conglomerate Anbang Insurance Group of a majority stake in Retirement Concepts, British Columbia's largest provider of seniors care, was approved by the Canadian federal government in January 2017. The transaction, which is estimated to be valued at over \$1 billion, closed on February 17th, 2017. Retirement Concepts will continue to manage the properties post-closing.



Chancery Seniors Housing Investments

On April 6th, 2017, Chancery Seniors Housing Investments entered into a partnership with Hillspoint Developments Inc. in the development of a 129-suite apartment building in Oshawa, Ontario. Chancery also entered into an agreement with Avenir Senior Living in the development of a geriatric behavioural hospital in Surprise, Arizona called Surprise Behavioral Hospital.



Blackstone/Brookdale/HCP

On March 30, 2017, Blackstone Real Estate Partners VIII acquired a portfolio of 64 communities from HCP, Inc. for \$1.125 billion. At closing, under a separate agreement, Brookdale Senior Living completed a transaction with Blackstone to acquire a 15% ownership interest in the portfolio for approximately \$170 million. Brookdale will continue to manage the portfolio.



Mainstreet Health Investments Inc.

On December 16, 2016, Mainstreet Health Investments Inc. completed a US \$45 million public offering of 5.00% convertible debentures. The proceeds were used to acquire three memory care communities.

On October 6, 2016, Mainstreet completed a public offering of subscription receipts for US \$74.8 million in gross proceeds, to be used to acquire seven seniors housing and care properties and investments in five mezzanine loans.

On June 2, 2016, Mainstreet completed a public offering for US \$95 million in gross proceeds, to be used to acquire 13 seniors housing and care properties in the US and to provide mezzanine financing for two new development properties.



Welltower

On December 29, 2016, Welltower completed the sale of 28 long-term/post-acute care facilities, each of which were master leased to Genesis Healthcare, Inc. to a joint venture among Welltower, Cindat Capital Management and Union Life Insurance Co. Ltd. where Cindat and Union Life acquired a 75% interest and Welltower retained a 25% interest.

On October 13, 2016, Welltower completed the acquisition of the Vintage Senior Living portfolio comprised of 19 properties in California.

On June 30, 2016, Welltower completed the disposition of eight seniors housing properties, comprising 752 units, in Alberta, each of which were leased to Continuum Health Care.



Sienna

On March 15, 2017 Sienna completed the acquisition of a 61% interest in Glenmore Lodge located in Kelowna, British Columbia.

On September 15, 2016, Sienna completed the acquisition of a 40% interest in Nicola Lodge in Port Coquitlam, British Columbia and the initial 40% interest in Glenmore Lodge.

On March 1, 2017, Sienna entered into a management agreement with Sabra Health Care REIT, pursuant to which Sabra will own the operations of eight senior housing facilities in Canada and the facilities will be operated by Sienna.

On August 2, 2016, Sienna completed its acquisition of: (i) a portfolio of eight high-quality seniors living assets in BC; (ii) options to acquire up to a 100% interest in two additional newly built seniors living assets: Nicola Lodge and Glenmore Lodge; and (iii) a 50% interest in Pacific Seniors Management General Partnership. On September 15, 2016, Sienna acquired an initial 40% interest in Nicola Lodge and exercised its option to acquire an initial 40% interest in Glenmore Lodge.

On March 24, 2016, Sienna Senior Living Inc. announced the completion of the sale of its home healthcare division to Spectrum Health Care for cash proceeds of \$16.5 million.



Revera

On June 1, 2017, Revera acquired The Williamsburg Uptown retirement community in Burlington, Ontario, to be renamed "The Williamsburg".

On October 3, 2016, the Welltower-Revera joint venture acquired Emmanuel Village retirement residence in Kitchener, Ontario, renamed "Briarfield Gardens".



MTCO Holdings Inc.

MTCO Holdings Inc. closed on a capital raise on April 30, 2017 with Echelon Wealth Partners for Allendale Station Retirement Residence, their upcoming seniors housing development in Barrie, Ontario. Allendale will be a 140-suite residence offering independent living and assisted living. Construction will begin in Fall 2017 for occupancy in early 2019.



Sabra

Sabra recently announced it will combine in an all-stock merger with Care Capital Properties, Inc. to create a premier healthcare REIT with an expected pro forma total market capitalization of approximately \$7.4 billion. The transaction is expected to close during the third quarter of 2017.



Suske Capital

Suske Capital completed an \$8 million capital raise to facilitate the acquisition of approximately 10 acres of prime development land in Ottawa, Ontario for the purposes of developing an integrated active seniors living community.



Chartwell

Chartwell was involved in a number of transactions this year, including the acquisition of five retirement residences in Ontario and the disposition of three non-core retirement residences in Quebec.

On June 6, 2017, Chartwell announced the private placement of \$200 million of 3.786% Series A senior unsecured debentures, due December 11, 2023. The company has announced that it will use the net proceeds from the offering to finance a portion of the purchase price of the previously announced acquisitions of three retirement residences in Ontario, for potential future acquisitions, to repay a portion of existing indebtedness under Chartwell's new credit facilities and for general trust purposes.

On February 1, 2017, Chartwell acquired The Orchards Retirement Residence in Vineland, Ontario, renamed "Chartwell Orchards Retirement Residence".



Extendicare

In April, 2016, Extendicare announced its home health care division, ParaMed, had expanded into the Vancouver Coastal Health Authority in British Columbia. On February 22, 2016 it acquired two retirement communities in Saskatchewan for \$40.5 million.



Ventas

On May 25, 2017, Ventas priced a private Canadian offering of \$275 million of 2.55% Senior Notes, Series D due in 2023. The company has announced that it will use the net proceeds from the sale of the notes for general corporate purposes including the repayment of debt.

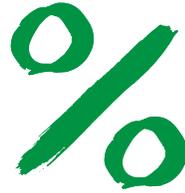
On September 1, 2016, Ventas completed the acquisition of \$1.5 billion of life science and medical real estate assets of Wexford Science & Technology from affiliates of Blackstone Real Estate Partners VIII. The acquired portfolio includes 23 operating properties. Wexford will continue to manage the portfolio.





CMHC Introduces More Flexible Rules

Brian Kimmel
First National Financial LP



On May 15, 2017, Canada Mortgage & Housing Corporation (CMHC) introduced new rules for lending to the residential rental business in Canada. These new rules include commercially rational approaches and are expected to stimulate CMHC lending to the seniors housing industry in Canada.

Current and prospective seniors housing stakeholders should consider these changes in assessing the best products for their financing requirements as CMHC financing may now be viable in many situations where it previously was not.

The Changing Landscape

CMHC's lending policy for this industry began to change in early 2016 when CMHC announced that it would undertake a full review of its lending policies for seniors housing. Prior to this announcement, CMHC had a general rule that the minimum cap

rate for a retirement home was 9.0% and the minimum cap rate for a long term care home or any home with funded beds was 11%. There were some regional differences to this rule, but it was generally applied across Canada. As CMHC saw cap rates fall significantly in the sector and as they recognized falling cap rates in the apartment sector, they felt it was time to revisit their cap rate assumptions for seniors housing. This review culminated in an announcement in late 2016 that CMHC would no longer use artificial minimum cap rates in their underwriting of seniors housing. Rather, they will mimic their approach to apartment lending where they use market cap rates + 1.0% to underwrite new rental applications. The 1.0% premium provides a cushion for market adjustments – CMHC does not want to follow cap rates to the very bottom of the market just to see them turn around and go up again.

The result of this change is that CMHC will now underwrite newer retirement homes in urban centres at cap rates as low as 7.0%. For funded beds we have seen them go as low as 8.75%! This new underwriting flexibility in itself is very significant to the seniors housing industry.

What Benefits do the New Rules Provide?

The new May 15 rules enhance the flexibility introduced with the cap rate changes. Highlights include:

- Corporate, Limited Partnership and REIT borrowers can now borrow up to 85% of CMHC lending value. Previously they were limited to 75% maximum.
- Loan can be amortized up to 40 years depending on the remaining life of the asset. Previously the maximum was 30 years.
- Personal guarantees are no longer of value to CMHC and they will no longer be requested if there is a reasonable corporate guarantee available.
- Guarantees will be limited to 40% of the outstanding loan amount in all cases. Previously guarantees were limited based on the loan to value ratio and did not decrease over time.
- Non-recourse loans are available up to 65% of CMHC lending value. Previously the limit was 60%.

New Construction Loan Program

In addition to the new rules for term loans, CMHC has announced a new construction loan program for affordable housing which is applicable to the construction of new retirement and LTC homes. If a home meets CMHC's definition of affordable then it could access financing of up to 95% of cost at a reduced insurance premium and with guarantees that fall away to nil at the end of leaseup. The key criteria for meeting the definition of "affordable" are:

- Total rental income must be at least 10% below its potential rental income. Potential rental income is typically measured by an appraisal. Note that this test only applies to the rental portion of the monthly fee and not the service portion.
- 20% of units must have rents at or below 30% of the median household income in the local market. Median household income is defined by Statistics Canada. Once again this test only applies to the rental portion of the monthly fee.

- The affordability criteria must be maintained for a minimum of 10 years from the date of occupancy.

There are different affordability criteria for the purchase or refinance of an existing property where 80% of units must have rents at or below the 30th percentile of rents in the subject market for units of similar type as determined by CMHC. In addition, proceeds are limited to refinance for capital repairs/improvements to the property.



Brian Kimmel, Assistant Vice President, Commercial Financing

New CMHC Insurance Premium Schedule for Seniors Housing

Retirement and Supportive Housing

Loan-to-value	Market Rental		Affordable Rental	
	Purchase/Refinance	New Construction	Purchase/Refinance	New Construction
Up to and including 65%	3.25%	4.00%	2.15%	2.25%
Up to and including 70%	3.75%	4.50%	2.25%	2.45%
Up to and including 75%	4.25%	5.00%	2.45%	2.65%
Up to and including 80%	5.00%	5.50%	2.65%	2.85%
Up to and including 85%	5.75%	6.25%	2.85%	3.10%
Up to and including 90%			3.05%	3.35%
Greater than 90%			3.30%	3.60%

The new rules of May 15, 2017 are still a work in progress with CMHC and subject to some interpretation. First National is working closely with CMHC to better define these rules as they apply to the seniors housing market. We are very excited about the combination of the new rules and the

new underwriting flexibility that CMHC is using in seniors housing and have already submitted several applications using the new rules. Should you have any questions about these rules or any other CMHC residential debt matters, please contact us at First National.

First National would be delighted to get feedback from CMHC on your behalf.





Combatting Risk in Senior Care Operations

Barzin Assadi, MBA, CIP
Aon Risk Solutions

Sarah Macchione
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Senior care operations, both privately held and operated or publicly traded, are exposed to a number of risks.

In order to manage and mitigate these risks, it is imperative that owners and operators understand the specific forms of exposure their business is open to, and the considerations that must be made to inform the selection of effective coverage.

There are five primary forms of loss which senior care operations must guard against, each of which can be addressed through a unique insurance product:

- First Party Loss – e.g. Fire to tenant’s unit
- Third Party Loss – e.g. Slip and fall accidents
- Third Party Financial Loss – e.g. Loss of rent
- Loss Due to Running the Business – e.g. Misuse of funds by a director
- Malpractice Exposure – e.g. Administering an incorrect dosage of medicine
- Property/Tenant’s Insurance
- General Liability Insurance
- Professional Liability Insurance
- Directors’ & Officers’ (D&O) Liability Insurance
- Malpractice Insurance

Two forms of coverage which warrant further examination due to their potential impact on both privately held and publicly traded senior care organizations are D&O liability insurance and blanket tenant’s insurance.

D&O Liability Insurance

Directors and officers of both private and public companies face personal liability from a growing number of sources, including:

- Disgruntled employees;
- Creditors in the event of insolvency;
- Tax and environmental regulators; and
- Other third parties alleging negligence, mismanagement and/or breach of fiduciary duty.

Such claims can be more than just a nuisance; they can result in significant legal bills and possible judgments and settlements against directors and officers.

There are many D&O insurance policies available, but the coverage is complex and constantly evolving. When setting up a D&O program, owners and operators should ensure that their in house or consultant risk managers effectively leverage the insurance market to create broad, clear coverage for optimal protection. It is also advisable to retain a brokerage house that offers dedicated D&O claims consultants who can work with owners and operators to ensure that any and all claims are processed in a favourable and timely manner.



Blanket Tenant’s Insurance

Both landlords and tenants in senior care communities can suffer significant financial repercussions from landlords or tenants negligent acts. While tenants can protect themselves through individual tenant’s insurance policies, owners and operators of senior care communities are better served by investing in a blanket insurance program which tenants can opt in to. Investing in such a program allows owners and operators to (a) control the limits,

coverage, retention and language of the insurance policy; (b) manage the claims process; and (c) manage the costs of the program through scale, thereby offering tenants a lower annual premium than they would otherwise receive.

When constructing a blanket tenant's insurance program, owners and operators should seek out a policy with the following characteristics:

- Property protection from non-intentional, negligent acts of tenants;
- Additional living expenses to provide tenants with funds for suitable accommodations in the event of a loss;
- Customizable options, aligning with the senior care communities' unique needs;
- A single, easily managed master policy for all units;
- Added benefits for long-standing tenants (to reward loyalty); and
- A dedicated risk management executive to provide claims advocacy and knowledgeable support.

Making decisions about the type of coverage that is appropriate for a senior care business can be difficult. Owners and operators are encouraged to consult a risk management specialist when making choices about the coverage that is right for them.

To speak to a risk management specialist at Aon Canada please visit www.aon.ca or contact Barzin Assadi at 604.443.2592 or barzin.assadi@aon.ca.

Talking with Tom DeRosa

Q&A with Michelle Roth and our keynote speaker



Thomas J. DeRosa has been involved with Welltower since 1992 – first, as an investment banker, then as member of its board of directors in 2004. He has been steering the wheel as Chief Executive Officer since 2014.

He is a magnetic and compelling leader who has a finely honed ability to translate challenges and opportunities in the world of healthcare delivery into resounding success. Under his stewardship, we have seen the creation of a dominant new brand in health care delivery, an uptick in Welltower's pro forma private pay revenue mix, and an increase in Welltower's S&P rating. Tom is delivering the primary SenbridGe Spring 2017 Keynote and we optimized the occasion by having him share more of his wisdom with us with through some Q&A.

In Canada, we raise the red maple! Over the past 5 years, Welltower made its initial investment through a joint venture with Chartwell, created another significant joint venture with Revera, launched its Canadian office and seems to be continuing strategic growth in the

2.7 billion in Canadian gross real estate assets that it now holds. Can you tell us what originally attracted you to look north and more interesting for today's discussion, what keeps you here?



Canada continues to be a very important, strategic market for Welltower and we are very proud of our relationships with five, best-in-class operating partners: Revera, Chartwell, Sunrise Senior Living, Cogir, and AgeCare. Together with these partners, we operate more than 140 properties in Canada. When we first entered the market in 2012, we looked at a number of important fundamentals including the relatively stable economic outlook, well-priced debt markets, access to capital and strong alignment with the expansion plans of our operating partners. We also recognized that while independent and assisted senior living were seen as desirable, private pay options,



from a cultural perspective, there was a tremendous growth opportunity to design, build and develop new communities to meet the demands of seniors, particularly in Canada's largest metro markets (e.g., Toronto, Montreal, Vancouver, Ottawa, and Calgary). As your readers probably know, the population of Canadians over the age of 75 is growing 9 times faster than the rest of the population. Today, we manage our Canadian business through a dedicated, full-service Toronto-based office and believe that we've only begun to tap into the significant market opportunities available.

Let's take a look at some demography – we're seeing quite a bit of discussion in trend reports around supply and demand. Some reports stress that oversupply is a major issue while others treat it more benignly, saying that supply and demand are essentially balanced. What is your take on this point?

Overall, senior housing demand supply remains largely healthy, with the pockets of imbalance due to heightened deliveries in certain markets. But, as with any class of real estate, we believe it critical to focus on "location, location and location." We concentrate on dynamic, high-barrier-to-entry markets, on the East and West coasts of the U.S, as well as in Canada and the U.K. As a result, our portfolio performance is resilient and continues to provide us a significant competitive advantage.

Another demographic beacon is that we are all living longer. In your 2016 NIC talk, you mention "encore careers". What is an encore career and how do you see that playing into stats and strategies?

We are all living longer. So, the idea of living more than 20 or 30 years after the age of 65 "in retirement" is a financial non-starter for most individuals. From a business perspective, it deprives companies and organizations from the expertise and "real-life experience" that longer-tenured employees can contribute.

We look at today's boomers as a largely untapped resource. For example, Welltower recently named Mary Ellen Pisanelli SVP – Legal and Administration. She joins us following a very successful 25+ year career at a large law firm and brings a wealth of experience and knowledge about our business and our industry. We think "encore career" seekers represent an important talent pool for Welltower and our operating partners.

An ongoing SenbridGe theme is Art & Seniors and this event has a particular focus on visual art therapy. In this issue, we highlight that the creation of visual art can help a person, especially those suffering from dementia related diseases, "communicate their wants and fears and ultimately retain their ability to share in what it means to be human". Have you seen this kind of positive outcome in the offerings and support systems that you and your partners provide?

Music and art therapies are both known to enrich the lives of seniors and especially those experiencing cognitive decline. A number of our operating partners incorporate art therapy into their programs as a way for residents to express themselves, especially

when language skills are limited. We've also had our operators share stories about how art therapy can trigger memories. I remember hearing one story about a resident painting a cabin in the woods surrounded by snow. The staff later learned from the resident's family that they used to spend time at a cabin in winter, recalling one year when a blizzard struck.

Looking onwards and upwards, what do you see as the emergent goals for Welltower?

At Welltower, we believe real estate needs a "seat at the table" as health systems and governments around the world look to deliver better care at lower costs, particularly for aging adults who, as you know, will soon outnumber any other population cohort in many developed countries. As health care delivery transitions to a value-based care model, providers are increasingly aware of the limitations of their current, often antiquated infrastructure. Much of this infrastructure was designed during an era when the hospital itself – a standalone building – was the centerpiece of all care delivery.

We've seen a revolution in how care is delivered shifting to an outpatient, patient-centered experience and yet, health care infrastructure in many markets is not evolving to meet the expectations of this new model or the challenges associated with the care needs of an aging population.

To prepare for a more physically and cognitively impaired patient population, we need to rethink the environments in which

care is delivered – from the hospital itself to the role of seniors housing to outpatient and medical office buildings. We believe Welltower’s unique platform can play an important role in helping to address these challenges.

Is there a way to balance some of the increasing concerns around foreign investment with the economic stimulation that comes with premium price tags?

We’re very proud of the fact that Welltower executed the industry’s first partnership with a non-U.S. institutional partner in 2014 with Canada’s Public Sector Pension Investment Board (PSP Investments) and followed in 2015 with two significant investments with the Canada Pension Plan Investment Board (CPPIB).

Last November, we announced a joint venture with Chinese-based partners Cindat Capital Management Ltd. and Union Life Insurance. Health care real estate has traditionally been viewed as a non-institutional asset class. So, we see it as a tremendous positive for the industry overall when astute investment partners like CPPIB, PSP Investments and Cindat take significant stakes in health care real estate. That they have chosen Welltower to be the platform to make those investments sends a very strong signal about the quality of our unique platform and our strategy.

With regard to market pricing, it’s fair to say that cap rates remain aggressive, especially for widely marketed portfolios. Welltower’s focus on off-market deals and repeat business

throughout our operator partnerships keeps us mostly out of that fray of buyers. But as owners, we’re observing these trends with great interest, as local and foreign institutional investors’ growing appetite for health care assets puts a premium on quality portfolios like ours.

SenbridGe has partnered this year with Aging 2.0 to create a new North American Summit for innovation and technology in health & aging related industries. Have you seen any technologies in your tenure that you feel are truly life changing?

It’s remarkable to see some of the technological advances that are transforming care delivery. We’re particularly focused on using technology to transform the resident wellness experience in our buildings.

For residents who are challenged to visit a physician, for example, we are pioneering telemedicine with video-conferencing and remote monitoring, allowing for a wellness checkup to be done without them having to leave the building. Because of the nature of our portfolio, we also have a unique opportunity to monitor and mine data to significantly lower many expense line items for our operators, such as food, labor and staffing.

Data is also key to creating a framework for examining quality outcomes – something we are exploring through our collaboration with Johns Hopkins Medicine. We intend to explore joint initiatives in areas including: measuring quality outcomes in assisted living and memory care; educational programs for patients and care givers; and sharing of

health and wellness and business expertise, information, best practices and research. The collaboration will look at investments in modern, efficient infrastructure to deliver better care at a lower cost.

And finally, for the fun part! SenbridGe Spectator has a tradition of revealing our industry leaders’ epicurean favorites. This year, we ask you:

What is your favourite cocktail?

I will stretch the interpretation of your question by telling you my very favourite “cocktail,” is a Handel’s Ice Cream Hot Fudge Sundae. Handel’s has been in Ohio since 1945 and serves up 100 flavors of great ice cream. I like to keep it simple – vanilla as a base and then lots of classic toppings.

What is your favourite restaurant?

The Colony in London... serves great British classics with – you guessed it – a great hot fudge sundae for dessert.



New Dementia Applications Lead to Enhanced Care

David Stoller
Canadian Centre for Aging
and Brain Health Innovation

Sarah Macchione
Goodmans LLP



According to the World Health Organization, there are currently 47.5 million people worldwide who have dementia, with 7.7 million new cases diagnosed every year.

Given this trend, it is imperative that healthcare organizations work more effectively together to evolve practise standards and improve the management and monitoring of patients with dementia. Leading the way in this endeavour is Baycrest Health Sciences, a century-old senior care provider in Toronto with a world-leading research institute in cognitive neuroscience and the host organization for the Canadian Centre for Aging and Brain Health Innovation (CC-ABHI).

CC-ABHI was established in 2015 as a solution accelerator focused on improving the quality of life of the world's aging population. Through the collaboration of a multi-disciplinary team, CC-ABHI seeks to **develop** transformative solutions, **test** those solutions in real-world settings, and **disseminate** validated innovations

designed to address identified aging and brain health needs.

One such solution being developed by Baycrest researchers at CC-ABHI is ArtOnTheBrain. This evidence-based application, founded in neuropsychology, seeks to address the problem of reduced access to meaningful recreation among older adults with complex health conditions.



Through a series of educational activities and games, ArtOnTheBrain uses visual art presented in an interactive online environment to stimulate cognition and encourage social connections among users. Designed as a web-based app that can be used on a desktop, laptop, or tablet, ArtOnTheBrain can switch between modes so that it can be enjoyed individually, with a partner, or in a group setting. According to Baycrest Psychologist Dr. Kelly Murphy, "research shows arts-based leisure participation has positive health outcomes, such as enhanced well-being and reduced risk of dementia."

ArtOnTheBrain is currently being scientifically validated so that healthcare professionals can 'prescribe' it to their patients as a non-pharmacological intervention. It is anticipated that a commercial product will be available in late 2017.

Another innovation currently in development through the collaboration of researchers at Baycrest and the Toronto Rehab Hospital, is a first-of-its-kind app that allows nurses and personal support workers to track specific behaviours of their patients, including physical aggression, verbal agitation, and sleep patterns. With an accurate record of such behaviours, this tool allows inter-professional teams to better understand what a patient is communicating and when they are experiencing the most distress. While not yet commercially available, the product is currently being developed for pilot testing on the Geriatric Psychiatry Unit at the Toronto Rehab Hospital. If it proves to be effective in the treatment and care of patients, Behavioural Supports Ontario plans to disseminate the application for clinical use within the province.

These are only two of the many solutions being developed, tested and disseminated through collaborations at CC-ABHI. Given the increase in the number of cases of dementia around the world, it is essential that innovative applications such as these are supported to allow the senior population to age more gracefully in the setting of their choice, and to provide caregivers the resources they need to deliver superior care to their patients.

To learn more about CC-ABHI and the innovations they are funding visit:
www.ccabhi.com.

Diamond in the Rough – Emmanuel Village

Gilbert Schiller
Revera Inc.



It all began in 2000 with a series of investment seminars in Toronto encouraging investors to put money into an Indian money market fund that would generate annual returns of 20% to 30%. In all, 29 individuals invested \$5.2M over four years.

\$4.0 million of the \$5.2 million was essentially funneled into the construction of Emmanuel Village (EVR), a retirement community development in Kitchener, ON. It was not until 2006, when a civil suit was brought against the mastermind, that most investors learned where their funds had been invested. The investors received 10 cents on the dollar and the developer of the community would continue owning and operating. However in 2010, the RCMP brought multiple fraud related charges against those behind the investment scheme and several of their business associates.

When the case went to trial in 2015, only the charges against the principals, a husband and wife duo, remained. The charges against the other men were dropped in exchange for being Crown witnesses.

As the trial went on, the principals started entertaining offers from multiple purchasers for the community. In March of 2016, the Retirement Home Regulatory Authority (RHRA) added fuel to the fire by issuing a revocation order for EVR's operating license. In the eyes of the Registrar "the Licensee no longer met the criteria for licensing under the Retirement Homes Act". Having watched the court case and the sales process for several months, Revera took an active

interest in EVR in early 2016. The community appealed to the Welltower-Revera joint venture as it was well built and maintained, with non-combustible construction, 100% occupied, well located, and we believed we could add value for all parties involved. Welltower and Revera moved quickly to identify and mitigate any risks to the business, the residents and staff. Over the following months, Welltower and Revera, with guidance from Goodmans, worked collaboratively with the RHRA and Ontario Superior Court of Justice, Commercial List such that on October 3, 2016, EVR was acquired by the Welltower-Revera joint venture. Upon closing, the name of the community was changed to Briarfield Gardens.

This was a multiple win transaction for the parties involved. The proceeds of the sale were sufficient to cover a final payment to the victims, all the creditors received payment, the RHRA did not have to enforce its license revocation, it was a seamless transition for the residents and staff, and Revera and Welltower welcomed a fantastic community into their portfolio.



Emmanuel Village, now Briarfield Gardens



SenbridGe Spotlight: PARC's New Mixed-Use Development Promises Revitalization of White Rock, BC

Tony Baena
PARC Retirement Living

Mike Chiu
Capital West Mortgage (Chiu) Inc.

Rosel Kim
Goodmans LLP



PARC Retirement Living's proposed 198-unit, mixed-use seniors' residential and commercial development in White Rock, BC, promises an active and integrated lifestyle choice for seniors, while playing a main role in revitalizing White Rock's urban town centre.

The space has been designed with PARC Retirement Living's Independent Living+ program in mind, to encourage and support an active, healthy lifestyle. The Independent Living+ program provides a complement of resources to promote health and wellness, as well as preventative and active aging – including developing an individualized health plan, complimentary driving service to health and shopping appointments, and the LivingBalance™ program, focusing on three avenues of resident health: nutrition, physical fitness and brain fitness.

Once completed, the development will consist of a residential tower with space for dedicated amenities specific to seniors' nutritional, emotional, physical and social needs. The design plan includes several outdoor patios where residents can gather in either sun-filled or shaded areas, and a permanent greenhouse where they can enjoy gardening. There will also be a public café and salon spilling onto a public courtyard, and a commercial/retail component open to the public. Residents and the public will have access to PARC-Active Living, a seniors'-oriented fitness centre situated in the complex.

The proposed development is the first development to be approved under the City of White Rock's 2013 Town Centre Urban Design Plan, which allows for higher density in the town centre. The 23-storey development bounded by North Bluff Road, Johnston Road and George Street, was given the go-ahead by the City Council in November last year.

“Mixed development that offers those who are retiring or thinking of retiring housing options to fit their lifestyle goals so they can enjoy travelling and being in a close-knit community is a welcome addition to our community,” says Wayne Baldwin, Mayor of White Rock.



All of PARC's residences are designed with community benefits in mind, which the company considers a cornerstone of good development. Anticipated benefits of the White Rock development to the community include the following:

- Revitalization of White Rock's town centre to become an increasingly attractive location for local residents, developers and retailers;
- White Rock's first LEED Gold certified building;
- PARC's commitment to environmental stewardship by designing a building with numerous green technologies including a highly insulated building envelope that reduces heating demands and green house gas production;
- Financial benefits to the local economy such as tax revenue, local employment from residence and retail operations, commercial activity, new residents in the area, purchase of local goods;
- A unique form of lifestyle retirement accommodation, allowing White Rock seniors to remain in their community, and encouraging new residents to enjoy the area's urban neighbourhood; and
- PARC sponsorships, partnerships, events and support of programs that directly involve and interest PARC residents and attract independent seniors to White Rock.

For more information, visit:
<http://parliving.ca/the-residences/white-rock-parc/>





Industry Tips for Successful Media Relations

Rosel Kim
Goodmans LLP

Vanessa Hui
Goodmans LLP



The 2016 Canadian census showed the largest increase in the number of seniors since the first census that took place after the Confederation.* Given this significant rise in the senior population, it is no surprise that headlines about senior housing are appearing more frequently in national and mainstream media sources.

While media coverage can provide an educational opportunity for the public, curtail abusive situations and improve healthcare delivery, it can also potentially lead to endemic misunderstandings and

derailments of important and necessary healthcare offerings.

“All the good things a healthcare organization does can be obfuscated by negative media treatment of a single, isolated and explainable incident,” says Michelle Roth, head of Goodmans’ Aging & Healthcare practice. “In the excitement of a breaking story, it’s easy to forget that healthcare is built on a foundation where humans must care for other humans.”

How can industry professionals better prepare for potential inquiries and attention from the media? We canvassed certain industry leaders for their expertise on different aspects of managing media relations.



Responding to Media Requests

If possible, try to get a list of questions or understand the topics for discussion in advance. Be short and concise and to the point. Be substantive – speak to data. It’s about quality, not quantity.

– Brian Richardson, Chief Marketing Officer
Sienna Senior Living

Be prepared! Ensure that there is a media relations “chain of command” and that your spokespeople are well trained and comfortable in the spotlight. Draft key messages that are generic enough to be customized quickly in the event of media attention.

– Laurie Johnston, CEO
Ontario Retirement Communities Association

Giving Interviews

Whenever possible, share the positives. We always talk about our quality results, performance and improvements that we’ve made. In addition to the sharing of this type of information, we focus on leveraging the digital space and encourage our Residents and Team Members to “tell the Sienna story” on a variety of social media platforms. Their advocating on our behalf is an effective and powerful way in which to extend our messaging.

– Lois Cormack, President and CEO
Sienna Senior Living

Stay on message! If a negative story is breaking, media will try to get you to answer yes or no to questions that could implicate you in the story as a “guilty party”. Avoid answering those questions by repeating your messages.

– Laurie Johnston, CEO
Ontario Retirement Communities Association

* <https://www.theglobeandmail.com/news/national/census-2016-statscan/article34882462/>

Communicating With Stakeholders

Never, never tweet.

– Glenn Smith, Partner – Commercial Litigation
Lenczner Slaght Royce Smith Griffin LLP

Share the facts. Identify your key stakeholders and immediately share, on all available channels (traditional and social), what you know and what you do not yet know. Update as you gather more information and/or as circumstances change.

– Susan Schutta, Vice-President Communications
Revera Inc.

Never lose sight of the sector you represent: supporting the health and wellbeing of seniors through staff who are caring and well trained. Demonstrations of empathy; sympathy are always required to support your messaging and your company's reasons for being in the senior living business.

– Laurie Johnston, CEO
Ontario Retirement Communities Association

Seeking External Advisors

Hire a media consultant – a good one. That being said, don't let your media consultants say a word without a lawyer's permission.

– Glenn Smith, Partner – Commercial Litigation
Lenczner Slaght Royce Smith Griffin LLP

Internal Guidelines for Staff

Monitor both traditional and social media. Be aware of what is being said about your company by reporters, people on your social channels, and broadly on social media.

– Susan Schutta, Vice-President,
Communications, Revera Inc.

Don't be afraid to comment; silence is deafening.

– Glenn Smith, Partner – Commercial Litigation
Lenczner Slaght Royce Smith Griffin LLP

Best Practices

I believe there is an opportunity for the industry players to work together and educate the public. When larger operators with a national presence launch campaigns highlighting the positives of the industry, it's great for everybody, as they raise the bar and shine light on the positives.

– Lois Cormack, President and CEO
Sienna Senior Living

Remember that nothing is "off the record". Don't go off your script or go off on a tangent by responding to a question that doesn't support your messaging.

– Laurie Johnston, CEO
Ontario Retirement Communities Association

Be compassionate. If the issue or crisis has impacted people, share your empathy. Be human and be sincere.

– Susan Schutta, Vice-President Communications
Revera Inc.

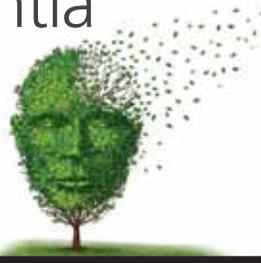




Art Therapy: Improving Memory for Seniors with Dementia

Daniela Cerrone

Rosel Kim
Goodmans LLP



Aging is a time of great change and often an opportunity for introspection. Art allows us to look within ourselves and make creations that give us meaning.

Art therapy takes the process of self-exploration further and, when used to treat those with illnesses like dementia and Alzheimer's, allows for increased cognitive functioning and emotional well-being. The full potential of art therapy has not yet been realized, but as more assisted care facilities explore this inexpensive and effective form of treatment, the full scope of benefit it provides will be unlocked, like a memory from long ago.

Art therapy has become popular with many seniors and is of particular benefit to those with dementia, Alzheimer's, and other dementia-related diseases. According to Bruce Miller, behavioural neurologist at the University of California, the aging brain responds well to art by allowing the brain's two hemispheres to work more in tandem. Art therapy can be done through nearly any creative medium, including visual art, dance, music, singing, and drama. Dr. Potts of Cognitive Dynamics, an art

therapy organization designed to assist seniors suffering from memory impairing illnesses, recommends a mixture of art therapies for the most effective treatment. He also notes that even seniors who commit to just one form of art therapy experience benefit. For those suffering from dementia and related illnesses, these benefits are especially priceless.



Dementia, Alzheimer's, and dementia-related diseases mount progressively stronger attacks against a person's memory. Music therapy is one of the most effective forms of art therapy to combat this memory loss. Beloved songs from a person's past, particularly from between the ages of 18-25, can evoke powerful emotions, and with them, memories. When patients go beyond listening to music, they can improve their physical health by dancing. Those suffering from dementia and related illnesses often withdraw from physical affection in later

stages of the disease, but dancing frequently leads to affectionate touching, which can bring great comfort to seniors and their loved ones. The brain experiences even more stimulation when singing is added to the mix. A US study presented to the Society for Neuroscience found that patients who engaged in singing activities over a four month period had improved cognition and life satisfaction over those who merely listened to music.

All of these activities have the potential to unlock emotions and memories from a person's past, but they can also be used to help a patient understand their present. Classic conditioning techniques of pairing certain pieces of music with certain activities allow seniors suffering from dementia and related disorders to forge mental connections and have greater success in retaining information about their everyday routine.

The loss of memory caused by Alzheimer's and related illnesses can have a profound impact on language as well. As people lose the ability to recall words in their vocabulary, visual art therapy can allow them to find a universal language with which to communicate. Through the medium of drawings and the like, a person can communicate their wants and fears, and ultimately retain their ability to share in what it means to be human.

Emotions can be difficult to communicate, even without language barriers. Visual arts allow for patients of dementia and related illnesses to communicate the strong emotions they may be feeling as they face the challenges of old age and illness. Having these images seen and acknowledged validates the experience of the artist and promotes emotional well-being for both the image's creator and those they have a relationship with. In this way, the benefits of art therapy have the potential to permeate into every aspect of a person's life.

Apps for Aging

Connor Spelliscy
Goodmans LLP



Apps have been changing the game for seniors and their caregivers. The following are some of the best apps to assist with the unique challenges in Seniors Living.

My House of Memories

Individuals with dementia can explore objects from the past and share memories with their families and caregivers through My House of Memories. The app is designed around reminiscence therapy and uses multimedia to help individuals explore and share memories through everyday objects. The goal is to foster engagement which helps the individual maintain relationships as well as a sense of continuity and purpose.



It's Done!

The goal of this app is to eliminate uncertainty for users who have trouble remembering the completion of everyday tasks. A to-do list with items like, “feed the dog”, “fill up the car with gas” or “take medication”, can be loaded into the app and then checked off as each item is completed. The app also allows the user to notify others when tasks have been completed and keep track of past tasks – giving family members and caregivers the ability to virtually check in on loved ones or patients. The app can help those with early stage dementia cope with intermittent forgetfulness and maintain independence.

Medisafe and Pill Reminder

Taking the correct medication on time and in the correct dosage can be a struggle for individuals with (and even without!) dementia. Medisafe and Pill Reminder assist in solving this problem by setting up alerts for users as to the dosage of medications they should take on a given day, as well as reminding patients to refill prescriptions. The app also allows family members to view their loved one’s medication schedule and can generate medication progress reports.



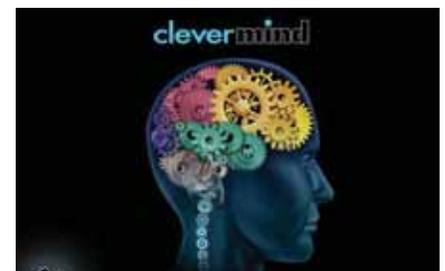
Sea Hero Quest

Sea Hero Quest is an app developed by dementia researchers to test spatial navigation skills. The user engages their memory to captain a ship to a waypoint that they only see flagged on a map at the start of a level. The levels increase in difficulty as the user progresses through the game. While the app may assist with “brain training”, the main goal is to collect data for researchers so they can better understand and predict the onset of dementia. Playing Sea Hero Quest for 2 minutes generates the same amount of data scientists would take 5 years to collect in lab based research. Since its launch, the app has collected the equivalent of 9,500 years of lab data.



Clevermind

Clevermind is a comprehensive app that helps seniors use their mobile phones more easily. The app uses large, clearly labelled buttons and a simple navigation system to give seniors access to the internet, news, trivia and brain training games without being overwhelmed. For additional assistance, the app allows for the creation of webpages that can be pre-programmed by a caregiver. The app also features voice commands which provide an added benefit for those with cataracts, visual difficulties or motor control issues.



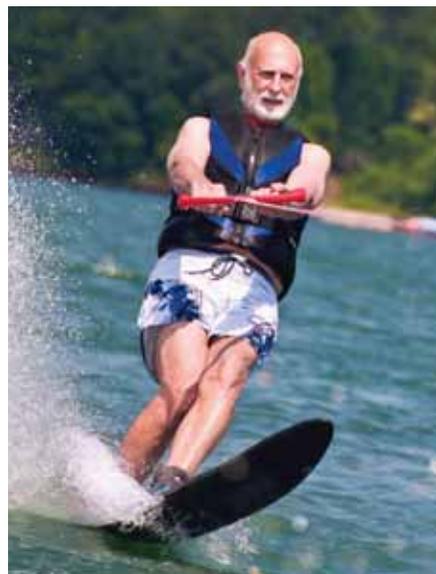


“Age is not how old you are, but how many years of fun you’ve had.”

Some of our favourite ways seniors stay fun, fit and fabulous.



Sequins and star power: At 71, Cher defied age with her recent performance of “If I Could Turn Back Time”, her 1989 hit. **Serve as mayor for 36 years:** As Hazel McCallion, Revera’s “other CEO” says, “seniors are good for a lot more than simply running a bath, baking cookies or babysitting grandchildren”.



No problem climbing stairs: You don’t have to have super strength to have fun rock climbing, indoors or out. **Wakeboarding:** The fastest growing water sport. Instead of water skis, the boarder uses a single board that resembles a snowboard. **The Iron Nun, Madonna Buder:** Doing the Triathlon inspires courage, commitment and living to the fullest.

SenbridGe Spectator

Epicurean picks from our industry leaders.



Thanks to Brent, Lois, Bill and Tom for their recommendations! We look forward to your tasting notes – please send us your favorites!



Brent Binions
President & CEO
Chartwell Retirement
Residences

DRINK: Macallan
DINE: Terra, Toronto
www.terrarestaurant.ca



Lois Cormack
President & CEO
Sienna Senior Living

DRINK: Pisco Sour
DINE: Carisma, Toronto
www.carismarestaurant.com



Bill Dillane
President & CEO
The Responsive Group

DRINK: Vesper Martini
DINE: George, Toronto
www.georgeonqueen.ca



Tom DeRosa
President & CEO
Welltower

DRINK: Ice Cream Sundae (!)
DINE: Colony Grill Room,
London UK
www.colonygrillroom.com





Seniors Housing Cap Rate Survey: Q1 2017

Sean McCrorie
CBRE Limited

Steve Hiscox
CBRE Limited



remains sought-after as a result of global uncertainties.

Lenders have started 2017 by inking some compression on spreads which may be a symptom of new debt supply or a shortage of product. While the spread compression is helping to mitigate an increase in underlying bond rates, positive signs in the employment market may cement the belief the yield curve trough was reached in 2016.

Report Overview:

CBRE produces a quarterly snapshot of Canadian commercial real estate investment trends with a specific focus on seniors housing & care properties. The following are highlights from the Seniors Housing Cap Rate Survey: Q1 2017.

Commercial Real Estate Investment Trends

Q1 2017 marked another quarter in which cap rates remained generally unchanged, while several markets reported additional tightening. Stronger than expected domestic economic data coupled with nervous anticipation surrounding European elections and U.S. trade policy provides the context for Canada's continued investment appeal. After a modest start to the year, investment volume and market momentum are increasing. Core property in Canada's major cities

Seniors Housing & Care Properties Trends

Based on the quarterly survey of active market participants, reported seniors housing cap rates were generally flat, versus Q4 2016. Seniors housing cap rates continue to benefit from robust investment demand based on strong (and improving) fundamentals, record low interest rates and the compelling long-term demographic outlook. The seniors housing sector appears to be undergoing a 're-rating' by investors, who are becoming comfortable in bidding down the historic spread which has existed between seniors housing and apartment investment returns.

Q1 2017 Canadian Cap Rate Survey

	Vancouver	Δ	Calgary	Δ	Toronto	Δ	Montreal	Δ
APARTMENT								
High Rise A	2.50 - 3.00%	↔	4.50 - 5.00%	↔	3.25 - 3.75%	↔	4.25 - 5.00%	↔
High Rise B	3.00 - 3.50%	↔	5.00 - 5.50%	↔	3.50 - 4.50%	↓	5.00 - 5.75%	↔
Low Rise A	2.75 - 3.25%	↔	5.00 - 5.50%	↔	3.25 - 3.75%	↔	4.75 - 5.50%	↔
Low Rise B	3.25 - 4.25%	↔	5.25 - 5.75%	↔	3.50 - 4.50%	↓	5.75 - 6.75%	↔
SENIORS HOUSING								
IL/ALA	5.75 - 6.25%	↔	6.50 - 7.00%	↔	6.00 - 6.50%	↔	6.50 - 7.00%	↔
IL/ALB	6.75 - 7.25%	↔	7.50 - 8.00%	↔	7.00 - 7.50%	↔	7.50 - 8.00%	↔
LTC A	6.50 - 7.00%	↔	7.75 - 8.25%	↔	7.00 - 7.50%	↔	7.75 - 8.25%	↔

Source: CBRE Limited

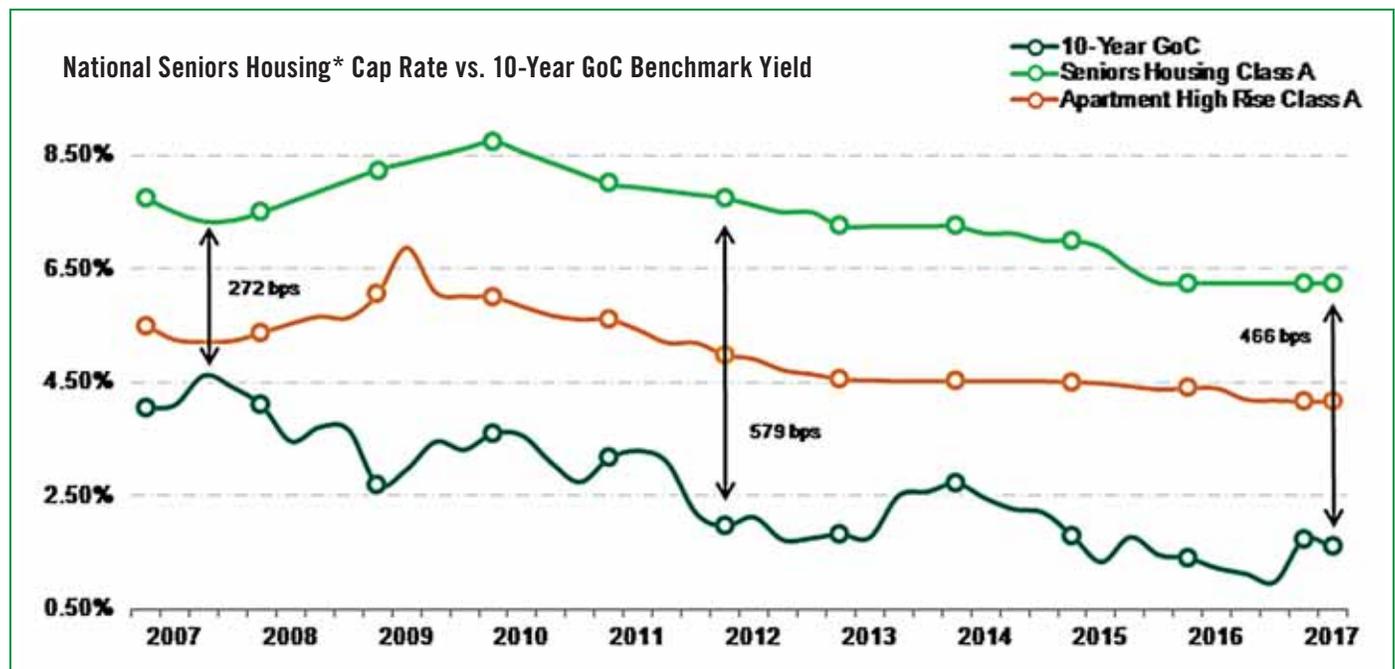
We note that the cap rates quoted in the survey are indicative of stand-alone properties, without an element of a ‘portfolio premium’, which is often associated with large transactions involving multiple properties. Several survey respondents also indicated that they might stretch beyond the quoted range in the case of ‘trophy-calibre’ properties (i.e. ‘AAA’ quality assets).

Cap Rate Trends

As displayed by the graph below, bond yields have continued to decline over the

past 9 years with the 10 year Canada bond declining from 4.62% in Q2 2007 to 1.63% as of March 31, 2017. In contrast, capitalization rates increased by 100-150 bps beginning in Q1 2008 as a result of the global financial crisis and uncertainty the global economy. Once capitalization rates plateaued in 2009, the seniors housing market commenced what has been 7 year market rally, during which time we have observed cap rates for Class A seniors housing properties decline by up to 250 bps.

It is important to note that while capitalization rates for high quality investments are lower than the rates seen in 2007, there is a significant difference in the 10 year Canada bond yields for these two time periods. The spread between the capitalization rate and 10 Canada bond today is approximately 466 bps versus 272 bps in Q2 2007.



*Class A seniors housing (IL/AL) assets. Stand alone property sales; not representative of portfolio transactions

Source: CBRE Limited

Key Transactions – Certain key transactions which closed in Q1, 2017 are summarized in the following table:

Property	Vendor	Purchaser	Comments
The Orchards (Vineland, ON)	2307943 Ontario Inc.	Chartwell Retirement Residences	Reported \$22.0 mm price for the 107-suite residence
Majority Stake in Retirement Concepts (Various: BC, AB, QC)	Retirement Concepts Seniors Services Limited	Cedar Tree Investment Canada Inc.	Price believed to exceed \$1 billion. Portfolio comprised of 24 IL/AL and LTC communities, with 3,908 beds
61% Interest in Glenmore Lodge (Kelowna, BC)	Baltic Properties	Sienna Senior Living	Sienna acquired a 61% interest in the 118 bed IL residence for \$19.5 mm after factoring in the option to acquire at a discount to FMV



Becoming a Strategy-focused Seniors Housing Organization

An interview with Doug Mills, CEO
Points West Living

Katherine Wilson
Suske Capital



Doug Mills reflects on Points West Living's strategy journey and how a strategy application is changing the way he views his business.

Question: Tell us a little about Points West Living.

Doug Mills: Points West Living is Alberta's leading provider of quality supportive communities, with a mission of building person-centered communities and a vision of becoming Western Canada's best supportive living care provider.

At the core of all we do is the Eden Model of Care. This philosophy supports seniors with a goal of their continuing to be active, healthy, contributing members of their community.

We believe that when an individual's ability to contribute is recognized, the years that

follow can be a time of meaningful activities and satisfying personal growth.

Q: Can you explain why a focus on strategic follow-through is important to Points West Living?

DM: Our sector is going through interesting times. On one hand we have a significant growth opportunity as the demand for seniors housing is rapidly outpacing the supply, while on the other hand we have both top and bottom line pressures so we have to be very smart about the strategic



Doug Mills, CEO

and operational choices we make in running our business to meet our mission and vision. I prioritize both strategy formulation and execution very highly.

Q: What does a successful implementation of strategy look like to you?

DM: I would say a strategy-focused organization is one that has mastered the following two critical success factors:

- Translating the strategy into language every employee can understand: the test is if I can walk up to any employee and have them tell me the story of our strategy, what we're trying to achieve and how we plan to go about it. To achieve this we use a strategy map framework as I like the way it shows the cause and effect between key outcomes and the priorities needed to achieve them. It also balances the financial and non-financial priorities and addresses both the short and long term needs of the business.
- Making strategy everyone's job: at Points West Living we strive to take the strategy from the board room through the company and to each of the properties we manage, thus sharing the responsibility for our strategy. For instance, at the GM level we take the priorities down to each property and have them plan and manage their priorities to align with the strategic direction.

Q: How did Points West Living determine their need to focus on a company-wide strategy?

DM: In the first board meeting for Points West Living LP in July 2015, we created 100-day plans for each of the executives

to hit the ground running. We knew we needed to all be on the same page to accomplish our goals. Steve Suske from Suske Capital suggested that we meet one of his business partners, Madhav Murti of the Execution Office, to discuss using their application, **strategyfit**, to help the executives stick to their 100-day plans and communicate their results. Madhav understood what was needed and worked with us to create an achievable company-wide strategy.

Q: How do you execute your strategy?

DM: The theory of all this is simple but the challenge lies in the execution as we're dealing with geographically dispersed operations and a growing list of priorities and demands on everyone's time and attention. That's where we found technology to be very useful.

Strategyfit is a cloud-based strategy management application that makes it easy for all of us to plan and manage our strategic priorities. It guides us through the process of setting goals and measures, aligning actions, managing budgets and risks, and monitoring the performance. Because it is cloud-based, all our employees from the GM level up have access wherever they are located. The program gives the executive team direct line of sight into how our strategy is performing all the way down to the property level and lets us see the various activities and tasks that are crucial to drive the desired outcomes.

This allows for a discussion on strategy at a very broad level in the company, something you don't see very often. That's the hallmark of a strategy-focused organization.



November 8-9, 2017
Fairmont Empress
Victoria, BC

Visit www.senbridge.ca for more information.

Registration opens this August!





Redefining Affordable Seniors Housing

Suske Capital's Model Brings Affordable Seniors Housing to the Forefront of the Industry

Katherine Wilson
Suske Capital



Canoe Bay is a seniors community overlooking beautiful Mooney's Bay in Ottawa. Suske Capital partnered with Gary Harper of B&K Management to respond to a RFO from the City of Ottawa and was granted the right to purchase and develop the land in September 2016. Mr. Harper is part-owner of City View Retirement Residence where he introduced a successful affordable care model to the rather expensive Ottawa market.



Canoe Bay is an adult community that combines a variety of living options permitting active senior living and the ability to age in place in a beautiful setting. Canoe Bay seniors residence will be developed with smaller suites and more public space for amenities and activities, promoting social interaction, resident engagement and active living, while allowing for an affordable alternative to the competition.

In Alberta, Suske Capital is partnering with a development group to develop an innovative brand of stand-alone seniors apartments. These apartments are a concept that is very different than the traditional retirement home model. Seniors will be able to live in a secure environment that provides a generous-sized apartment at close to market apartment rental prices

With a Canada-wide capture rate of just 9.1%*, providing seniors with more access to affordable housing has become a necessity in order to cover off the widening gap between government care and the needs of the demographic.

Making seniors housing accessible to a greater number of seniors has been an industry focus for years, but with the high costs of construction and management, truly affordable suites have been few and far between.

In Ontario in 2016, only 1.5% of spaces rented for less than \$1,500 per month, while 81.1% of units had an average rent of \$2,500 or more per month*. These rental rates are a barrier for many seniors and make enjoyable and safe retirement living a luxury that is unaffordable for too many.

The 2016 SenbridGe conference touched on the importance of increasing capture rates and bringing affordable solutions to the marketplace. Suske Capital has been focused on finding a solution ever since. In fact, Suske Capital is working on three major projects that will revolutionize affordable care in Canada by offering a variety of options to fit into any budget, and, in some cases, offering residents access to à-la-carte services via concierge.



Canoe Bay

*The National Seniors' Housing Survey, 2016. Canada Mortgage and Housing Corporation.

with access to services via an amenities coordinator who will arrange for à-la-carte services from home care to housekeeping and physiotherapy to in-suite massage.

Finally, Suske Capital and Hillspport Developments Inc. have partnered to develop The Bartlett Seniors Apartments in Oshawa, Ontario. With a premium central location within walking distance to Oshawa Centre Mall, these independent seniors living apartments will be competitive with market rental apartment rates. The Bartlett will offer the security and safety of a traditional retirement residence and residents can access a variety of services and activities available à-la-carte via the building concierge.

Suske Capital partners with local operators who understand the needs of seniors in their respective communities and has created custom platforms to fill those needs.

Fundamentally, there is not a great deal of care being delivered in a typical retirement residence. Most of what is provided are services such as housekeeping, dining and laundry or, more generally, services that help seniors be less dependent of actual care. The primary comfort for residents of retirement residences is the knowledge that live help is close at hand, should the need arise. Suske Capital believes that seniors

and their families can have such assurances in a more traditional apartment setting, thus meeting the needs of lower-middle income seniors. Comfortable living in retirement need not be a luxury and we will continue to develop projects at the forefront of quality and affordability.



The Bartlett Seniors Apartments



Designing the Future: Senior Living Technology Startups are on the Rise

Bob Klein
Direct Supply

Connor Spelliscy
Goodmans LLP



Startups are springing up at an exponential rate. According to the startup aggregator, AngelList.com, there are almost 30,000 startups listed in Silicon Valley alone – and these span every industry imaginable.

Sadly, only a small portion of those startups focus on Senior Living. In Senior Living, evaluating technology requires time and resources and because providers are generally short on both, the industry has been slow to push forward on the technology front. However, factors including (1) a growing marketplace demand for new solutions and (2) seniors becoming more technologically adept, are changing the technology story for the sector. Advancements in fall prevention, memory care and socialization – to name only a few – have created numerous opportunities to improve Senior Living as a whole.

One of the institutions leading the charge is Direct Supply's Innovation and Technology Center in Milwaukee, Wisconsin.

Tom Paprocki is the centre's Managing Director and is constantly monitoring the pulse of Senior Living startups. As a major player in Senior Living for over 30 years, Direct Supply is a proven leader in bringing the most promising startups in the industry to market. In its 50,000 square foot *Innovation Lab*, Direct Supply has already vetted more than 1,400 of these ventures and is currently engaged in promoting and developing 28 of the highest potential ventures.



According to Paprocki, the chosen startups cover the seven pillars of transformative change in Senior Living:

- 1 **Telemedicine**
- 2 **Remote Monitoring**
- 3 **Passive Fall Prevention**
- 4 **Staff Efficiency**
- 5 **Social Robotics**
- 6 **Artificial Intelligence**
- 7 **Virtual and Augmented Reality**

Paprocki believes that “the Senior Living landscape is catching up quickly to technology and moving beyond just tablets and flat screens. Operators are beginning to recognize that adoption is going to be crucial to their future success and the way they care.”

For instance, telemedicine is the remote diagnosis and treatment of patients by means of telecommunication technology. Telemedicine provides more convenient and accessible care for patients, especially for rural communities. Further, telemedicine

reduces emergency room visits and hospitalization rates – a welcome shift for jurisdictions suffering from lengthy wait times.

The global telemedicine market alone is expected to reach USD \$113.1 billion by 2025. The advancement of wearable technology that monitors patient health, such as smart watches (e.g. Apple Watch), presents an exciting opportunity for innovation and growth in this industry as it provides health care professionals with the means to track a patient’s vital signs in real time and intervene when required.

No stranger to Senior Living innovation, Revera has also invested heavily in the space – about CAD \$20 million over 5 years. Its unique *Innovators in Aging* program allows entrepreneurs to test new products, services and technologies through pilots at more than 500 Revera communities with the goal to scale across the Revera network and beyond.

Like Direct Supply, the objective of Revera’s startup and ecosystem partnerships is to help bring the most promising innovations to the seniors who need them most. Emerging technologies are changing customer expectations in many industries and Senior Living is no different. According to Azi Boloorch, Revera’s Director of Innovation & Strategic Partnerships, that’s a good thing. She explained that it is “incredibly inspiring that these startups recognize the value of resident choice and independence. There’s a tremendous opportunity for communities to incorporate these advances in the near future and work with seniors to better address their needs and wants.”

Learn more at directsupply.com and reveraliving.com

SenbridGe Sees Artist Profile: Celia Chaikin

Rosel Kim
Goodmans LLP

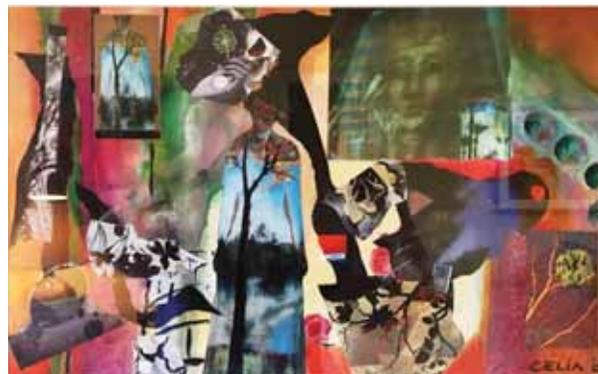


Celia Chaikin has for years actively pursued her passion for artwork. From a young age, Celia decided that art would remain a focal part of her life moving forward.

Celia’s artistic passion is not limited to paintings, as she actively explores all forms of artwork including weaving and sculpting, and is always open to exploring new art forms. As a young adult, Celia was unable to attend art school due to her posting in the Israeli army. Now, as part of pursuing her passion, Celia has enrolled in several art courses (including ones offered by the then-Ontario College of Art) and participated in numerous workshops over the years.

With her paintings, Celia is often praised for her effective use of mediums and daring usage of bold and bright colours. Creating particularly colourful paintings has always been important to Celia. She often finds inspiration through music and books when creating her artwork. At the core of Celia’s desire to produce artwork is a passion to give people joy and she strongly believes that her artwork is meant to be shared with others.

Celia has brought her talent and artwork to the forefront with a few showings of her artistic works, the most recent showing being in April 2016 at Sienna’s Peninsula Retirement Residence in Surrey, where she now resides. She has lived in Israel, Montreal, Vancouver and Toronto and is fluent in English, Hebrew and German.



“Mixed Dreams” – by Celia Chaikin



SenbridGe Spotlight: Sienna's Glenmore Lodge & Nicola Lodge

Dea Mantel
Sienna Senior Living



Sienna's two new long-term care homes in British Columbia, Nicola Lodge and Glenmore Lodge, combine excellent services with elegant interior design to provide exceptional and personalized care to their residents.

Both homes provide a comfortable and home-like atmosphere for seniors requiring 24-hour nursing support. The complex needs of residents are met by a team of professional nursing staff and trained care aides. Each spacious, tastefully decorated resident room is equipped with ceiling lifts for resident and staff safety and comfort.



GLENMORE LODGE

Serving seniors in the Glenmore Valley Village area, Glenmore Lodge is located minutes from highway 97 and an international airport. There are also many nearby parks and restaurants, and Okanagan Lake is only moments away. Glenmore Lodge is home to 118 residents.

NICOLA LODGE

Surrounded by shops and restaurants, and only minutes from the Lougheed Highway, Nicola Lodge is a Residential Long Term Care and Mental Health and Substance use residence located in Port Coquitlam, British Columbia. Home to 256 residents, it is designed to serve seniors and adults in the Tri-Cities communities of British Columbia.



Specialized Care Neighbourhoods Offer Premium Long-Term Care

Because Sienna believes in bringing people together, these residences are split into small neighbourhoods that are designed to promote friendship and wellness in an intimate environment. These neighbourhoods also offer specialized care.

Dedicated Dementia Neighbourhoods

The dedicated dementia neighbourhoods at Nicola Lodge and Glenmore Lodge provide a calm, intimate and secure environment for residents with cognitive challenges. Programs offered in the dementia neighbourhood area are designed to allow the residents to function as independently as their individual capabilities permit. Tailored recreational programs are designed with the intention of enriching the lives of residents. The services offered at each home's dementia neighbourhood include:

- 24-hour professional nursing services
- 24-hour direct care provided by trained resident care aides
- Services of a Registered Dietitian to assess and prescribe diets based on the nutritional needs of residents
- Daily recreational programs and regularly scheduled music therapy
- Physiotherapy services to assess resident needs
- Beauty salon operated by a Licensed Beautician
- Secured entrances, exits, and outdoor courtyards

- Resident call system in each room and common areas
- Relaxing lounges for resident and family visits
- Minibus
- One-on-one caregiver assistance with queuing and memory enhancements
- Walking and exercise programs designed to match individual's changing needs and functional abilities
- Decor and design features that promote inner peace and contentment

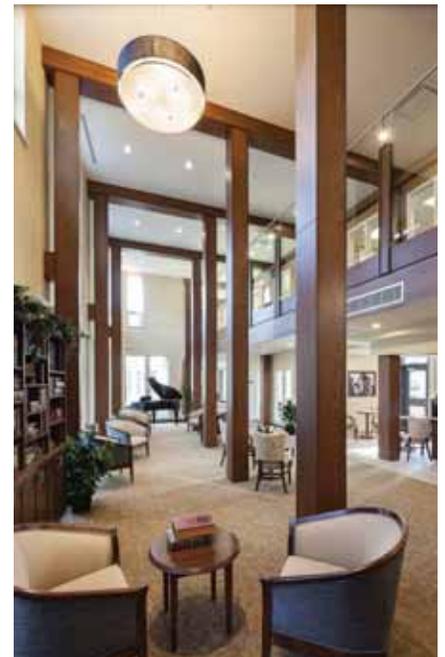
Mental Wellness and Substance Abuse Neighbourhood

Nicola Lodge also offers a specialized neighbourhood, Capilano, for residents with mental illness and substance use issues. Capilano's philosophy is strength-based, recovery-focused and person-centred, with the aim to encourage and support independence, promote quality of life and engage in community involvement. The team of professionally trained staff, work in conjunction with Fraser Health's Mental Health and Substance Use program to provide comprehensive care services, including:

- Spacious private room and bathroom for each resident
- Welcoming and open common areas
- Flexible visiting hours, based on the needs of the resident
- 3 balanced, wholesome meals and 3 snacks per day
- Various, resident driven, recreational programs

- Nursing Care
- Medical and Psychiatric follow-up
- Dietitian Services
- Occupational and Physiotherapy

Both residences offer private beds as a complement to the funded beds available through the Fraser and Interior Health Authorities.



Nicola Lodge

Call to book a tour at:
604.945.0059 (Nicola Lodge);
236.420.1717 (Glenmore Lodge)
or see the residences online at:
www.siennaliving.ca.



Revera's Innovators in Aging Program: Reflections on the First Year

Azi Bolorchi
Revera Inc.



As our population ages, emerging technologies and innovative models of care and service delivery have the potential to transform the aging experience.

At the same time, the complementary core capabilities of startups and corporations present a mutually beneficial collaboration opportunity to scale innovation.

This is why Revera launched the Innovators in Aging program as a platform to invest in and scale innovations to improve the aging experience. Through the program, we work closely with entrepreneurs to pilot innovations at Revera communities, provide advisory services and strategic support related to developing a scalable business model, and help the most promising startups grow through investment from our \$20M innovation commitment.

Since the launch of the program in May of 2016, we have reviewed over 300 opportunities submitted via our portal, completed 14 pilots across 26 Revera sites, and completed 3 investments. Below I share some of our

lessons learned in working with startups in the past year. For more best practices and recommendations on advancing a culture of innovation in senior care, please see the white paper developed jointly by Revera and Aging 2.0 entitled "Advancing a Culture of Innovation in Senior Care," which can be downloaded at: www.aging2.com/content/whitepaper.



Choose Wisely

From apps to AI-enabled sensors and interactive robots, there has been an explosion of startups focused on improving the aging experience. While promising for the aging demographic, this presents a challenge for corporates and investors to choose the right startup. Given the disruptive nature of introducing new technologies into the frontline operations, it is imperative to conduct a thorough review of the innovation in advance of a pilot.

Here are the key questions that we ask:

Does this innovation address a key challenge or opportunity for our residents, frontline employees, and business?

For this, we use a design-centered approach to understand the needs of our residents, family members and employees and rely on the advice of our Resident Innovation Ambassador and Chief Elder Officer. We derive meaningful insights from our data and work closely with our operational leaders to identify priorities for change.

Is this innovation likely to address the above challenge or opportunity?

This requires a deep understanding of emerging technologies and global innovation trends in senior living. We are building this capability internally by actively building our startup network while leveraging our partnerships with our vendors and organizations such as Aging 2.0, AGE WELL and MaRS.

Does this solution have potential for scale across our network and beyond?

We assess scalability from the technological, operational and change management, and ROI perspectives. Given our focus on scaling, we tend to work with companies that have customers and/or revenue but our portfolio also includes more early stage startups with longer term scalability potential.

Assess Impact

Measuring the impact of an innovation is an integral step in its continuous evolution and building the business case for scale. At Revera, our overarching objective for piloting innovations is to validate our hypotheses related to the questions above. Our pilot

evaluation framework includes quantitative measures to assess impact on residents and families, frontline employees and our business. We combine these quantitative measures with inspiring stories of impact.

We also use traditional financial metrics to capture the financial returns of our investments.

Get the Right People Engaged... Early

A focus on impact and scalability necessitates strong engagement and collaboration across all levels of the organization. In the frontline, real-time communication between startups, employees and residents allows for rapid iteration of a solution that creates value, while involvement of operations, IT, finance and the senior leadership team, and the inclusion of innovation initiatives in the budget and planning cycle are also critical in building a scalable business model.

Reflecting on our first year, we have made great strides in building an ecosystem that fosters startup and corporate partnerships. We are excited to build on our learning to strengthen our program and build a platform to scale innovations focused on the aging experience.

Hot Topics and Fun Facts



Meghan Markle: Royalty seems to have an affinity for Canadian beauties. In 2008, Montreal-native Autumn Kelly married the Queen's eldest grandson, Peter Phillips, and it looks like Prince Harry may have caught the Canadian love bug from his cousin. Actress, Meghan Markle accompanied Harry as his date to Pippa Middleton's wedding this past May. While Markle may not hold a Canadian passport, she has been living in Toronto during her work on *Suits* (inspired by and filmed in Goodmans' Bay Adelaide Centre).



Oldest Person: After the April 2017 passing of Emma Morano from Italy at age 117, Violet Brown, a 117 year old Jamaican woman, is now the oldest person in the world. Born on March 10, 1900 Violet Brown credits her longevity to "hard work". A lesson for us all!

Self-Driving Cars: Ford has unveiled what its self-driving cars will look like when they hit the market in 2021. With a plan to invest \$1 billion in the next five years, Ford will be giving Google, Tesla and Uber a run for their money – not a bad thing for non-driving seniors!



Colourless Coffee: For those worried about coffee stains on their teeth, two Slovakian brothers have invented the first "colourless coffee". The product allegedly tastes like coffee and has no preservatives, artificial flavours or sweeteners. Due to high demand, shipping for the "colourless coffee" will take 3-4 weeks.



Boston Marathon: Geoffrey Kirui won the 2017 Boston Marathon with a time of 2:09:37. The only time more impressive than Kirui's was that of 70 year old Kathrine Switzer, who finished at 4:44:31, 50 years after becoming the first woman to ever compete in the race.

What the Duck?: The Ontario government is spending \$120,000 for a six-storey-tall, 13,600-kilogram giant rubber duck that is coming to Toronto as part of Ontario's 150th anniversary celebrations. This decision has ruffled some feathers with many calling it a "cluster duck", but the Liberal government maintains that all the quacking is much ado about nothing.



Canada's Birthday: Canada turns 150 years old this year, and the proportion of seniors aged 65 and older grew by the largest increase since Confederation. The share of seniors climbed to 16.9% of Canada's population, exceeding for the first time, the proportion of those under 15 years old, which stands at 16.6%.



Caring for Aging Parents: According to a recent study by CIBC, caring for aging parents costs Canadians \$33 billion a year in direct out-of-pocket expenses and time off work. This number is expected to increase over the next decade, as the share of Canadians aged 65 and older grows by approximately 30%.

Monkeys Who Swipe Right: A Dutch zoo is conducting a 4 year experiment called "Tinder for Orangutans" where a female orangutan will use a table to select a future mate. The goal is to learn more about mating preferences and increase chances of mating success.



About SenbridGe

SenbridGe encompasses Goodmans' successful and evolving complement of educational, networking and publication offerings related to the seniors living and healthcare industries, as well as our related innovation and technology initiatives. SenbridGe through Goodmans brings you a growing team of specialists dedicated to the practice areas most relevant to these industries, including Post-Acute and Complex Care, Seniors Living, Home Health, Pharmacies, Medical Office, Health Information, Health Innovation & Technology and all other facets of both private pay and funded healthcare delivery. Our practice provides stakeholders across the spectrum of care with, a bespoke selection of legal, educational, networking, strategic, regulatory and other professional services.



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Michelle Roth is the Founder and Chair of Goodmans' Seniors Housing practice group and is considered a foremost industry leader in Aging & Healthcare. Michelle has been recognized as a leading lawyer by *The Globe and Mail*, *Lexpert*, *The Best Lawyers in Canada* and *Chambers Global* for her work in REITs, cross-border transactions and various areas of health care law.



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Lindsay Everitt is the Director of Marketing and Communications at Goodmans, where she manages and provides strategic oversight for marketing and client relations efforts. Since 2010, she has played a key role in the design and execution of the firm's Seniors Housing initiatives, including as producer of the annual Toronto and Vancouver conferences.