



Angela Mariani, BA
Development Planner
Nautical Lands Group
372 Taunton Road East, Unit #L4B
Whitby, ON L1R 0H4

May 2, 2023

Re: Wellings of Port Hope – Affordability Analysis

Dear Ms. Mariani:

Wellings of Port Hope Inc. is proposing to develop a Supportive Living Housing development in Port Hope. You have requested that Tate Economic Research Inc. (“TER”) review the anticipated costing of the proposed Wellings in the context of the Port Hope seniors housing market.

In order to respond to requests from the Municipality of Port Hope for information regarding the affordability of the proposed Supportive Living Housing development, TER has reviewed the price and offerings at the proposed Wellings of Port Hope. We have also reviewed similar information relating to seniors housing offerings in the Province of Ontario, Northumberland County and more specifically, in the community of Port Hope. This letter summarizes our research and analysis.

1 Wellings Concept

Wellings communities are targeted towards active lifestyle adults, aged 55+. They operate a 100% rental model with optional services for residents. The Wellings of Port Hope is planned to offer both apartments and townhomes. It is planned to include a four storey building containing 74 seniors rental units, as well as 36 seniors rental townhomes. The Wellings of Port Hope is proposed on a site that will be leased, on a long term basis, from Choice Properties. It is located adjacent to the existing Your Independent Grocer supermarket and other retail and service commercial space.

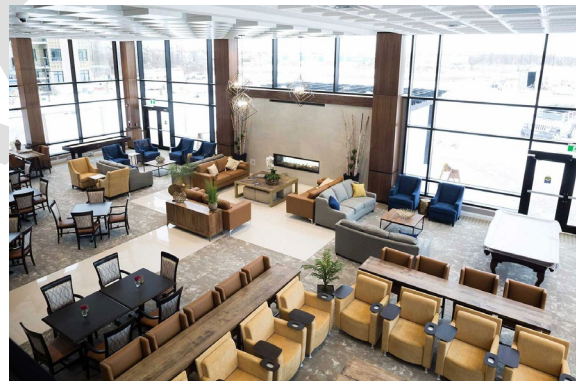
The Wellings concept is classified as a Supportive Living Housing development. It aims to fill the gap between traditional housing and retirement homes, as described below.

Wellings units include full sized kitchens and in-suite laundry. These facilities provide residents the option to live independently. Wellings communities offer amenities such as 24-hour concierge and a wide range of amenities, such as a fitness centre, restaurant, pet washing station, games and theatre room and furnished guest suites, among others. The majority of the amenities will be located on the ground floor of the four storey building.

The Wellings model is unique and the only one of its kind in Canada. Wellings is not a retirement home. In Ontario, retirement homes are licenced entities and residents typically require a medical assessment as part of the application process. Wellings is positioned for residents who are between desiring a typical private residence and needing a community with care. The majority of services, if required, are offered on an 'a la carte' basis. This approach ensures that residents are not paying for services that they do not require. As a result, the Wellings model can provide a more affordable solution with regards to seniors housing. Wellings communities often become feeder communities to local retirement homes, as residents age and require additional care.



Wellings of Stitsville



2 Cost Analysis - Wellings

Figure 1, on the following page, summarizes the anticipated rent at Wellings of Port Hope. Wellings of Port Hope will offer one bedroom rental apartments for 55+ residents with rents starting from \$1,999 month, including a \$450 monthly meal credit. A two bedroom is anticipated to be priced at \$2,995, including the meal credit.

Figure 1: Summary of Projected Wellings Cost

Location	1-BR Price	2-BR Price
Wellings of Port Hope	\$1,999	\$2,999

Source: Tate Economic Research Inc. based on information provided by Nautical Lands Group. These figures represent anticipated rental rates based on the Wellings model and may be subject to change.

This Wellings pricing is contrasted with other options in the balance of this letter.

3 Cost Analysis – CMHC Data

The Canada Mortgage and Housing Corporation (“CMHC”) conducts the annual Seniors’ Housing Survey in February. The most recent Seniors Housing Survey was undertaken in 2021. It includes a range of information relating to the seniors housing market and it summarizes information on a nationwide, geographic basis.

This survey includes both private and non-profit seniors housing. To be eligible for inclusion in the survey results, a residence must meet a range of criteria, including: having non-subsidized units, at least 10 rental units, offering an on-site meal plan, not mandating high levels of health care (defined as 1.5 hours or more of care per day) and having at least 50% of its residents who are 65 years of age or older.

Furthermore, nursing homes and long-term care homes are examples of residences that were not included in the survey. The Seniors’ Housing Survey is a census and not a sample survey — all seniors’ residences in Canada that meet the criteria are part of this survey.

Figure 2, below, summarizes CMHC data that is relevant to the Port Hope marketplace. Port Hope is included in the Northumberland County data, which represents the most detailed geographic area for the published data.

Figure 2: Summary of CMHC Seniors Housing Cost Data

Area	1-BR Price	2-BR Price
Northumberland	\$4,100	\$5,114
Ontario	\$4,642	\$5,829

Source: Tate Economic Research Inc. based on CMHC Seniors Housing Survey, 2021 data.

4 Port Hope Seniors Housing Comparison

TER reviewed the existing seniors housing market in Port Hope to determine pricing and offerings. It is noted that long term care facilities are excluded from this analysis, as they are not considered to be directly competitive with the proposed Wellings community. The locations of retirement homes in Port Hope are indicated in Figure 3 and the pricing data is summarized in Figure 4. A more detailed review is attached to this letter as Appendix A.

Figure 3: Port Hope Seniors Housing



Source: Tate Economic Research Inc.; Basemap: ESRI ArcGIS.

Figure 4: Summary of CMHC Seniors Housing Cost Data

Location	Operator	Year Built	1-BR Price	2-BR Price
Empire Crossing	Aspira	2015	\$3,700	\$5,200
Tower of Port Hope	Dynasty	1978	\$2,900	\$3,500
Roseglen Village	Levante	2003	\$3,800	\$4,000

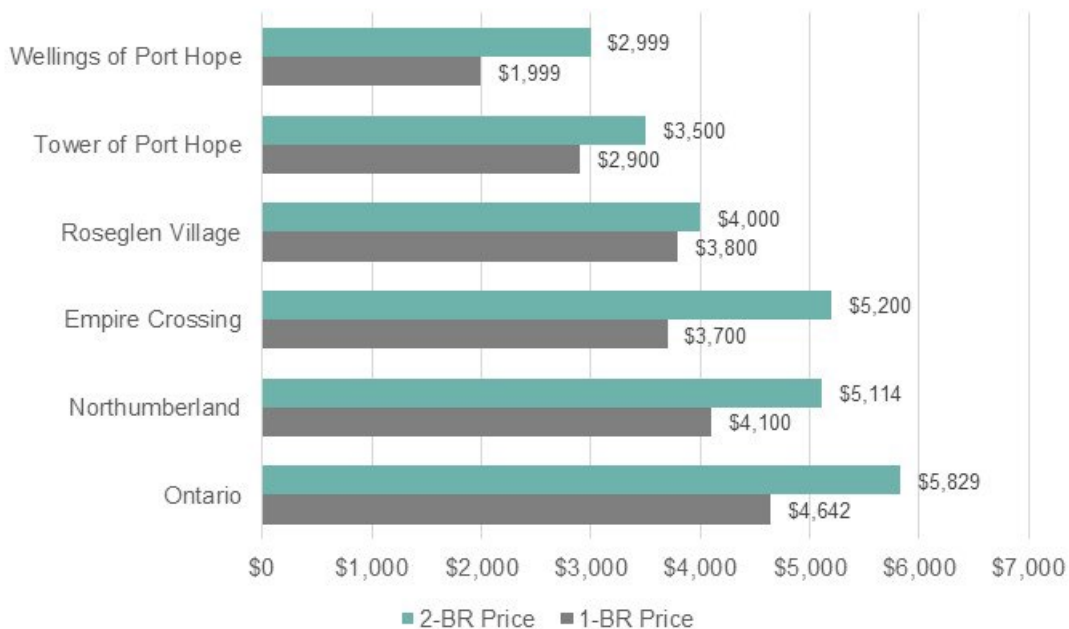
Source: Tate Economic Research Inc. Information is current as of March 2023. Year built is approximate. See Appendix A for additional information.

5 Analysis and Conclusion

The one and two bedroom pricing from the various information sources is summarized in Figure 5. This Figure summarizes the starting monthly rent anticipated at Wellings of Port Hope and the three existing seniors housing facilities in Port Hope, as well as CMHC’s average rent for Northumberland County and Ontario.

As indicated in Figure 5, the Wellings is considerably lower, (approximately \$900 per month, or 45% lower based on a one bedroom unit) than the least expensive current offering in Port Hope. It is noted that Wellings offers a rental concept that is somewhat unique in the industry. Wellings units include full sized kitchens and in-suite laundry and therefore residents are not required to purchase full meal plans. In addition, retirement homes typically require residents to purchase a

Figure 5: Seniors Housing Rent Analysis



Source: Tate Economic Research Inc. It is noted that rent for Ontario and Northumberland are average rent and the remainder are starting rent.

level of care that is not provided, or available, in the Wellings model. These factors contribute to the lower monthly cost requirement at Wellings when compared to typical retirement homes.

In summary, this TER research has indicated that the proposed Wellings is anticipated to provide a lower cost alternative for the seniors housing market in Port Hope.

Please contact the undersigned for further discussion, as required.

Yours truly,
TATE ECONOMIC RESEARCH INC.

DRAFT

Ben Van Impe
Senior Consultant

DRAFT

James P. Tate
President

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APPENDIX A: Port Hope Seniors Housing Data

Figure A-1: Port Hope Seniors Housing Data

Residence Name	Wellings of Port Hope	Tower of Port Hope	Roseglen Village	Empire Crossing
Information				
Owner	Nautical Lands Group	Dynasty Retirement	Levante Living	Aspira Retirement Living
Type	Carefree Living	Assisted Living	Independent/Assisted Living	Independent/Assisted Living
Approximate Year Built	N/A	1978	2003	2015
Number Of Suites	74	44	94	63
Rental Rates				
1 Bedroom Price Range	\$1,995 and up	\$2,900 and up	\$3,800 and up	\$3,700 and up
2 Bedroom Price Range	\$2,995 and up	\$3,500 and up	\$4,000 and up	\$5,200 and up
Examples of Included Services				
Cable/Phone	No	Additional Fee	Yes	Additional Fee
Meals Per Day	\$450 Monthly Credit	3	3	3
Housekeeping	Additional Fee	Yes	Yes	Yes
Laundry	In Suite	Yes	Yes	Additional Fee
Medication Administration	No	Yes	Yes	No
Activities of Daily Living	No	Yes	Yes	No
Emergency Monitoring	No	Yes	Yes	Yes

Source: Tate Economic Research Inc. based on information collected in March 2023.