

Rules of the Road:

*Financial  
Considerations  
& Tips for Choosing  
a Community*



**Town & Country**  
Your faith. Your way of life.

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A red car is shown from a low-angle, rear-quarter perspective, driving on a paved road. The background is a lush green landscape, heavily blurred to convey a sense of high speed. The car's rear wheel and side mirror are prominent. A solid yellow vertical bar is located on the left side of the image, partially overlapping the text.

What goes from zero to 60 in no time flat?

*Life.*

It happens fast. And now's the time to take the wheel, check the fuel, and consult your GPS. Town & Country has put together this high-performance guide to help prepare you for an enjoyable ride to the future.

## Tip #1: Read the owner's manual.

**Here's a glossary of community living terms before we hit the road.** Learn the lingo, so you can be prepared to have a meaningful conversation.

### **LIFE PLAN COMMUNITY**

**(Also known as a Continuing Care Retirement Community or "CCRC"):** A community that offers

independent living, assisted living, memory care and long-term skilled nursing. Real "planners" tend to choose a Life Plan community because there, their future is taken care of—no matter what happens. Important: There are health requirements for entry as an independent-living resident, so you'll want to explore your options earlier rather than later.

**ENTRANCE FEE:** A cost for entering some Life Plan communities. Fees can range from as low as \$100,000 up to \$650,000. You'll find a variety of refundable contracts as well, which means your heirs or estates will get back a portion of the entrance fee. Entrance-fee communities also charge a monthly fee that covers services and dining, which is usually affected by the type of contract you choose—making the price higher or lower.

**RENTAL COMMUNITY:** A rental property that does not include long-term-care benefits or require an entrance fee. Some Life Plan communities offer rental options.

**BENEVOLENCE FUND:** Most entrance-fee Life Plan communities pledge a special fund that can be used to prevent residents from having to move if they experience a financial hardship due to no fault of their own. These are often called benevolence funds or hardship funds.

**ASSISTED LIVING:** Apartments or communities that provide help with activities of daily living, ranging from housekeeping and dining to medication management and more complex health services.

**CONTINUUM OF CARE:** Care services that cover a spectrum of needs at a single location. These include assisted living, memory care and long-term care (also known as skilled nursing).

**AT-HOME CARE:** Support services that allow a person to age in place. These include weekly or daily help with medications, light cleaning, shopping, meals, help with dressing and hygiene, companionship and more.

**SKILLED NURSING:** Care provided by licensed nursing staff for ongoing medical needs. Some CCRCs, like Town & Country, offer skilled nursing for planned and unplanned recovery of surgery and rehabilitation. At these communities, there's no need to leave the community to get the medical care you need.

**AGE-IN-PLACE:** To receive care at home or while living in a home within a smaller community. This simply means living in a residential environment while aging.

**Tip #2: Know where you are on the map (of life).**

**There are three distinct phases**, and each can make a difference in where and how you could live.

While everybody is different and will have varying levels of abilities and desires, in general people fall into three phases during the 30- to 40-year period after retirement. We have broken this down into three different parts of the journey: Pedal to the Metal, the Scenic Route, and Cruise Control.



**“THERE IS A TIME  
FOR EVERYTHING,  
AND A SEASON  
FOR EVERY  
ACTIVITY UNDER  
THE HEAVENS”**

**~ ECCLESIASTES 3:1**

## Tip #2: Know where you are on the map (of life).

### PHASE 1: PEDAL TO THE METAL (62 to early 70s)

This stretch of the journey is where you should spend more time doing the things you really want to do. It's your chance to start checking items off your bucket list. Still working? Great, it's time to conduct that financial check-in to see if you really need more money to retire, or if you can comfortably retire (or partly retire) without the nine-to-five job.

**Is it monetary reasons, or satisfaction, or simply habit that keeps you working?** Perhaps it's time to look for ways to scale back on some of your responsibilities and direct that energy toward something else you love or are passionate about, such as traveling, taking or teaching a class, volunteering, creating a nonprofit or part-time business, or taking more trips to see friends or family. Remember: in surveys done with people at the end of their lives, no one ever says, "I wish I had spent more time at the office."

### Dream Your Life:

Make a bucket list of things you want to do, see and contribute.

#### MY BUCKET LIST

List five to ten people you want to see:

- 1.
- 2.
- 3.
- 4.
- 5.

List five to ten places you want to see:

- 1.
- 2.
- 3.
- 4.
- 5.

List five to ten experiences you want to have:

- 1.
- 2.
- 3.
- 4.
- 5.

## Tip #2: Know where you are on the map (of life).

### PHASE 2. THE SCENIC ROUTE (mid 70s to mid 80s)

For many, this is the phase when you can get the most value out of joining a Life Plan community as an independent-living resident. The positive-aging movement is clear on the benefits of exercise, active socializing and eating right in staving off age-related decline, so self-care is vitally important at this stage. (Many Town & Country residents say they joined the community because they wanted to enjoy the benefits of its campus, programming and wellness opportunities while also having peace of mind for the future.)

Now is also the time to revisit that bucket list, and prioritize the things you haven't done yet but still want to do.



## **Pit-stop Activity:**

Try doing the Unlived Lives exercise to discover meaningful hobbies.

Now is the time to think about those activities that take less energy but give you the greatest satisfaction. It's also a time to start engaging in those hobbies that you can easily continue into your 80s and beyond.

These should include not just hobbies to pass the time, like doing puzzles or brain-training games, but also activities that are meaningful to you. Ask yourself: if you had to do it all over again, and had to pursue a completely different profession, what might it be? Make a list of all your "unlived lives."

**2. Now circle those that seem related to one another, and that excite you the most.**

## **1. Unlived Lives**

Brainstorm a list of 10 to 20 unlived lives.

Dream big or small:

Perhaps you listed “actor, dancer, musician, poet, director, novelist, photographer.” Those all have performance and creative qualities. So you might want to take the opportunity to do some acting in a local community theatre, join an improv workshop or Toastmasters, write and perform a one-act play or short film, or publish an online blog of your favorite poems or photos.

Perhaps you wrote “biologist, park ranger, veterinarian, zoologist, dolphin trainer.” These obviously all have a naturalist or wildlife element to them. You could consider starting a part-time pet-setting business; applying as a seasonal campground host; volunteering at an animal shelter, zoo or park; fostering service animals; or becoming a citizen scientist who helps biologists count wildlife.

The point of this exercise is to explore opportunities where we can still fulfill our longings in simple and achievable ways that don't require a lot of time, effort, education or financial investment. These are the best kind of hobbies to start at this stage.



### **How do your “unlived lives” relate to choosing a retirement community?**

They can help you find out if there are groups within a community that share your passions and interests. The community itself might even offer programming or volunteer opportunities that align with your hobbies and of course there is the physical setting and amenity offering to consider.



## Tip #2: Know where you are on the map (of life).

### PHASE 3. CRUISE CONTROL (85+)

If you've spent your previous 20 years living an active, engaged lifestyle, most likely you'll continue to be active and engaged into your 80s and beyond. The following exercise will be a great primer for that.



### Pit-stop Activity: Pick a home base.

Your home base may change several times throughout your retirement. Early on, it might be your family home, a rental apartment or an RV for part of the year. But as you settle into Cruise Control mode, it's time to make some big decisions about your home base's location. Is it near the kids? Is it a setting you love? Is it somewhere easy to get around in without a car? Does it provide you with access to good healthcare? Using a pencil, rank the following qualities in order of importance to you, from 1 to 17.

- |                            |                           |
|----------------------------|---------------------------|
| ___ Walkability            | ___ Transportation        |
| ___ Top-notch medical care | ___ Shopping              |
| ___ Dining                 | ___ Religious affiliation |
| ___ Like-minded peers      | ___ Movie theaters        |
| ___ Lifelong learning      | ___ Continuum of care     |
| ___ Exercise classes       | ___ Home-care options     |
| ___ Natural surroundings   | ___ Nonprofit affiliation |
| ___ Cultural opportunities | ___ Pool                  |
| ___ Views                  |                           |

**How does choosing a home base relate to Life Plan communities?** By creating a ranked list, you can be better prepared for your search and to evaluate the available offerings.



**TIP #3: Know which way to turn.**

**Compare nonprofit and for-profit routes—they offer different benefits.**

There are nonprofit and for-profit communities, and there are communities of both types that deliver great care and a high quality of life to their residents.

With that said, nonprofit communities offering a continuum of care are consistently ranked higher in several metrics than are the majority of similar for-profit communities, in the annual ratings at the federal Centers for Medicare and Medicaid Services (CMS). Understanding the difference between a nonprofit and a for-profit organization can help you consider your lifestyle options—but the differences between the two models go far beyond their relation to the collection of profits.



**“THE BAD NEWS  
IS THAT TIME  
FLIES...”**

**“THE GOOD NEWS  
IS THAT YOU’RE  
THE PILOT.”**

**~ MICHAEL ALSHULER**

## For-profit CCRCs

Similar to any for-profit company, for-profit communities provide services with the end goal of generating a profit. Ultimately, they answer to private owners, investors and shareholders and must show a healthy return on investment for their efforts.

However, since a for-profit CCRC is unlikely to have a benevolence fund, they will likely take in any resident, regardless of health or age. There tends to be a higher churn rate in residents and staff at these communities, since the financial commitment is lower and there is no governing mission.

Finally, for-profit communities offer more flexibility in their leases, but their resident populations tend to be more transient overall, which can affect the lifestyle and culture of the community.

## Nonprofit Life Plan communities (a.k.a. CCRCs)

A nonprofit Life Plan community has a mission beyond profits, but its leaders also understand that being profitable and solvent is important to their ability to carry out that mission. (A common saying among nonprofits is, “No money, no mission.”) Nonprofit communities are actually required by law to reinvest their profits back into their organizations under section 501(c) (3) of the Internal Revenue Code, in order to maintain their tax-free status. Putting money back into the community instead of paying it back to investors tends to elevate quality of life, programming, dining and care services for their residents, and helps them retain staff. Most entrance-fee communities set aside funds to help people who move in as independent-living residents, who may later need financial assistance—this is what’s known as a benevolence fund. If a resident runs out of money due to no fault of their own, the benevolence fund ensures that they won’t have to leave. For-profit communities seldom include this option. Because they require entrance fees, nonprofit communities create stable and loyal populations of residents, which allows for a more desirable culture and deeper connections between people there. They also oftentimes support other nonprofit organizations in their area, and offer the use of their community for meetings and events. Residents and staff members at nonprofit communities often work to improve the neighborhoods where they live through volunteering, fundraising and active participation in the outer community.



## **TIP #4: Make your health part of your financial journey.**

### **How can continuing-care retirement communities keep you healthier (and wealthier) longer?**

Health problems, at any stage of life, can result in a loss of financial stability, and are the number-one leading cause of bankruptcies. Healthcare is also the biggest expense in retirement. Older adults need sufficient assets to enable them to both live well and live longer. To that end, community living can make a major difference in healthy aging in a number of ways:

In 2018, Northwestern University and the Mather LifeWays Institute on Aging published data from the first year of a five-year study examining the impact of CCRCs on senior wellness. Approximately 5,000 seniors in 80 communities participated. Among the results:

- 69% of surveyed CCRC residents reported “somewhat or greatly improved” social wellness.
- Overall, compared to non-continuing-care retirement-community residents, CCRC residents reported greater social, physical, intellectual and vocational wellness; higher levels of physical activity; and better nutrition.
- One year after moving to a CCRC, residents who participated in the research were happier and healthier than those who had remained at home.

In another study conducted by LCS, a firm tasked with developing, marketing and managing senior-living communities, found that feelings of stress, low confidence and self-esteem, worry, and strain all declined within the first six months of moving into a CCRC. These findings help validate the conviction that people who choose to live in senior-living communities can experience greater well-being—and greater levels of happiness.

**But what do scientific studies say about those who stay isolated at home and age in place?**

Many document the effects of social isolation and a lack of meaningful interactions, including age-related declines in physical wellness, an increased risk of depression and steeper drops in cognitive decline. Moreover, it is argued that if a health crisis happens, it's better to have a team who can rally around you to get you the help you need and aid in your recovery, than to deal with the crisis on your own.

A photograph of two women in a field of pink flowers. The woman on the left is wearing blue glasses and smiling. The woman on the right is holding a camera and taking a picture. The background is a soft-focus field of pink flowers.

**“SOCIAL CONNECTION IS SUCH A BASIC FEATURE OF HUMAN EXPERIENCE THAT WHEN WE ARE DEPRIVED OF IT, WE SUFFER.”**

**~ LEONARD MLODINOW**



## Planning ahead can prevent costly mistakes down the road.

Would you let your kids plan a trip for you without your input? Most wouldn't. Yet many seniors let their kids decide where they will live after a life-changing event.

Many people prefer living at a CCRC because they understand the power of being prepared and planning ahead. While they know they can't control what life throws at them, they want to select an environment that provides them with a certain lifestyle, peace of mind and quality care options to help them deal with the unexpected. This is especially important for couples who don't want to be separated due to an illness.

While it's tempting to continue living as you've lived for the last 30 or 40 years—and wait for events to decide on a new route for you—that route has its own pitfalls. Often, if something happens, it happens suddenly. And in those moments, it's hard to be discerning, and control could be out of your hands. This means that your adult children, who may not completely understand your wishes, may have to arrange accommodations for you without truly understanding what you want. (For those who don't have children, communities that offer a full continuum of care become even more important to their well-being.)

**Tip #5: Hope for the best, but be prepared for the unexpected.**

**NO GOOD DECISIONS  
ARE EVER MADE DURING  
A CRISIS.**

**Tip #6: Travel light. Move fast.**

**How to prepare for your move in the best possible ways.**

Your new home is a blank canvas. Whether you're downsizing or rightsizing, this is a good opportunity to use your creativity to make it wonderful. If you're not sure what to do, hire an interior designer. If you're buying new furniture, the store you're buying from will often provide free design services.

A bonus of having your home planned for you in advance is that a rightsizing company will pack, move and unpack your new home completely! They will even install artwork, set up the computer and television, furnish the kitchen and make the bed. You can walk into your finished new home and hit the ground running, practically without lifting a finger. And it costs less than you may think.

**“THE BEST  
THINGS IN LIFE  
AREN'T THINGS.”**

**~ ART BUCHWALD**



## Tip #6: Travel light. Move fast.

If you're planning a move within two years, then you can take as long as you like to plan for a downsize. Your process can be relatively slow. If you'd like to move fast, lots of excellent resources are available to help. Here are a few tips:

- 1. Prioritize.** List the four or five most important things you want in a new home.
- 2. Explore.** Visit, tour and dine at the communities of your choice. Then make a shortlist, and visit these communities multiple times. Be sure to dine at each community several times, at different times of day, as you're making your decision.
- 3. Schedule.** Set up a free consultation with a rightsizing consultant. It's never too early to get started.
- 4. Assess.** If you own a home, get a real-estate assessment.
- 5. Communicate.** Share your decision with your family, attorney and accountant.

## Pit-stop Activity:

Prepare for the move.

- 1. What to keep?** With paper in hand, walk around your house and write down what you're keeping.
- 2. What to give away?** Use colored sticky notes to label items to give away. Meet with family members to discuss this process. Consult with tax preparers about which documents you need to keep or shred.
- 3. What to put in storage?** Use another color of sticky notes for items you can't move, but can't part with yet.
- 4. Enlist help.** Give specific assignments to people offering to help you prepare for your move.
- 5. Donate.** Anything that isn't moved to your new home or given away can go to charity. Or auction high-value items.
- 6. Design your new home.** Get a floor plan and rough out how your furniture will fit there. Or start with all-new furniture!





**Tip #7: Kick the tires. Take it for a spin.  
Enjoy the ride.**

### **What questions should you ask?**

For many, considering a move to a 62+ community is part of the planning process. If it's part of yours, take plenty of tours and ask lots of questions. Visit each community multiple times to get a clear picture of daily life there. Be sure to ask if you can sample a meal. It's important to experience the culinary quality at a community, and to see whether they offer balanced, good nutrition. Also, plan ahead—many communities have waiting lists of up to several years. If they're in great demand, the wait for a desirable apartment or cottage could be five years. If you think you might like a community, learn about making a deposit to secure your spot.

1. Beyond a simple “What are the costs?” be sure to ask about pricing and refund policies.
2. How's the food? Make sure to eat two or three meals at a community to see if the dining there is acceptable to you.
3. In the health-services areas, ask about staff-retention rates and staff-to-resident ratios compared to industry standards.
4. Is it a not-for-profit or for-profit community? If it's for-profit, learn who owns it, and assess the likelihood of an acquisition or change of ownership in the future.
5. How's the organization doing financially? What are occupancy rates?
6. What do the monthly fees cover? What services or activities involve additional or add-on costs?
7. What are the community's health-services ratings on Medicare.gov?
8. What is the overall continuum of care like, and what specific amenities does it offer?
9. What happens if a spouse needs a different level of care than you?



**Tip #8: Check your financial fuel levels.**

**Ask for a free Preliminary Financial Review to see if your savings and investments are ready for CCRC living.**

Most communities will offer a free financial review that assesses your estimated assets-to-costs outlook so you can move in with confidence. Town & Country offers financial checkups free of charge for prospective residents, so they can see for themselves what they can afford and how long their money will last.

**Schedule yours today by calling (714) 547-7581.**

## Town & Country offers a walkable lifestyle in a beautiful setting.

If you're an active person who values personal independence, Town & Country might be the ideal place for you. Here, you'll find a vibrant lifestyle in a picture-perfect garden setting. It's a walker's paradise with generous, even walkways throughout the community. Plus, just outside the community, you have easy, walkable access to Hart Park offering miles of walking trails.

We're a nonprofit Life Plan Community just minutes from John Wayne Airport, so trips out of town are a snap. Here, you'll find a friendly community of peers who enjoy life as much as you do. And there's always plenty to do.

### Amenities:

- Expansive courtyards, gardens and putting green
- Comprehensive wellness program
- Spacious dining with patio views and coming in 2021, Basil's Bistro, offering grab-and-go dishes and sit down meals
- Art studio, resident-managed library, salon
- Scheduled transportation, concierge and security and a lot more!



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