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Subject: Pig in a Python

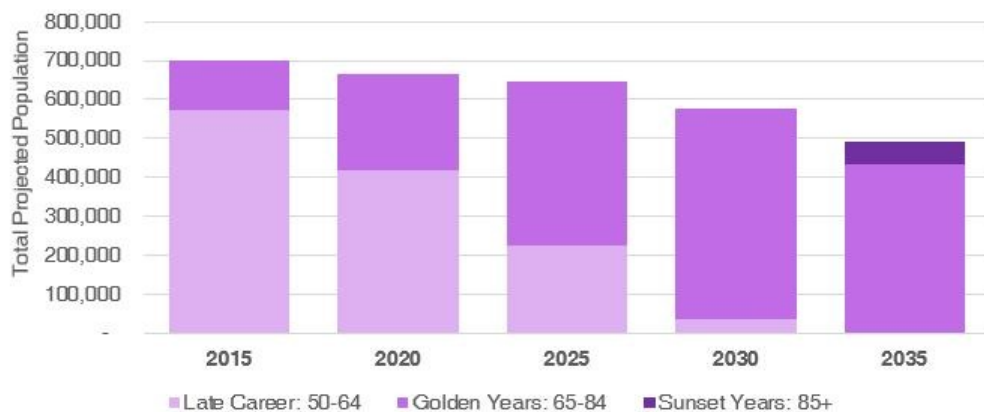
Comments: July's TDP Trends (Vol 1. No. 2) highlighted our "top heavy" population. The Boomers are like a pig passing through a python; a creeping bulge which creates strong demand for real estate favoured by their incipient life-stage while leaving an over-supply in their wake, sad and sagging around the smaller subsequent generations. As the Boomers step over the threshold of retirement, what types of real estate are poised for their time in the sun?

Healthy and Wealthy

Advances in healthcare and economic growth over their lifetime means, compared to their parents, the Boomers are kicking off the healthiest and wealthiest retirement Atlantic Canada has ever seen. Consumer trends from the leading edge of Boomers in both Canada and the US indicate 65 is the new 40 as the pace of their "retirement" seems more like an attempt to burn out rather than fade away. Prizing variety and independence, Boomers are far less likely than their parents to resign themselves to a quiet golf course community and play the same 18 holes for the next three decades. Many will continue working later, especially on a part-time basis, even trying entirely new career fields. As they truly retire, they will demand convenient access to cultural, recreational, travel and even post-secondary educational opportunities. The latter is an especially promising trend for our many attractive university towns which currently face declining enrolment. Urban centres hold a natural advantage in this regard, while those in smaller towns and rural communities will be price competitive, but will have to be programmed with additional services that take the work out of travel and activity planning. While the majority of Boomers still value home ownership, their appetite for the accompanying responsibilities is waning. Condominium and high-quality rental projects will be increasingly favoured.

Where are the Boomers?

Life Stage of Atlantic Canadians Born between 1947 and 1966



New Sunset Industries

Vigorous as they may be, all good things must still come to an end. When they do, significant new demand will be created for facilities which support our population in their sunset years. In the next twenty years, the number of citizens aged 85+ will surge by 123% as the Boomers start piling in. It will be a nascent trend in 2035, with the majority still enjoying their Golden Years promising much more growth to come! This will produce a commensurate increase in demand for long-term care properties. Generally, these services are provided on a continuum which ranges from occasional support to constant nursing care and supervision. While all types will be needed in larger quantity, the comparatively better health of aged boomers suggests demand will disproportionately go towards lower-order care levels that are designed to support some level of independence. As these are the minority category of existing long-term care beds, they are poised for explosive growth. The overall increase in demand may be further intensified by the number and dispersion of Boomer's children. Families have shrunk, and economic forces have flung their offspring far and wide. As a result, will we see increasing reliance on governmental, rather than familial support? Or might this produce a new wave of migration as grandparents relocate closer to where their adult children have become established?