



BOUTIQUE SENIOR LIVING

—ACADEMY.COM—

312-288-8022

By Brandon Schwab

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Introduction

I was only 15 when I started my first business providing detailing services for boat and RV owners. From my earliest years, I knew that it was in my blood to make my way in life as an entrepreneur. By 2008, I had built my business to a \$750,000-a-year success. I then added a focus on real estate acquisition to my business ventures. I built a rental portfolio of 23 sandwich lease options. I could have continued in that direction but then I saw another and greater opportunity. In the process, I became aware of the aging population in the United States and the unprecedented demand this shift in national demographics was creating in terms of the need for senior care and housing. The opportunity for financial success when serving this sector of our population is spectacular. But the rewards are much greater than that.

By 2010, there were 40-million seniors 65-and over in America – 13% of the population. By 2030, the Institute of Aging predicts that seniors will represent 20% of America’s population. These are dramatic numbers and they represent a significant problem that America has yet to seriously address. They represent a potential calamity. Therefore, while the increasing number of seniors requiring senior care and housing is creating financial opportunity, it also presents entrepreneurs with a chance to make a significant difference in the lives of the seniors we serve. This is something I understand from personal experience. I’ve seen the challenges of caring for seniors and those with greater needs for assistance firsthand. My mother, Karen Schwab, has spent more than 40-years caring for her disabled brother.

Over the years, I’ve seen the living conditions that are a reality for many seniors: institutionalized living that reduces seniors to all-but-forgotten numbers in production lines designed with a focus on quantity over quality of care. I knew there was a better way. A few years ago, while in Florida, I had the eye-opening opportunity to see a possible future for senior care and housing that puts residents of senior homes first. It was an epiphany. Rather than shuffle mom or dad off to a senior warehouse to wait out their final years, the model for senior care and housing I saw in Florida offered personalized care that provided seniors with safe, secure and comfortable housing that didn’t overwhelm caregivers. It’s a model that works for residents, their families, caregivers and the savvy business owner. It’s an opportunity for financial success while giving seniors an alternative that defends their welfare and dignity.

Convinced that I had found a business opportunity that rewarded my entrepreneurial spirit and my desire to help people struggling with difficult situations where I was personally invested, I investigated what it takes to open a senior living home that is a home in more than just name. I spent time in Florida getting familiar with their homes and how to operate a successful home for seniors, homes that were warm, caring, nurturing alternatives to the institutionalized model of senior homes where so many seniors are relegated to endure their final years. My experience as an entrepreneur and as a real estate



Brandon Schwab



Theresa & Steve Maskrey

investor came in handy on the business side. My experience helping to care for my uncle helped with the operational aspect of a senior home. But it was my good fortune to know Theresa 'Mama T' and Steve 'Old Spice' Maskrey that really brought all the pieces together.

Steve was the Vice President for the Personal Care Division of Medline Industries, a \$10.2-billion medical supplies manufacturer and distributor, with 40-years experience in the field. The leading authority on the care and treatment of incontinence, in 2016, he received the Medline Lifetime Sales Achievement Award. Today, he is responsible for sales, marketing and new business development activities with our company, Shepherd Premier Senior Living.

Theresa spent 12 years at Medline and 30 years in the field working hand-in-hand with long-term-care providers. Today, she oversees operations in Shepherd's existing homes and is primarily responsible for opening up new homes once we've completed renovation.

Steve and Theresa's knowledge in caring for seniors has proved invaluable in making our homes more than walls with roofs where seniors live; they've brought the expertise required to ensure that the care we provide in our homes is without equal.

Together, we have established Shepherd Premier Senior Living as Illinois' leading provider of senior care and homes based on the model I saw in Florida. These homes are opened in renovated single-family homes in established residential neighborhoods. They offer a 1-to-5 caregiver-to-resident ratio that is unprecedented in the industry. Residents, who usually have private bedrooms, come to recognize our residences as their homes rather than just the place where they happen to live. Their families leave their loved ones with us without that all-too common feeling of guilt experienced by those who bring their loved ones to a traditional senior home. The homes we've opened are succeeding beyond our dreams and we're opening more homes. It's not just the homes we've opened that are successful; it's our business model that is successful.

While many business owners would feel inclined to carefully guard their business model in order to maintain their competitive edge, we realize that the growing demand for senior care has relieved us of any concern for protecting our business model. Since our motivation goes beyond purely financial success, this presents us with a further opportunity – the opportunity to share our business model with other entrepreneurs. In this way, we will spread the good news of an alternative to the traditional senior home. The following is an outline of our business model and how to make it work for you, and the seniors and their families that you serve. The only aspect of our approach is to ensure that our business model is shared with those who are serious about establishing senior living homes that serve

their financial interests while benefiting their clients.

Follow the model below and, we believe, you're guaranteed of success. The package you've purchased will take you step-by-step on the road to opening a prosperous and rewarding senior living home where the level of care will earn you the respect and thanks of those you serve. Follow the model provided in this ebook and your rewards will extend beyond the achievement of your financial goals, though we believe this business model will surpass those; follow this business model and you will have a positive impact in the lives of seniors who would otherwise face difficult and limited choices as they advance into their final years. You will provide for the welfare and dignity of some of the most deserving individuals in our society.

Brandon Schwab

CEO, Visionary, & Founder,

Shepherd Premier Senior Living

What Are Boutique Senior Living Homes?

Boutique Senior Living Homes are the future of not only the health care industry, but of the real estate investment world. *Boutique Senior Living Homes* go by many different names, and they vary from state to state. *Boutique Senior Living Homes* have been around for some time now, but they have not gained the exposure that they deserve. Upon hearing about elder care, most people immediately think of a large assisted living home or nursing home. *Boutique Senior Living Homes* are great because they are neither of these. In this section we will discuss the differences between the *Boutique Senior Living Homes* and the other types of care in the marketplace at the moment, and also the levels of care involved in the homes.



Boutique Senior Living Homes

Why is the topic of *Boutique Senior Living Homes* sometimes hard to understand? It was once fairly simple. As long as you were independent, you either lived in your own home or moved to a retirement community. If you needed a little help with personal care and you needed your meals provided, you went with board and care. If you needed quite a bit of help with personal care, or skilled nursing care, you went into a nursing home. In the last two or three decades, the world of senior housing has advanced to the extent that there are many more options for elder care, from specialized nursing homes to types of assisted living that may counteract placement into a nursing home. It's encouraging for people and it's a sign of hope for the aging that we have more pleasing choices for care. But it has also led to complications in understanding exactly what is what.



nursing home

Different names are used for the same type of housing. A nursing home was once known as an old folks home or retirement home, and today may be called a convalescent hospital, skilled nursing home, or rest home. Among the twenty-six different names for board and care in the U.S. are, "boarding care," "board & lodging" and "adult foster care." The same names are used for different types of housing. Sometimes "assisted living" is applied to any senior housing where assistance is provided, from just meals (as in some retirement homes), to board and care homes, to nursing homes. The phrase, "long-term care" used to apply to nursing home care for people who were never expected to recover from a disabling illness, but all forms of senior housing offering assistance that is needed for many years, are now called "long-term care." The rapid growth of assisted living homes

calls for an ever-changing combination of services in a widening variety of settings. The situation requires flexibility to adapt to the constantly changing needs of families and provide them with quality care.

The differences in the types of care that we have described above have many negative aspects. I will start by discussing nursing homes: What do you think of when you first walk into a nursing home? The first thing most people notice is the smell, then the atmosphere. The unfortunate thing is that most nursing homes' distinct smell lingers on you even after you leave and then intensifies the bad experience. We've all heard horror stories or, when visiting a nursing home, have heard of the cries for help of residents going unanswered for extended periods of time. Now, nursing homes provide full nursing care that other homes don't. Nursing homes are typically larger and are in multi-family or commercially zoned areas. To open a nursing home there is a lot of work, money and time involved. Such a home requires a full staff of nurses, including trained professionals who are available and awake around the clock.



Assisted living homes are typically known as large and condo-like in their environments. Most large assisted living homes may have substandard care for their residents as well. Large assisted living homes often provide a distinct look and atmosphere for residents. They provide the residents with a room and bathroom and serve food in a mess hall. From my experience, this makes the residents lose that sense of home. Large assisted living homes are also built in commercially zoned areas or multi-family zoned

areas. The larger homes can provide great activity programs and/or outings. They may be perfect for someone who loves a more social lifestyle and a more independent approach to assisted living.



Let's move on to ***Boutique Senior Living Homes*** and discuss the qualities they provide and the reason I believe that they are far superior in terms of care and living environment. ***Boutique Senior Living Homes*** are built in residentially zoned areas evoking feelings similar to that of your home. The environment is quiet, and provides a safer, family type ambiance because of the smaller size of the home. ***Boutique Senior Living Homes*** also provide more staff per resident. This enables ***Boutique Senior Living Homes*** to provide the residents with a warm and caring environment

that they cannot get with the larger homes. I'm not here to bash the other places or make the large places out as horrible places. But when you compare for yourself, you will notice that ***Boutique Senior Living Homes*** are exceptional.

Of course, even with ***Boutique Senior Living Homes***, the quality of care is influenced by the commitment and skill of the staff and the management, as well as the location chosen by the owners. This is where individual scrutiny and due diligence is essential. Boutique senior living is a great start but you want to investigate a potential home further as there are many levels of ***Boutique Senior Living Homes***. There are variations on homes by income, care, neighborhood, and areas of the country that will influence how good the ***Boutique Senior Living Home*** really is. You will notice however that most family members and residents alike will agree when I say that, when you compare the large facilities to the ***Boutique Senior Living Home***, almost everyone prefer ***Boutique Senior Living Homes***. In these settings, they find something special where they feel at home.



There are different levels of care provided by ***Boutique Senior Living Homes***. Level One Care is for a resident who can handle their own personal care. They are fully ambulatory (an official definition of 'ambulatory' varies slightly from state to state). Essentially, an ambulatory resident, for our purposes, is capable of walking and living their everyday life with a minimal amount of assistance, such as reminders to take their medications. With Level Two Care, loved ones starts seeing signs of deteriorating health. Requirements for assistance with some daily activities have increased. With Level Three Care, the senior requires substantially more assistance with daily activities. It's likely they'll need help walking and may have lowered comprehension. They may even be bedridden. Remaining on their own in the care of a loved one is no longer a viable option.



There are many different laws and regulations which we will discuss throughout the manual that touch on which ***Boutique Senior Living Homes*** is best for different residents.

We have discussed what a ***Boutique Se-***

nior Living Homes is and how it differs from other types of homes. In conclusion, a **Boutique Senior Living Homes** is a single-family home that is converted to suit the needs of the elderly and their caregivers. The home is in a quiet area that provides residents with a peaceful home-like environment where they and their visiting family and friends can feel comfortable and at home. Caregivers provide residents with the assistance they need in a place where they will have no worries, while activities, appropriate to their level of care, help keep the residents active and sharp. As a result, a **Boutique Senior Living Homes** provides seniors, an important and deserving segment of the population, with quality care while providing entrepreneurs with a successful business opportunity.



Some of the benefits that residents enjoy at a *Boutique Senior Living Homes* are:

- home cooking
- cleaning
- laundry service
- assistance with eating
- assistance with bathing
- assistance with dressing
- assistance with using the toilet
- getting around the house (mobility)
- transportation around the community
- medication reminders
- activities
- outings
- special dinners
- special music

Getting Started

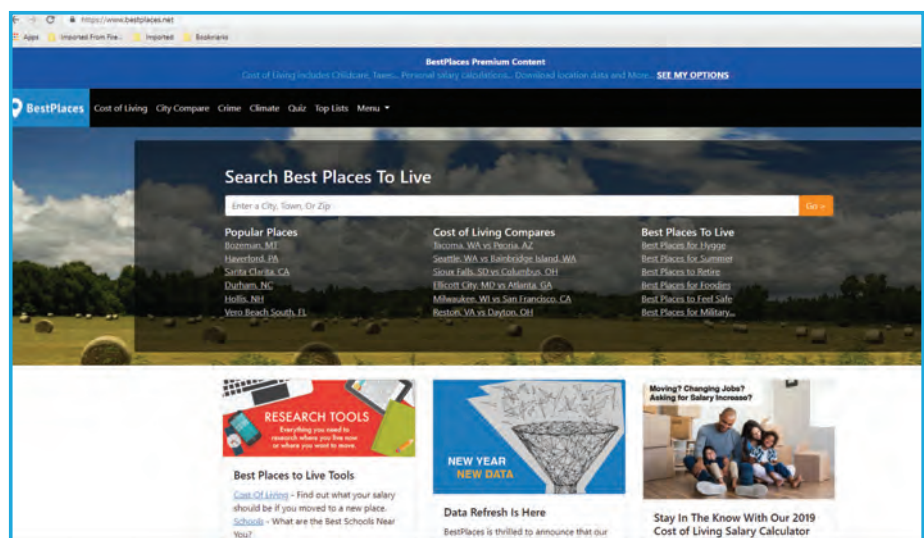
Getting started in the *Boutique Senior Living Home* business is a very smart move, but be aware that it is not a simple, get-rich-quick scheme. You have an opportunity to enrich your soul while investing wisely in your future and while helping others, but it takes an investment of time to get started. There are many steps you need to complete before you can even start to open a home. In this section we will cover what those steps are and how to implement them. Investment opportunities are most likely to succeed when they are well planned. The beginning stages of *Boutique Senior Living Homes* are the most crucial as you build the foundation of your investment. If you decide to skip the initial step, not only will you have a harder time getting started, but doing so is likely to reduce your chances of success while reducing potential profit. You may have heard from other people, other investors, and other training programs that due diligence is the most important part to becoming a successful investor. I keep stressing this because



it is the key to success when opening *Boutique Senior Living Homes*. It is important to have a plan to follow and to complete all the steps of that plan. In this section we will discuss: 1. how to go about locating an area that is rich in potential to start a *Boutique Senior Living Home*, 2. how to find the applicable laws in each state, 3. how to find the best real estate for your *Boutique Senior Living Home*, 4. what to look for, and what to do when you have located all of the above. Make sure that you do not cut corners. Done right, this is the beginning of a new life for you and your loved ones!

The first decision you need to make is choosing the right area to open your home. There are many different factors to consider to achieve the optimal conditions. Ideally, you'll find a location in a middle- to higher-income area. Here you'll generally find better deals that will benefit you financially in the end. With the location in a higher-end-residential neighborhood, the clientele you cater to tend to be more financially sound. This will mean fewer hassles and an overall sense of peace for you and your residents. These neighborhoods are also generally quieter, and the residents and their family will appreciate the peace and serenity. Another perk to having a *Boutique Senior Living Homes* in a higher-end area is that there are plenty of

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The screenshot shows the BestPlaces website interface for Carmichael, California. At the top, there is a navigation bar with links for 'Cost of Living', 'City Compare', 'Crime', 'Climate', and 'Menu'. A search bar on the right prompts the user to 'Enter a City, Town, Or Zip' with a 'Go >' button. The main content area features a large background image of a bridge over a valley. The title 'Carmichael, California' is centered, accompanied by a heart icon and a 4.5-star rating. Below the title, there are links for '9 Reviews', 'Review This Place', and 'Photos and Maps'. A grid of statistics is displayed, including Population (65,091), Median Income (\$54,598), Median Age (42.3), Unemployment Rate (3.8%), Avg. Home Price (\$411,900), and Avg. Commute Time (26.5). A breadcrumb trail at the bottom of the main area reads: 'United States / California / Sacramento--Roseville--Arden-Arcade Metro Area / Sacramento County / Carmichael / Zip Codes'. On the left, a 'CATEGORIES' sidebar lists 'Overview', 'Cost of Living', 'Real Estate', 'Job Market', 'Crime', and 'Climate'. The main content area is titled 'Best Places to Live in Carmichael, California' and includes a description: 'Capital city / suburban complex - Northern California, northern Central Valley at the base of the Sierra Nevada'. It also lists 'Pros' (Mild winters, Nearby recreation) and 'Cons' (Growth and sprawl, Rising cost of living). On the right, a 'COMPARE CITY TO CITY' section invites users to compare Carmichael, California to any other place in the USA, with a 'Compare Now' button.

deals out there (we will discuss specifics later). The best place to start looking is the nicer sections of your own community. To find out if your area is suitable, ask yourself a few questions: what is the average income, what is the average population age, what is the demand in the area, and what kind of health care is offered? To start the research and to answer the questions above, start by browsing for answers on the internet. You may wish to visit www.bestplaces.net, and you will be greeted with the page shown above.

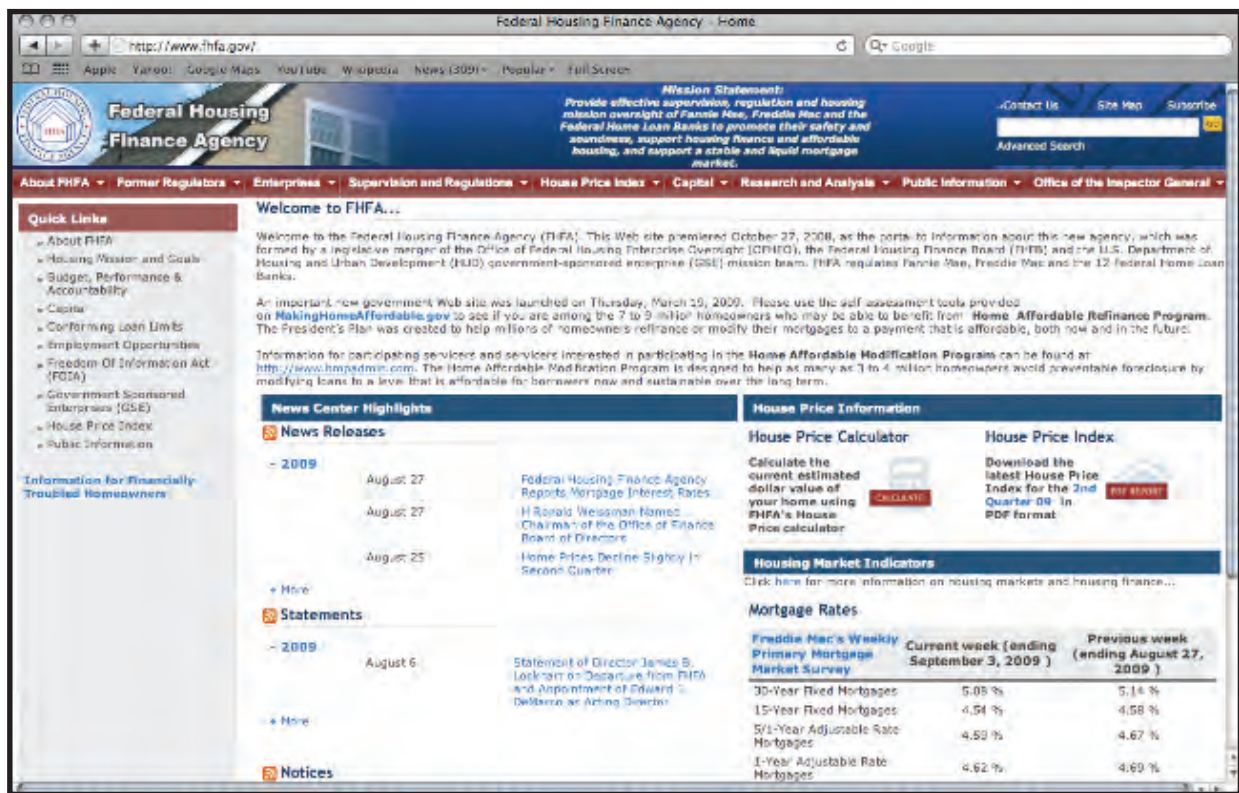
Once you enter a city, town, or zip code in the field provided. For demonstration purposes I used Carmichael, CA. You can also search by zip code.

Once you enter the city and state, you will be brought to a page that shows some basic numbers like the population and the population change in that area. Next you will click on the link that says "people" to bring up the next page which will look like the image above. Browse through the details about the town or city in this section.

Take note of the description under "family in Carmichael, CA" which describes some details about the average age and household size in the area. The information in BestPlaces states that Carmichael has a median age of 42 while the U.S. median is listed at 37.6. BestPlaces also states that 46.7% of people in Carmichael, CA are married and 14.5% are divorced, that the average household size is 2.4 people and 23.8% of people are married with children. While the majority of this information is not going to help you much, knowing the median age in the area is important. Because Carmichael's median age is 42, there is a slightly older crowd than the average in the U.S., and this kind of information will help you make your decision. Knowing there are a lot of children of the elderly in your area is a big plus, too. Average ages will obviously depend on the areas you are researching. Anything 36 years and

over, for an average, is a positive thing. The next thing you will want to look at is the “health” link. This will tell you about the local hospitals in the area and also about the number of physicians per every one-hundred-thousand people in the area. The image below will show you what the page looks like and what to focus on. On this page you can see that Carmichael’s number of doctors per one-hundred thousand is above national standards, and that is what you will want to look for.

When browsing through BestPlaces, we have covered the most important topics, but you will also want to browse around and look at other parts of the site which may help, such as housing, the local economy, voting, and cost of living. All those issues may not take away from the area in which you currently live, but if you are looking for a location outside of where you currently live, these added resources may narrow down your searches by providing you with decision-making factors, such as better economic standings or better cost of living factors among prospective residents in your market area.



After checking out the *BestPlaces* website you can move on and go through some other sites that can offer a lot of help in determining which area you would like to open your *Boutique Senior Living Home*. The next site that you will need to visit and do some research is www.fhfa.gov. The image below shows what that site looks like when you log in.

This is a free government site that will help you find a location for your Boutique Senior Living Home that may add value to your presence in the community. The first thing to do is click on the “house price index” and look up the cities that you are considering. The results will show you the quarterly increase or decrease in prices in those areas and the population statistics. This site is a great asset to you

and your business while searching and documenting numbers that will help in your decision making.

One final website to look at is www.greatplacestoretire.com. This site is like a shortcut in finding locations of possible *Boutique Senior Living Homes*. This site, which gives you the locations of where much of the U.S. population is retiring, is a fantastic place to start looking if your own city is not suitable for a *Boutique Senior Living Home*. Great places to retire will give you statistics on those cities and provide climate reports

for locations you're considering for your *Boutique Senior Living Homes*. However, be aware that some sites, such as this, are limited in the amount of information they provide; don't rely too heavily on such sites. Starting with these websites will help get you on the right path to finding the perfect location for your *Boutique Senior Living Home*.

CHOOSE THE RIGHT AREA TO OPEN YOUR HOME

Locate an area that is rich in potential

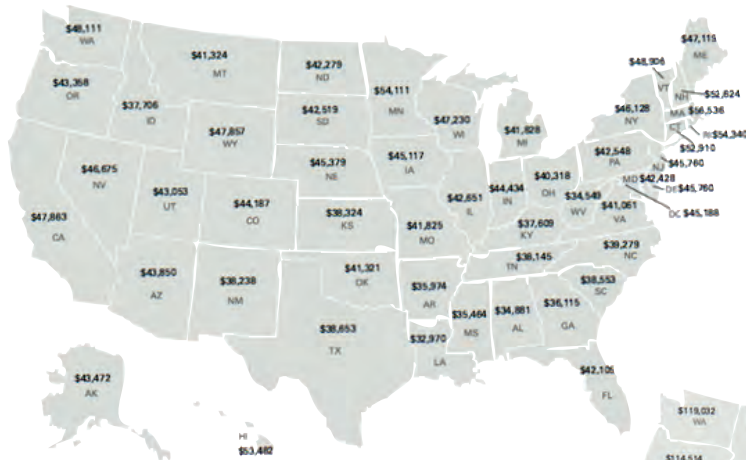
Start by browsing the internet

MAKE SURE THAT YOU DO NOT CUT CORNERS

Non-Medicare Assisted Living

Private Pay Home Assisted Living

I have added two maps to give you a boost in choosing a location where you would like to do business. These maps show the average yearly expense per person by state. This is helpful information when searching for that perfect location that will provide for the greatest profitability.

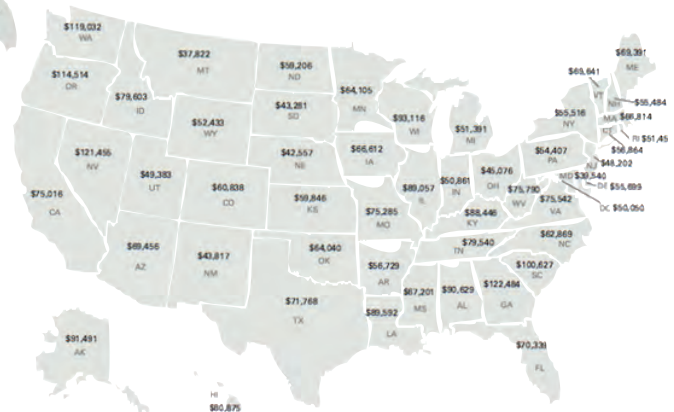


Non-Medicare Assisted Living

USA \$42,328

Private Pay Assisted Living

USA \$71,127



Now that you have found the city where you wish to open your **Boutique Senior Living Home**, you'll want to find a specific area in that city or town. It's essential that this specific area is easy for clients to locate. I've had substantial success with these factors when choosing a specific area. These factors apply to older well-established neighborhoods, with more greenery, and larger plots of land.

The first thing to do is look for an area that has a classic homey feel. I can't stress this enough. When getting started, most people look for a place that they themselves would enjoy living in. But you must remember to treat this as a business. The main reason for focusing on areas that have a classic style is because this is where the elderly would enjoy living. You will want to provide a location for them that has a warm feeling. In this business, like many others, first impressions are essential. Imagine driving around town with your loved one in the car looking for a new facility. You would gravitate

towards a home that looks inviting and attractive, not cold and institutional. The residents and their family would like a place that feels like their own home, and that is exactly what we as business owners are seeking to provide them. I know of a person who wanted to open their own **Boutique Senior Living Homes**. They went into a perfect area, but the home was a contemporary style like the homes in Miami. This style of home is fine for a personal home, but when an elderly person walks into a home like this, they not only feel out of place, but they may feel scared as well. Therefore, I place such a huge emphasis on finding a neighborhood that will fit the mold of a nice peaceful home-like environment.



Another important factor you want what residents, and prospective residents, will see when looking out the windows. Rolling grass and tranquil views are ideal. They invoke thoughts of spring, growth, and renewal. What I have noticed is that areas with a lot of trees are quite restful. The **Boutique Senior Living Home** has to feel relaxing and inviting. Areas that have a lot of trees provide that



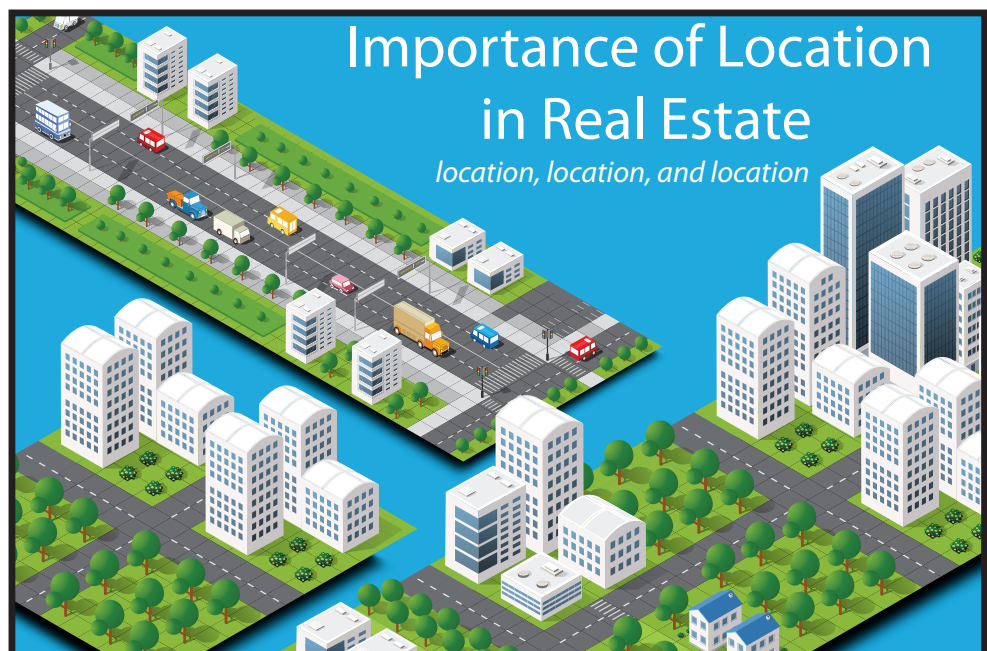
country-like feel that many of the elderly enjoy. When you are in an area that has more vegetation and greenery, the oxygen levels are also improved. This may not seem like a big deal to you but remember to treat this as a business; the elderly moving into your home will greatly appreciate the beauty and the higher quality of life than what is provided at other locations.

The next thing you will want to look for in a specific area of a city is a place where you can get a piece of property with a decent plot of land. There are many people out there that don't seem to recognize the importance of this process. They're mistaken. While you will not need a six-acre ranch, try to get the largest lot available in that area. Some areas will have less land available, and if there are large lots, they are extremely overpriced. You will have to decide of what represents a decent sized lot. My search criteria indicate that anything larger than a quarter of an acre is the minimum while about half an acre is ideal. This would give you plenty of wiggle room while keeping maintenance costs down. The main benefit in having a decent sized lot is when you get the property to remodel or build a home, you will have room to grow. Another major benefit is the fact that you can get a beautifully landscaped yard, and when the family comes to visit, they will feel comfortable. There is no mandate to have a certain sized lot, but like I said, it's strongly suggested that you stay with the larger ones.

Once you have narrowed down the properties by all the other criteria stated above, we are left with one final important detail: the final search criteria for the properties you are looking for and the areas that are suitable for your ***Boutique Senior Living Homes***, you'll usually find in well-established neighborhoods. What this means is that you want a neighborhood and community that is stable and of a mature nature. There are so many positives to having a home in a well-established area. First, higher-end, well established neighborhoods are closer to downtown areas, hospitals, and shopping. Having all those things close by is a check on the positive side of the ledger because it not only gives the family a sense of closeness, but it also provides many benefits for you as a business owner. Another positive aspect of areas close to hospitals, downtown areas, shopping and activities, is an economical advantage for you because the shopping is close, the hospitals are close in case of emergency, and the activities are easily accessible if the residents can participate. It is the PERFECT place. The family will see all these things and it will make their decision very easy when comparing ***Boutique Senior Living Homes***. Another thing about areas that are well established is that there are no houses right next to each other like a stack of Legos. When you look at properties in well-established areas, you get many of the things we discussed in the above sections. You will get the trees, the quality area, the financial backing, and the looks to appeal to the clientele that you want to attract for your successful ***Boutique Senior Living Homes***.

You'll also want to consider potential problems: problems with a home's foundation, troublesome drainage on the property, noise from flight patterns of nearby airports and potential noise from highways and rail systems that are adjacent to the property, etc.

After you have gone through all the steps that we have discussed, you will have found the perfect place to set up your brand new ***Boutique Senior Living Home***. There are many little details that you will personally have to go over and make sure are to your liking and to the liking of the crowd you are going to cater to. You may not wish to cater to the same crowd that I do, and you may want to find and work properties in lower income areas. If so, please refer to the other manuals that have state information regarding low income housing for the elderly. For those that will cater to the same crowd, feel confident in this process as this is just the beginning!



Properties & Resources

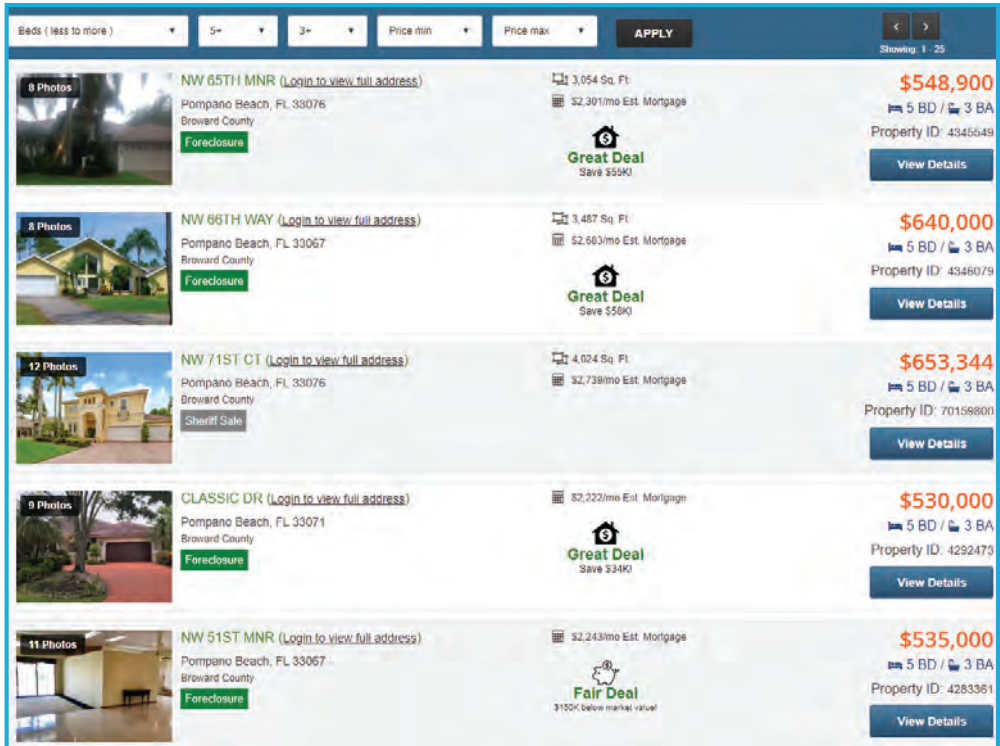
The next thing that you will have to consider is the different ways of going about getting the building which you will use as the *Boutique Senior Living Home*. You may already have had some real estate investing experience in the past or may currently be investing now. But because this is very different than standard real estate investing, the strategies we are going to cover will be in-depth. The exciting thing you will find about *Boutique Senior Living Home* investing is that this strategy will work in an up market or a down market. The important part is finding the perfect house or property for your *Boutique Senior Living Home*. There are three ways that you can go about acquiring or establishing a home. The area you choose is very important, but the facility itself is just as important if not more important. Because of the way you searched for the area, finding the property will not be too difficult. The three different ways of establishing a *Boutique Senior Living Home* on your property include buying an existing home and retrofitting it, building a home from the ground up, or purchasing a home that was or is a *Boutique Senior Living Home*.



A key step when beginning your search for properties is a relationship with a good and trustworthy realtor. This will also require some research on your part. You'll want to meet area realtors. Look for those who demonstrate a sense of investment in the welfare of the community - that are successful and well respected in the community. I know many people in the investment world dislike or speak poorly of realtors, but they can be a much-needed asset to your business. When you begin to interview realtors, it may take a while, but if you stick with it, you're sure to find the right one. At the interview ask them what areas they specialize in, how many transactions they average a month or a year and find out if they have a team backing them up. Find out if the realtor has done foreclosures or has resources for REOs because that is a fantastic resource where you can find great deals. The reason for you to ask whether they have a team backing them up and the amount of transactions they do is to determine if they are an expert or just looking to make a little money on the side. The interview process will last at least two weeks because this time period will include having them find the right properties for your needs. Understanding your needs is difficult for some realtors and you will need one that is on the same page as you. Make sure they find you exactly what you're looking for and that they do it in a timely fashion. There are also other reasons that having a good realtor on your team is very important, and we will discuss those later.

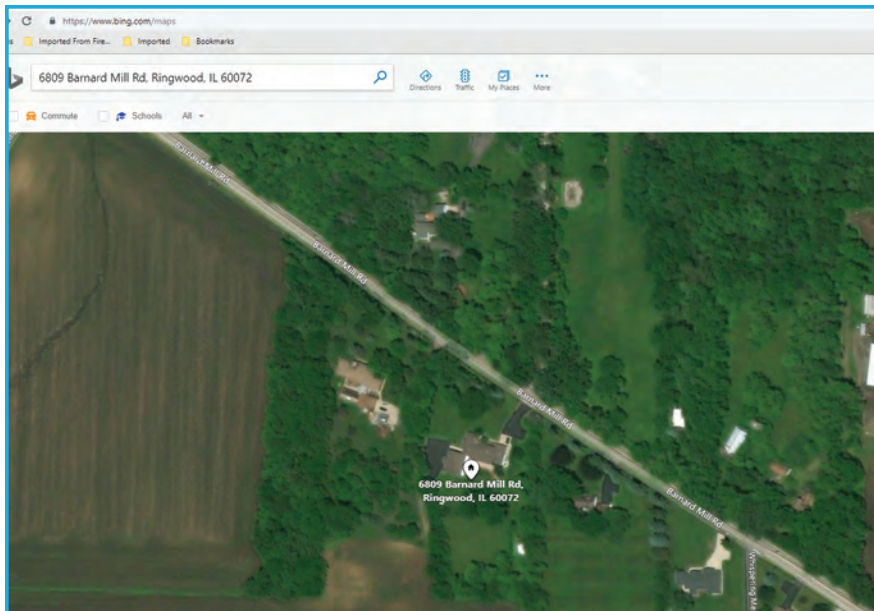
Now that we have discussed the first resource in locating a property, let's talk about the next few

ways of locating deals and properties for your new *Boutique Senior Living Home*. I would strongly recommend beginning your property search at the Clerk of the Court or their records department. Go through the records to find the foreclosed, delinquent, and REO properties. Having a large list of properties will help make you more knowledgeable when you approach the realtor that you are working with and at



times you may not even need the realtor. When you first get the large list, you may feel overwhelmed, and it may seem like just a big list of numbers and letters. This is normal but it will require knowing a few things to look at in order to streamline your search. In the image on page 16, you will see what a long list of REO, foreclosed, and delinquent properties look like. On this page there are a few things you will need to look for. First, look at the square footage of the home. If it is below 3000-square feet move on. Next, look at the number of bedrooms and baths in the home. I would suggest looking for around five bedrooms and up, and three or more baths, but four bedrooms and three baths could work. Those things will really help you streamline the lists. It will help you refine your search to only those properties that will truly meet all your *Boutique Senior Living Home* needs. One exception to this is if you will not remodel a home but will build instead. We will cover this shortly. In the case of new construction, it does not matter how large or small the home is. What matters is if the price is good and it is in a fantastic area you can go and look at to decide if this property will work for you. After you have located a property from the list you may want to talk to your realtor and take a tour of the property. If you are not working with a realtor yet (or even if you are), you may can go to www.bing.com/maps/ to see if it will work for you. This site will give you images of a property from overhead and a bird's eye view from helicopter shots.

Once you go to the website, you'll find a search line to enter the address of the property you wish to see. This will give you a map of the site with options for the aerial or bird's eye view. You may want to zoom in and rotate for a better view of the property. Not just a useful tool, it's also free. I personally use it all the time in locating properties and making efficient use of my time. I have added screen samples of the page and the details that I have described above.



In the image to the left, you can see that the area is well established, there are many trees. This is the perfect setting. You have now found the property and decided that this area will work for you, and it's exactly what you're looking for. You haven't wasted your time and gas money driving to look at properties that may or may not work. You can now investigate more or have your realtor do some of the footwork for you. You may also want to go to

www.zillow.com to see the average market price compared to the properties you're considering. While many of you have heard about zillow.com, and it is a great tool to estimate values, do not base everything on the site. It is also a free site and when you enter the address of the property you are looking to purchase it will bring up the value and details on the property. Again, use this tool to get a good idea; do not base your decision on this alone.

The next thing to determine is if you will remodel a home, build from the ground up, or purchase an existing **Boutique Senior Living Home** or former **Boutique Senior Living Home** property. In either case, you will do well to consider local contractors who know the area and have worked with municipal zoning commissioners in the past. First, we will cover remodeling a home. Remember that a **Boutique Senior Living Home** is built in a residentially zoned area so we can do standard remodels to any home to make this work. Let's say that you have found the house that is perfect for remodeling. It's large enough to easily house six residents and at least one caregiver, but the home needs to be retrofitted with the appropriate materials so that it's suitable for a **Boutique Senior Living Home**. Keep a sharp eye on the layout of the home, the interior set up, the potential for handicap access, and the quality of the home.

The layout of the home is very important. If the home has winding hallways that create a maze, residents in wheelchairs may find it difficult to navigate the halls. The simpler the layout of the home, the better. Also look for potential for handicap access by measuring the width of the doorways, hallways, surface levels in the home, and the bathrooms. It's important that the front door is level with





the ground, or you'll need to install a wheelchair ramp. Most homes will have no problem with the ramp coming in because most homes are set properly on the land, or in a worst-case scenario you may have to get creative with the ramp. Once inside the home, look to see what else you may need to do to make the home wheelchair accessible. Many older homes have narrow hallways. You need hallways that are wide enough for a wheel-

chair to fit through. Not only are some hallways narrow, but some doorways on the inside of the home are narrow. You'll need to retrofit these to suit the needs of the residents. Laws regarding the exact dimensions of doorways and halls vary by state, but for the most part having a 36-inch-wide hallway and 36-inch-wide door opening will be adequate. For exact laws and dimensions see the Laws and Regulations manual for your state.

You'll then have to check the bathrooms. The bathrooms are typically not such a huge concern because you can always adapt them to your needs. Plumbing is already in, and if you need to move things around it can be done. One of the biggest concerns are the shower tubs. You'll have to remove bathtubs and install stand up showers. There are several reasons for taking tubs out. First, a tub looks cheap and does not add enough value to the property. Second, it will pose a huge liability for you as an owner of the *Boutique Senior Living Home*. Having an elderly person try to move their legs over the tub is difficult for them, and it is much easier to have a shower where a caretaker can just wheel the resident in. It's necessary to 'childproof' all the areas that will have chemicals, such as the laundry, kitchen cabinets, and any other places where chemicals are stored. You'll need to install railings in the home as well. This includes railings in bathrooms as grab bars, and those placed outside by ramps to enter the home in the front and back and anywhere else you find a sloped floor. Railings do not have to look cheap and ugly. I encourage everyone to keep the facility looking as much like a home as possible. There are many grab bars that you can fit in the bathrooms that look amazing; keep everything looking simple, clean, and elegant. The same goes for the railing around the home in the sloped areas. There are many custom railing business owners out there who do a fantastic job. Keep the home looking like a regular house and nothing else. Having someone do railings that work with the design of the home is so important because when the residents come, they will feel at home and not like they are in an institution. Many of the exact features needed for your handicap accessible home will also be found under ADA rules which are also included in the Laws & Regulations manual. Some of the other features you'll need to have installed in



the home are fire alarms, exit signs, and depending again on the area you are in, a fire sprinkler system. The great thing about ***Boutique Senior Living Homes*** is everything is still considered residential, and therefore you'll only need a residential fire sprinkler system if any at all. Again, for the exact codes, please see your state laws which are included in the Laws & Regulations manual.

Now that you have read the essentials of what you need to do to the home itself, you'll want to make some small changes that make your ***Boutique Senior Living Home*** stand out from the crowd's. You may think the little things can be overlooked, but these subtle details will make a huge difference. Adding crown molding, hardwood floors, quality carpet, simple but elegant paint, granite countertops, elegant tile in the bathrooms, and upgraded hardware around the house will make a potential resident's decision



to make this house their home a simple one. In order to fully envision what these things will look like you should see pictures of some finished facilities.

Sometimes remodeling a home may take a lot more time or money than you're willing to spend. In that case, building a home from the ground up may, in the long run, be a better option for you. When you find an excellent deal on a property that is in a spectacular area but find that the home has no potential, tear it down and start over fresh. Always keep in mind the cost of the tear down and the buildup. This is my favorite way of doing a ***Boutique Senior Living Home***. There's a couple in North Carolina that decided to go the building route choosing to build two projects, and they have completed either of them. They are turning a great profit and have made such an impact in the community that when the social worker came by for the inspection she began to cry because the homes were so well done.

The fantastic thing about building a ***Boutique Senior Living Home*** from the ground up is the fact that you can build it to your specifications. It's a beautiful thing when you find a fantastic piece of land with a really small house on it. Start by determining your construction expenses. This means creating a spreadsheet that includes quotes for:

Basically, go over every cost you can imagine, and price it out to see if it's worth building your ***Boutique Senior Living Homes***. After you find the piece of property you want, start talking to contractors and professionals in the field. Develop a good relationship with the workers and the contractors. These relationships will not only help you with the build of the home but with many different aspects which we will cover.

When you interview the contractors, you'll need to ask them some questions to get a feel for what they're all about in the same way that you found your realtor. When you first meet with the contractor, discuss your ideas for what you want to do. See how he or she reacts to your ideas and, hear their thoughts. Ask if they have time to take on a challenge like this. Many times, a contractor will jump in

and say they have plenty of time. Sometimes someone that is too anxious to get started may not be the right person for the job. This could mean that they're not as thorough in their work and could overlook some important features in the home. Look for someone who has a lot of jobs going on and is willing to fit you into his/her schedule. This means they do a good job and are competitive. One thing I strongly emphasize to the contractor is time. Time is money for everyone, and the faster they complete the job, the faster we start making



money and the faster they get paid as well. Therefore, I look for contractors who can complete the job quickly. On that same note, you will want to ask the contractor if he/she works with architects, engineers, and other people you may need like landscape experts and interior designers. Most of the good contractors will instantly tell you "Yes, I have fantastic people for that." The reason I want to hear that is because we want things done quickly. Many times, when you subcontract jobs, things become too complicated. You'll want to explain to the contractor that you'll have many other jobs ready to go soon; you want the first one done quickly, and you'll want to talk to his/her people. The great thing about letting them know that you're willing to let them be in charge is that it'll make them feel empowered and engaged in the project. In turn, they'll be more inclined to focus on your projects. They'll finish the work sooner and with far fewer hiccups than with subcontractors. When the contractor is working with people they've worked with before, they'll have strong channels of communication and will know what is expected; they'll work as a team. Next, you should start thinking about the features you want in the home and the possible layout of the home. You should sit down with the architect and discuss the things that you are thinking and get some input from the architect. Many times, they'll have far better ideas than you. I'm not saying you won't have great ideas but, designing a flowing and perfect house is their job.

After discussing your ideas with your build team, you'll want to start talking to the local fire marshal, or the state fire marshal if possible. Also become friends with them if possible; they are fantastic people to know. These people and this process will help you out tremendously.

I have attached a sample spreadsheet of what you'll want a good contractor to send you. Look for all the little details and at how in-depth the contractor goes. Not only is this good for your current project but, with future projects, you'll be able to price them out yourself.

The spreadsheet forms shown are intended as examples only. These are not numbers to base your numbers on, but examples of what you want to see from a contractor. In my experience, someone willing to put time and effort into documenting all the numbers will do an honest and thorough job. Also, you'll notice that sometimes contractors who do jobs like this aren't the cheapest around and that's okay. They'll complete the job on time and bring in support to help you accomplish your goals.

Supply and install new Berber style carpet and remove existing	sq yds	42	\$35.00	\$1,470.00	
Remove mirrors on walls	EA	1	\$35.00	\$35.00	
Drywall repairs were mirrors were removed	EA	1	\$475.00	\$475.00	
Elec fixture allowance for fan/light	EA	1	\$300.00	\$300.00	
Total Master Bedroom				\$2,280.00	\$2,280.00
Bedroom # 1 (next to master)					
Remove all carpet and padding throughout and replace with new	sq yds	20	\$35.00	\$700.00	
Total Bedroom # 1				\$700.00	\$700.00
Hall Bath (next to master)					
Demo entire bathroom and remove debris	EA	1	\$1,485.00	\$1,485.00	
Reframe new walk in shower in lieu of tub includes materials and labor	EA	1	\$1,731.00	\$1,731.00	
drywall for new shower and repair to master adjoining walls opened for space	EA	1	\$1,850.00	\$1,850.00	
wall tile in new walk in	EA	1	\$750.00	\$750.00	
plumbing throughout (labor)	EA		\$1,275.00	\$1,275.00	
plumbing fixtures(toilet,sink,faucet,shower controls)	Allowance		\$940.00	\$940.00	
New floor tile	sqft	56	\$6.00	\$336.00	
New cabinet and granite top	Allowance	1	\$1,000.00	\$1,000.00	
New electrical fixtures over sink	Allowance	2	\$200.00	\$200.00	
New mirror	EA	1	\$195.00	\$195.00	
New ADA door opening at entrance	EA	1	\$1,450.00	\$1,450.00	
Total Hall Bath				\$11,212.00	\$11,212.00
Front Office					
Remove existing and supply/install new berber style carpeting	sq yds	50	\$35.00	\$1,750.00	
Total Office				\$1,750.00	\$1,750.00
Bedroom # 2 (adjacent to master)					
remove existing and supply/install new carpeting		20	\$35.00	\$700.00	
Total Bedroom # 2				\$700.00	\$700.00
Bedroom # 3 (closest to front door)					
remove existing and supply/install new carpeting	EA	20	\$35.00	\$700.00	
Common area flooring					
Supply and install new hardwood flooring in common hall at master to entry	sq ft	116	\$16.00	\$1,856.00	
Supply and install new hardwood flooring in entry and great room	sq ft	560	\$16.00	\$8,960.00	
Supply and install new hardwood flooring in family room (fireplace area) to kitchen stopping at kitchen ceramic tile transition	sq ft	300	\$16.00	\$4,800.00	
Framing at floor level of great room to remove current level change. This includes site framing of floor truss system	EA	1	\$2,743.00	\$2,743.00	
Total Common area flooring				\$18,359.00	\$18,359.00

<u>Kitchen and Family room (connected)</u>					
Replace kitchen cabinet faces with new style selected by owner including hardware	Allowance	1	\$3,000.00	\$3,000.00	
Replace family room and entry hall cabinet fronts with new selected by owner. This includes hardware	Allowance		\$1,200.00	\$1,200.00	
Supply and install new fireplace mantel to match other white trim in home. This to be fluted on sides and painted semi gloss finish	ea	1	\$995.00	\$995.00	
Total Kitchen and Family Room				\$5,195.00	\$5,195.00
<u>Exterior Porch/ Decking</u>					
Framing at floor level of existing attached exterior porch to remove current level change. This includes site framing of floor truss system and level change at all patio sliding doors to same	EA	1	\$6,500.00	\$6,500.00	
Supply and install new 10 x 10 pressure treated wooden deck with ADA ramp at rear of existing porch secured to house and concrete pad	EA	1	\$9,500.00	\$9,500.00	
Total Exterior Porch/Decking				\$16,000.00	\$16,000.00
<u>Front ADA Ramp</u>					
Supply and install new ADA wooden pressure treated ramp at front or rear location selected by owner	EA	1	\$7,500.00	\$7,500.00	
Total ADA Ramp				\$7,500.00	\$7,500.00
<u>Pool</u>					
Drain pool	EA	1	\$495.00	\$495.00	
Demo concrete sides and perimeter fill in with dirt and compact same	EA	1	\$1,900.00	\$1,900.00	
	EA	1	\$5,000.00	\$5,000.00	
Install pavers over compacted soil and fine gravel. Pavers to be selected by owner	Allowance	1	\$12,000.00	\$12,000.00	
Total Pool				\$19,395.00	\$19,395.00
<u>New Rear Bathroom</u>					
Supply and install all materials for new bath to be installed where current laundry room is located in rear hall off kitchen	Estimate	1	\$9,800.00	\$9,800.00	
Plumbing relocation	Estimate	1	\$1,500.00	\$1,500.00	
Elec relocation same spec as other hall bath above	Estimate	1	\$900.00	\$900.00	
Total New Bath Costs				\$12,200.00	\$12,200.00
<u>Splitting of rear great room into (2) new bedrooms</u>					
Add one 20' long 2 x 4 wall 12' high, from entry to exterior entry door existing. This wall shall have two openings for new bedroom doors. Doors to be interior pre-hung entry and ADA sized	EA	1	\$2,900.00	\$2,900.00	
Add one 15' dividing wall to split new bedrooms.	EA	1	\$2,300.00	\$2,300.00	
Drywall supply and install for same			\$1,800.00	\$1,800.00	
New Baseboard, door casings			\$1,400.00	\$1,400.00	

Rear Bedroom (next to garage)						
remove existing and replace with new berber style carpeting	SQ yds	20	\$35.00	\$700.00		
Total Rear Bedroom				\$700.00	\$700.00	
Painting						
interior custom paint supply and install	ea	1	\$6,000.00	\$6,000.00		
Exterior custom paint supply and install		1	\$4,500.00	\$4,500.00		
Total Paint				\$10,500.00	\$10,500.00	
Complete HVAC insp and repairs	ea	1	\$1,500.00	\$1,500.00		\$1,500.00
New box stairs to second floor loft	ea	1	\$2,100.00	\$2,100.00		\$2,100.00
Misc Electrical Throughout	ea	1	\$1,500.00	\$1,500.00		\$1,500.00
Landscape Package						
remove current landscape	EA	1	\$3,500.00	\$3,500.00		
supply and install new builder base landscaping package selected by owner	Allowance		\$15,000.00	\$15,000.00		
Total Landscaping				\$18,500.00	\$18,500.00	
Construction Cleaning and Trash Removal		1	\$1,500.00	\$1,500.00		\$1,500.00
Total Base Cost				\$173,845.00		
Construction Management Cost Plus Fee including all general conditions costs					\$13,907.60	
GRAND TOTAL				\$187,752.60		

Now that you've decided on a contractor and have your build team set up, you should think about the layout of the property. Some of the properties that I would recommend building are single story ranch style houses that spread out, but at times, and in certain areas, you'll find that style of home doesn't work. Therefore, we'll discuss both scenarios. The benefit of a single-family home is that it's easier for the residents to get around, and you'll have the capacity to serve both ambulatory and non-ambulatory residents. When you design your *Boutique Senior Living Homes* with your architect, take into consideration a few things like simplicity, easy access, exit points, and efficiency. Simplicity will play a big role in the construction of the property and will keep your costs lower in the process. When I say simplicity, I mean simply designed walls and angles. Do not put in curved hallways or intricate designs, because these will not impress anyone and will only cost you more. Also consider putting in a half bath attached to each bedroom. This adds value to your rooms and brings in more clientele. The great thing about that is it won't cost you that much more money to install individual baths. Another feature that I strongly suggest is a separate living quarter for the caregivers. You can place these living quarters on a second floor or even on the first floor but sectioned off so that the caregivers have their privacy as well. All in all, the benefits of building from the ground up are great and will provide you with a home that is second to none, attracting residents like no other. This is also a benefit in some states due to licensing issues which we will cover in the next few sections.

The third option of buying or remodeling a home entails purchasing an existing *Boutique Senior*

Living Home. This is your chance to purchase a great investment and turn a current business into an even better one. There are a few things you'll have to consider; why are the owners selling or why is the business shutting down? Sometimes the reasons are major, and you'll want to skip a home that has significant problems, either currently or in the past. Be careful as there have been **Boutique Senior Living Homes** that have been in some major trouble, and the owners want to sell quickly to get away. For example, not too long ago, there was an unfortunate situation where a home was licensed for six people and had special agreements for restraints. The owners were fed up with the antics of one of the residents and thought she was too much to deal with. They restrained the resident against her will, not to mention against state codes. One evening the home caught fire, and they were unable to get the restrained resident out. It's a horrible scenario and a house like that will never recover its reputation. Do not buy a home with a history like that. That was a drastic example but unfortunately things like that happen, though they never should.

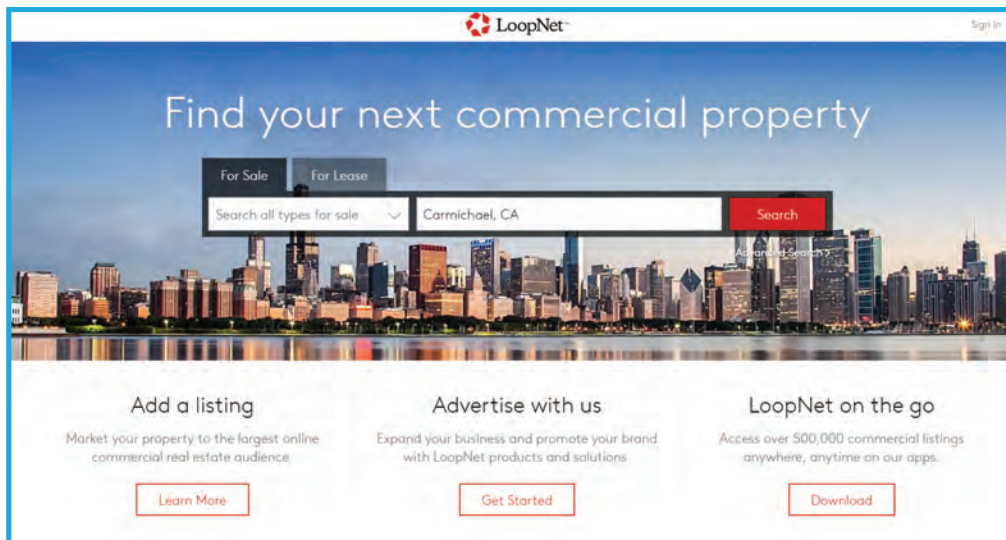
Now that you have inquired about the property's past and its owners, there are a few other things you'll need to consider such as if it's in the area you want, if the property meets your standards, and if you can make improvements. If you have answered yes to all these points, the next thing to consider is the numbers. The numbers are the most important part in finding out if this property will work for you. But before we go into the numbers, where might you find some of these homes that are for sale? Some of the places where I look for **Boutique Senior Living Home** I might buy are: www.loopnet.com, state websites, and at properties that are not for sale. Loopnet.com is a website for commercial property listings of the United States. This is a good tool for you to use in searching for properties. You may not find the most amazing deal right off the bat, but they do happen. Loopnet is also a site where realtors put their commercial or investment properties up for sale. Some people put their own properties up for sale on the site. You can browse all the properties in any location. The only hitch with Loopnet is that if you truly want to see every single property it will require a monthly subscription which I would not recommend buying unless you believe it will help meet your specific needs.

When arriving at Loopnet.com, you'll see a welcome page where you can start your search. As a guest you won't be able to see too many things, so I do recommend signing up for the free membership so you can browse the website fully. When you start your search, you will see a search menu pop up. Select "senior housing" and modify your location as you wish. You can also search by price or other criteria.

Now that you've identified a property for a more in-depth look, click on the picture and open the main page. Take this property as an example. It looks like a lovely house in a good area. It has bedrooms for six residents and looks like it may cash-flow well. This listing shows some good details about the property, but the problem is that it doesn't show you the most important details like the income per bed. For you to make any kind of decision, you'll need to review income statements from the owners regarding the income of the property. If this is an existing property, they're required to have those details by law, and they would have to show them to you as a potential buyer. If this home is no longer in operation as a **Boutique Senior Living Home**, then it really doesn't matter, and you'll need to run your own

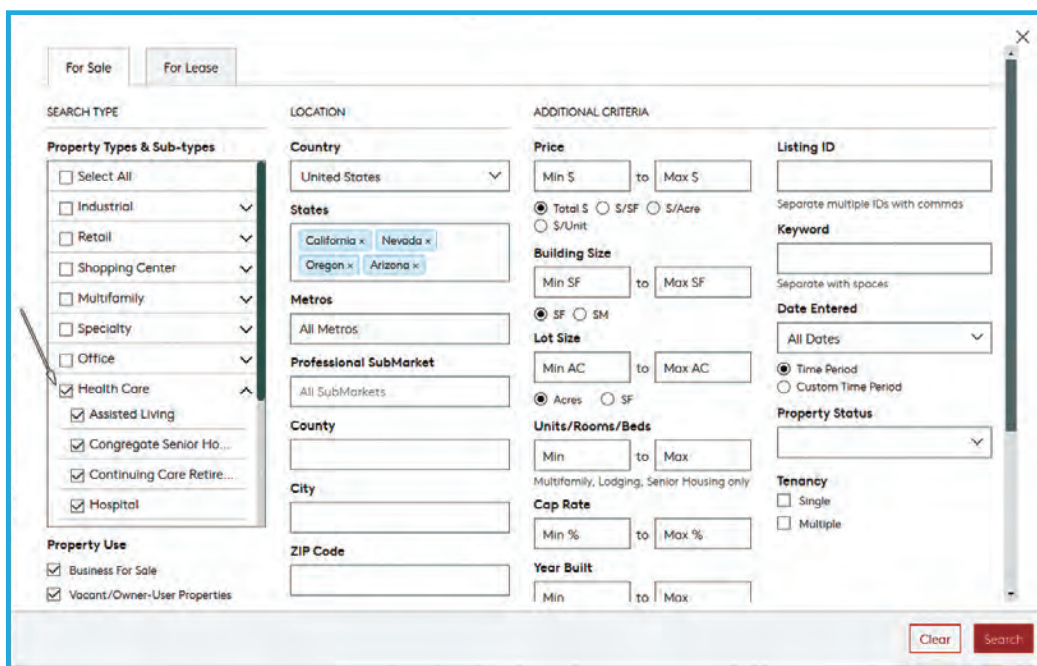
numbers. To get a hold of the owner, click on the “more information” button to call or email the listing agent or seller and get the information you need.

After browsing loopnet.com and not finding something you like, you may want to start looking for places that are not for sale.



You may find great deals on Loopnet but what are the people on loopnet.com looking for? They are all looking for money because they wanted to sell their property, but people who do not have their properties up for sale may have no idea what their properties are worth. Do you think you can get a better deal from those properties? The answer is a resounding **YES**. It may not work all the time, and most of the people you contact will not say yes, but all you need is one person to say yes and you can go from there.

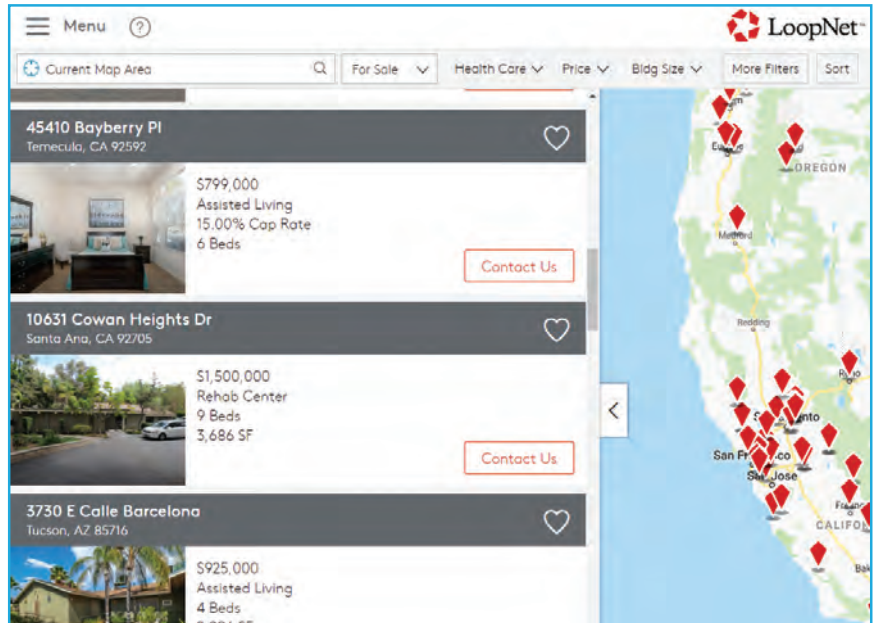
The question is, how do you find the properties that are not for sale? Researching state websites, visiting search engines, and driving around looking in the areas you like are good places to start. If you’re looking for existing properties, visit your state governmental website to locate **Boutique Senior Living Homes**.



Once you arrive at the home page you can navigate the website. The next thing you’ll want to do is click “search for sales” on the menu bar. After you’re at the next screen you’ll go to property types then you will have to click “Health Care”.

At the search page enter the zip

code of your search area and the search tool will list the facilities. Once you have the list, refer to key points what we discussed earlier regarding looking at properties and begin reviewing a few facilities. Once you have found a facility or two that are existing properties, you can begin putting in some offers. When making an offer make sure you have funding options available. When putting an offer in on a property that is not for sale, remember that the owner would like to feel in control. Do not make



the owner feel like he or she doesn't have a choice. Instead put in two or three offers to the owner of the facilities. One offer should be a full cash offer that is a little lower than average, another offer should be payment through owner financing for regular value, and if you feel comfortable, make a third offer with a large balloon at a slightly higher price. This approach will not only get you in the door but will keep the owner in control or at least feeling that he or she is in control. You'll see great results this way.

Now that we've gone over all the different ways of getting properties for your new **Boutique Senior Living Home**, you can go out and get some properties ready. Everyone is different and everyone has different ideas about which type of deal is preferable. You'll have to decide for yourself which way of acquiring the **Boutique Senior Living Home** property is right for you. We have covered how to get a good relationship started with the right people, such as realtors and contractors, and we also covered the three different ways to acquire a property for the **Boutique Senior Living Home**.

Laws & Regulations



By this point you'll have located an area in which you would like to open your *Boutique Senior Living Home* and you should have decided what type of property to invest in. The next part of this process is finding out all the laws and regulations that are required by each state. It is important that you understand all that goes along with licensing and regulation in each state where you're opening a facility. Most people don't understand that there is a lot of regulatory involvement in *Boutique Senior Living Homes* properties, but it is

nothing to worry about. Having strict regulations is a benefit to you and your business. There are several things that you'll have to do before you purchase the properties you've found. While we've covered the main details of making sure your facility is code compliant, there are other laws and regulations you'll have to follow to get licensed for the facility. Depending on which state you're operating in, you may need to take a one-week administrator's course and test before you can obtain the license. Then follow the guidelines for each property. In this section we'll cover everything that you'll have to do in the process, and make it as quick as possible, because time is money and money is time. The objective is to bring you up to speed so you can go out and get the facility licensed as soon as the state will allow, and so you can pass all the tests and inspections the first time around.

You and your staff will need to fully understand and be in compliance with all the Laws & Regulations as quickly as possible. The first thing that you should cover and complete is the process for becoming an administrator. All states require you or someone who oversees the facility to have their administrator's license. You don't have to be the administrator for your own facility, but you want to have everything in place as soon as possible. The administrator's duties include hiring and firing new staff for your home, charting, managing medication, collecting money, training staff, and running the show. Before you get started, you'll have to understand that each state requires you to go through a five-day training class. You may want to find a consulting firm that can help prepare you for the testing and licensing process. After you complete the five-day course you will be eligible to take the state exam to obtain your license as a certified administrator. **Contact the local state office to determine where the next administrator training course will be held or visit your local state website for the information on licensing and the time and dates available.**



Now that you've located the place, date and time of the next class, you need to register and attend. The administrator class will go over many topics like the state statutes, administrative codes, administration, health and wellness, physical environment, life in the residence, quality assurance, licensing, and the forms that are involved. Because this is a five-day process, you'll learn a lot and it's important to review the definitions portion listed in this manual. These definitions will be discussed in-depth at the five-day administrator course, and it will benefit you to understand them to the best of your ability.

Now that you're aware of the course and what details will be discussed, let's talk about what an administrator really is according to the government and states and what is required of an administrator.

The administrators of assisted living residences are responsible for the residents who require daily care to attend to their physical, mental, and emotional needs. Therefore, the certification of assisted living administrators is necessary to ensure adequate levels of care and to protect public health, safety, and welfare.

Certification requirements and exemptions:

- (1) No person shall perform or offer to perform services as an assisted living administrator unless the person has been certified under the provisions of the state. A certificate granted under the State Article shall be valid throughout the State.
- (2) The provisions of the State Article shall not apply to:
 - (a) Combination homes as defined in the above sections and hospitals that contain adult care beds.
 - (b) *Boutique Senior Living Homes* as defined in above sections.
 - (c) Continuing care facilities, as defined in Article 64 of Chapter 58 of the General Statutes, adult care beds are housed in the same facility as nursing home beds.

Official definitions for Administrators are:

- (1) Administrator-in-training. – An individual who serves a training period under the supervision of an approved preceptor.
- (2) Assisted living administrator. – An individual certified to operate, administer, manage, and supervise an assisted living residence or to share in the performance of these duties with another person who has been so certified.
- (3) Assisted living residence. – A facility defined in the state statutes, whether proprietary or non-profit. The term also includes institutions or facilities that are owned or administered by the federal or state government or any agency or political subdivision of the state government.
- (4) Department. – The Department of Health and Human Services.
- (5) Preceptor. – An individual who is certified by the Department as an assisted living administra-

tor and who meets the requirements established by the Department to serve as a supervisor of administrators-in-training.

An applicant shall be certified by the Department as an assisted living administrator if the applicant meets all of the following qualifications:

- (1) Is at least 21 years old.
- (2) Provides a satisfactory criminal background report from the State Repository of Criminal Histories, which shall be provided by the State Bureau of Investigation upon its receiving fingerprints from the applicant. If the applicant has been a resident of this state for less than five years, the applicant shall provide a satisfactory criminal background report from both the State and National Repositories of Criminal Histories.
- (3) Successfully completes the equivalent of two years of coursework at an accredited college or university or has a combination of education and experience as approved by the Department.
- (4) Successfully completes a Department approved administrator-in-training program of at least 120 hours of study in courses relating to assisted living residences.
- (5) Successfully completes a written examination administered by the Department of Health.

Issuance, renewal, and replacement of certificates

- (1) Department shall issue a certificate to any applicant who has satisfactorily met the requirements of the state Articles. The certificate shall show the full name of the person and an identification number and shall be signed by the Secretary of the Department. A certificate may not be transferred or assigned.
- (2) All certificates shall expire on December 31 of the second year following issuance. All applications for renewal shall be filed with the Department and shall be accompanied by documentation of the certificate holder's completion of the annual continuing education requirements established by the Department regarding the management and operation of an assisted living residence.
- (3) The Department shall replace any certificate that is lost, destroyed, or mutilated subject to rules established by the Department.

Posting certificates

Every person issued a certificate under this Article shall display the certificate prominently in the assisted living residence where the person works. It may be a good idea to put your license in a frame to hang at a high level of visibility so that there are no questions about your license. The purpose of displaying the administrator license is to instill confidence in the residents and their family that you have a fantastic facility as well as one that follows all the rules. Another reason to display the license

is for state workers. When a state worker comes to your facility for an inspection, they'll need to see it. Make sure your license is not just put somewhere for the purpose of display. As we have discussed throughout the manual, it's important to have a home that is comfortable and has good decor. If you display the information tastefully, it will look a lot more like art than a requirement.

Adverse action on a certificate

Subject to qualifications, the Department shall have the authority to deny a new or renewal application for a certificate, and to amend, recall, suspend, or revoke an existing certificate upon a determination that there has been a substantial failure to comply with the provisions of this Article or any rules promulgated under this Article. It is very important in this business that we comply 100% with the laws and regulations. Many people get worried about doing this and how it will affect their time. The reality of the matter is that if you cannot follow these laws and meet the requirements, you should not consider opening a senior care facility. The laws are basic, and they are the minimum requirements. As we've discussed earlier, your homes will need to be extraordinary and surpass the expectations of everyone involved in the licensing of your home. Not only will this make your licensing process fly by smoothly, but it will also make you new friends in the state office and potentially get you some clientele.



Reporting requirement

The holder of a facility license issued shall report any incidents of suspected abuse, neglect, or exploitation of persons residing in an assisted living residence by a person certified under this Article to the Healthcare Personnel Registry. In the document section of this manual you'll find all the documentation that you'll need for reporting incidents and anything else that is needed. The importance of reporting everything that happens in the facility as well as proper documentation in general is that you can cover yourself if something bad happens (besides the fact that it is mandated by the states). It's a serious matter to the state if you do not report incidents. Not only will your business be safer, but the state will also treat you a whole lot better when you are up to code and follow their directions. In all reality, it doesn't take that long to fill out the forms. Once the staff has learned how to do it, it will become quite routine.

Penalties

A person who serves as an assisted living administrator without first obtaining a certificate from the Department is guilty of a Class One misdemeanor. Each act of unlawful practice constitutes a distinct and separate offense. If an offense is made, the state office may revoke a person's Administrator license as well as the facility's license if the problem is severe. The worst consequence that will result from not following the codes includes all the above as well as possible jail time.

Now that you understand the administration requirements of the business, we'll move onto the property licensing. Each state requires that each facility location is individually licensed. After having your administrator license in place, you can buy the property that you've located. Once you have the property locked down you can start the licensing application. There are several steps you must follow when it comes to the property licensing.

First review state laws (which you will find in the State Laws & Regulations Manual) and get the process started by checking the following codes:

- State Statutes
- State Code Chapters
- Rules from the Administrative Code (A.C.)
- Assisted Living Facility Application Package (including Health Care Licensing Application and Addendum)
- Background Screening Package



Please review the information from the laws and regulation manual for your state carefully before completing and starting the forms.

All forms must be accurately completed before an application can be processed and a survey of your facility can be scheduled. It is very important that you review all the information in the application forms thoroughly. I keep repeating this because you'll be licensed much faster without having the forms sent back to you for additional review.

There are fees for submitting the license application, which vary by state, but the fees are nominal. When submitting the license, you must send in a background screening showing that you have a clean record. The background check is submitted to the DOJ (Department of Justice) and

verified. If you have a criminal record, proceed with caution, but it may not be the end for you, because there are some exemptions. The reason you need a clean record is obvious. When caring for the elderly, states require a clean slate with no history of problems that may translate to problems in the workplace. When submitting forms and documentation, you must make payment by check or money order, and you should make it payable to the state where you're seeking a license. Again, any incomplete forms or forms received without fees will be returned, and the process will take longer. Now you understand why the typical process can take two to four months in most states and much longer in states like California, Washington, New York, etc. With that timeframe you don't want to have paperwork returned several times. As a warning, the paperwork should be returned once, because if the state does not return the form once they are not doing their job. Apparently, that is how they work.



When the application is complete, you'll be contacted by the Agency for Healthcare Administration field office to schedule a survey and inspection of your facility property. During the survey, agency staff will inspect the facility to make sure you meet the requirements of state laws and regulations. If you are not able to be present at your facility for the scheduled survey date and time, the state will fail your application. Returned forms are ok, but if you miss the appointment, you'll have to start the licensing process over from the very beginning and pay the initial licensing fee again. Do not let simple mistakes derail the process.

CONTACT STATE OFFICE

regarding the next administrator training course

EARN ADMINISTRATOR CERTIFICATE

and display it

EACH FACILITY LOCATION

requires individual license

SCHEDULE A SURVEY AND INSPECTION

of your facility property

Healthcare Licensing Application Step by Step

(1) **Provider Information.** Provide the type, name and street address as it will appear on the license. Type means what kind of facility. Many states have different names for *Boutique Senior Living Homes*. Some states just call it an Assisted Living Facility, Adult Family Home, or the Residential Care Facility. You'll have to specify the correct type for your facility and give it a name. Once you've chosen the name of the facility, you'll have to stick with it. I suggest researching names on the internet to make sure the name you choose is still available. Set up your entity and stick to the name.

(2) **Controlling Interests of Licensee.** In each section provide information regarding individuals, board members/officers and voluntary board members and officers of licensee.

In the above section you will want to state the initial workers that you have in mind, and the main people involved with the business. For example, if you haven't completed your staff roster yet, feel free to list yourself and other members of your business. For this section you should include only people that will not constantly change. It's better to put yourself and or family members that will work with you in running the business.

(3) **Management Company Controlling Interests.** In each section provide information regarding individuals, board members or voluntary board members if a company other than the licensee manages the licensee/provider.

(4) **License & Bed Fees.** Compute the amount of the license and bed fees to be included with the completed application. License fees are non-refundable and must accompany the application. Be sure to designate the number of Optional State Supplementation (OSS) beds and private pay beds, as well as the total number of beds. The fees per bed will range state by state and you will be able to check your state laws. Some states do not have any bed fees.

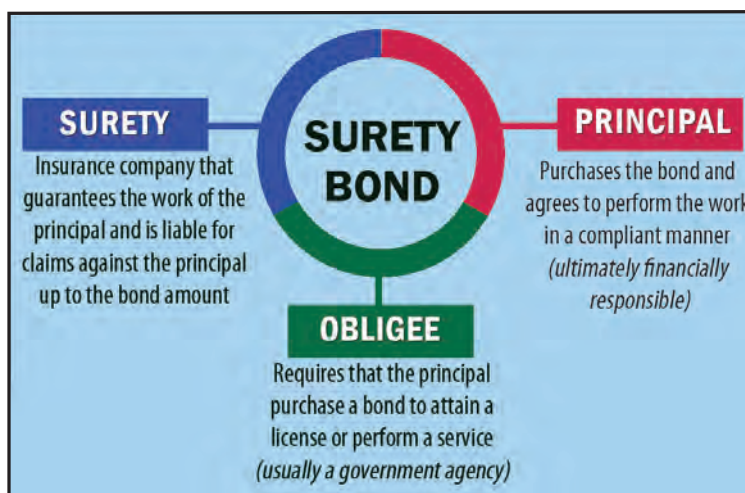
(5) **Specialty Licenses.** This section requires information for a specialty license, for example a license to have all non-ambulatory residents, bedridden residents, etc. All applicants for specialty licenses must concurrently apply for or hold a standard license. Applicants for a Limited Nursing Services (LNS) or Extended Congregate Care (ECC) license must not have had administrative problems during the previous two years or since initial licensure or if licensed for less than two years.

(6) **Applicant/Owner Info.** Specify if the facility is owned by an individual or individuals, limited partnership, general partnership, corporation, or other arrangement. Corporations and limited partnerships may attach a current Certificate of Status from the Florida Secretary of State, Division of Corporations. Information on whether the facility property is leased or rented,

and the management of the facility is also requested. Certain information must be provided for each individual owner; member of a firm, partnership, or association; officer, director, and 5% or greater owner of a corporation; and financial officer. You must also list all affiliations through ownership or employment within the last five years with other facilities or entities to provide health or residential care, and adverse actions against those facilities or entities; ownership interest in any professional service, firm, association, partnership, or corporation providing goods, leases, or services to the facility; Medicare or Medicaid terminations, suspensions, or exclusions; disqualifying background screening convictions; and references. Make as many copies of this section as necessary and submit with the completed application.

(7) Administrator Information. This section refers to the facility's administrator. All details about the facility administrator will have to be noted on the application. If you do not have an administrator ready to work use your personal information.

(8) Surety Bond. An owner, administrator or staff member who serves as a representative payee or attorney-in-fact for residents must maintain a surety bond, a copy of which must be attached to the application. Upon the annual issuance of a new bond or continuation bond, the facility must file a copy with the local state health department. However, I don't recommend that you hold a surety



bond because of added liability. When dealing with holding valuables for residents, one must describe those belongings in great detail. Also, when holding cash, you cannot hold more than \$200 cash and you have to have double the amount of cash that you hold. So even if it is under one of the processes that the state wants to see, you don't need to file it. I would recommend against it.

(9) Affidavit. The application must be signed and notarized. When completing this section be sure to list your title (owner, administrator, corporate officer, or authorized agent designated by the owner or corporate officer). Failure to complete this section properly will result in the application being returned, and may result in additional fines or penalties, as appropriate.

The Agency for Healthcare Administration is required by state law to obtain your social security number. Disclosure of your social security number is mandatory. Your social security number will be used to secure the proper identification of persons listed on this application for licensure.

I know it seems like a given that they would ask for your Social Security Number, but some people always seem surprised. Unfortunately, if you don't have an SSN, you will have to speak directly with the

state and find out what your other options are.

If the applicant is for a corporation, you'll have to enter the name and SSN for each officer, director, and person having at least a 5% or greater ownership interest; enter the name and SSN for each member of a firm, partnership, or association; enter the name and SSN for each individual owner, administrator, and person having responsibility for the facility's financial operation. This seems like a hassle but think of it as if your parents were staying at a similar facility. You would want to have all people involved verified by the state.

ASSETS		LIABILITIES	
(Omit Cents)		(Omit Cents)	
Cash on hand & in Banks	\$	Accounts Payable	\$
Savings Accounts	\$	Notes Payable to Banks and Others	\$
IRA or Other Retirement Account	\$	(Describe in Section 2)	\$
Accounts & Notes Receivable	\$	Installment Account (Auto)	\$
Life Insurance-Cash Surrender Value Only	\$	Mo. Payments \$	\$
(Complete Section 8)		Installment Account (Other)	\$
Stocks and Bonds	\$	Mo. Payments \$	\$
(Describe in Section 3)		Loan on Life Insurance	\$
Real Estate	\$	Mortgages on Real Estate	\$
(Describe in Section 4)		(Describe in Section 4)	\$
Automobile-Present Value	\$	Unpaid Taxes	\$
Other Personal Property	\$	(Describe in Section 6)	\$
(Describe in Section 5)		Other Liabilities	\$
Other Assets	\$	(Describe in Section 7)	\$
(Describe in Section 5)		Total Liabilities	\$
Total	\$	Net Worth	\$
Total	\$	Total	\$

Section 1. Source of Income		Contingent Liabilities	
Salary	\$	As Endorser or Co-Maker	\$
Net Investment Income	\$	Legal Claims & Judgments	\$
Real Estate Income	\$	Provision for Federal Income Tax	\$
Other Income (Describe below)*	\$	Other Special Debt	\$

Description of Other Income in Section 1:

Any proposed change of ownership during the period covered by a license will require the new owners to file a new application. Owners cannot be added nor can individual or partners incorporate without submitting a new application. Failure to do so will result in a fine and referral to the state attorney in the buyer's circuit. An application must be completed and submitted to the Agency at least sixty days prior to the actual change of ownership.

You'll need to complete and file the Asset & Liability Form. This form is meant to

show the total amount of the applicant's assets, liabilities and equities. You need to demonstrate the financial ability to operate your facility both now and in the future. Total assets must equal total liabilities and equity. Additional instructions can be found on the form which is provided by the state. The form states that you will have to have all your assets and liabilities on the form, but the reality is that if you structure it right you will only have to put in what is associated with the business.

Proof of liability insurance is needed for *Boutique Senior Living Homes*. Proof of current business liability insurance coverage for the operation of the *Boutique Senior Living Homes* must be submitted and kept in force by the facility. A certificate of insurance form from your agent or a copy of the policy declaration page, with dates of coverage, is acceptable; binders are not acceptable. Insurance documentation must include the name and street address of the facility, that it is an assisted living facility, its

CERTIFICATE OF LIABILITY INSURANCE						DATE (MM/DD/YYYY)	
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.							
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements.							
PRODUCER		CONTACT NAME		PHONE (A/C No, Ext)		FAX (A/C, No)	
		ADDRESS:		ADDRESS:		INSURER(S) AFFORDING COVERAGE	
						NAIC #	
INSURED		INSURER A:		INSURER B:		INSURER C:	
		INSURER D:		INSURER E:		INSURER F:	
COVERAGES		CERTIFICATE NUMBER:		REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR. CLAS.	TYPE OF INSURANCE	INSR. WVD.	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY					EACH OCCURRENCE	\$ 1,000,000
	CLAIMS MADE <input checked="" type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (if applicable)	\$ 500,000
						MED EXP (any and all persons)	\$ 10,000
	X Per Project Aggre					PERSONAL & ADV INJURY	\$ 1,000,000
	GENL AGGREGATE LIMIT APPLIES PER POLICY <input checked="" type="checkbox"/> PRO <input type="checkbox"/> LOC <input type="checkbox"/>					GENERAL AGGRE CLAI	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
A	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (if applicable)	\$ 1,000,000
	ANY AUTO					BODILY INJURY (Per person)	\$
	ALL OWNED AUTOS	SCHEDULED AUTOS				BODILY INJURY (Per accident)	\$
		NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	X THIRD AUTOS	X					

licensed capacity, and the dates of coverage. At the time of renewal or whenever a facility changes policies documentation of continued coverage must be filed with the Agency for Healthcare Administration.

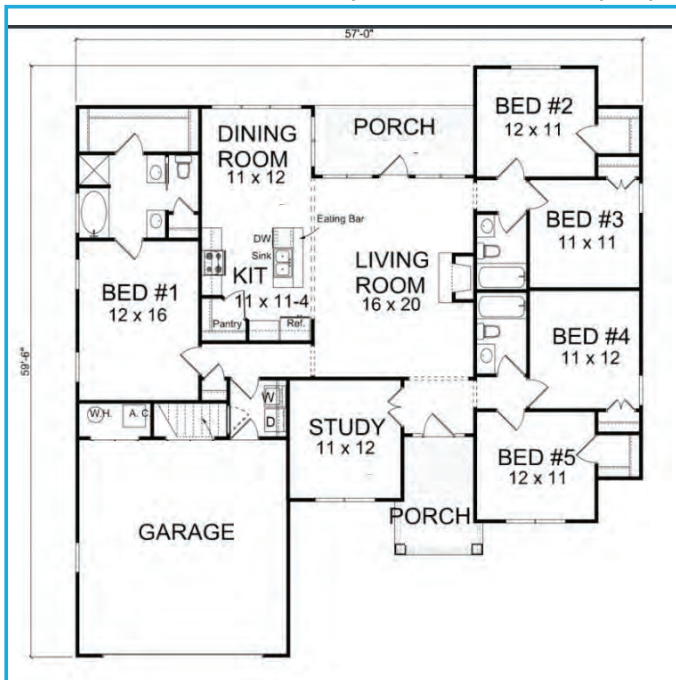
For an initial application, the applicant must have proof of a satisfactory fire safety inspection by the local fire safety authority and submit this to the local state health department. This is the perfect chance to establish a good relationship with the local fire marshal. They can assist you with ideas of what is and is not acceptable for *Boutique Senior Living Homes*.

You must attach a health approval form to the application. This will be used in demonstrating compliance with state sanitation/food hygiene standards and must be submitted with the completed application. See the Department of Health’s rule for your state for further clarification. To obtain an inspection, you must submit a written request to the county health department. Please note that some county health departments may charge a fee for this service. For more information on the Department of Health, including a list of county health departments, areas of jurisdiction, and copies of applicable rules, visit the Department’s web site or see the laws and regulations manual. Along with that you should put together a sample menu showing examples of meals you will serve, and as well as demonstrating that you will meet the dietary needs of the individuals at the facility. To give you a good example, I have attached a sample food menu, but to update it you may want to hire a dietitian to assist you.



A copy of the facility floor plan indicating those areas to be licensed as *Boutique Senior Living Homes* must be submitted with the application. The floor plan may be on 8½” x 11” paper, not drawn to scale. Do not send blueprints. This is a simple process where you can just send a draft of the home

floor plan and this is sufficient for the state.



All *Boutique Senior Living Homes* must have a written Comprehensive Emergency Management Plan (CEMP) describing emergency procedures during an internal or external disaster. The plan must be submitted to your local emergency management agency for approval within thirty days of licensing. This would include a fire evacuation plan. It could be something as simple as a draft of the home with lines indicating the exit plan.

Facility staff must receive certain training upon employment in *Boutique Senior Living Homes*. Compliance with training requirements will be verified at the time of agency surveys.

Upon licensing, at least one staff member who holds a valid card documenting completion of courses in First Aid and cardiopulmonary resuscitation (CPR) must always be on duty when residents are in the facility. Administrators and staff must meet minimum training and education requirements established by the Department of Elder Affairs. You can find this information in the section above that describes administrator requirements.

There is no deadline to complete and return an initial application. Once the application is complete, you will be contacted by the local agency office to schedule a survey of your facility. Failure to be present at your facility site at the designated survey date and time will result in your application being denied. You will have to start the licensing process over again and pay another fee. During the survey, agency staff will inspect your facility to make sure you meet the requirements of the Healthcare Licensing Procedures Act, *Boutique Senior Living Homes* laws and rules.

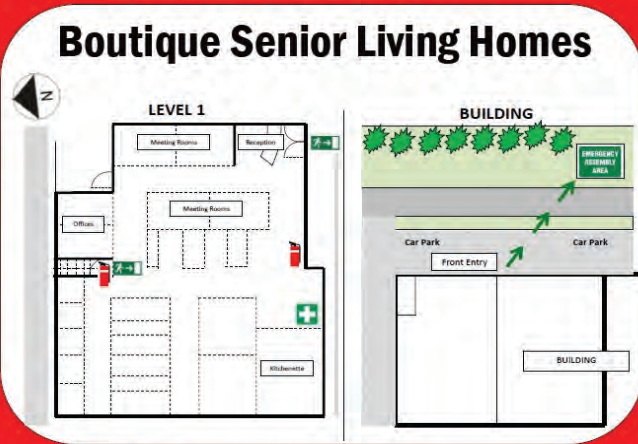
Once you meet all the above criteria send your application to the local licensing agency. To verify all that you've done is compliant, please verify the specific requirements in your local agency codes. Once this is completed, send in all the forms and you'll have everything you need to start the licensing process. You'll be notified by the state of your progress.

EMERGENCY PROCEDURES

FIRST PERSON NOTICING

- IMMEDIATELY ADVISE A WARDEN OF AN EMERGENCY
- IF NO WARDEN AVAILABLE – ADVISE SUPERVISOR, IF REQUIRED CALL EMERGENCY SERVICES (DIAL 000)
- WAIT TO BE ADVISED OF FURTHER INSTRUCTIONS FROM WARDEN
- OBEY ALL INSTRUCTIONS FROM WARDEN


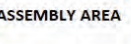



Boutique Senior Living Homes




WARDEN

- WARDEN TO ASSESS SITUATION
- IF EMERGENCY SERVICES REQUIRED (DIAL 000)
- DETERMINE NEED TO EVACUATE – EVACUATE TO ASSEMBLY AREA IF REQUIRED
- CHECK ALL AREAS ON EVACUATION TO ENSURE ALL PERSONS REMOVED FROM AREA
- ASSIST WITH EMERGENCY (AS REQUIRED – AND IF SAFE TO DO SO)

LEGEND

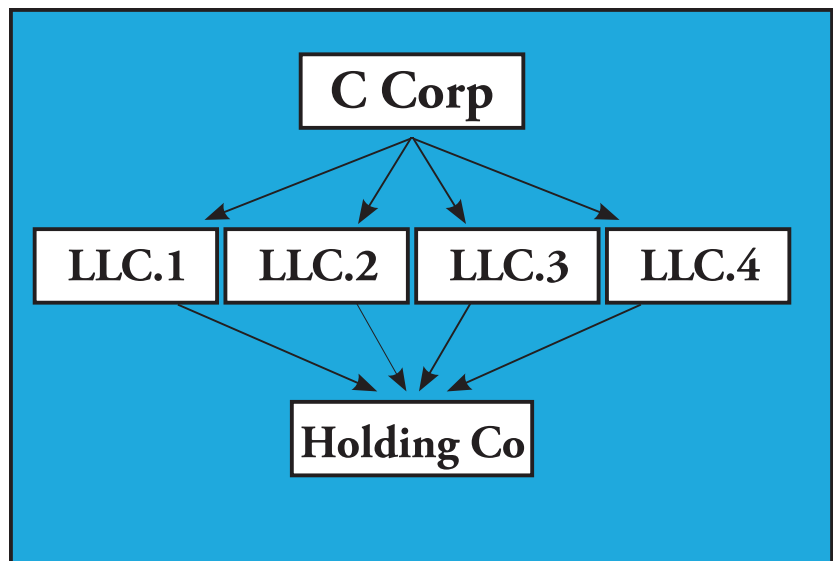
 EMERGENCY ASSEMBLY AREA	 ASSEMBLY AREA	 EXITS
 FIRE EXTINGUISHERS	 FIRST AID KIT	



Asset Structuring

With full disclosure, I am not an attorney and none of this information should be used without the consent of your attorney. You have now learned the process of finding the property, building the property you need, and/or buying the facility that is right for this model. You have learned what to look for in appropriate areas, and you now know how to obtain a license. Just as important as all the points mentioned above is the way you structure your assets and business entities. Asset Structuring will not only help you in case of lawsuits, but also with your taxes, and the money that is paid to the government. No one wants to pay half of their income to the government, and it doesn't seem fair that, while you provide jobs for others and are contributing to the economy, that you should be penalized. Not only that, but care businesses are hot spots for liability; many people would love for you to slip up so they can try to take you for all that you have. It's a sad world that we live in that if any slip up happens someone is there to sue you. Therefore, considering everything that we as business owners must deal with nowadays, all the indicators point us in the direction of properly setting up our structure to protect our interests. This section will cover just that.

While there are many ways to set up entities and many ways to structure yourself in a way that will protect you, there are certain methods that will make your life easier, in terms of liability, taxes, and sales of properties. Nevada, Alaska, Utah, and Texas are a few places that were suggested to me by an attorney for starting my venture. They are some of the best states to start your entities because of the veil of protection offered to you as a business. In those states you will not be easily found in searches. Anonymity is important so that someone cannot just go search the records, and, before they sue your company, they find out everything that you personally own. Someone with access to that information could bypass suing your company and just go after you if you had more assets. The importance of anonymity is obvious. The fact of the matter is that doing business in other states but having the properties and business in another state may worry people. All that needs to be done is pay the foreign entity fee and apply to do business in whatever state you are operating from. Another benefit in doing business out of those states is that there is no state income tax, which will also help you out as a business. I am not giving advice or recommendations; all I can say is what I know based on my own experiences and what I have been instructed to do by attorneys. The image below will show a corporate structure that works in protecting assets and saving money on taxes.





The idea of this structure is separation of all ties from your personal name to your business holdings, as well as keeping more of your money. As you can see in the diagram, we are typically going to deal with either two or three different types of entities. The starting point is to establish a C Corporation which you'll operate as a management company and will manage your properties which are in the LLC's (Limited Liability Company). After the C Corporation is set up, you will put properties in individual LLC's. The reason for putting each individual property in its own LLC is to separate your assets. In case you get sued for one property, only one will be liable. What the

management company will do is manage all the LLC's as separate companies and businesses. The contract that you will have put in place with the LLC's and the managing C Corporation should pass all the liability and responsibility to the managing C Corporation. This will really help in case of a lawsuit. All the responsibility will be passed to the C Corporation that owns no assets! Now that is not necessarily where it ends.

The next part of the fantastic asset structure is the ownership of the LLC's. Who would own the LLC's? You? Another company? The answer is YES! Which one, you ask? The ownership of the LLC's can be either yourself or another company. I prefer to use another company to hold ownership of the LLC's. The differences are the owners of the LLC's will get paid by the management company, and if you are collecting a substantial amount of money from the C Corporation you will have quite a bit of taxes to pay. I choose to hold ownership in another company, either a C Corporation, a Family Trust, another LLC, or a Limited Partnership. The reason I choose this and was advised to do it this way, is that this saves money on taxes. The management company will handle all the expenses and financing of the full operation. With that said what happens to the leftover money? If you have ten to fifteen thousand dollars leftover per property you will not want to keep that in the management company because if the





management company gets sued, your cash is gone. Now if you disperse the funds to yourself you will have to pay taxes on those profits. What I have been encouraged to do is set up my holding company and transfer the funds to the holding company. This way you can work out of the holding company with the finances and pay yourself a small amount of cash. This will make paying taxes easier and it allows for more savings. The other benefit to having this structure or a structure like it is regarding sales. Sales refers to the sale of the individual residential care

property. When selling one of multiple homes that are placed in one entity, you will have to separate them, creating more paperwork. Now, when all the properties are already separated from the others in individual entities, it will make the sale of the properties considerably easier to manage. Not only is it easier to manage the sale, but it will also help because the license per property will not transfer per person but may very well be transferable within a company as long as the persons are disclosed to the health department. With all that said, that is probably the best structure you can have for *Boutique Senior Living Homes* at this point. But do you want to go through lawsuits? Of course not! The best asset protection is by far doing a great job and treating people the way they want and should be treated. It is very important to treat your customers with the respect that you would give your own family. If you are not the one interacting with the clients directly, make sure your workers are treating everyone the right way. We'll talk about worker training in the coming chapters. My company has yet to be sued because we do the job for others as we would for our own families. That is the secret to success in not just this business but any business. If you treat people the right way, they'll treat you with respect and you'll get the results you need to succeed.

I cannot break down how to do your taxes, and I cannot say that this structure is best for your situation, but this has proven, for many different people, to work very effectively. To really find the best possible way of structuring your business, please consult a lawyer and a good accountant.



ESTABLISH A C CORPORATION MANAGEMENT COMPANY

to manage your properties which are in the LLC's

SET UP PROPERTIES IN INDIVIDUAL LLC'S.

*In case you get sued for one property,
only one will be liable.*

COLLECTING A SUBSTANTIAL AMOUNT OF MONEY FROM THE C CORP?

*You will have quite a bit of taxes to pay.
Hold ownership in another company, either a
C Corporation, a Family Trust, another LLC,
or a Limited Partnership.*

SET UP A HOLDING COMPANY

Transfer the funds to the holding company

Marketing

By now you have found the property, you have gotten your license, and you have your assets and taxes structured to your benefit. The next important thing in this business is marketing. How do you market a facility to the right people and how can you fill up a home or multiple homes? Marketing is one of the most important things for profit reasons when it comes to **Boutique Senior Living Homes**. Probably the best marketing for a business is word of mouth. That starts with providing service unlike any other. A few of the marketing techniques that we'll cover are face to face, relational, online, print. The importance of getting your business name out in the public directly relates to the amount of revenue that you can pull in on a monthly basis. Greater visibility will also determine the longevity of your company. When it comes to marketing your facility and putting your name out there, you'll notice that more often the simpler methods work better. Creativity is very important in this matter, and a smart and creative approach is important, too. Some of the examples I'll give in regard to other homes will shock you as well as make you laugh. The goal is to make your home stand out and not as a laughing matter. In this section we'll discuss a broad array of strategies; take what will fit your home and use only what you think will make it better overall.



MARKETING - MOST IMPORTANT THING

It is imperative to ensure the growth of your business

CREATIVITY IS A MUST!

There is a high correlation between creativity and success

Sample Marketing Tools

All of these sample flyers and posters can be created at home, but if you are not creative or artistic, hire a graphic designer and have them professionally designed.

It's Time To Talk To Your Parents if they ...

- Watch TV all day
- Forget medications or take too many
- Have frequent falls
- Seem forgetful
- Have left the stove on
- Seem depressed
- Forget to eat
- Recently lost a spouse
- Have trouble recognizing family members
- Are taken advantage of
- Write checks they can't remember
- Are no longer active

What Others Are Saying

Clean, bright, spacious, warm and inviting ... if you, a friend, or family member are considering an assisted living facility, you need to consider Shepherd.

—Frank Hosticka

A warm & caring home environment are important for your loved one. Shepherd is the place you should check out.

—Sandra Porter Zawistowski

This is a great alternative for senior living and care.

—Vic

Shepherd Premier SENIOR LIVING

(224) 333-6247

Shepherd Premier Senior Living – the Future of Senior Care Now

The foundation of each Shepherd Premier Senior Living Independent Living, Assisted Living and Memory Care residence is to provide a warm and caring home where seniors can live with dignity. Founders Brandon and Kelli Schwab discovered an outstanding model for senior homes in Florida where 80 percent of the 3,500-licensed senior assisted living homes have 6-or-fewer beds. They've married that design with their own passion and experience caring for their family members.

They now have 9 senior homes in Florida and have brought that model North to Illinois where it represents the future in a state that has 3,800 senior homes but where only a handful

TAKE A VIRTUAL TOUR

SEE FOR YOURSELF

Office: (618) 333-6247
Fax: (815) 333-6247

Deciding to move is never easy. Shepherd Premier Senior Living is here to help support you and your loved one through this difficult decision. We offer consultations and private showings.

Call 224-333-6247 today to schedule a convenient time to see Shepherd's alternative option yourself.

Shepherd Premier SENIOR LIVING

Shepherd Premier Senior Living
Providing the Future of Senior Living Today!

Level I
Shepherd Premier Independent Living

With Shepherd Premier Senior Living Level I, our Independent Living Service helps our residents rediscover the fun, the freedom, that relaxed and carefree life that was lost as the weight of maintaining a home pressed in around them. At Shepherd Premier, all they have to maintain is a full calendar and social life while we provide delicious and customized meals, housekeeping and, if needed, transportation for active seniors who are on the go.

... With the Care You Need

Our Independent Living Service also includes 24-hour assistance, rehabilitation and regularly scheduled care. We're here when you need us supporting that vibrant and active life you've earned.

Level II
Personalized Assisted Living Services

No two seniors are exactly alike. They're individuals with individual needs and desires. At Level II, our Personalized Assisted Living Services are tailored to meet the individual's requirements rather than expecting those we serve to fit into a program that was designed with a one-size-fits-all mentality. At Level II, our Customized Services, in an environment where they quickly feel at home, seniors receive services that include ...

- Licensed CNA Supervision and Administration of Medications
- Customized Healthy & Delicious Meals
- Housekeeping & Laundry Services
- Fun & Engaging Daily Activities
- 4 Unique Bedroom Layouts to Choose From
- A Home-Style Living Environment

Level III
Premier Memory Care Service*

At Shepherd Premier Senior Living, our Level III Alzheimer's and dementia Memory Care Services embrace the individual in a loving and caring environment where the quality of life is maintained and their dignity is respected.

Family members are updated about the health and progress of their loved one with daily messages using an innovative smart-phone app. And that progress is enhanced utilizing the latest dementia and Alzheimer's care technology, including ...

- Pet Therapy
- Familiar Cooking Scents
- Creative Mind Stimulation Activities
- Ensured Safety with Security Doors and Video Surveillance Monitoring
- Family Accessibility Supported and Encouraged

* Not offered in all Shepherd locations. Call for details.

Shepherd of Ringwood provides assisted living featuring: 7 beds, 7.5 baths & 4,880 sq. ft.

For Pricing and Availability Call 224-333-6247 or Visit www.ShepherdPremierSeniorLiving.com

Brochures
Postcards
Banners
Business Cards

Shepherd Premier SENIOR LIVING

Voted the Best Senior & Memory Care Facility!
McHenry County - Best of the Fox

Independent Living
Assisted Living
Memory Care

1 CAREGIVER FOR EVERY 5 RESIDENTS

Experience all the comforts of home. To view a Virtual Tour go to:

www.SHEPHERD360TOUR.com
224-333-6247

Shepherd Premier SENIOR LIVING

The Shepherd Premier Difference
The Right Level of Care to Fit Your Needs

At Shepherd Premier Senior Living, we have crafted unique senior-living experiences to meet the individual needs of the residents we serve with unmatched personalized care that starts with our three Levels of senior-living services. Whether you, or your loved one, is looking for the comfort and relaxation of our Independent Living Service (Level I), the extra attention of our Personalized Assisted Living Services (Level II) or our Premier Memory Care Services (Level III), we offer senior-living options, in home-like settings, that add to the quality of life while respecting the individual's dignity. And, at Shepherd Premier Senior Living, you're not just a number lost in one of those big institutionalized senior homes.

Shepherd of Ringwood
Shepherd of Harvard
Shepherd of Crystal Lake

224-333-6247
www.ShepherdPremierSeniorLiving.com

Brandon Schwab
Visionary

1307 N Green St.
McHenry, IL 60050

224-333-6247 main
815-790-2330 direct

Brandon@ShepherdResidentialCare.com
Calendar schedule: www.BrandonSchwab.com
www.ShepherdPremierSeniorLiving.com

Try to stay consistent with your branding

Private Home Assisted Living & Memory Care Services

Shepherd Premier SENIOR LIVING

The First Shared Housing Establishment is open in McHenry County

224-333-6247
www.ShepherdResidentialCare.com

Facility Name

When opening your new facility, you'll want to create a name for your business, and you will want it to sound professional. There are many small facilities out there that have terrible names. One of the rules that I have learned is to not put your first or last name in the facility name. For example, "the Smith home" or "John's home." Those names are not only not professional, but they don't allow room for expansion. If you have a home like "John's home" and then you would like to expand your company, what will you name the next house? "John's Home 2?" As funny as that may sound, it's not polished. When a resident or family of a resident is looking for a home, they want a place that won't treat residents as a number. That



is what a number after the home's name suggests. Creativity is important. When it comes to creativity, don't make up a name that makes no sense whatsoever to anyone but you. I have heard of people naming their homes something like "po po's house" that will mean nothing to anyone but the owner. Remember that this business is a service business, and you must take yourself out of the equation. Personally, I like using bigger words for the company name or a name that sounds prestigious. Also, foreign words with clear meanings are good as well. But be sure to carefully translate the words. One example of a good name would be "the splendor" or "magnus care" which translates to great care. Names of that nature take a little more thought but are well worth the effort when presenting a home to residents and their family members. Remember that the facility name is now your business name, and you'll want it to represent you and what your business and facility stand for.

After you have selected your facility name, your *Boutique Senior Living Home* will be placed in a directory of operating facilities in your state health department website, and clients can start finding your facility. When you're in a directory filled with other names, you want to have a good name so that you stand out from the rest. Having a creative name will not only help in the directory, but you won't need to put a sign in front notifying everyone that your location is a *Boutique Senior Living Home*. The name should speak to what your business does. As you can see in the image to the side, the signs that are placed next to the homes make it seem like a commercial property. The whole point in operating these facilities is to offer a facility as close to a home environment as possible. Putting a sign in the front asking for business will make your place not only seem uncomfortable, but it will make the neighbors really dislike you and your operation. This brings us all the way back to having a good name for your facility and the importance of the name. The main thing to remember in all of this is to be as

professional as possible, while keeping a property as close to a home environment as possible. The name will distinguish you from the rest, and I hope to see your company name at the top of the rankings in the very near future.



CREATIVITY IS IMPORTANT!

When it comes to creativity, don't make up a name that makes no sense whatsoever to anyone but you.

Logo

You are on the right track to completing your facility now. Having picked out a name for your new facility and business, another thing that will set you apart from the others is your logo. Many small assisted living facilities and *Boutique Senior Living Homes* do not have any logos whatsoever. I strongly believe that even a small company should have at least a simple logo. This not only will make you seem like more of a businessperson but will also give your company a professional appeal. I have compiled some simple yet effective logos below.



REVEALS YOUR IDENTITY

GRABS ATTENTION

MAKES STRONG FIRST IMPRESSION

MEMORABLE

CREATES BRAND VISIBILITY

Discharge Planners

Now that you have the company name and the logo, you can begin your marketing venture. A discharge planner is intended to provide appropriate and timely discharge planning from the hospital, nursing homes, assisted living facilities, and then plan for follow-up health care, assessment of financial resources available for patients, and referrals to appropriate community resources as needed. You will need to start creating relationships with the discharge planners in your area. There are several ways of doing so. In many states it is considered illegal to solicit the discharge planners for residents and there are no tips or referral fees allowed. Their whole job is to send residents to a suitable place. You will want to “get in good” with these people. Now because you cannot offer compensation or offer bribes, such as taking them out to lunch or buying them gifts, you’ll need another way around that, right? Yes. What you can do is buy lunch for the entire office, such as pizza, sub sandwiches, or whatever you think they’ll appreciate. All you can do is go in and deliver the food. Let them know your name and that you are a **Boutique Senior Living Home** owner and thank them for what they do. Then leave. When you deliver the food, you will want to drop off business cards and flyers regarding your **Boutique Senior Living Homes**. This may spark interest in having one of them refer clients or even call you for further details. This is a great potential resource, but it will require something of a passive waiting game.



INTRODUCE YOURSELF

Drop off lunch, your business cards and other marketing items



Places to Market Your Material

Whether you are a churchgoer or not, a church is a valuable marketing tool. Most churches have a large population of elderly, and it is filled with children of the elderly. This is a perfect place to get acquainted with the pastor or the church administration staff. Many of the church's congregation, when looking for assistance, will go to the church staff to find out if they have suggestions. You may want to initiate a relationship with the people there and leave flyers and cards for them. I have personally received residents in a *Boutique Senior Living Home* from the church, and it has been a great experience. The fantastic thing about marketing to a church is that there are so many people, and they will not only look for themselves or for their loved ones, but will tell their friends and other relatives about your place, if it is up to par. The opportunities are endless. Other places to market your material is to doctor's offices. That's very similar to marketing with a discharge planner and only requires that you convince them to contact you. Marketing to your local mom and pop shops is a great idea and asking them to place your flyers and cards on the counter will really help get your name out in the open. Another great idea is marketing with a realtor, as they are a fantastic source for leads. Real estate agents know when someone is selling their home because they can no longer live in it or because they are looking for a facility. Become friends with a good realtor and work together towards success. This is the part where your people skills will have to kick in and you will have to do more talking and pitching of your *Boutique Senior Living Homes*.

DROP OFF YOUR MARKETING MATERIAL

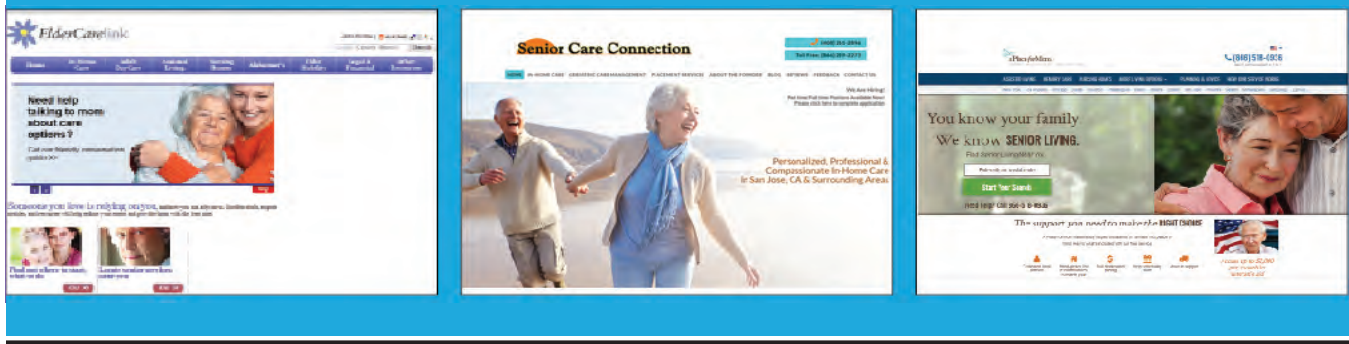
*Church, Doctor Offices and
Real Estate Offices*



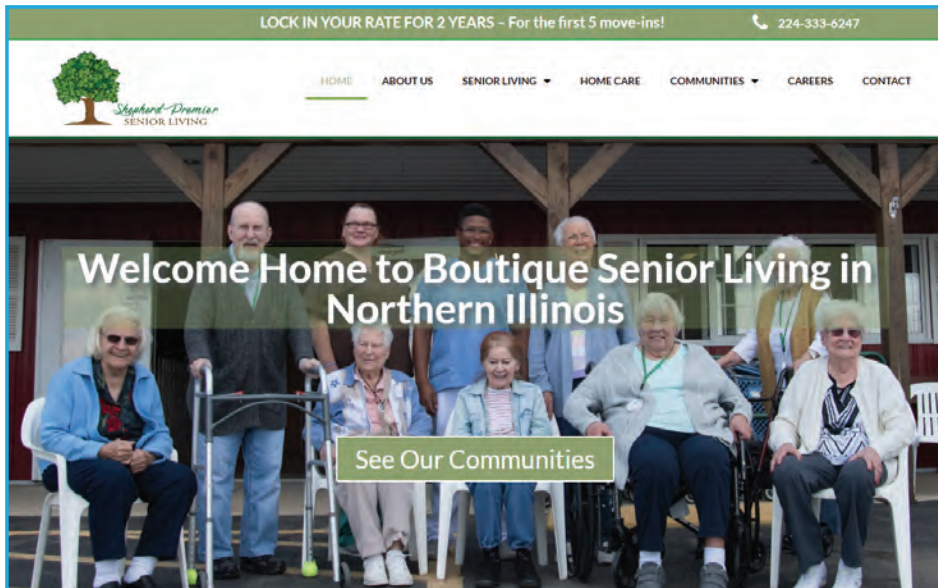
Placement Agencies

Now that you are fully aware that there is plenty of personal marketing involved in this business, you realize that you need to take it seriously. There are other means of advertising that do not require you to do much of anything. These are more passive methods that require fees. This other way of marketing is available in many states but is not allowed in others. Placement agencies are like job finders but for elderly people. What these companies do is get a list of people looking into an elderly home and they find the right home for those people. This can be very useful because, if your **Boutique Senior Living Home** is better than the others, they'll refer your home first. You must be aware that many of these placement agencies provide their service for an entire month's residence fee spread out over a few months, or they will provide their services for the half-month rent of the resident. As mentioned before, the service is very effective but, considering the cost, do not depend solely on this source of marketing. These agencies are illegal in some states because of corruption within agencies. Some of the agents would take extra tips from facilities to always show their properties first. This is wrong and does not give the welfare of future residents the focus it deserves. Another major issue with these agencies is that some agents send residents to homes for about three or four months, and then convince the families that the facility is not right for their loved ones and send them to another home. They do this because they get paid every time a transaction takes place, which provides incentive to send people in and out as much as possible. You'll need to conduct due diligence to ensure that you're working with an agency you and your residents can trust. Make sure you are safe and that they're not taking advantage of you. Many of these agencies are now listed online and can provide service to most states. A few well-known agencies you can market through to launch your business when getting started are:

www.ElderCareLink.com
www.SeniorCareConnection.com
www.APlaceForMom.com



In tandem with the placement agencies and marketing your facility online, you should also investigate setting up a website for your facility. When you are marketing on these placement sites you can



have a link set up that goes directly to your site. Nowadays, setting up a website is inexpensive, so it's worth your time and effort to get one done. A good idea for setting up the website is to make it as homey looking as possible. Make the site look rustic and almost old world. Put as many pictures as you can on the site. Many of your competitors are not very tech savvy and some may not even know how to

email pictures. Believe it or not, this has happened many times. You also want to make your personal *Boutique Senior Living Home* site as simple to use as possible. There are a few ideas that would be good selling points, such as having an interactive site where the family members can log in and see the house and even chat with their family member in the home. You will notice the website is a valuable resource as many of the family members live out of town, and it's a great way for them to have access to photos and information so they won't have to travel to your location before deciding. One of the final things you may want to do after establishing your website is pay for the search services online so that your home will jump up first in search engine results. This has become more and more necessary as the years progress and technology continues to grow.

The marketing that we covered is all very important as it will help you fill your facility. It will help you continue to receive residents, and it will grow your name to as big as you would like to go. Is it the best kind of marketing? Is it the simplest? The answer to both is no. I am a strong believer in simplicity. I believe that throughout the ownership of facilities, the best and most simple marketing tool is providing a safe and caring environment for residents. This may sound way too simplistic, but if you provide a good living environment with quality care, people will talk about you! People always talk about everything they do, and where a loved one goes to live is no exception. Word of mouth is,



and will always be, one of the most powerful tools for marketing. When a friend tells another friend that they recommend a place, others typically trust that person. In this situation it is exactly the same. The better service and quality of care you can provide for the resident and loved one, the more people will send potential residents your way. People of a certain age will always have friends their age, and this is an amazing opportunity to capitalize on. The way to get everyone to talk about your home, is to be professional with the family and with the residents. Do not be too professional so that you lose the homey and family feeling of the business. Provide the residents with a warm and cozy living environment. Provide them with fantastic home-cooked food and ensure that you and your staff are flexible in providing custom menus for the residents. Make sure that your staff understands the needs of the residents and treats them with nothing but the utmost respect and kindness. This will build a reputation that surpasses your competition and will keep residents coming in time after time. In some areas, you may find other *Boutique Senior Living Home* residences operating in the area of your *Boutique Senior Living Home*. But, if you market effectively, and build on your reputation, your facility will stay full. Your competitors are likely to have at least one vacancy, yet because of good rapport with the residents and with the families of the residents, your facility stays full. Adhere to these principles and you'll succeed despite competition.

BETTER SERVICE AND QUALITY OF CARE

*provide for the resident and loved one, the more people will
send potential residents your way.*

BUILD A REPUTATION THAT SURPASSES YOUR COMPETITION

it will keep residents coming in time after time.

Setting Prices

By now you are finally set to open your facility, and now you will have to set your prices. How will you decide what to charge? There are several ways that you can go about setting prices in your very own facility. Setting prices, the right way is very important for a few reasons. First, you will always want to price your services at a reasonable enough rate to encourage residents to come to your facility and keep it full. Second, you will want to set prices at a point where you will get the full value of your services and maximize profits. This is difficult to accomplish right off the bat, and you'll need to play around with numbers until you find the perfect balance. There are a few techniques used to set prices and all of them are very basic. I am a strong believer in keeping things as simple as possible and setting prices is just that. A few of the ways to go about setting prices as described in this section include finding the competition, finding their services, calling them, visiting facilities if needed, and then conduct a comparison based on industry standards. You must understand that prices will range a great deal from county to city to state, and even within areas of a city. Prices may range high to low from one corner of a neighborhood to the other. What will determine a price is the quality of care and the service you provide for the residents along with the quality of property and any possible view the residents may have from their rooms.








- FIND THE COMPETITION
- FIND OUT THE SERVICES
- CALL THEM
- VISIT FACILITIES
- & CONDUCT A COMPARISON

Locating the Competition

The first step in setting your prices is locating your competition and understanding what they provide in the sense of amenities and services for the residents. Obviously, if you do not know who your competitors are, you'll have to conduct a search to find them and the internet is a great place to start. On the Web, go to your state social service site as referenced earlier. Once on the website look under licensed facilities. Don't forget that the names for facilities (*Boutique Senior Living Homes*, assisted living, etc.) will vary state by state, but by now you'll have found the proper reference to use. Once you pull up the list of licensed facilities you will see a list similar to the image below. You'll look for several key factors to verify if these are your closest competitors. Look at the addresses and see if they're in a comparable area and look at facility capacity. If there is a facility that is not even close to your area or in a much poorer quality area than



 <p>We Are Family ALF 116 Monterey Way, Royal Palm Beach, FL 33411</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>Upscale in nature, We Are Family adult family care home is a fully licensed residential facility that is warm and inviting in nature and is characterized by its signature offerings of smaller, personal and intimate care in a true home-like setting that is lavished in tasteful elegance. Located in an...</p> <p>LEARN MORE GET PRICING</p>	 <p>Amber Cove 288 Las Palmas St., Royal Palm Beach, FL 33411</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>Our beautiful home nestled in Royal Palm Beach is licensed for six beds. The house is furnished and fully equipped with the latest appliances, smoke alarms and sprinkler system. Our caring staff are carefully screened and are certified in CPR, First Aid and are skilled assisted living caregivers...</p> <p>LEARN MORE GET PRICING</p>
 <p>Villa of Kings & Queens of Delray 13410 Barwick Road, Delray Beach, FL 33445</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>The Villa of Kings and Queens of Delray is a privately owned and operated Florida licensed Assisted Living Facility. Located in the heart of Delray our residence offers the finest in luxury senior living combined with total peace of mind. Our residents enjoy the independence they desire balanced by...</p> <p>LEARN MORE GET PRICING</p>	 <p>I A A Assisted Living @ Wellington 1337 Pinetta Circle, Wellington, FL 33414</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>Whether you are looking for long-term or short-term Assisted Living Facility with a Limited Nursing License or an Adult Day Care - look no further than AAA Assisted Living @ Wellington. We offer attention to detail in a warm, caring and professional environment. Located in the heart of Wellington.</p> <p>LEARN MORE GET PRICING</p>
 <p>Garden Villas Assisted Living Facility 912 North Olive Avenue, West Palm Beach, FL 33401</p> <p>★★★★★ (2) 866-223-3192 for a local advisor</p> <p>Located in downtown West Palm Beach near intra coastal our boutique style Assisted Living Facility stands out as one of the most beautiful and cozy home for your parents. Our loving family atmosphere sets us apart from other retirement residences. We offer senior citizens affordable assisted living.</p> <p>LEARN MORE GET PRICING</p>	<p>Tropical Garden (Annex) 428 South P Street, Lake Worth, FL 33460</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>Tropical Garden (Annex) is a senior care home that's located in Palm Beach county, Lake Worth, FL. The compassionate and professional caregivers assist seniors in a group home setting. The sunny city's motto is 'Where the Tropics Begin'. The pleasant landscape and weather provides ample...</p> <p>LEARN MORE GET PRICING</p>
<p>Hidden Garden Assisted Living 4373 Venus Avenue, West Palm Beach, FL 33406</p> <p>★★★★★ (14) 866-223-3192 for a local advisor</p> <p>Hidden Garden Assisted Living is located in sunny West Palm Beach, Florida. As loved ones age, they may lose the ability to perform the various activities necessary to maintain a high quality of life. This may be quite disconcerting to family members, who would rather keep their loved ones at home...</p> <p>LEARN MORE GET PRICING</p>	<p>Tropical Garden Home ALF 432 South 9th Street, Lake Worth, FL 33460</p> <p>★★★★★ (1) 866-223-3192 for a local advisor</p> <p>Tropical Garden Home Assisted Living is a residential care home for seniors that is situated in Lake Worth, Florida in Palm Beach County. Lake Worth is an ocean-side city with extensive beaches on which to enjoy the beauty of Florida weather, go fishing, or launch a boat to sail the Atlantic for a...</p> <p>LEARN MORE GET PRICING</p>

yours, then it is not a suitable comparison. The list of homes should, and most likely will, have the address as well as phone numbers so that you can reach the individuals who own or manage the facilities (the image below does not have the full list of the details stated for privacy purposes). It's also a good idea to join local chambers of commerce, networking groups and related organizations.

Before you decide to take a tour of a competitor's facility, do a simple web search of that facility name and address. This will bring up some details not shown on the state website. It allows you to find out if there were any negative things posted about the prospective property, and the address search will provide an overhead map view of the area. I find this a very good way to save a great deal of time doing comparisons on facilities that are not comparable. Now that you've located the competition, scope out all they have to offer and see if you are better or what you'll need to do to be better than the rest. The next step is to call the facility and start talking to the managers or owners of the property to get a feel for what kind of service they can provide for their residents as well as the level of customer service when dealing with people interested in bringing family members to their home. Before you call the facility make sure you develop a role-play strategy – who you are and why you are calling. Pay attention to details when calling. Look for professionalism, courtesy, and openness of the staff to your needs. This will allow you to go to the next step of comparisons.

SEARCH THE FACILITY ONLINE

ARE THERE ANY NEGATIVE THINGS POSTED?

regarding the prospective property

DO AN ADDRESS SEARCH

It will provide an overhead map view of the area.

THIS IS A GREAT WAY

*to save a great deal of time doing comparisons on facilities
that are not comparable.*

Competitive Pricing

Role playing is a good test of your acting ability. Rather than an Oscar, your goal is a wealth of information. You'll want to act as though you're an individual looking for a facility for your mom, dad, grandma, or grandpa. Listen to the way the individuals answer the telephone and how they talk. There have been many times that I've personally called homes to compare my competition and the answer on the other end was just a simple "hello." This is not acceptable. This is a business and, when someone answers the phone, you'll want them to exude professionalism. For example, a standard answer should be,



"Hello, thanks for calling _____ home, how may I help you?"

That is a good example of an answer you would want to hear. Since it's the first thing people hear when calling your facility, you want it to be pleasant. Going back to role-playing, next, introduce yourself and state what you're looking for. Ask the facility staff what services they provide to resident, and what comes in the standard price packages. Ask them details like what size are the rooms, what size are the beds, and what kind of food is served. Be prepared; you're in for a shock. Too many times the people will have no idea about anything to do with the facility, and they are not much help. Another thing you'll want to ask about is their amenities and activities for the residents. The last thing to ask is if they have any vacancies. If they do have one, ask how long they've had it. If they don't have any vacancies, you'll want to ask them how often they have a vacancy and if they have a waiting list. Most likely, the next thing they'll ask is if you would like to visit the place. At first, you'll want to say you cannot visit due to travel plans and ask them to send you pictures via email or web transfer. You'll find that many owners and staff members are not able to do this for you. If they're not able to and the facility sounds like a potential close match to yours, you will want to open your schedule and visit the facility. Tour the place and look at the surroundings, the staff, the meals, and the other aspects of the facility. After you're done, find out the price they're asking. Now repeat this process with other facilities, assisted living places, nursing homes, and when you put all this information together, it should help you come up with a reasonable rate to charge. You'll find a wide range of prices, and depending on your area in

the United States, they can be very low or extremely high. You'll see average prices ranging from \$2,300 to \$10,000 a month per person. As you can see, you'll want to set the right price, not just to compete in pricing, but also to maximize your profit. This will depend on you, but there is only one factor that will mandate what fee you charge. That is only going to happen if you decide to get state funding. You now have the facts, and your price is up to you. Use reason and common sense to set your best price.



CHECK OUT OTHER HOMES

what services they provide
what size are the rooms
what kind of food is served
amenities and activities

TAKE A TOUR & CHECK

the surroundings
the facility
the staff
the meals

Project Financing

Now that you have learned the ins and outs of the business and are ready to start your own *Boutique Senior Living Home*, we have left the best and most important part for last.



The key to investing in any business, not just that of the *Boutique Senior Living Home*, is the initial financing of the project. Currently, people who succeed are those who are creative and really think outside of the box. The truth is that as an investor you cannot be shy about asking. If you never ask, you will never receive. With that said, there are several methods of obtaining financing

for this type of project. There are ways to get conventional funding for a project like this. One way is a residential loan which is a single-family home loan and is somewhat simple to get. The other way is a commercial loan, which is given to cash flowing properties and businesses. Small Business Administration (SBA) loans are also available for this type of investment. When building from the ground up construction loans are also at your disposal. To really save, you can get an owner-builder construction loan which will allow you to operate as the contractor and oversee the project. The last way – and some would say the best way – is private funding for all projects. In this section we will go over all the methods in-depth and explore all your options. We will discuss how to get funding from regular banks and what they look for. We will also examine your business plan to reduce the risk that you're turned down. A well drafted business plan will reassure investors that you truly understand the business aspects of *Boutique Senior Living Homes* and tremendously increase your chances of funding.

**THINK
OUTSIDE
THE BOX**



- Residential Loan
- Commercial Loan
- Small Business Administration (SBA) Loans
- Owner-Builder Construction Loan

The last way –
and some would say the best way

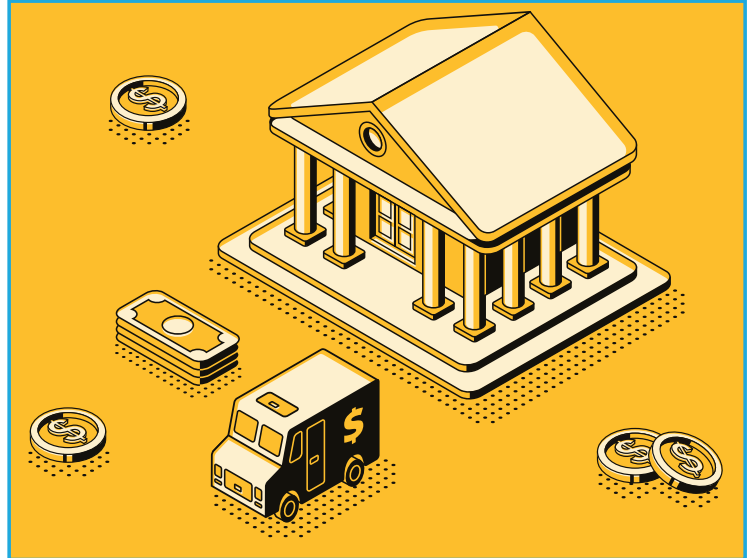
- Private Funding

Conventional Financing

The first option many individuals choose is conventional financing for the home. There are many different loans under the conventional blanket. You can get a single-family loan, a construction loan, rehab loan, owner builder, commercial, or an SBA loan. All of these are extremely different but effective in their own way.

Since the type of business and home that you'll own is going to be in a residential neighborhood, this would qualify your property for a residential home loan. The benefit of this is that just about anyone can get a residential home loan. The upsides are: easy to qualify, many available programs, and lower interest rates. Unfortunately, there are a few downsides to doing a standard residential loan program.

Even though this way of financing is the simplest, it's often harder in some states. In the earlier sections we covered the licensing process of the facilities and we went over how some of the states can take a long time to officially license your home. This factor will come into play if it takes you a long time to get licensed. You will not have any cash flow until the home is licensed, but you will still have to pay the mortgage. This is a downside to many people. Even if it's not a problem for you, you may prefer not to make payments while waiting. Another downside is you'll need to have your personal name or company name on the line for the loan with your credit score. I understand that some people don't have a great credit score, and it could be tough. Even so, in many areas of the country where the licensing process is quick, this is a viable solution



The next option in the conventional financing realm is the construction loan. For some of you this is a great way to go especially if you like building from the ground up. The benefits of the construction loan are that it's somewhat easy to qualify, there are no payments until completion, and you get a huge savings on construction. Of course, there is a downside to just about anything you do, and we always must cover the bad aspects of things. The downsides to construction loans are that they require out-of-pocket money up front. Full documentation is required, and it can take a while

to fund. I know one of the main questions will be, "Why is the construction loan better when I still have to come up with money out of pocket?" The great part of building or doing a major remodel is that you must get contractor quotes. Apply for the loan with the most expensive contractor or builder. What this will do is get you funded for the most expensive cost, and you will have to come up with anywhere from 10% to 30% down. The great thing is that we do not have to use the contractor that we used for the pricing, and when you go with the lower cost builder or contractor you will get your money back at closing because you will not have to use it towards the rehab or construction. This is perfect for people in the states that take a while to license, and this will also allow you to not have any payments until the property is ready for opening. Another great benefit when it comes to the licensing and building of the property, by using this type of loan, is that, by the time the property is done you'll have your licensing and you won't have to produce any money out of pocket.



Those are the two best and most likely ways to get you where you need to go in terms of the conventional loan. If you are interested in some other sources, another that you should look at is the rehab loan, which is almost identical to the construction loan and has many of the same benefits. Also, the owner builder construction loan is a fantastic way of going if you are doing one home at a time. It is very beneficial because you will save quite a lot of money doing it this way. The last and final way of getting some conventional financing is the commercial or SBA loan. This is a possibility, but it may not work out as the best way of getting financing. Typically, the commercial loan will have a higher down payment, higher interest rates, but the benefit is that the loan will cover all your "tools" like furniture, appliances, TVs, and so on. You will have to decide which route is best for you and your future business. Be sure to look at all aspects and find out what potential each must grow your business to the size and greatness you are striving for.

Creative Financing

CREATIVE FINANCING



*owner financing, assuming a loan,
hard money, and private funding*

Creative financing is an alternative to the other conventional lending terms. Creative financing is a whole different world of funding. The word “creative” is the biggest part, and you must be just that to make things happen and put deals together. There are a few different types of creative financing that will work with this model of investing such as owner financing, assuming a loan, hard money, and private funding. All the above are good resources to use, but some may fit your situation better than others.

Owner financing is a great way to start off with creative financing, and there are plenty of homes and homeowners out there who are willing to negotiate a sale of their property. The possibilities are endless in what kind of

terms you can ask for and get. The benefits of the owner financing are best seen if your credit is not the best. The only conflict is that in a down economy there are quite a few people willing to sell using the owner finance option, but unfortunately, due to the economic downturn, the prices are not always optimal. It is an avenue that you’ll really want to explore more since you may get a great deal and great terms out of a property.

Assuming a loan is another option when it comes to some properties. Let’s face it, there are people out there losing their homes and they need a way out. You can provide them with a way out and take over their loan if it makes sense financially. The only problem is that, when you are hunting for the best deal on a house, most of the homes that you can assume will not fit your business model. This is because some of the loans are going to be upside down, and there is no good reason for you to get into an upside-down loan when there are options. Keep this option open in case you come across a good property, and you can make the best of an unfortunate situation.

Hard money lending is an industry that many people have heard about in the past, and I am sure you have heard of it as well. Good things are possible with hard money lenders. The thing you need to know about hard money is that you will want to keep the option open but as a last resort. Hard money loans tend to have extremely high interest rates, and they will loan on an average of 60% LTV (Loan to Value). The great thing is the fact that you can get the money quickly if it works out, but you will have to find an amazing deal to really make it work. Again, this is a great source of funding to keep in the back of your mind. If needed, look around to start finding sources. Many times, there are ways to find

the people that do hard money loans listed in the newspaper and on the internet or ask around in a good circle of business contacts.

Private funding is a whole different beast. First thing you will have to know about the private funding world is that you must watch out for scams or fakes. When you find the real deal, the sky's the limit. Private funding is an interesting world where either all or most of the funds are held by one individual or a pool of investors. The great thing about this type of funding is that it is based on the idea behind your projects and facts about the market. Another fantastic thing about private funding is that you're in control and can set the terms



and ask for whatever you want. With the others, some allow you to have deferred payment if you are building. But if you're just buying, that's not an option. Why not have deferred payments if you build or buy existing properties? With private funding you can set up a deal and do exactly what is necessary for your business. Each person will have specific needs when it comes to their deal. Some people will require a lot of money for maybe five or more homes while you may want to start off small with one or two at the most. The beauty of private funding is that once you establish a relationship with the funders, you can keep going back. Bear in mind the most important aspect of getting a deal considered is the business plan.

To make sure you have a good quality business plan, I have taken a business plan model that has given my business a good boost and support, and I will go over it here in this manual. If you have the complete kit you will also have a CD with all the forms including the fully customizable business plan for you to use.

The Business Plan

Boutique Senior Living Homes

Go confidently in the direction of your dreams.
Live the life you have imagined.

Business Plan Copy

Name - Owner & Founder
555 XXXXX Street
city FL XXXXX
555 555.5555

This document contains
Confidential & Proprietary Information
belonging exclusively to XXX Residential Care.

This is a business plan.
It does not imply an offering of Securities.

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3

Running the Business

You're now well underway to starting your very own residential care facility! You understand the ins and outs of the start-up process, and you're getting great funding from lending companies and private funders. The time comes for the grand opening of your facility; you have people ready to move



in. People are still on a waiting list and you are having thoughts of opening another one or two facilities. Everything is set for a great business and operation to help people while making a pretty penny doing so. But there is one problem. How do you run the facility now that it's open? What do you expect from the staff? What kind of menu should you serve? What activities should you offer? What kind of paperwork is involved? There are quite a lot of questions left to answer, and we'll cover them in this section. This is going to top off

everything that there is to know about the business. In this section we will cover all the staffing needed for the residential care facility, and all the training and requirements there are for the staffing. We will discuss the paperwork and documentation used to keep the facility running and cover all the charting needed in *Boutique Senior Living Homes*. After this section, you should feel confident to start your new venture and travel your own path.

NOW THAT IT'S OPEN

How do you actually run the home?

What do you expect from the staff?

What kind of menu should you serve?

What activities should you offer?

What kind of paperwork is involved?

Staff

The whole premise behind investing is to not have a job. I'm sure that many people have heard that the word job stands for "just over broke". If you wanted a quick fix for the standard job and wanted to own a business, you could have gone out and bought a franchise and worked your tail off to sustain that business. Owning a *Boutique Senior Living Home* business is not the easiest thing in the world, but after all the steps are followed and implemented, you'll be able to run it as a business and not always have to have your hands in the pot. The way this is achieved is with efficient staff and workers. You can make or break your business, and your staff is a huge part of the equation. The goal is to make the staff an extension of yourself and use your staff to accomplish your goals. You will need two different types of individuals for your staffing and operation of your facility. You will need an administrator and a caregiver. These two individuals are the backbone of your company.

The administrator is the overseer of your home. He or she is the person who will essentially runs the show while you're away. The administrator oversees hiring or firing of your caregiver staff and supervises their work. This same person is responsible for overseeing charting and sorting the medication for the residents in the facility. Normally the administrator oversees collecting the money but depending on how large of an operation you have, you may choose to do that yourself. The



same administrator will also need to know the details of the operation so that when a new caregiver comes into the facility the administrator can train that individual on the facility operations and regulations. There is quite a bit of responsibility resting on the shoulders of the administrator, but from experience, the individuals that choose to be administrators truly enjoy their work.

Training an administrator is important and getting that individual certified is mandatory. Remember that administrator training course that you should attend? That same course is mandated for the administrators running your facility. While it is not a necessity for you to attend, I highly recommend it. When you find an individual, who would like to work for you, send them to the administrator five-day training class offered by the state. The classes are not run by the state, but by vendors that know all the state laws and are able to instruct in the finer points of administration. Pay for your staff to attend this course because they will be a valuable tool for you to have. You or your administrator may also find qualified staff members at the training. Sometimes people attend those classes just to get certified or find a new job. It's one of the best places to find new staff as well as the necessary training. There are a few restrictions on who can be an administrator. First, the administrator needs to be at least 21 years old. This makes sense anyway because, let's be honest, we would not want a teenager managing our business. There are very mature and business-minded young people out there, but for this type of job someone mature and capable is mandatory. Second, the administrator needs to be

familiar with the laws and regulations of the *Boutique Senior Living Home* code. This is taught at the state certification course and you will always want to have a book with the laws and regulations on hand, just in case. Third, the administrator will need to be trained in and capable of maintaining your facility to your high standards. This is just a matter of you training them and letting them know what your expectations are. They will also be educated at the state course on what a proper facility should be and what codes to follow to cooperate with the state laws. One of the main characteristics that you'll want to look for is an administrator that has management skills. You'll want him or her to be able to give direction and tell others what to do. That is their job.



As you can see, you want to have a competent administrator because there are quite a few responsibilities. You'll also need a caregiver. The caregiver's role is the most important role of all; their main responsibility is to care for the residents. Their job description is quite a bit more labor intensive than that of the administrator. Whereas the administrator mostly deals with paperwork, the caregiver must get down and dirty and do the main work. The caregiver oversees assisting the resident with bathing, using the toilet, helping with resident's meals if required, and overall help with the activities of daily living. That is their most important job, and this is most important to you because this is the base of your business. The caregiver will also do the cooking. They are to cook nutritious food for the residents and make sure that they have three meals a day with two optional snacks. This is very important. Meals are so important the state offers training classes to the administrator on food and nutrition. The caregiver oversees taking care of the laundry service as well. Luckily, we live in a time where we have great washing machines and there is not much work in that. Laundry service is done about once a week, or as needed. If there is an incident or a spill then the caregiver will need to do the laundry at that time. The most important part for the caregivers is to watch the residents and make sure everything is okay. Requirements for caregivers are more lenient than that of the administrator. A caregiver needs to be 18 years of age while the administrator needs to be 21. It is important that the caregiver understand and know the laws and regulations of the state regarding the facility. They need to receive training in this from the administrator and have the state laws available to quickly access in case of any



Personal Care Staff #1 / Day Shift Caregiver & Live In - \$1,750.00

PC # 1 will work every Tuesday through Saturday from 7 a.m. to 4 p.m. He/she will also be a live-in caregiver, which is a sleeping position and shall receive free room and board as they'll be available to residents during the night. He/she shall be present at the facility between the hours of 9 pm and 7 am, Monday through Sunday (40 hours per week Total)

Personal Care Staff #2 - \$ minimum wage

PC # 2 will work every Sunday and Monday from 7 a.m. to 4 p.m. (16 hours per week total)

Personal Care Staff # 3 - \$ minimum wage

PC # 3 will work every Tuesday through Saturday from 7 a.m. to 11 a.m. to assist with preparation of breakfast, lunch, and to assist with resident activities

Personal Care Staff #4 - \$ minimum wage

PC # 4 will work every Sunday and Monday from 7 a.m. to 11 a.m. to assist with the preparation of breakfast, lunch, and to assist with resident activities & ADLS

Personal Care Staff #5 - \$ minimum wage

PC # 5 will work every Monday and Friday from 11 a.m. to 3 p.m. and every Saturday from 5 p.m. to 9 p.m. and every Sunday from 9 a.m. to 1 p.m. This position is primarily to provide a support person to our day shift who can accompany residents on group outings such as senior center, church, movies, etc

Personal Care Staff #6 - \$ minimum wage

PC # 6 will work every Tuesday through Saturday from 2 p.m. to 11 p.m. (40 hours per week total)

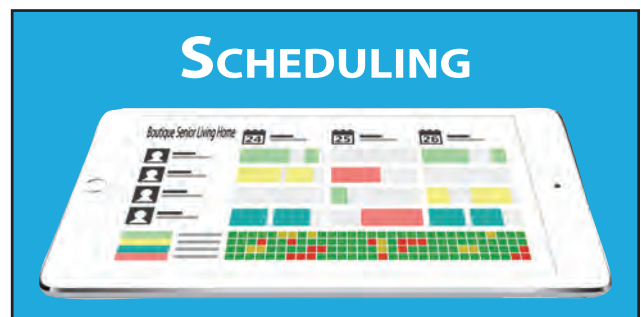
Personal Care Staff #7 - \$ minimum wage

PC #7 will work every Sunday and Monday from 2 p.m. to 11 p.m. (16 hours per week total)

Personal Care Staff #8 - \$ minimum wage

PC # 8 will work every Sunday and Monday from 4:00 pm to 8:00 pm to assist with dinner preparation, evening activities, and ADLS (20 hours per week)

Dealing with staff scheduling is the first step, but you'll need a schedule of other things as well. For example, you'll need a schedule for meals and





activities. You can find samples of both are on the next pages. The meal menu was put together by a dietitian, and it may not be the food that you want to serve, but this is just a sample menu. Not only will you need a sample menu for the residents but also for the state to review. You won't have to always serve that food, but you want to keep the food tasty and healthy. The activities schedule can also be modified as you wish. You will notice that both schedules will change depending on the types of residents you have in your facility and what they wish to eat and do.

You can use the sample menu. You can also submit it to the state. If you choose to have a menu redone, make sure it is designed by an approved dietitian. This one is already approved by most states so feel free to use it.



Activities are important for the residents. Many times, you will find that the residents really enjoy working out and working out their mind. Remember, with your residents, no matter how sick they are, they need to work out their mind; this will keep them healthier much longer. It's sad when you see individuals in a lot of the homes treated like lepers. These elder-

ly folks need care and human interaction to keep their minds sharp. Activities should be physically, mentally and emotionally engaging. For instance, music therapy is relaxing while helps keep listeners in a positive frame of mind. Use the below sample activities to get you through the licensing process and follow the schedule with your staff to provide a fun environment for the residents in your facility. This will keep the residents healthy and active and will extend their quality of life as well.



Paperwork is always boring, but it needs to be done. When residents come into your facility, they will need to sign a contract that is fully customizable to your needs. There are records you need to keep.

We will go over all the forms you need to keep in the facility. Some of these forms can be duplicated and used, but you'll need to obtain some forms from the state. **You can also get the PDF version of the forms on the forms CD-ROM.**

We have completed the operational side of the business. You now understand the staffing that you need, the programs and the schedules that you should create, and the paperwork that goes along with this business. You are now ready to start the business and get it running. Remember to treat this business as a business, but also remember that you are dealing with people. You must be as friendly as possible with the family and residents that you consider clients. The staff members are a valuable asset to you and your business, so please remember that they are good people and should be treated that way. Results will be far greater when you are running your business with kindness and generosity.



May

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional Communion Offered</p> <p>Bird Feeders</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Mason Jars</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Walking Club</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Flower Arranging</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Touch Therapy: Manicures with Hand Massages</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Party Prep</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Salon Services: Ringwood</p> <p>Entertainment by Amanda and Tilly in Harrod</p>
<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional Communion Offered</p> <p>Circo de Mayo</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Ramadan</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Touch Therapy: Foot Massages with essential oils</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Chair Ballet with Kayla Ringwood</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Wacky Sacks</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Monthly Trivia</p> <p>Walking Club</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Salon Services: Ringwood</p> <p>Movie Night!</p>
<p>MOTHERS DAY</p>	<p>Gentle Conversation</p>	<p>Touch Therapy: Foot Massages with essential oils</p>	<p>Chair Ballet with Kayla Ringwood</p>	<p>Wacky Sacks</p>	<p>Monthly Trivia</p> <p>Walking Club</p>	<p>Salon Services: Ringwood</p> <p>Movie Night!</p>
<p>Mother's Day</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Live Well, Be Well with Kay Ringwood</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Balloon Volley</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Bracelet Making</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Surprise Outing with Patti</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Memorial Day Honorary Ceremony & Cook Out</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Salon Services: Ringwood</p> <p>Touch Therapy: Hand Massages with Manicures</p>
<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional Communion Offered</p> <p>Move to the Music</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Victoria Day (Canada)</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Touch Therapy: Foot Massages with essential oils</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Suncatchers</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Walking Club</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>BINGO!</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>
<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional Communion Offered</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p> <p>Memorial Day</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>	<p>10:00 Daily Chronicles 11:00 Morning Exercise 12:00 Daily Devotional</p>

Outings are weather permitting and subject to change

Shepherd Premier Senior Living Spring Menu

Breakfast Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice	Hot or Cold Cereal Continental Fruit Choice of Beverage 2% Milk Coffee/Tea/Juice
Lunch						
Italian Meat Loaf Brussel Sprouts Orange Slice Parsley Cream Puffs Milk/Juice	Roast Beef 3 Bean Salad Sweet Potatoe Blueberry Mini Muffin Milk/Juice	Peachy Pork Chops Augratin Potatoes Beets Carrot Cake Milk/Juice	Swedish Meatballs Egg Noodles Broccoli Rainbow Sherbert Milk/Juice	Sloppy Joes Chips Pineapple Upside Down Cake Milk/Juice	Talapia Fluffy Rice Sweet Corn Chocolate Musse Pudding Milk/Juice	Split Pea Soup 1/2 Sandwich Biscuits Cup Cakes Milk/Juice
Dinner						
Egg Salad Sandwich on a bed of lettuce sliced tomato w/crackers Vanilla Wafers Milk/Juice	Grilled Cheese Tomato Soup Chocolate Pudding Whipped Topping Milk/Juice	Pigs in a Blanket Baked Beans Pound Cake w/strawberry sauce Milk/Juice	Liversausage Potato Salad Jello Whipped Topping Milk/Juice	Chicken Salad on a bed of lettuce Tomato's / Crackers Brownies Milk/Juice	Tuna Salad on Lettuce Bed Sliced Tomatoes Red Velvet Cake Milk/Juice	Pizza Party Tossed Salad Choice of Dressing Ice Cream Milk/Juice

The Finish Line

Congratulations on completing the process of the *Boutique Senior Living Homes*! We have gone over how to find the area you wish to invest in. Once we found the area, we went over where to look at building or buying the property. We discussed what to do with the properties once you pick them out. The laws and regulations section showed you what to look for when it comes to the state regulations, and the licensing process was reviewed. We went over the asset structuring, marketing, staffing, and quite a bit of paperwork. You are now ready to go out and start your very own Residential Care Facility for the Elderly. You will need to remember that this business is not a get rich quick scheme, and it will require hard work. But when you're done, it will be very rewarding for you and your family not just financially, but because you're able to help other people who are in need. Remember to work hard and stay sharp when getting into the business.

A police officer in Sacramento, was looking to not only better his life, but to better the life of his whole family. He studied our business model and explored the different possibilities with investing. He chose to go the route of purchasing a home that was already running and his current deal is amazing. He had an offer accepted on the home for \$500,000.

With bank financing and making sound strategic moves, the success rate for this business model is 80%-90%. These are amazing odds. The owner has their own attorney for this portion and is purchasing the C-Corp that runs the facility. The company will be owner financed with a small portion down. They will lease the C-Corp until the deal goes through while running the facility for a profit until the dead transfer. They will have cash flow with no money out of pocket for \$6,000 to \$24,000 a month to start, depending on resident occupancy! Dreams really do come true.

Another student of our business model has gone out and constructed three facilities already. They are looking at the big picture and are completing another five facilities in the very near future. They decided to build from the ground up on all the projects rather than buying and remodeling. Both ways are acceptable, and that is the beauty of this business. You have options that fit your personal situation.

The list goes on with people who recognize the value of our business model and want to make a difference in the lives of the elderly and in their own financial lives. I am most excited for the difference we will bring to the world of elder care! It is a true honor to know that my students are doing something to make a difference in the community as well as making a new life for themselves and for their loved ones. As Wayne Gretzky put it, "You miss 100% of the shots you don't

**You miss
100%
of the shots
you don't take!**

take.” Remember that quote and continue to follow your dreams. There will always be people in your life who will tell you that things will not work out and you should just get back to your job. But when this happens, ask yourself what they’re doing to get ahead and look at their financial situation. Sometimes people want to bring you down to keep you at their level. Some people develop a wishbone where they should have a backbone. *Always remember that you oversee your life and live up to your full potential.*

So, in wrapping up, I encourage all of you to go out and get this done. Do not hide with the 95% of the people that are content within their comfort zones. I would like to encourage you to *break free of that comfort zone and make a difference.* Your lives and the lives of those you love are waiting! So many times, people get stuck in a rut, they become discouraged, or they have a family member that brings them down. This is the time and place to dig yourself out of that ditch, to prove the people who are betting against you wrong. I want you all to set your goals to the stars, because it is better to fail and hit the moon than to set your goals for the sky and bounce off the clouds.

I would like to personally thank you for getting through the manual and joining our success team. Please contact us and share your story with us. I would like to hear from you about the wonderful things you have done and hope one day we can work together on some great things.

Best Wishes,

Brandon Schwab

ALWAYS REMEMBER

you oversee your life and live up to your full potential

BREAK FREE

of that comfort zone and make a difference!

Definitions

- (1) **“Activities of daily living”** means functions and tasks for self-care, including ambulation, bathing, dressing, eating, grooming, and toileting, and other similar tasks.
- (2) **“Administrator”** means an individual at least 21 years of age who is responsible for the operation and maintenance of an assisted living facility.
- (3) **“Agency”** means the Agency for Healthcare Administration.
- (4) **“Aging in place” or “age in place”** means the process of providing increased or adjusted services to a person to compensate for the physical or mental decline that may occur with the aging process, in order to maximize the person’s dignity and independence and permit them to remain in a familiar, non-institutional, residential environment for as long as possible. Such services may be provided by facility staff, volunteers, family, or friends, or through contractual arrangements with a third party.
- (5) **“Assisted living facility”** means any building or buildings, section or distinct part of a building, private home, boarding home, home for the aged, or other residential facility, whether operated for profit or not, which undertakes through its ownership or management to provide housing, meals, and one or more personal services for a period exceeding 24 hours to one or more adults who are not relatives of the owner or administrator.
- (6) **“Chemical restraint”** means a pharmacologic drug that physically limits, restricts, or deprives an individual of movement or mobility, and is used for discipline or convenience and not required for the treatment of medical symptoms.
- (7) **“Community living support plan”** means a written document prepared by a mental health resident and the resident’s mental health case manager in consultation with the administrator of an assisted living facility with a limited mental health license or the administrator’s designee. A copy must be provided to the administrator. The plan must include information about the supports, services, and special needs of the resident which enable the resident to live in the assisted living facility and a method by which facility staff can recognize and respond to the signs and symptoms particular to that resident which indicate the need for professional services.
- (8) **“Cooperative agreement”** means a written statement of understanding between a mental health care provider and the administrator of the assisted living facility with a limited mental health license in which a mental health resident is living. The agreement must specify directions for accessing emergency and after-hours care for the mental health resident. A single cooperative agreement may service all mental health residents who are clients of the same mental health care provider.

- (9) **“Department”** means the Department of Elderly Affairs.
- (10) **“Emergency”** means a situation, physical condition, or method of operation which presents imminent danger of death or serious physical or mental harm to facility residents.
- (11) **“Extended congregate care”** means acts beyond those authorized in subsection (16) that may be performed pursuant to part I of chapter 464 by persons licensed thereunder while carrying out their professional duties, and other supportive services which may be specified by rule. The purpose of such services is to enable residents to age in place in a residential environment despite mental or physical limitations that might otherwise disqualify them from residency in a facility licensed under this part.
- (12) **“Guardian”** means a person to whom the law has entrusted the custody and control of the person or property, or both, of a person who has been legally adjudged incapacitated.
- (13) **“Limited nursing services”** means acts that may be performed pursuant to part I of chapter 464 by persons licensed thereunder while carrying out their professional duties but limited to those acts which the department specifies by rule. Acts which may be specified by rule as allowable limited nursing services shall be for persons who meet the admission criteria established by the department for assisted living facilities and shall not be complex enough to require 24-hour nursing supervision and may include such services as the application and care of routine dressings, and care of casts, braces, and splints.
- (14) **“Managed risk”** means the process by which the facility staff discuss the service plan and the needs of the resident with the resident and, if applicable, the resident’s representative or designee or the resident’s surrogate, guardian, or attorney in fact, in such a way that the consequences of a decision, including any inherent risk, are explained to all parties and reviewed periodically in conjunction with the service plan, taking into account changes in the resident’s status and the ability of the facility to respond accordingly.
- (15) **“Mental health resident”** means an individual who receives social security disability income due to a mental disorder as determined by the Social Security Administration or receives supplemental security income due to a mental disorder as determined by the Social Security Administration and receives optional state supplementation.
- (16) **“Personal services”** means direct physical assistance with or supervision of the activities of daily living and the self-administration of medication and other similar services which the department may define by rule. “Personal services” shall not be construed to mean the provision of medical, nursing, dental, or mental health services.
- (17) **“Physical restraint”** means a device which physically limits, restricts, or deprives an individual of movement or mobility, including, but not limited to, a half-bed rail, a full-bed rail, a geriatric chair, and a Posey restraint. The term “physical restraint” shall also include any device which was not specifically manufactured as a restraint, but which has been altered,

arranged, or otherwise used for this purpose. The term shall not include bandage material used for the purpose of binding a wound or injury.

- (18) **“Relative”** means an individual who is the father, mother, stepfather, stepmother, son, daughter, brother, sister, grandmother, grandfather, great-grandmother, great-grandfather, grandson, granddaughter, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister of an owner or administrator.
- (19) **“Resident”** means a person 18 years of age or older, residing in and receiving care from a facility.
- (20) **“Resident’s representative or designee”** means a person other than the owner, or an agent or employee of the facility, designated in writing by the resident, if legally competent, to receive notice of changes in the contract executed pursuant to s. 429.24; to receive notice of and to participate in meetings between the resident and the facility owner, administrator, or staff concerning the rights of the resident; to assist the resident in contacting the ombudsman council if the resident has a complaint against the facility; or to bring legal action on behalf of the resident pursuant to s. 429.29.
- (21) **“Service plan”** means a written plan, developed and agreed upon by the resident and, if applicable, the resident’s representative or designee or the resident’s surrogate, guardian, or attorney in fact, if any, and the administrator or designee representing the facility, which addresses the unique physical and psychosocial needs, abilities, and personal preferences of each resident receiving extended congregate care services. The plan shall include a brief written description, in easily understood language, of what services shall be provided, who shall provide the services, when the services shall be rendered, and the purposes and benefits of the services.
- (22) **“Shared responsibility”** means exploring the options available to a resident within a facility and the risks involved with each option when making decisions pertaining to the resident’s abilities, preferences, and service needs, thereby enabling the resident and, if applicable, the resident’s representative or designee, or the resident’s surrogate, guardian, or attorney in fact, and the facility to develop a service plan which best meets the resident’s needs and seeks to improve the resident’s quality of life.
- (23) **“Supervision”** means reminding residents to engage in activities of daily living and the self-administration of medication, and, when necessary, observing or providing verbal cuing to residents while they perform these activities.
- (24) **“Supplemental security income,”** Title XVI of the Social Security Act, means a program through which the Federal Government guarantees a minimum monthly income to every person who is age 65 or older, or disabled, or blind and meets the income and asset requirements.

- (25) **“Supportive services”** means services designed to encourage and assist aged persons or adults with disabilities to remain in the least restrictive living environment and to maintain their independence as long as possible.
- (26) **“Twenty-four-hour nursing supervision”** means services that are ordered by a physician for a resident whose condition requires the supervision of a physician and continued monitoring of vital signs and physical status. Such services shall be medically complex enough to require constant supervision, assessment, planning, or intervention by a nurse; required to be performed by or under the direct supervision of licensed nursing personnel or other professional personnel for safe and effective performance; required on a daily basis; and consistent with the nature and severity of the resident’s condition or the disease state or stage.

These definitions are taken from the state websites and will be the same in most if not all states. It is important for you to understand these definitions because they are the basis of what the business is going to be, and you will use these every day or at least your employees will. The definitions above are the basic definitions for licensing, and the next definitions are more in-depth. Please take time to learn and understand these definitions as we will refer to them and you will continue to refer to them.

In addition to the terms defined in state code for licensing, the following definitions are also applicable:

- (1) **“Advertise”** means any written, printed, oral, visual, or electronic promotion, statement of availability, qualifications, services offered, or other similar communication appearing in or on television, radio, the Internet, billboards, newspapers, magazines, business cards, flyers, brochures or other medium for the purpose of attracting potential residents to an assisted living facility. A complimentary listing of a licensed facility’s name, address, and telephone number in the telephone directory shall not be considered advertising.
- (2) **“Agency Central Office”** means the office of the agency who is in charge of assigning Assisted Living and *Boutique Senior Living Homes* licenses
- (3) **“Apartment”** means a self contained dwelling unit with a bathroom, kitchen area, and living and sleeping space that is contracted for use as a residence by one or more persons who maintain a common household.
- (4) **“Assistance with activities of daily living”** means individual assistance with the following:
- (a) **Ambulation** – Providing physical support to enable the resident to move about within or outside the facility. Physical support includes supporting or holding the resident’s hand, elbow, or arm; holding on to a support belt worn by the resident to assist in providing stability or direction while the resident ambulates; or pushing the resident’s wheelchair. The term does not include assistance with transfer.

- (b) **Bathing** – Assembling towels, soaps, and other necessary supplies, helping the resident in and out of the bathtub or shower, turning the water on and off, adjusting water temperatures, washing and drying portions of the body which are difficult for the resident to reach, or being available while the resident is bathing.
 - (c) **Dressing** – Helping the resident to choose, put on, and remove clothing.
 - (d) **Eating** – Helping with cutting food, pouring beverages, and feeding residents who are unable to feed themselves.
 - (e) **Grooming** – Helping the resident with shaving, oral care, hair care, and nail care.
 - (f) **Toileting** – Assisting the resident to the bathroom, helping to undress, positioning on the commode, and helping with related personal hygiene, including assistance with changing an adult brief. Assistance with toileting includes assistance with the routine emptying of a catheter or ostomy bag.
- (5) **“Assistance with Transfer”** means providing verbal and physical cuing or physical assistance or both while the resident moves between bed and a standing position or between bed and chair or wheelchair.
 - (6) **“Bedridden”** means confined to bed because of inability to ambulate or transfer to a wheelchair even with assistance, or to sit safely in a chair or wheelchair without personal assistance or mechanical restraint.
 - (7) **“Capacity”** means the number of residents for which a facility has been licensed to provide residential care.
 - (8) **“Case Manager”** means an individual employed by or under contract with any agency or organization, public, or private, who has the responsibility for assessing resident needs; planning services; coordinating and assisting residents to gain access to needed medical, mental health, social, housing, educational or other services; monitoring service delivery; and evaluating the effects of service delivery.
 - (9) **“Certified Nursing Assistant”(CNA)** means a person certified under Part XV of state code.
 - (10) **“Deficiency”** means an instance of noncompliance with the requirements of Part III, state code rules, F.S., and this rule chapter.
 - (11) **“Direct Care Staff”** means staff providing personal or nursing services to residents, or supervising staff providing such services.
 - (12) **“Distinct Part”** means designated bedrooms or apartments, bathrooms and a living area; or a separately identified wing, floor, or building which includes bedrooms or apartments, bathrooms and a living area. The distinct part may include a separate dining area, or meals may be served in another part of the facility.

- (13) **“Elopement”** means an occurrence in which a resident leaves a facility without following facility policy and procedures.
- (14) **“Food Service”** means the storage, preparation, serving, and cleaning up of food intended for consumption in a facility or a formal agreement that meals will be regularly catered by a third party.
- (15) **“Health Care Provider”** means a physician or physician’s assistant licensed under state code., or advanced registered nurse practitioner licensed under state code.
- (16) **“Hold Itself Out”** means making any personal, verbal, telephone, mail contact, or other communication to a person or any announcement, solicitation, display, or advertisement to inform the general public of the services provided by the facility.
- (17) **“Licensed Dietitian/Nutritionist”** means a dietitian or nutritionist licensed in accordance with Section 468.509, F.S.
- (18) **“Long-Term Care Ombudsman Council (LTCOC)”** means the State Long term Care Ombudsman Council or the district long term care ombudsman councils.
- (19) **“Major incident”** means:
- (a) Death of a resident from other than natural causes;
 - (b) Determining that a resident is missing;
 - (c) An assault on a resident resulting in injury;
 - (d) An injury to a resident which requires assessment and treatment by a health care provider; or
 - (e) Any event, such as a fire, natural disaster, or other occurrence that results in the disruption of the facility’s normal activities.
- (20) **“Mental Disorder”** for the purposes of identifying a mental health resident means schizophrenic and other psychotic disorders; affective disorders; anxiety related disorders; and personality and dissociative disorders. However, mental disorder does not include residents with a primary diagnosis of Alzheimer’s disease, other dementias, or mental retardation.
- (21) **“Mental Health Care Provider”** means:
- (a) An individual, agency, or organization under contract to the Department of Children and Family Services’ district Substance Abuse and Mental Health program office to provide mental health services to clients of the department;
 - (b) An individual licensed by the state to provide mental health services; or

- (c) An agency or organization employing or contracting with individuals licensed by the state to provide mental health services.
- (22) **“Mental Health Case Manager”** means a case manager employed by or under contract to a mental health care provider to assist mental health residents residing in a facility holding a limited mental health license. A private mental health care provider may serve as a resident’s mental health case manager.
- (23) **“Newly Licensed”** means a new facility which is licensed for the first time. The term does not apply to an existing facility that has undergone a change of ownership.
- (24) **“Nurse”** means a licensed practical nurse (LPN), registered nurse (RN), or advanced registered nurse practitioner (ARNP).
- (25) **“Nursing Assessment”** means a written review of information collected from observation of and interaction with a resident, the resident’s record, and any other relevant sources; the analysis of the information; and recommendations for modification of the resident’s care, if warranted.
- (26) **“Nursing Progress Notes” or “Progress Report”** means a written record of nursing services, other than medication administration or the taking of vital signs, provided to each resident who receives such services pursuant to a limited nursing or extended congregate care license. The progress notes shall be completed by the nurse who delivered the service and shall describe the date, type, scope, amount, duration, and outcome of services that are rendered; the general status of the resident’s health; any deviations; any contact with the resident’s physician; and shall contain the signature and credential initials of the person rendering the service.
- (27) **“Optional State Supplementation (OSS)”** means the state program providing monthly payments to eligible residents
- (28) **“Owner”** means the person, partnership, association or corporation, which owns or leases the facility, and is licensed by the Agency. The term does not include a person, partnership, association, or corporation which contracts only to manage or operate the facility.
- (29) **“Physician”** means an individual licensed under state code.
- (30) **“Registered Dietitian”** means an individual registered with the Commission on Dietetic Registration, the accrediting body of the American Dietetic Association.
- (31) **“Renovation”** means additions, repairs, restorations, or other improvements to the physical plant of the facility within a 5-year period that costs in excess of 50 percent of the value of the building as reported on the tax rolls, excluding land, before the renovation.
- (32) **“Respite Care”** means facility based supervision of an impaired adult for the purpose of

relieving the primary caregiver.

- (33) **“Significant Change”** means a sudden or major shift in behavior or mood, or a deterioration in health status such as unplanned weight change, stroke, heart condition, or stage 2, 3, or 4 pressure sores. Ordinary day to day fluctuations in functioning and behavior, a short term illness such as a cold, or the gradual deterioration in the ability to carry out the activities of daily living that accompanies the aging process are not considered significant changes.
- (34) **“Staff”** means any person employed by a facility; or contracting with a facility to provide direct or indirect services to residents; or employees of firms under contract to the facility to provide direct or indirect services to residents when present in the facility. The term includes volunteers performing any service which counts toward meeting any staffing requirement of this rule chapter.
- (35) **“Temporary License”** means a license issued by Agency for Healthcare Administration to an assisted living facility that supersedes and temporarily replaces the current license and remains in place pending the final disposition of a proceeding involving the suspension or revocation of an assisted living facility license.
- (36) **“Third Party”** means any person or business entity providing services to residents who is not staff of the facility.
- (37) **“Unscheduled Service Need”** means a need for a personal service, nursing service, or mental health intervention which generally cannot be predicted in advance of the need for service, and which must be met promptly within a time frame which provides reasonable assurance that the resident’s health, safety, and welfare and that of other residents shall be preserved.