



MOMENTUM

2023 ANNUAL MEETING & EXPO

MARCH 7-8, 2023

Renaissance Schaumburg
Convention Center - Schaumburg, IL

Senior Living – Future-Ready!
Tuesday, March 7th at 2:45 PM

Introductions



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Objectives

1. Learn leading edge projections that will impact the future of senior living.
2. Learn about emerging models of senior living and how to develop reality-based projects to stay competitive.
3. Learn strategies for successful marketing and brand evolution

Steps to being... **Future Ready!**

- 1. Trends and Projections**
- 2. The Changing Consumer**
- 3. Marketing & Brand Evolution**
- 4. Design for Today and Beyond**



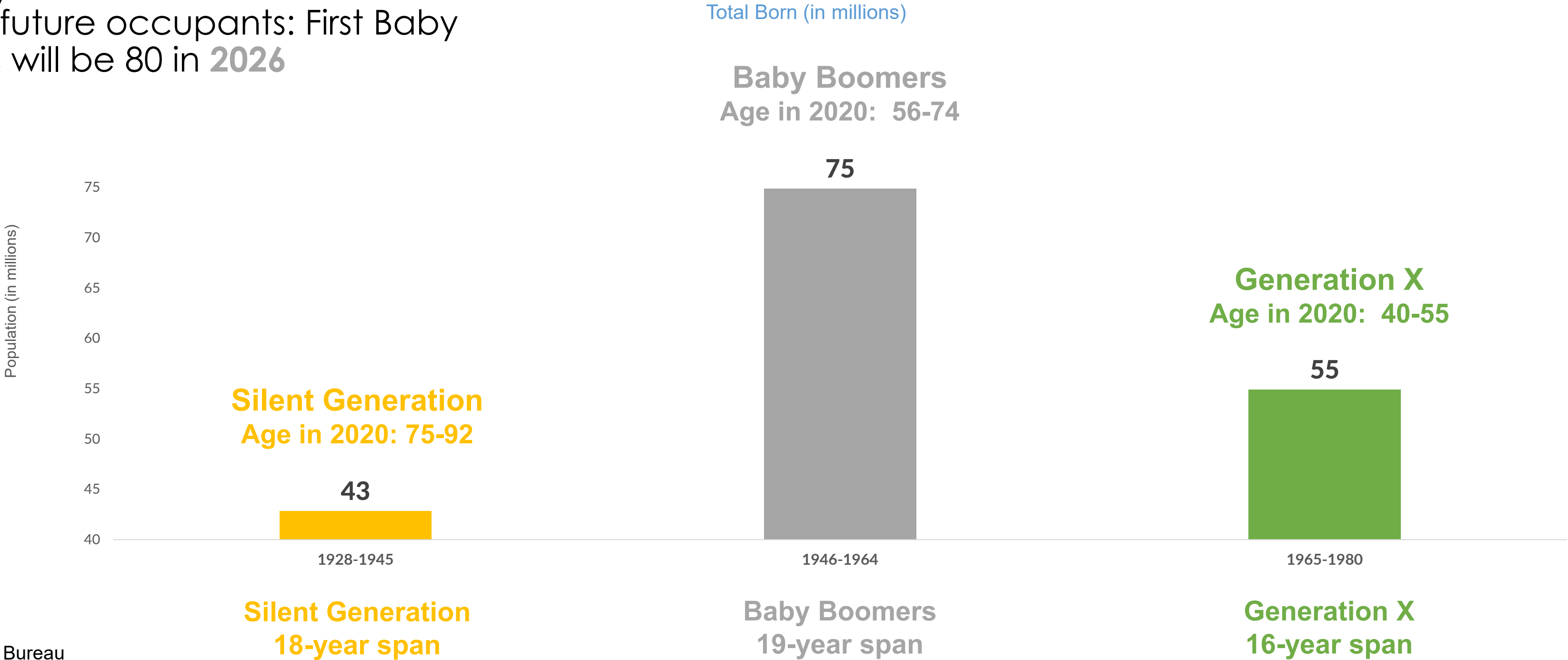
Steps to being... Future Ready!

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Demographic Tailwinds – Long Term US

The Baby Boomers will be the Seniors
Housing future occupants: First Baby
Boomers will be 80 in 2026



Source: US Census Bureau

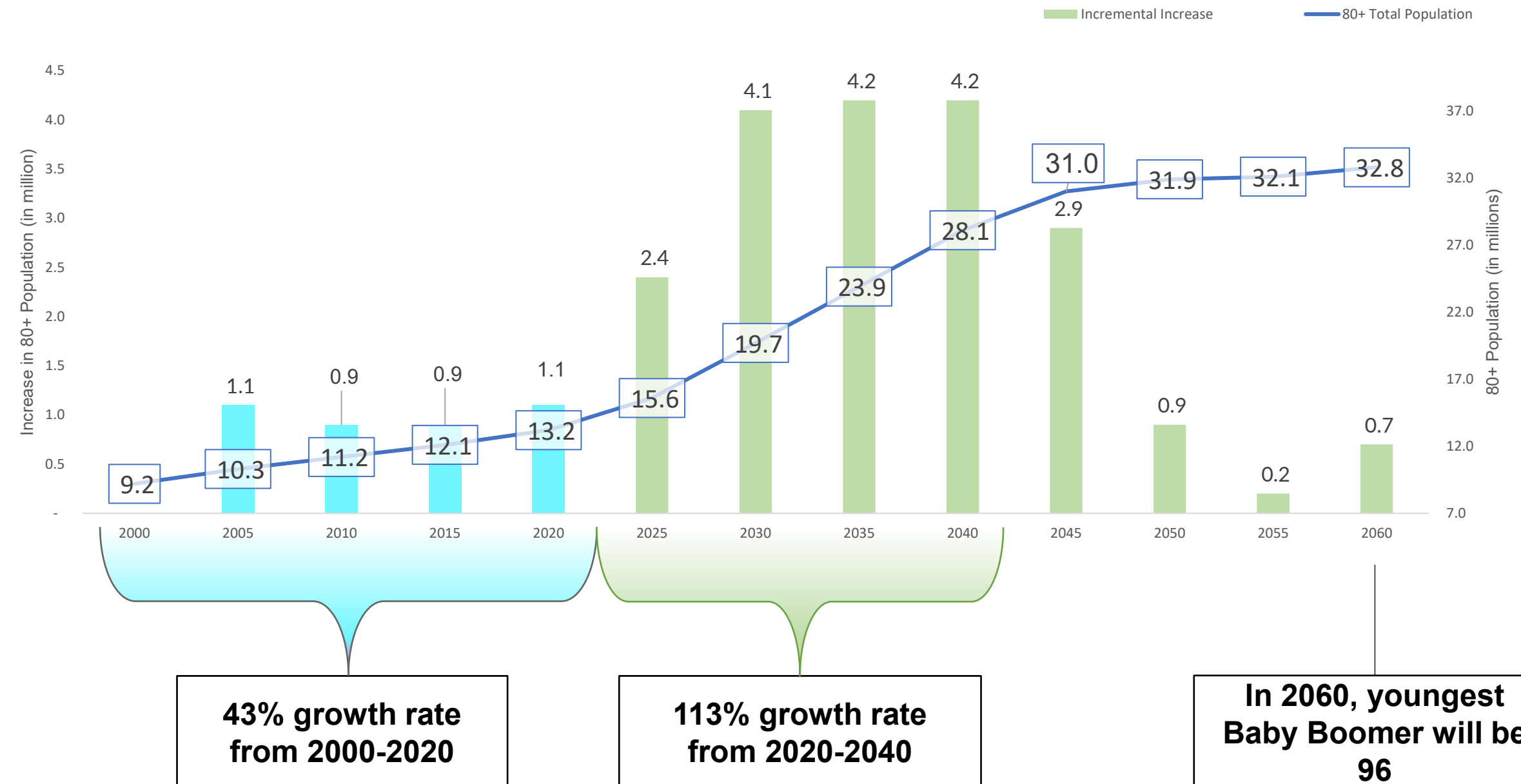
Demographic Tailwinds – Long Term US

Tremendous growth in the 80+ population over the next 40 years; with the most growth occurring over the next 20 years; beginning in **2026**.

80+ population is expected to grow at more than **double** the growth rate from 2020-2040 than 2000-2020.

80+ population grew **4M** from 2000 to 2020; it will grow **15M** from 2020 to 2040.

80+ population will grow at a **113%** growth rate from 2020 to 2040 compared to an **8%** growth rate for the rest of the population.



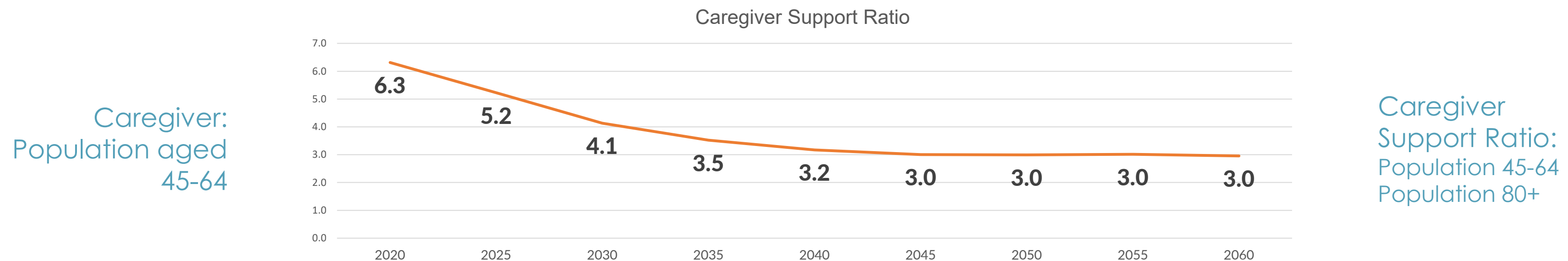
Source: US Census Bureau

Demographic Tailwinds – Long Term US

Not only is the 80+ population growing, but the caregiver support ratio is also decreasing.

Caregiver support ratio represents the 45-64 population divided by the 80+ population. This means there will be less people to care for the 80+ population, causing more seniors to seek housing and care outside of their home.

- At any given point, 6 percent of adult children serve as caregivers, and 17 percent will take on this role at some point in their lives.
- Those who do provide care devote an average of 77 hours per month, which can take a toll on both the finances and health of the caregiver.

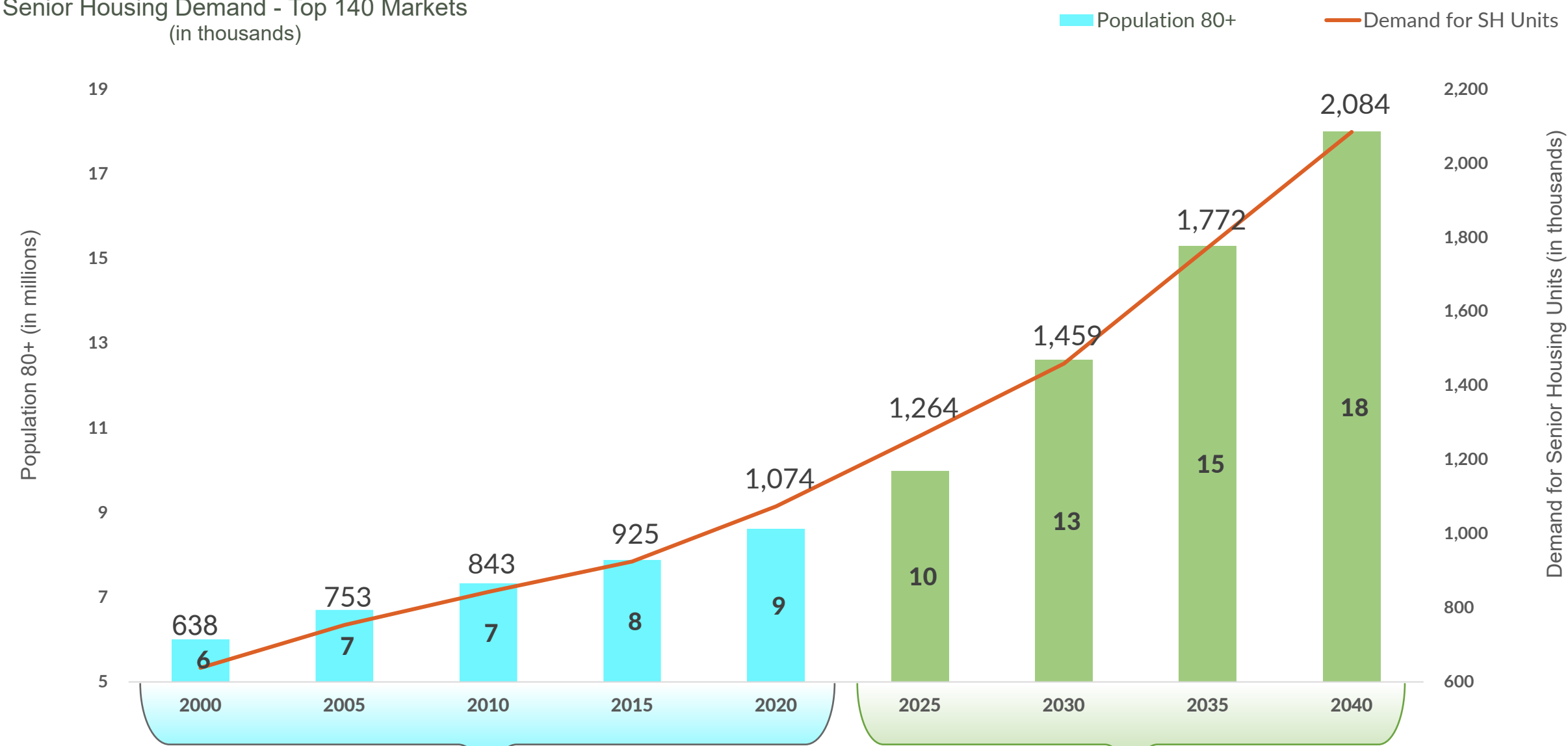


	2020	2025	2030	2035	2040	2045	2050	2055	2060
Population 45-64	83,398	81,472	81,329	84,314	89,136	92,997	95,437	96,838	96,973
Population 80+	13,209	15,586	19,683	23,939	28,119	30,989	31,878	32,097	32,799
Caregiver Support Ratio	6.31	5.23	4.13	3.52	3.17	3.00	2.99	3.02	2.96

Source: US Census Bureau

Growth for the Future – Long Term

Senior Housing Demand - Top 140 Markets
(in thousands)



Last 20 years:
Actual units increased 436k;
3.4% annual growth rate

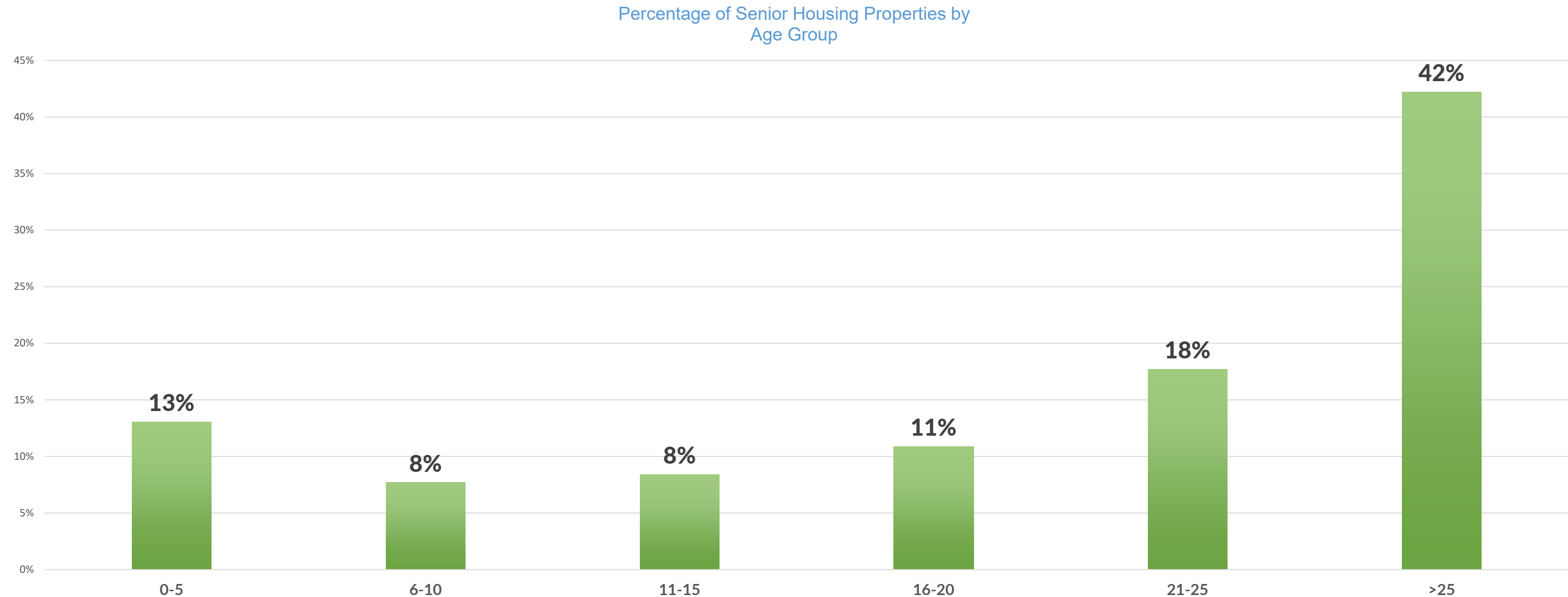
Next 20 years:
Projected units increase 1.01M;
4.7% annual growth rate

Demographic Tailwinds:
The Baby Boomers will be the Seniors Housing occupants; First Baby Boomers will be 80 in 2026

Source: US Census Bureau and ESRI; Top 140 markets are 65% of the total US population Historical units are based on NIC MAP® Data Service assumptions; 2025-2040 projected units are calculated as: (population 80+) x (11% penetration rate) / (95% occupancy)

Supply – Top 140 Markets

Much of the existing supply is outdated: 42% of Senior Housing is over 25 years old



Source: NIC MAP® Data Service

Competitive Environment

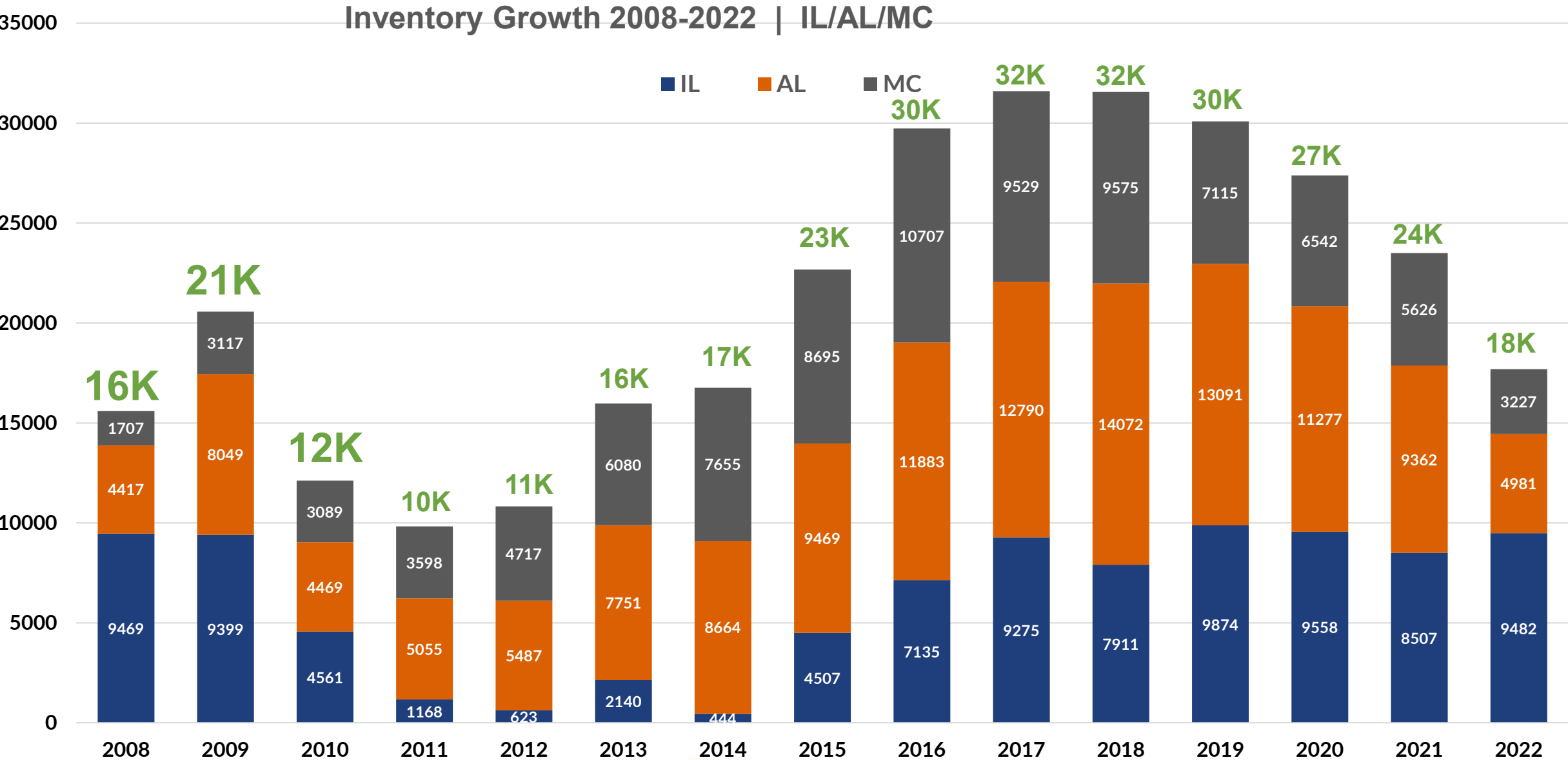
The Senior Housing Construction Boom

22% of senior living product added over the last 10 years has been developed in the last three years.

**Nursing Home Bed
Reduction – Net Loss of
46,140 (~5.1% of beds)**

Year	Inventory Growth/Reduction
2008	- 880 Beds
2009	- 1,815 Beds
2010	+ 829 Beds
2011	- 137 Beds
2012	- 2,106 Beds
2013	+ 418 Beds
2014	- 2,008 Beds
2015	+ 655 Beds
2016	- 1,428 Beds
2017	- 2,964 Beds
2018	- 6,535 Beds
2019	-4,201 Beds
2020	-3,577 Beds
2021	-10,144 Beds
2022	-9,548 Beds

Source: NIC Data; Primary and Secondary
Markets 4Q2022

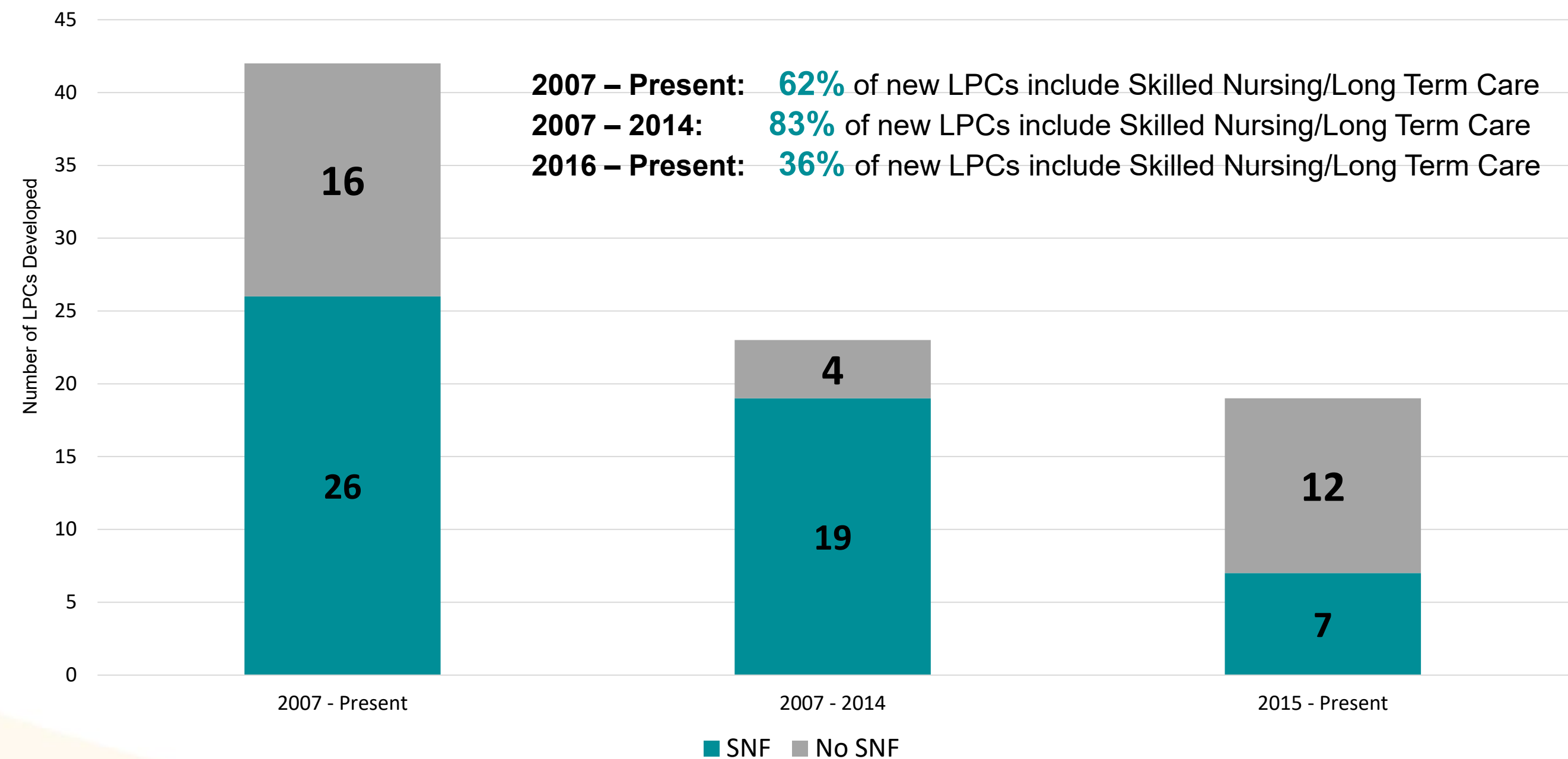


Source: NIC MAP. Reflects inventory growth in Primary & Secondary Markets.

State of the Senior Living Industry

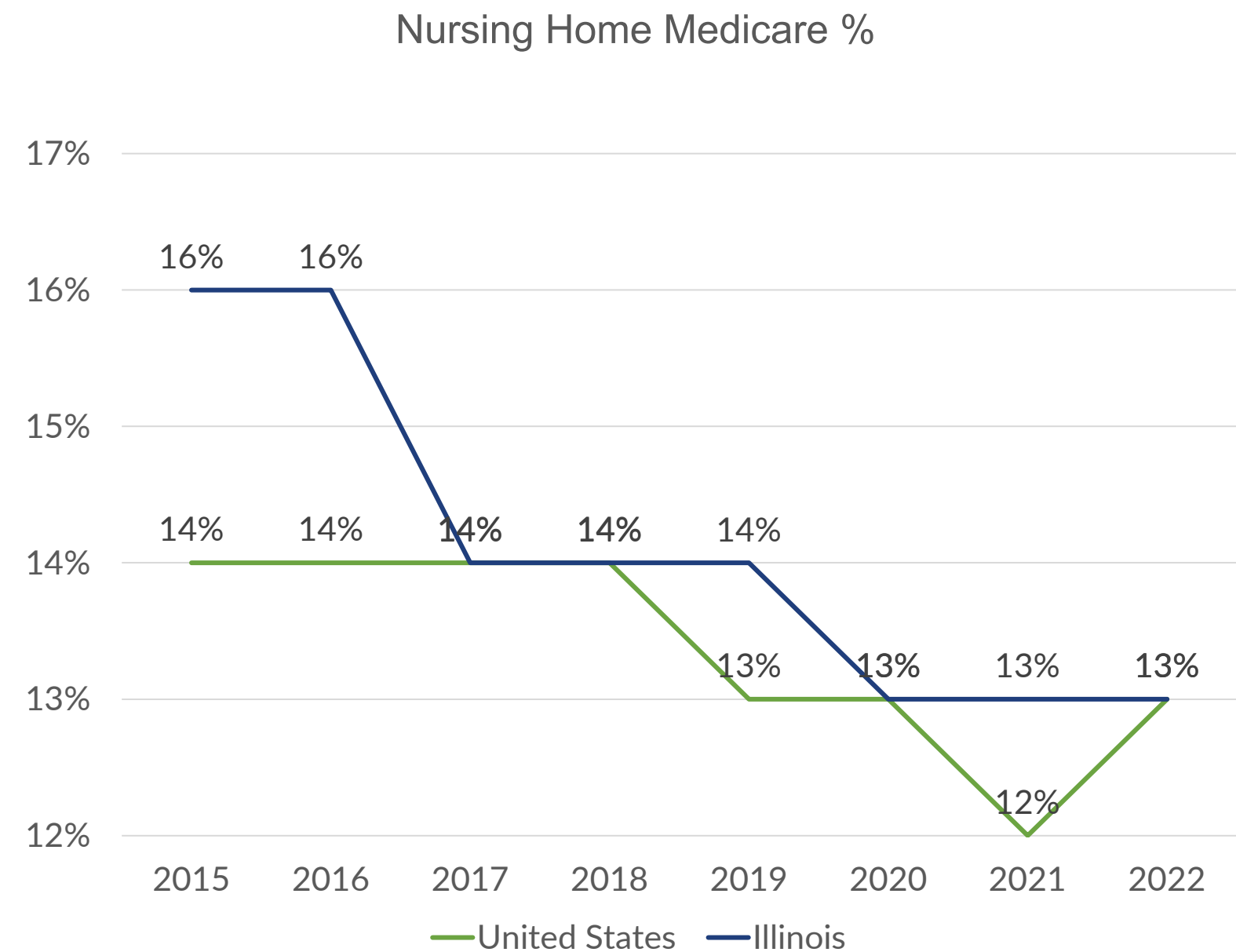
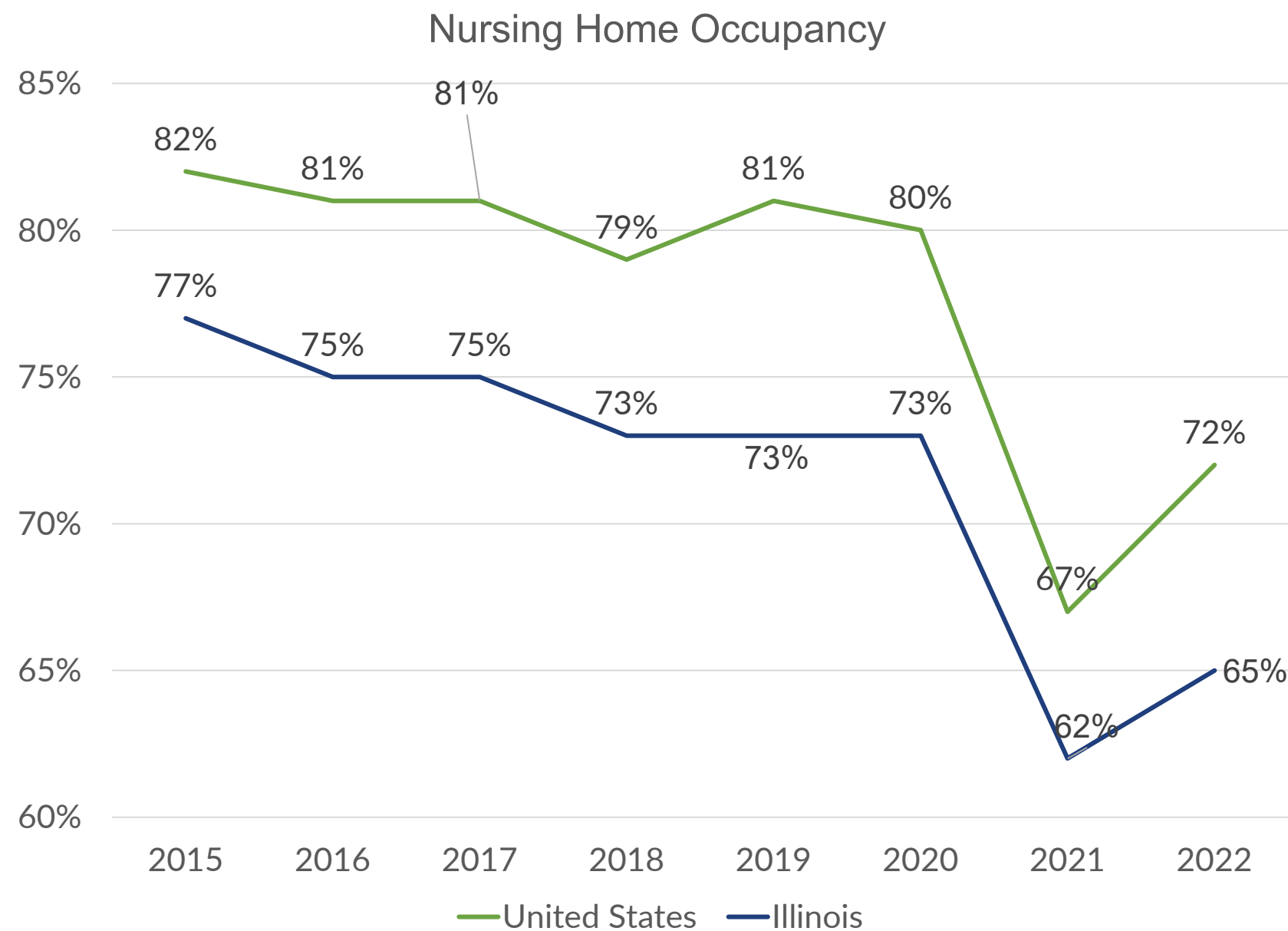
Senior Living Market Dynamics

LPCs move away from SNFs in new developments



State of the Senior Living Industry

Declining Occupancy & Medicare Utilization



State of the Senior Living Industry

Bed Potential: Nursing Home Bed Need in 2026

The nursing home market is projected to have excess capacity in 2026. Although there is projected to be an increase in the older adult population in the market area, there will be continued pressure on nursing home occupancy and utilization rates due to a number of factors including:

- Desire of the senior to remain at home for as long as possible or chose alternative care settings
- Health care industry is offering more services to seniors in their own homes through home- and community-based services
- Decreasing hospitalization rates
- Decreasing length of stays
- Growing market penetration of Medicare managed care plans – reducing reliance on SNF-based post-acute care

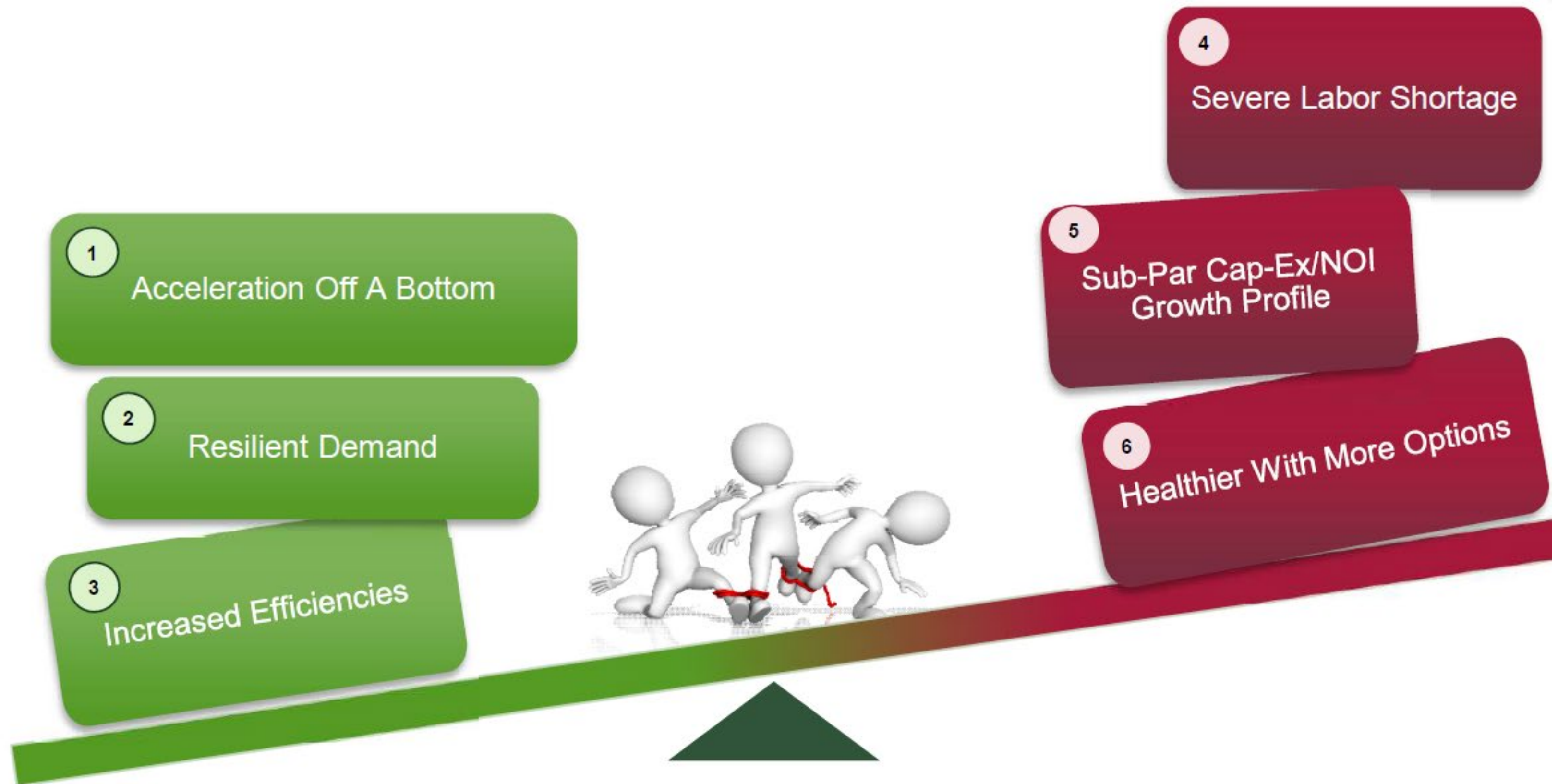
Nursing Home Utilization Rates

National & State Historical Utilization Rates									
Location	2015	2016	2017	2018	2019	2020	2021	2022	% decrease from 2015 to 2022
United States									
Nursing Home Residents (A)	1,367,548	1,350,121	1,342,876	1,307,382	1,330,591	1,316,950	1,098,305	1,157,714	
Population 65+ (B)	47,732,480	49,215,165	50,815,712	52,423,114	54,074,028	54,438,296	55,892,014	58,509,892	
Utilization Rate (A/B)	2.9%	2.7%	2.6%	2.5%	2.5%	2.4%	2.0%	2.0%	-31%
Illinois									
Nursing Home Residents (C)	72,492	68,351	68,100	65,378	66,178	65,594	54,962	57,726	
Population 65+ (D)	1,828,225	1,872,830	1,947,595	1,990,548	2,045,361	2,060,440	2,103,309	2,190,580	
Utilization Rate (C/D)	4.0%	3.6%	3.5%	3.3%	3.2%	3.2%	2.6%	2.6%	-34%

Sources:
KFF analysis of Nursing Home Compare.
Census American Community Survey, Claritas

Estimation of Nursing Home Bed Need	
What if 2021 Utilization Continues	
2026	
Total Age Qualified Population 65+ (A)	102,696
2026 Utilization Rate	2.49%
2026 Calculated Bed Need Based on Utilization (B)	2,559
Less: MA Competitive Beds at 92%	2,718
Bed Need (Excess)	(159)
What If Utilization Decreases by 25%	
2026	
Population age 65+	102,696
Utilization at 75% of current	1.87%
2026 Calculated Bed Need Based on 100% of Utilization	1,919
Less: MA Competitive Beds at 92%	2,718
Bed Need (Excess)	(799)
What If Utilization Decreases to 1%	
2026	
Population age 65+	102,696
Utilization at 1%	1.0%
2026 Calculated Bed Need Based on 0% Utilization	1,027
Less: MA Competitive Beds at 92%	2,718
Bed Need (Excess)	(1,691)

State of the Senior Living Industry



State of the Senior Living Industry

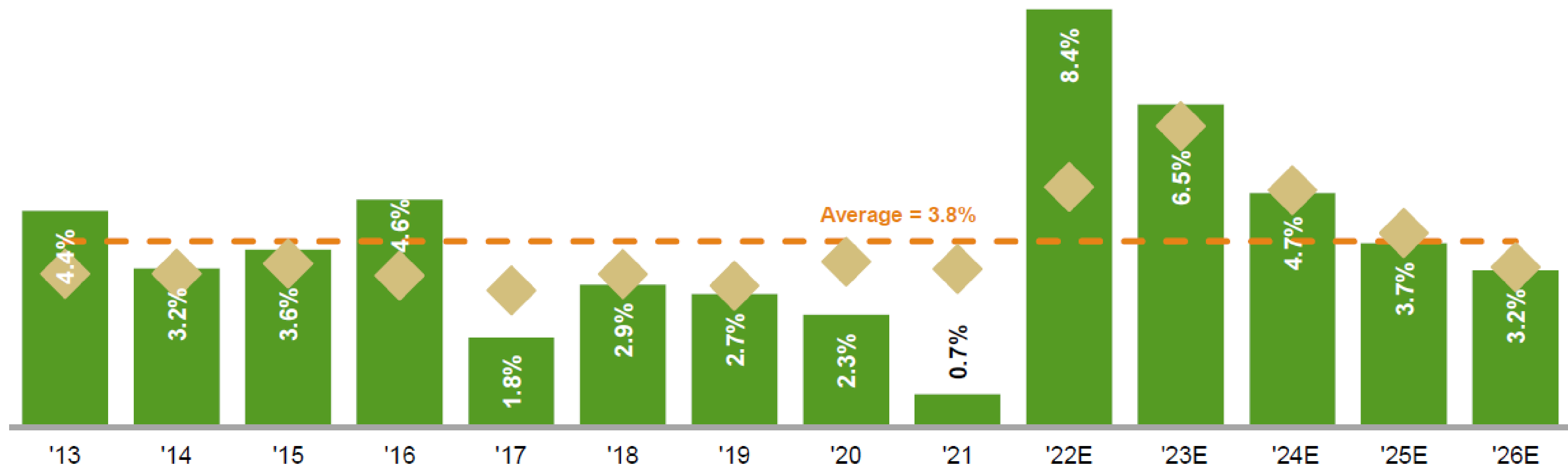
		Independent Living	Assisted Living	Memory Care
Units		760,000	745,000	270,000
Average Cost / Month		~\$3,700	~\$5,800	~\$7,400
NOI Margin		~37%	~25%	~25%
Average Resident Age		83 Years	85 Years	85 Years
Average Length of Stay		~3 Years	~2 Years	~1 Year
Services Offered	Shelter	Real Estate Component	Real Estate Component	Real Estate Component
	Activities, Recreation			
	Transportation, Laundry	Services Component	Services Component	Services Component
	Meals			
	ADL Assistance			
	Dementia Care			
	Skilled Nursing			

Source: ASHA, NIC MAP ® Data and Analysis Service, and Green Street.

State of the Senior Living Industry

Same-Store Operating Expense Growth
Sector Average

■ Senior Housing Average ◆ Apartment Average



Steps to being... **Future Ready!**

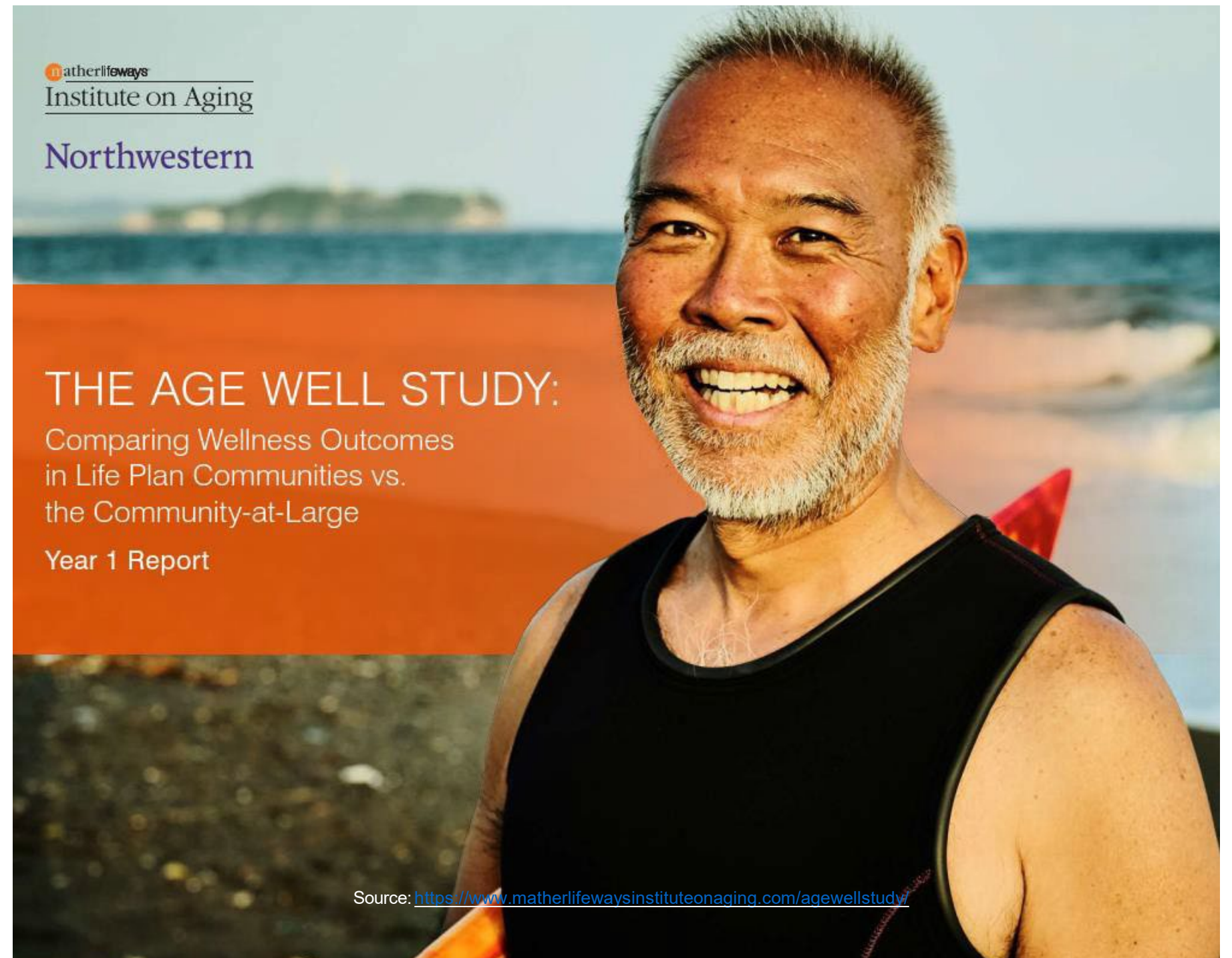
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Future Consumer Desires

Wellness Outcomes

- ✓ 69% of residents reported that moving to a Life Plan Community “**somewhat or greatly improved**” their **social wellness**.
- ✓ Life Plan Community residents tend to have **greater emotional, social, physical, intellectual, and vocational wellness** than their community-dwelling counterparts.
- ✓ Residents report significantly more **healthy behaviors** than community dwellers (not just more exercise).

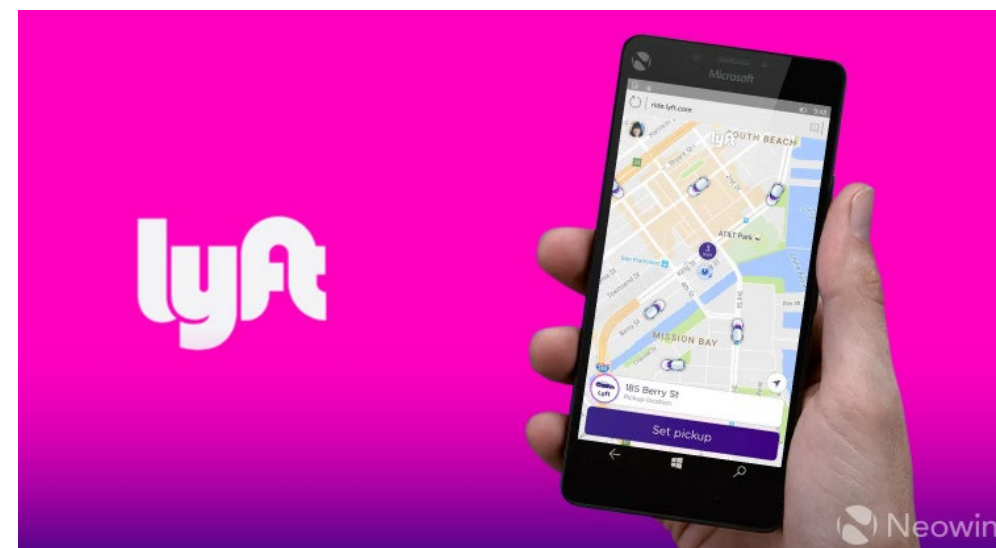
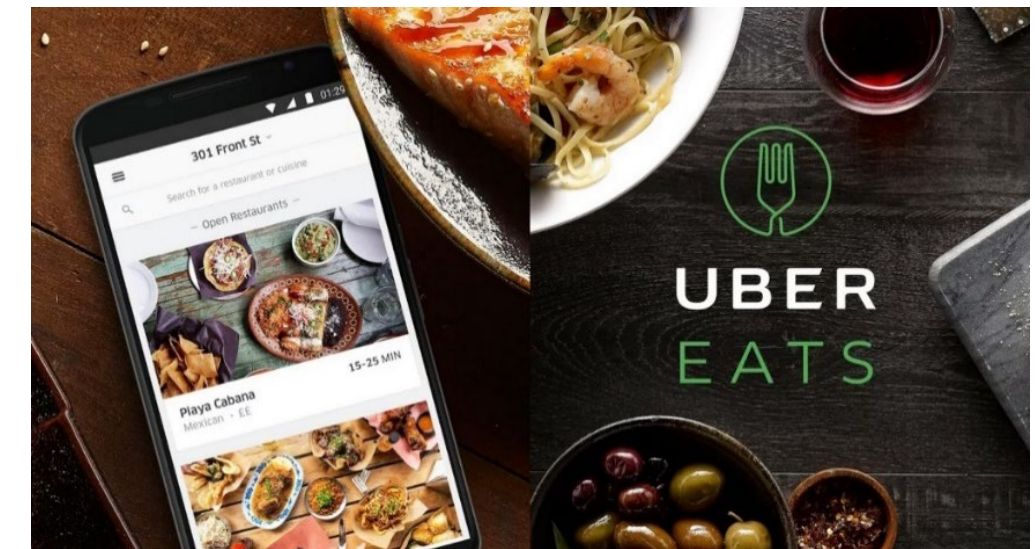


Future Consumer Desires

Consumer Expectations – Redefine your Value Proposition

Boomers are focused on consumer products that feature

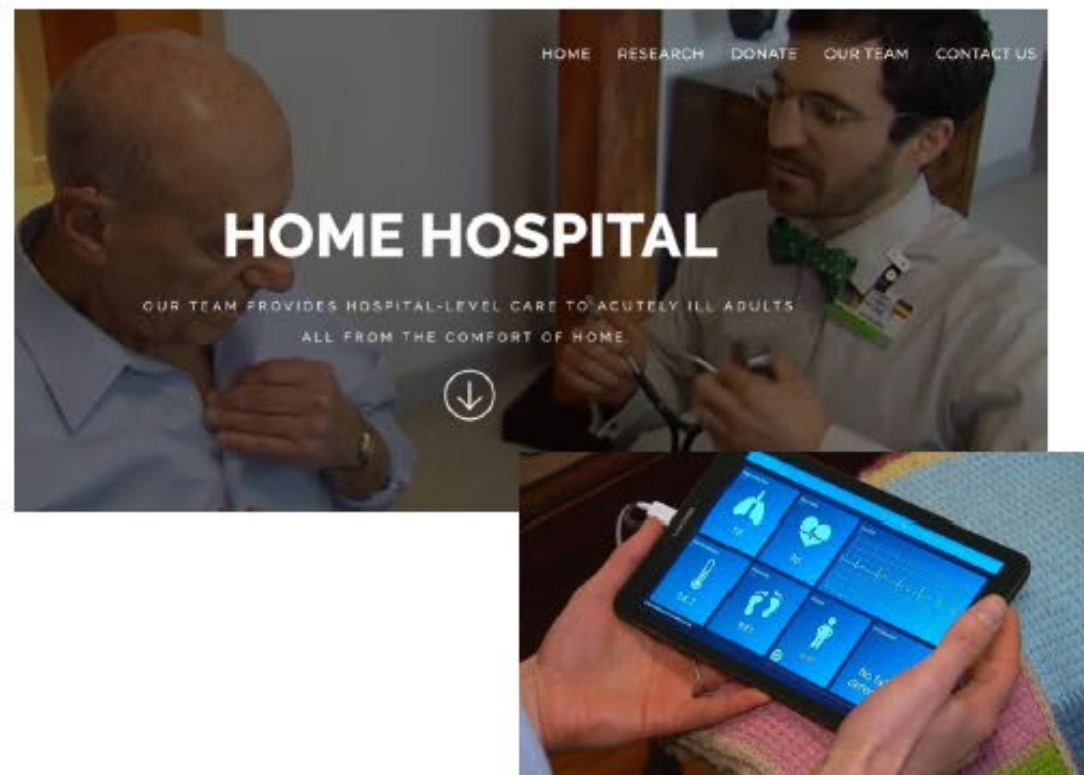
- ✓ **Customization**
- ✓ **Value**
- ✓ **Experience**
- ✓ **Simplicity**
- ✓ **Convenience**



Future Consumer Desires

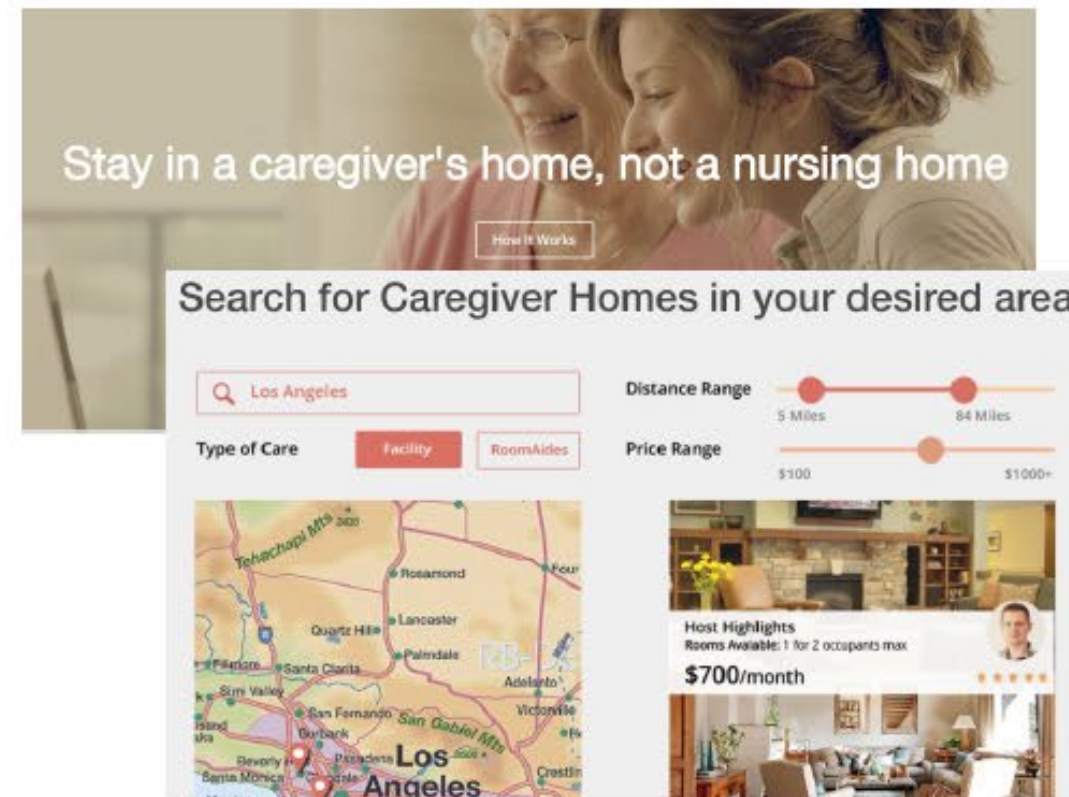
Trends: Home Centered Care

Healing at Home



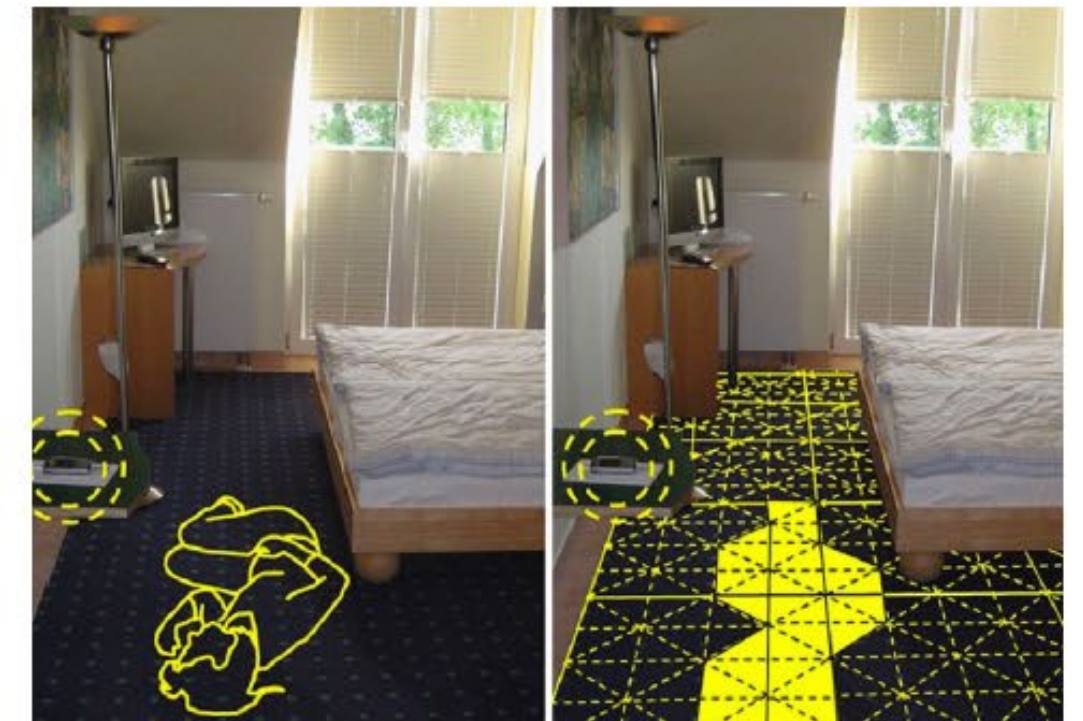
Harvard Home project reimagines acute care for elderly to Heal at home by providing daily visits and 24-hour access to patient's medical team. Doctors can monitor patient vital signs remotely through patient's skin patch.

Airbnb Caregivers



Room2Care, an Airbnb-type marketplace that lets people rent out spare rooms to seniors needing care.

Ambient Doctors



SilverEco wires smart homes with health-tracking devices customized to each client's needs, from sensor floorboards to detect a sudden fall or monitoring temperatures of its residents.

Future Consumer Desires

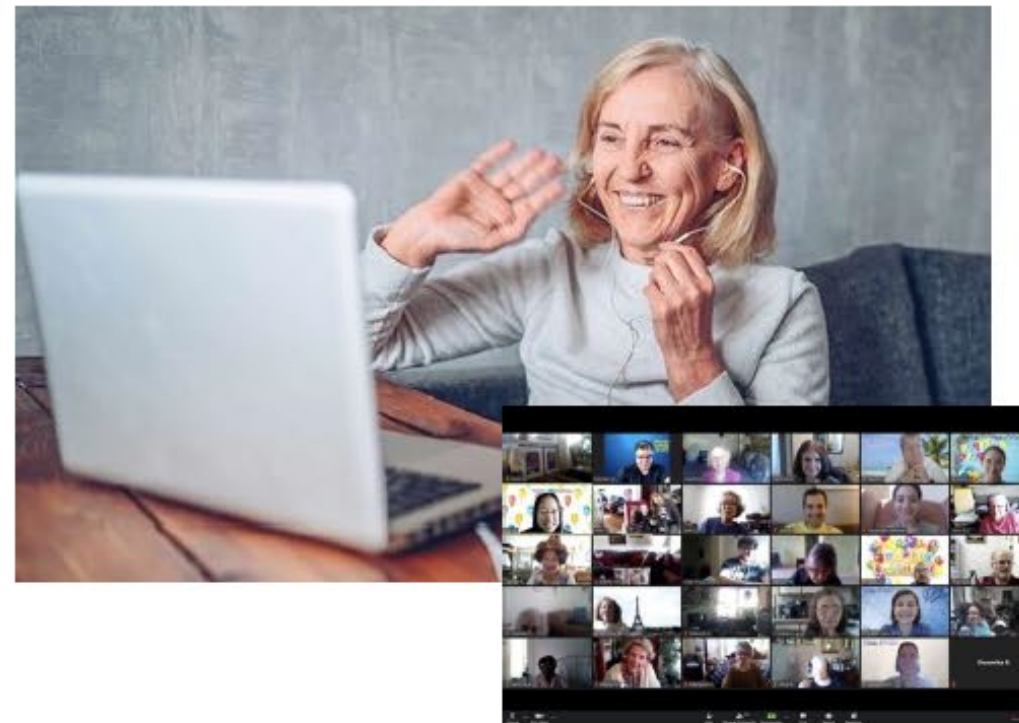
Trends: Self Fulfillment

Custom Virtual Experiences



MyndVR develops VR content specifically for seniors, with custom-made virtual experiences that range from skydiving to Broadway shows. The company believes that kind of content can also serve as therapy for seniors in assisted living and memory care units.

Virtual Communities



Established in 2010, the **Virtual Senior Center (VSC)** is a community-building platform that helps older and homebound adults connect and engage with each other through virtual and hybrid classes and which supports organizations in building their own online community quickly and easily.

Musical Therapeutics



MUSIC & MEMORY® is a non-profit organization that helps individuals with a wide range of cognitive and physical conditions to engage with the world, ease pain, and reclaim their humanity through the use of personalized music.

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If we try to appeal to
everyone, we won't appeal
to anyone in particular.

PAUL JARVIS

Brand Evolution



Core Value vs. Differentiator

- Quality healthcare
- Variety of activities
- Pool and fitness
- Dining options



The Arts



Historic



Healthy Living



Location

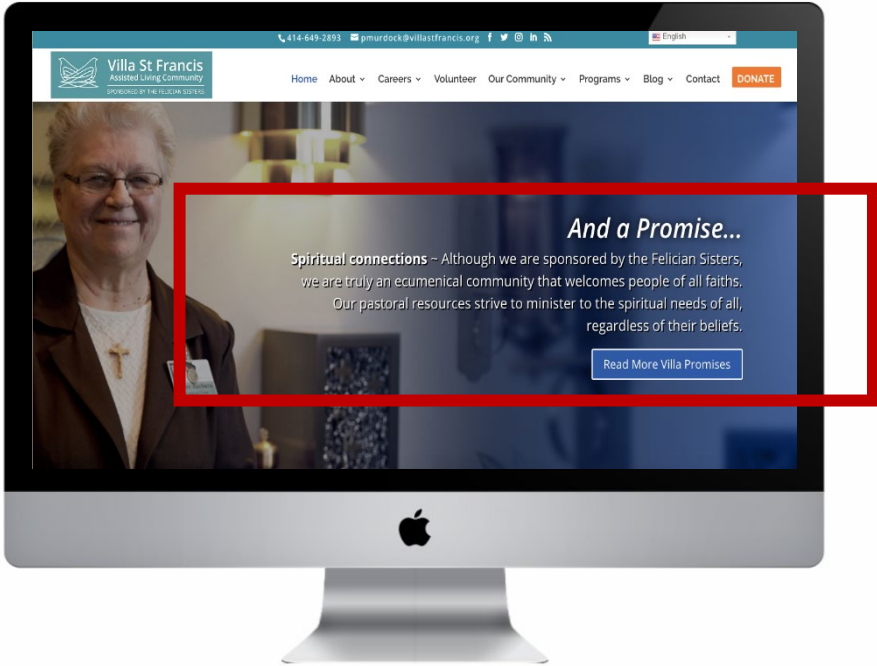
Digital Marketing: Website Design

Messages that resonate placed in high real estate areas

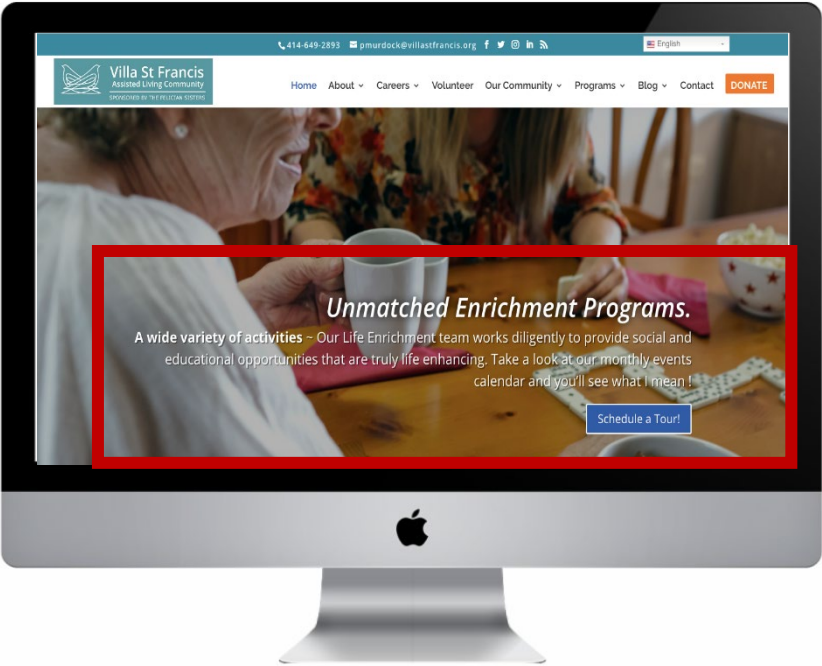
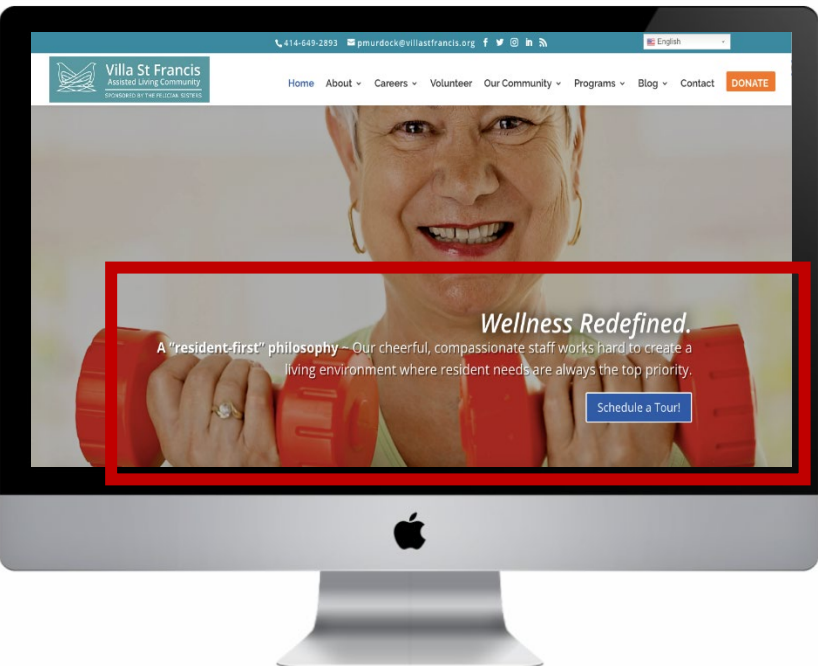
Simple and aspirational



Communicating brand differentiation



Meeting future customers' expectations



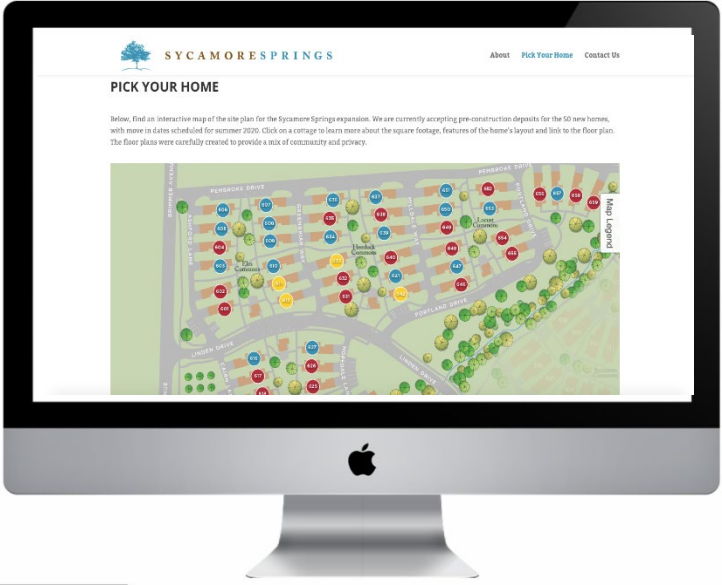
Digital Marketing: Website Design

Simple and informational sales funnels

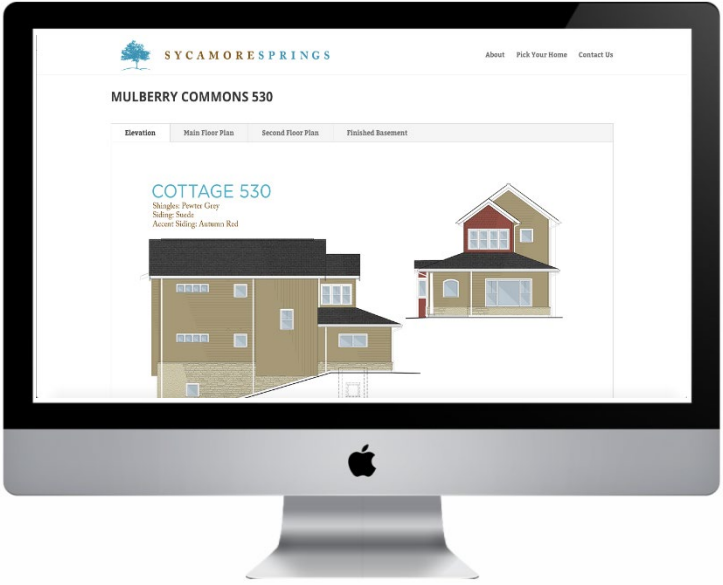
Step 1



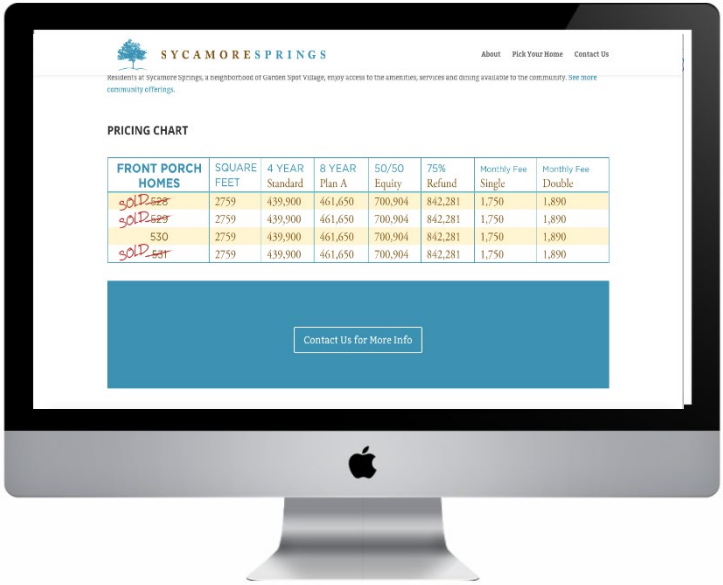
Step 2



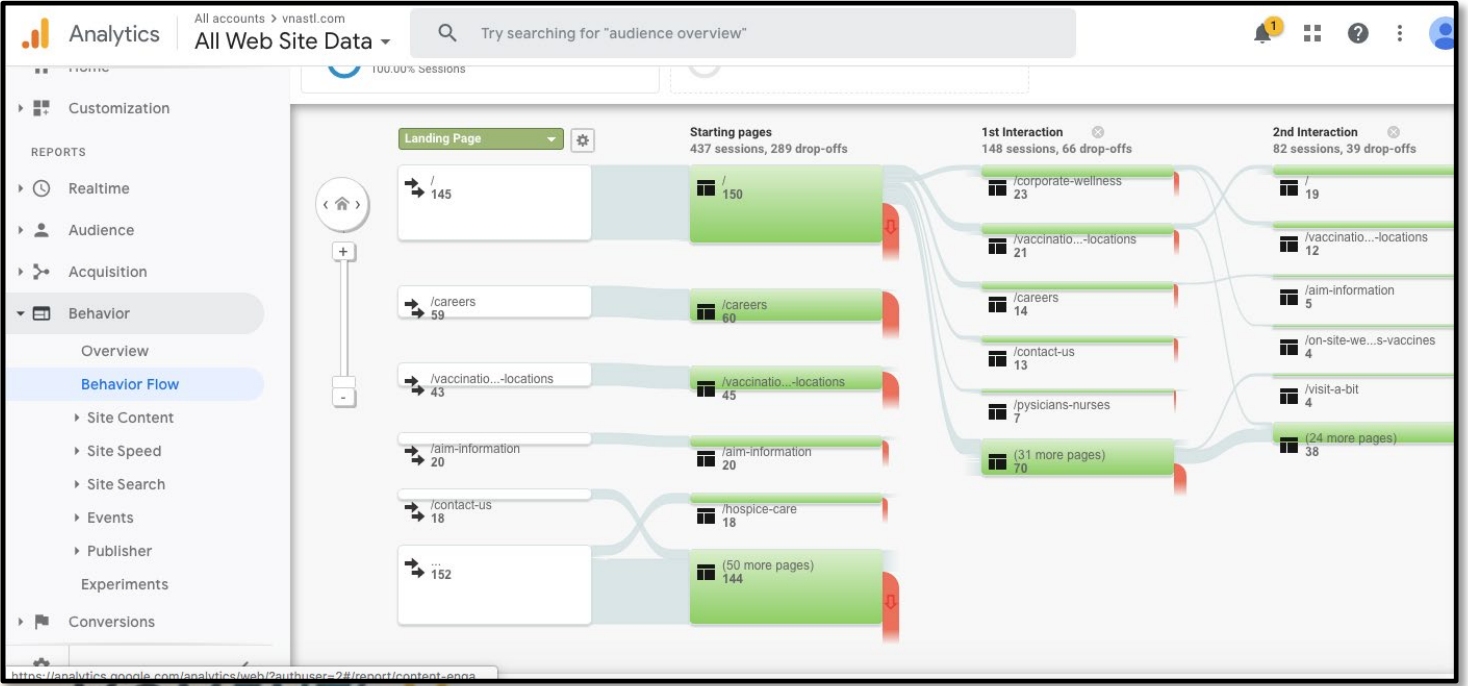
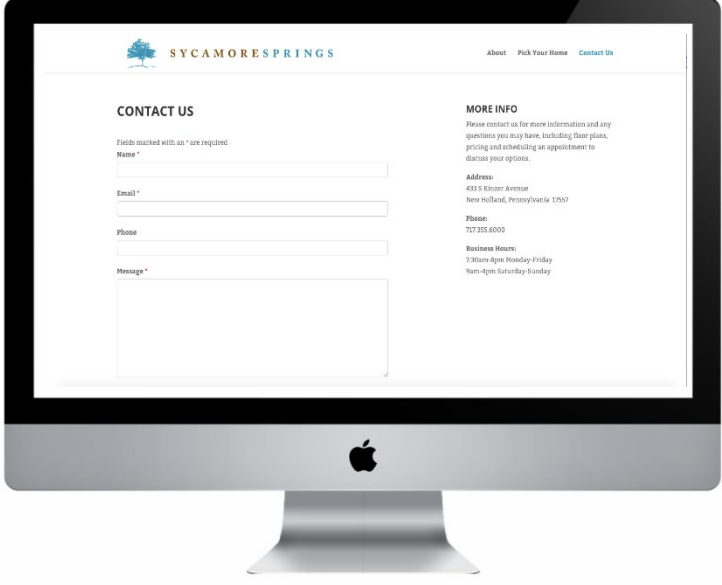
Step 3



Step 4

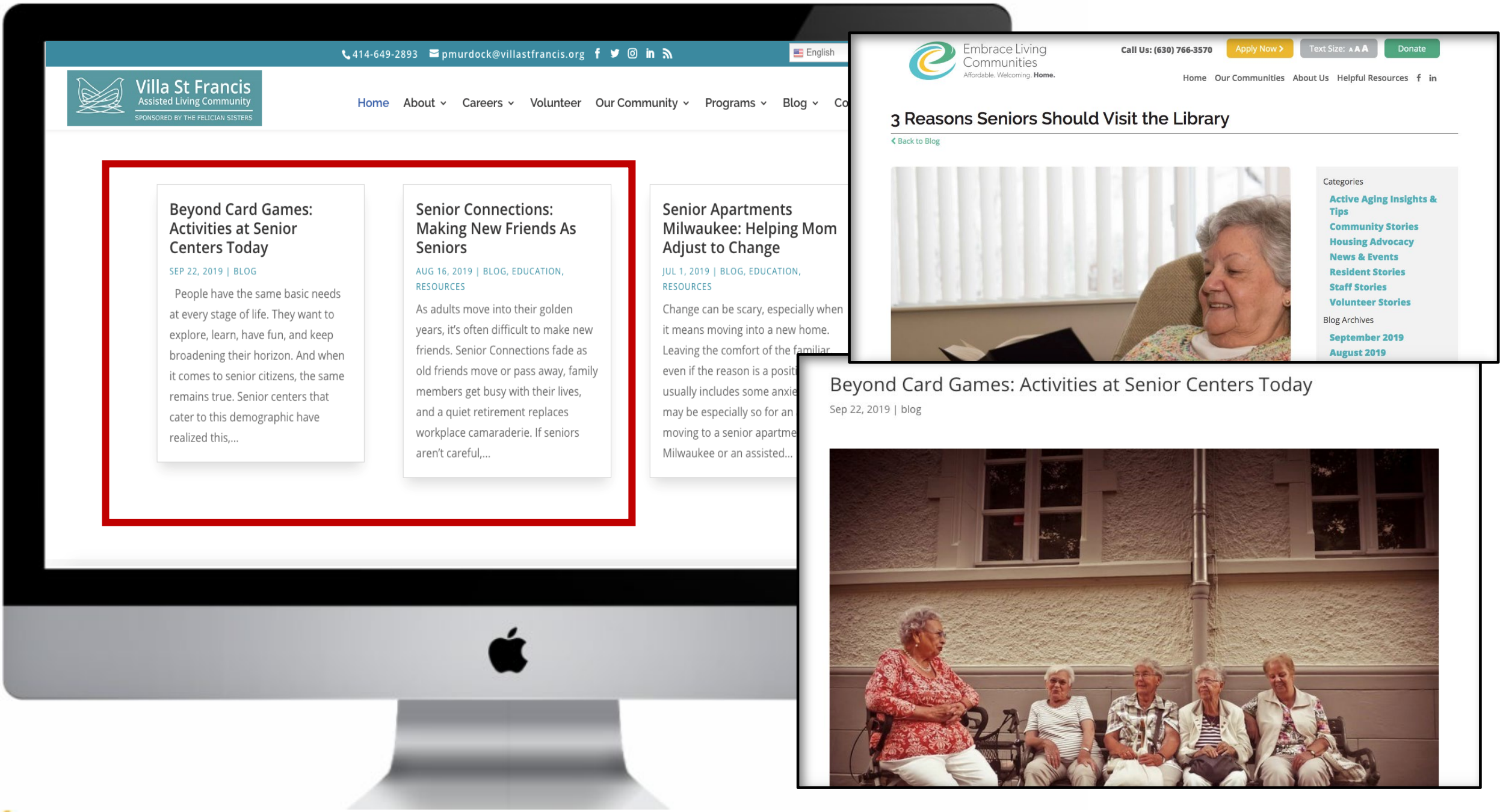


Step 5



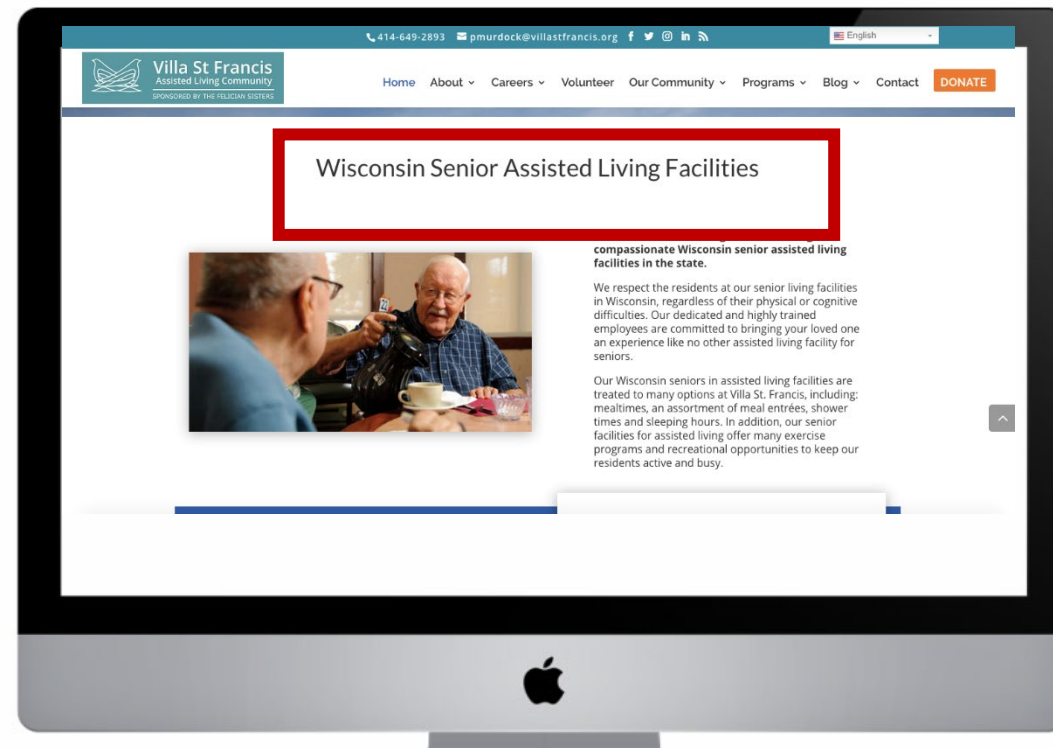
Digital Marketing: Website Design

Dynamic content for website search engine optimization

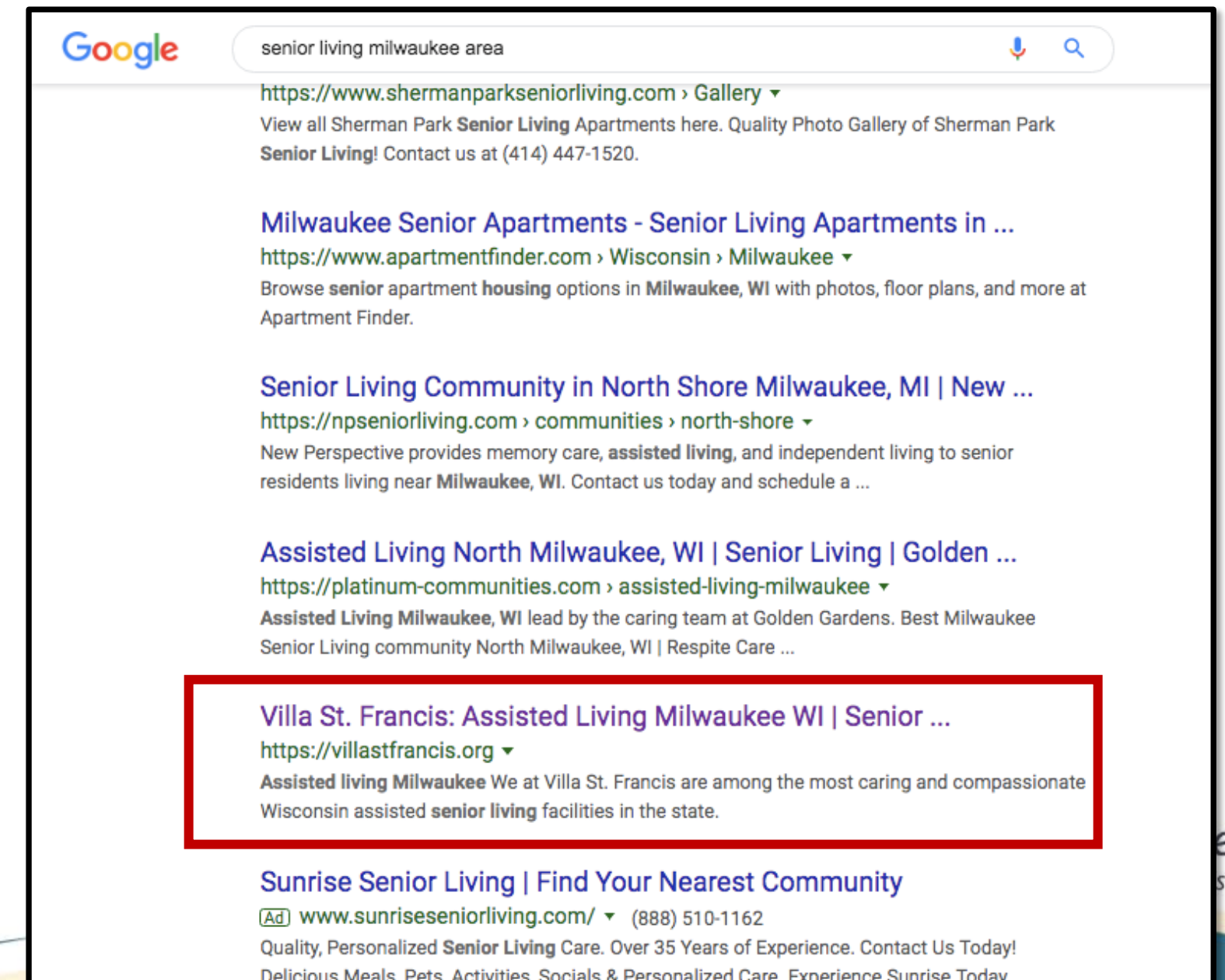
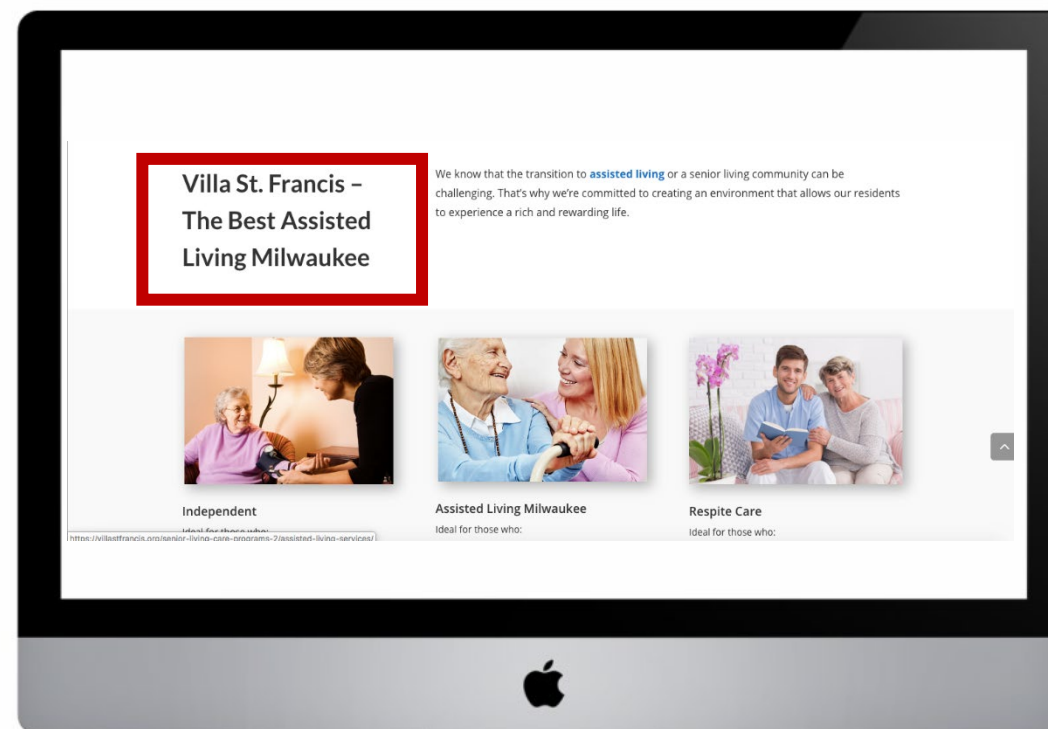


Digital Marketing: Website Design

Content Planning and Organization for Search Engine Optimization



- Page headings and sub-headings important contributor to page SEO
- Leverage Google Ad planner to define key phrases



Digital Marketing: Email Marketing

Segmentation is key when using email marketing

MailChimp compared 11,000 segmented campaigns to the results of the same customers' unsegmented campaigns, which demonstrated that email list segmentation:

- Increased opens by **14.31%**
- Increased unique opens by **10.64%**
- Increased clicks by **100.95%**
- Decreased bounces by **4.65%**
- Decreased unsubscribes by **9.37%**

Don't have opt-in segmented lists?

- Send “themed” or general emails made up of content that represents different areas of your organization; then, use click segmentation to build target lists over time
- Send themed emails regularly and segment emails at least one time per month (depending on goals and segmentation)
- Import email list to Facebook to further develop lookalike audiences
- Integrate e-marketing tool with CRM

VNA | Hospice Care

Our hospice team focuses on maximizing comfort and quality of life for patients and families by providing compassionate, end-of-life care for patients faced with terminal illnesses.

[Learn More](#)

Care at Home Private Duty Services	On-Site Wellness Wellness Education & Screenings	Advanced Illness Management Chronic Illness Care
Our Care At Home (private duty) services offers a wide variety of personalized solutions, from medication management to transportation, to keep	Our nurses offer screenings, health-related education, and vaccinations at places of employment, community events, places of worship or anywhere else.	Our AIM program works with patients having difficulty leaving the home due to serious chronic illness. Regular physician and nurse practitioner visits help

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...planning for the 100-year life

- building longevity-ready communities
- LPC's can lead the way!

<https://longevity.stanford.edu/the-new-map-of-life-report>



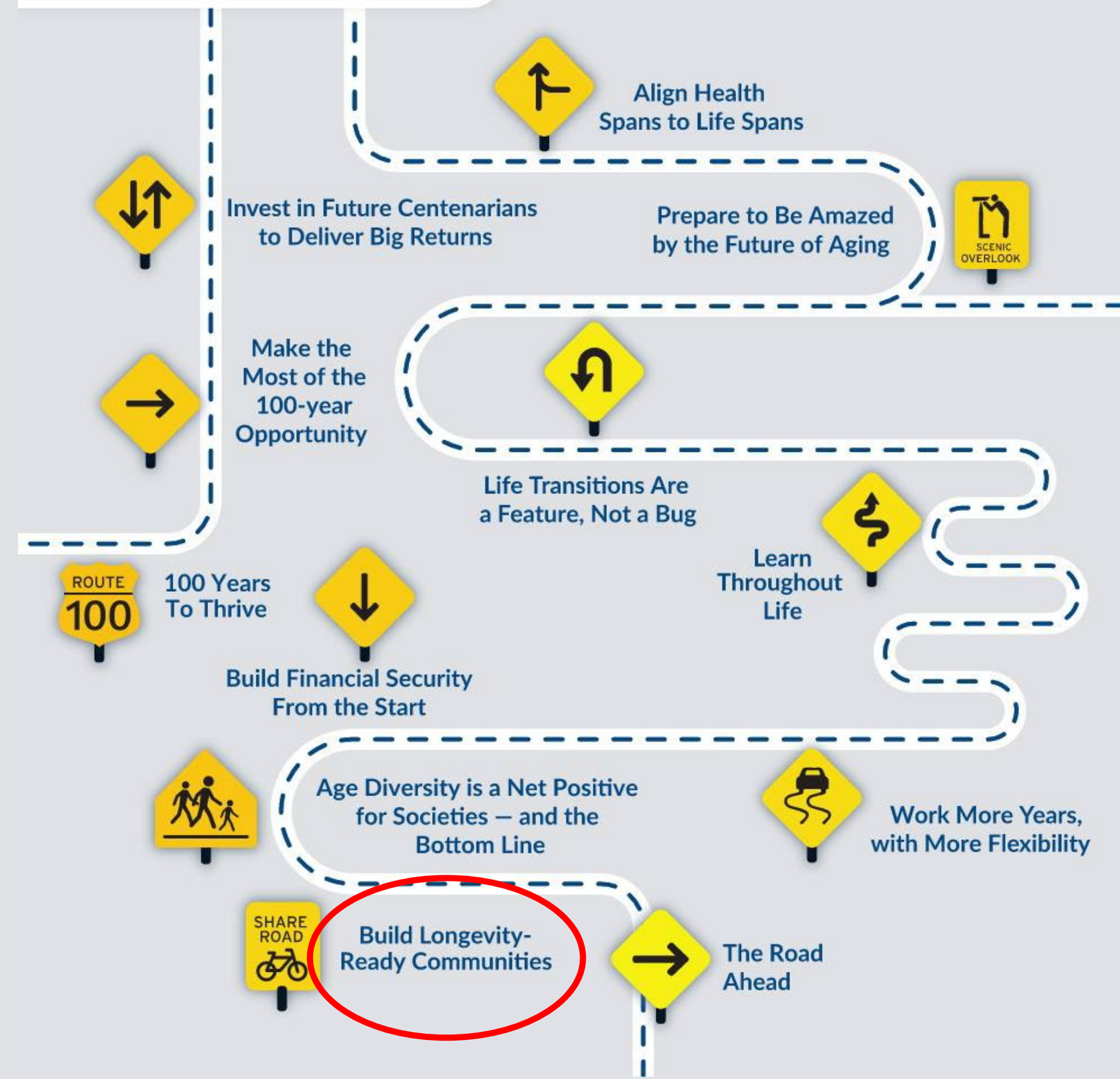
SCAN ME





A Report from The Stanford Center on Longevity

APRIL 2022



100 years to thrive...are you ready?

- life expectancy **doubled** from 1900 and 2000
- 100 will be commonplace by **2050**
- the first person to live to **150** has been born



...an integrated approach

- connected
- mixed use
- intergenerational
- varied & blurred
- walkable
- passive wellness
- placemaking



Intergenerational appeal



Intergenerational appeal



...planning for the 100-year life

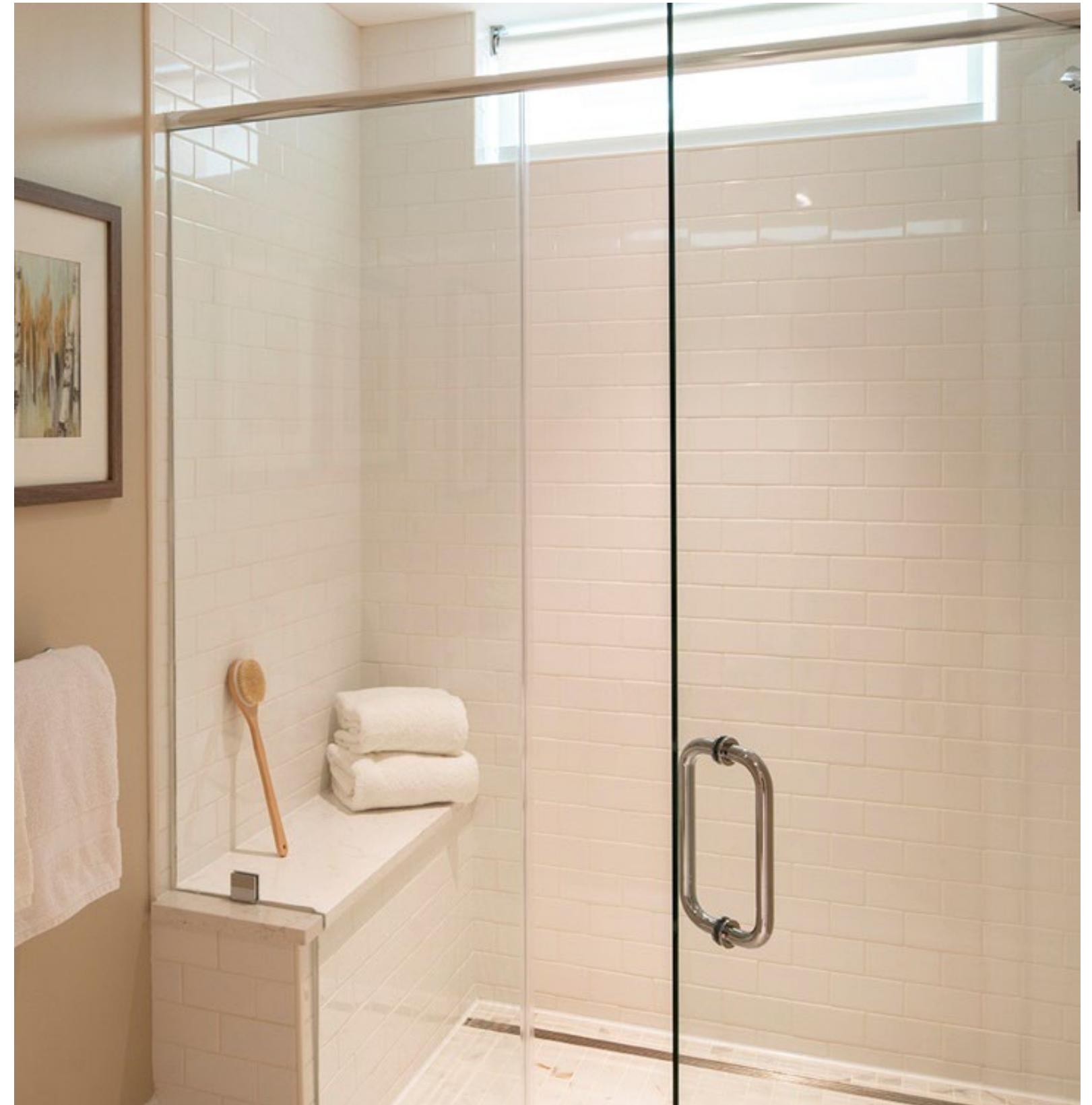
- seamless ADA integration
- universal design principles



Aging in place is the rule, not the exception



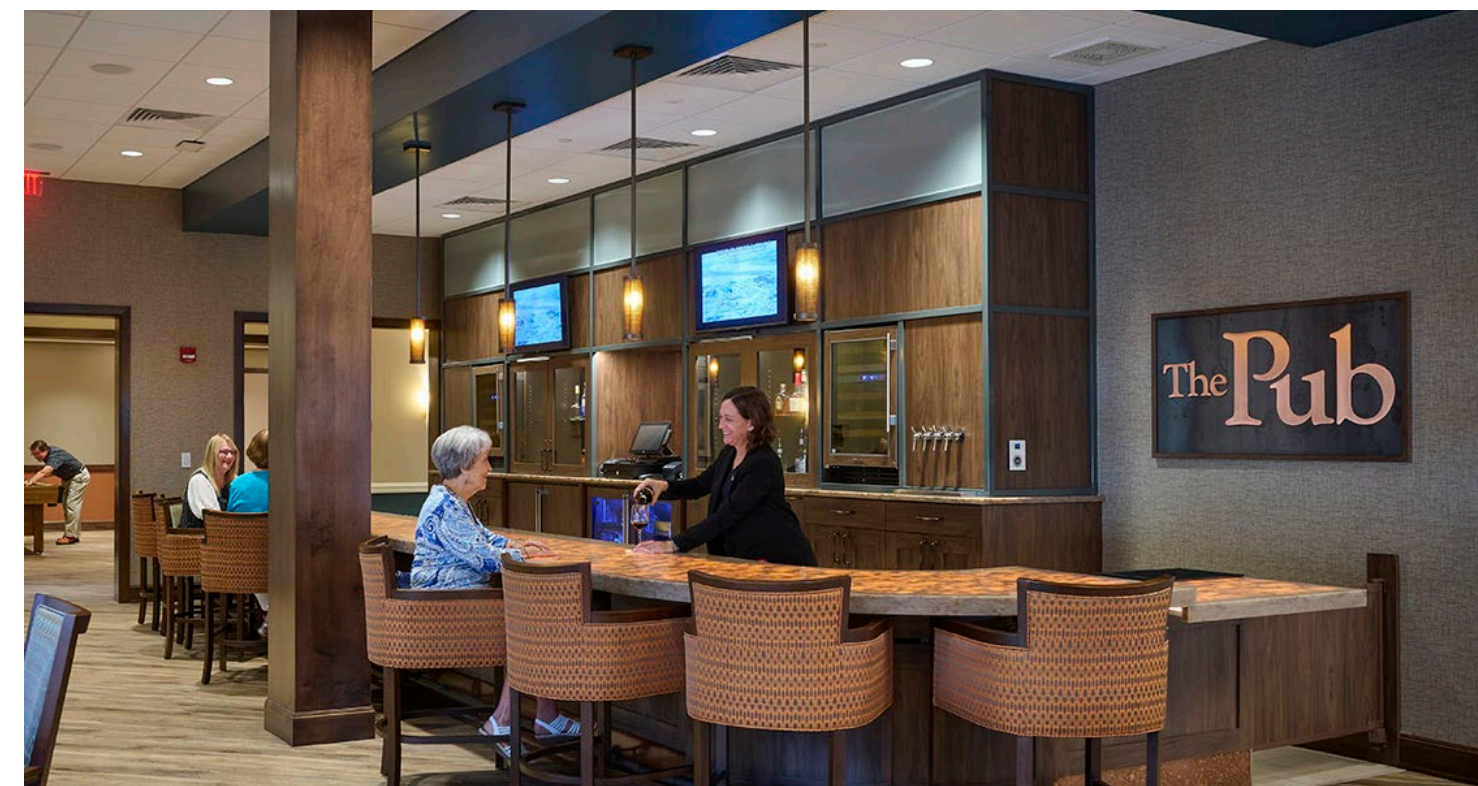
Design forward products



Technology integration



Flexible, gently screened spaces



Flexible, gently screened spaces



Other Influences: diversification



It's a
flavorful
life at
Mosaic

THE CITY IS YOURS
DOWNTOWN 55+ LIVING
BY WILLOW VALLEY COMMUNITIES

Mosaic by Willow Valley - Lancaster, PA

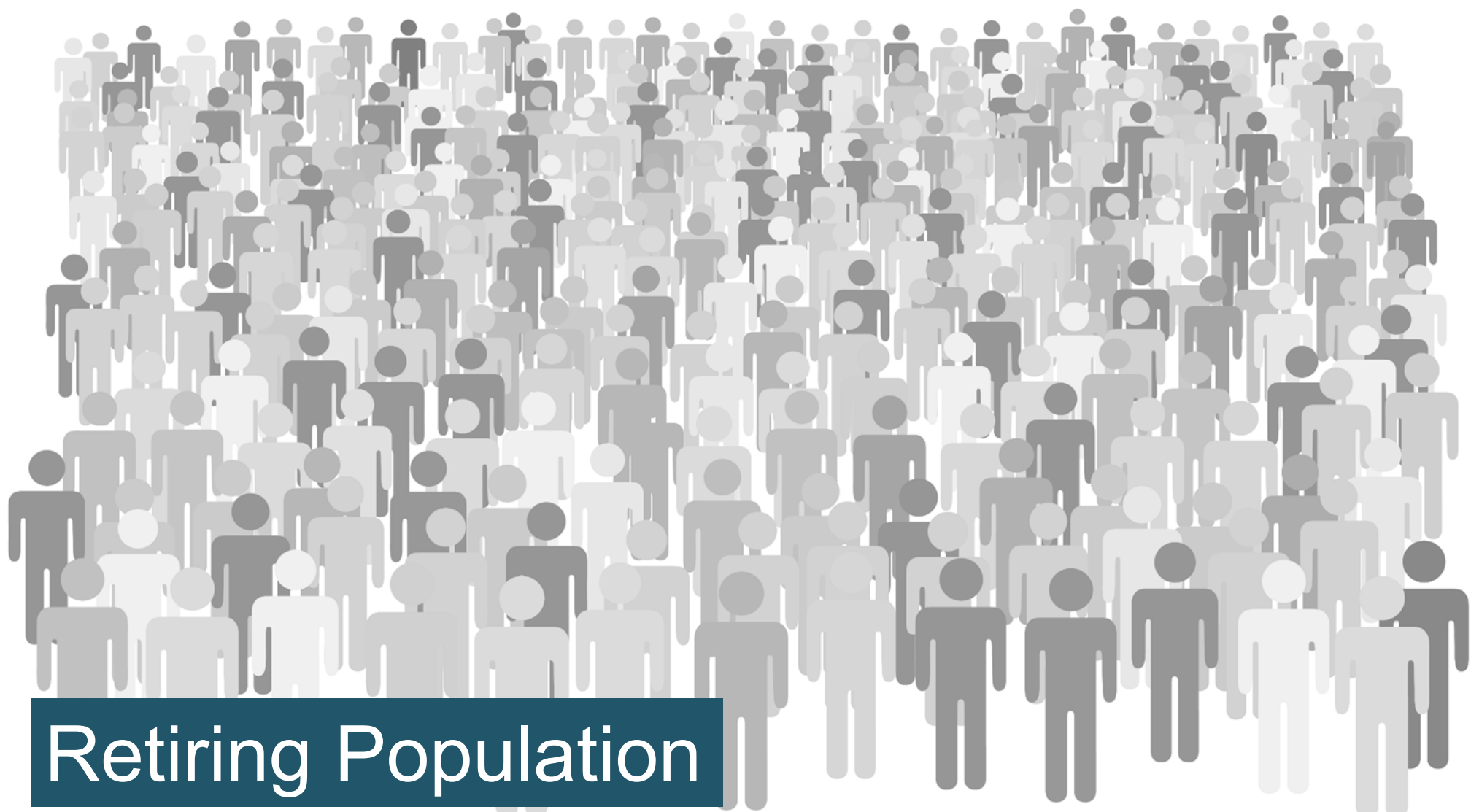


Other Influences: diversification



Landis Communities - Lancaster, PA





Retiring Population

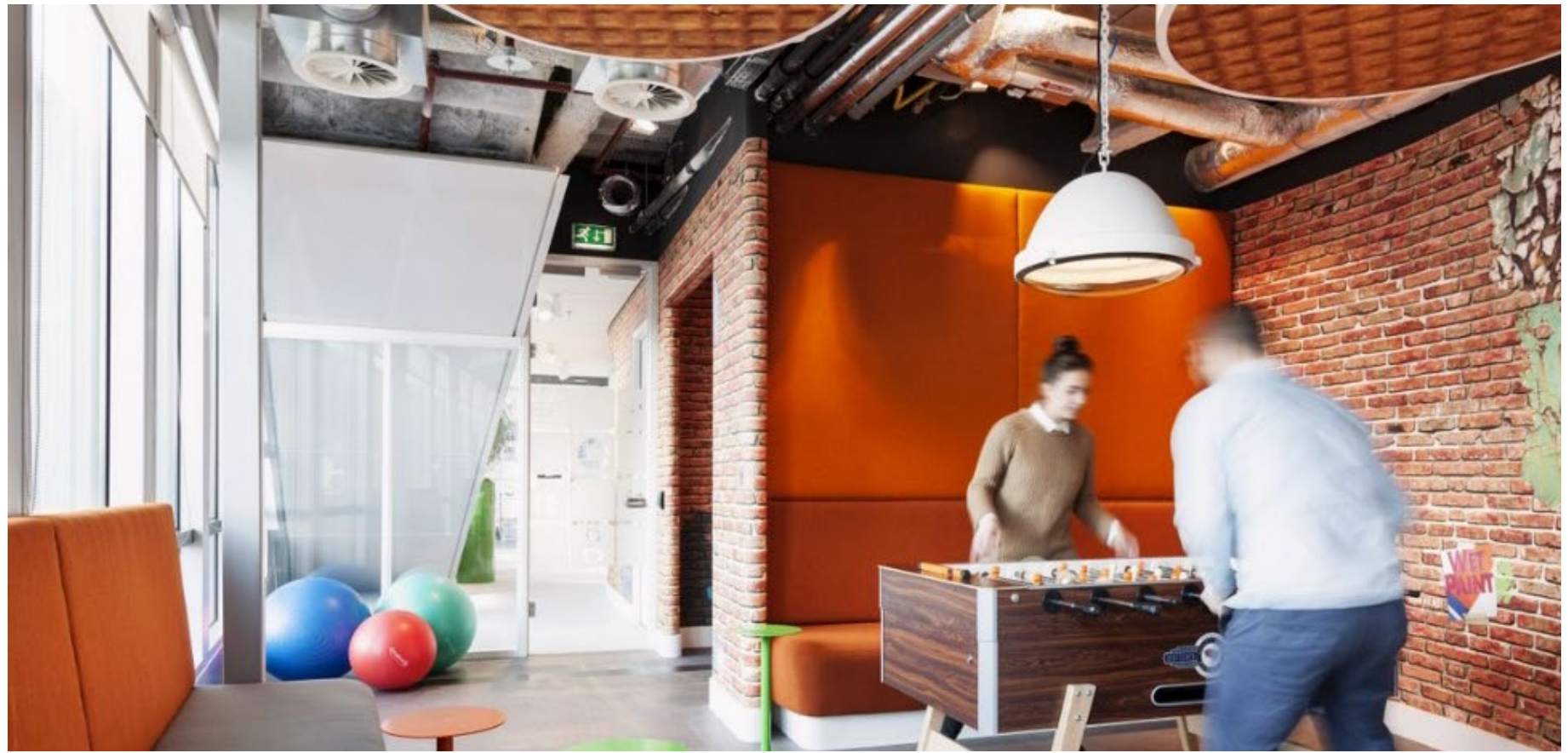
Staffing challenges are here to stay

attract & retain staff

Entering the workforce









trends



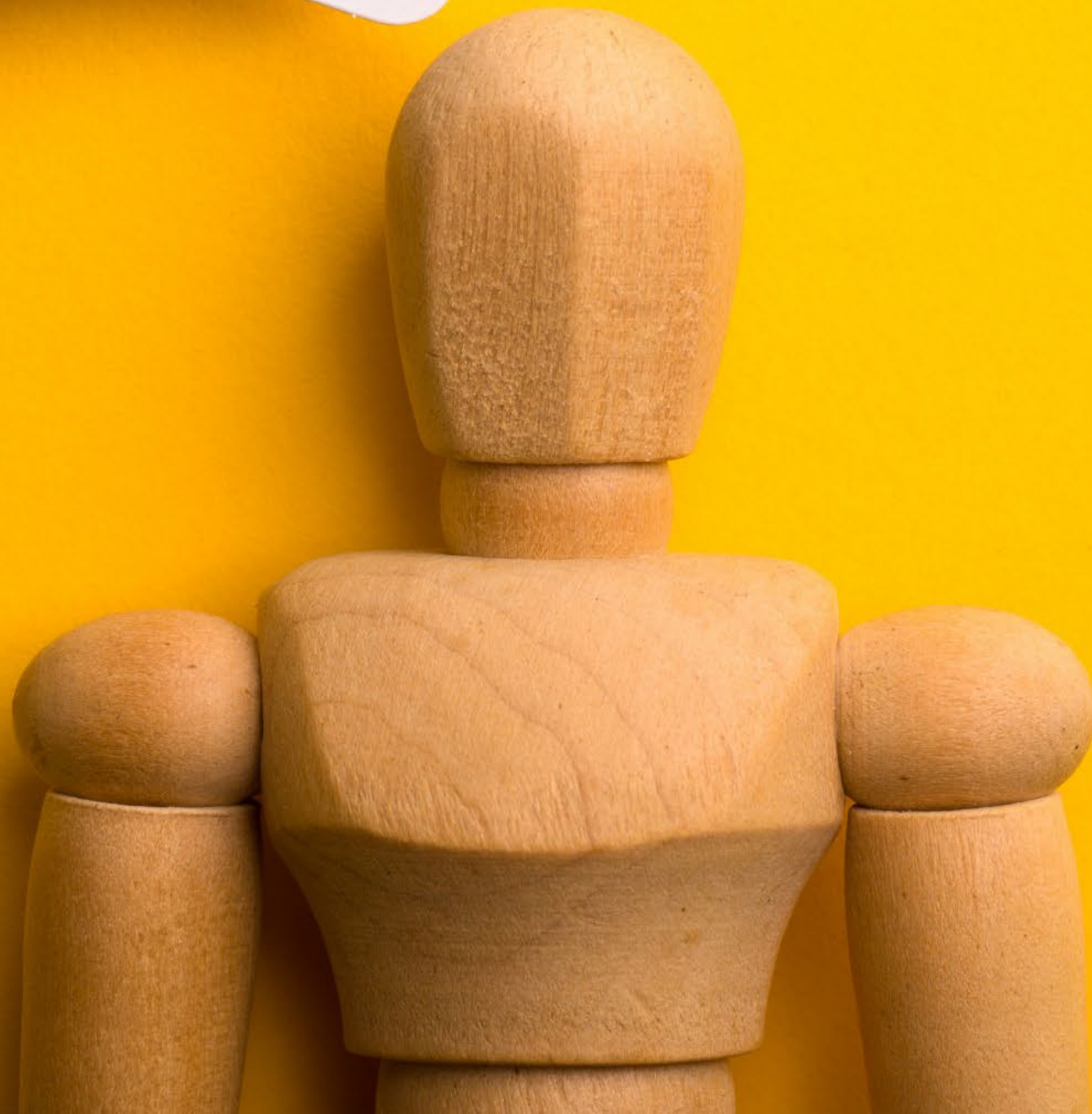
changing consumer



brand evolution



design for future





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THANK YOU FOR ATTENDING