SILVER GENERATION
Changing Housing Product Opportunities
for our Aging Population

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WHAT IS SENIOR LIVING?

who are you serving?

55+
Active Adult
Age-Restricted
Independent Living (IL)

Assisted Living (AL)
Memory Care (MC)
Skilled Nursing (SNF)
Short Term Rehabilitation

CHOICE-BASED

NEED-BASED
SENIOR LIVING PRODUCT TYPES
how are they served?

The Village Movement
Accessory Dwelling Unit (ADU)
NORC (Naturally Occurring Retirement Community)
Cottage Communities / Co-Housing
SENIOR LIVING PRODUCT TYPES
how are they served?

55+ / Age-Restricted Apartments
Independent Living Community (IL)
IL/AL/MC Community
AL/MC Community
Life Plan Community / CCRC (IL/AL/MC/SNF)

Assisted Living Community
Memory Care Community
Short Term Rehabilitation Center
Skilled Nursing Facility
DEVELOPMENT TRENDS
things to consider

Lifestyle, Socialization & Creating Experiences
Community Integration
Pedestrian Friendly
Contextual
Hospitality Focused ... but still Residential
Choice is Important
The 60-plus age segment will account for nearly 60% of consumption growth in Western Europe and Northeast Asia.

2015–30 projected consumption growth %

<table>
<thead>
<tr>
<th>Age</th>
<th>North America</th>
<th>Western Europe</th>
<th>Northeast Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>75-plus</td>
<td>21.7</td>
<td>24.7</td>
<td>39.9</td>
</tr>
<tr>
<td>60–74</td>
<td>25.0</td>
<td>34.6</td>
<td>18.4</td>
</tr>
<tr>
<td>45–59</td>
<td>11.6</td>
<td>7.9</td>
<td>23.8</td>
</tr>
<tr>
<td>30–44</td>
<td>19.3</td>
<td>12.1</td>
<td>3.9</td>
</tr>
<tr>
<td>15–29</td>
<td>12.3</td>
<td>11.5</td>
<td>6.6</td>
</tr>
<tr>
<td>0–14</td>
<td>10.2</td>
<td>9.2</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Age groups: 60-plus, 0–59, 60-plus total share.
Elderly consumers of tomorrow will differ from their predecessors

- Increasing scale
- More unequal
- More ethnically diverse
- More time for leisure or work
- More likely to be single
- More technologically savvy
The median US worker is aging—and is 50 years or older in some industries

Median age of worker in 2016, and in select industries

- Urban transport: 51
- Aerospace manufacturing: 50
- Machine shops: 48
- Agriculture: 48
- Utilities: 46
- Public administration: 46
- Health care: 43
- All US economy: 42
- Retail: 38
- Hospitality: 31

SOURCE: McKinsey Global Institute
For the next twenty years 10,000 people each day will reach age 65

**Greatest Generation**
- Born: 1901 – 1924
  - God, Country, Family, Sacrifice
  - Savers
  - Respect the Status Quo
  - Delayed Rewards
  - Entitlement Derived From Seniority

**Baby Boomers**
- Born: 1946 – 1964
  - Personal Growth, Success, Self-Actualization
  - Spenders
  - Question Everything
  - Immediate Gratification
  - Entitlement Derived From Experience

**Housing Inventory Mismatch**

**Demographic & Psychographic Shift**

*Overview*
Statistically, age related infirmities become determinative of housing needs after age 85. Which is why active adults want services that make their lives easier (i.e. a la carte maintenance), rather than ones that replace what they already like to do or can manage on their own (i.e. catered meals).
### Active Living Proposition vs. Other Senior Living Options

The Active Living option offers a more independent, à la carte choice, which is vastly more affordable for the average 55+ senior.

- Active Adult offers living solutions for the middle-income senior bracket, ready to downsize but not in need of the additional services and expense of other senior housing options.

- Few seniors can afford the expense of the typical “cruise ship” style, all-inclusive senior living options; Active Adult offers a more affordable “country club” style option.

- Conventional multifamily or simple homeownership do provide an affordable alternative but provide no coordinated services, age restriction or access to activities, housekeeping or food.

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**Average Monthly Rents by Senior Markets**

<table>
<thead>
<tr>
<th>Senior Market</th>
<th>Average Monthly Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional Multifamily</td>
<td>$1,250</td>
</tr>
<tr>
<td>Active Living</td>
<td>$1,500</td>
</tr>
<tr>
<td>Independent Living</td>
<td>$3,000</td>
</tr>
<tr>
<td>Assisted Living</td>
<td>$4,000</td>
</tr>
<tr>
<td>Memory Care</td>
<td>$5,500</td>
</tr>
<tr>
<td>Nursing Care</td>
<td>$8,000</td>
</tr>
</tbody>
</table>

**Baby Boomer Values**
- Individuality
- Health & Wellness
- Learning
- Community Involvement
- Self-actualization
- Self fulfillment
- The “Me” Generation

**WHAT ARE SENIORS LOOKING FOR?**
- Adaptable space
- First-floor units
- Easy access to amenities
- Socialization & activities
- Integrated aging & living
- Residents with similar demographic profile
- Exclusive lifestyle and scene
- Ability to lock and leave, making travel easy

**WHAT DO SENIORS WANT?**
- Full independence of own home
- Responsible for home maintenance
- Typically more living space

**Capture the Fastest Growing Age-Group 2016-2021**

**CATEGORY COMPARISON:**

**Home Ownership**
- Active and exclusive
- Limited to specified age (typically 55+ or 62+)
- No maintenance concerns
- A la carte meal and transportation options
- Coordinated activities and events
- On-site fitness center
- Unit sizes in line with or larger than MF
- Socialization
- Most affordable option for aging seniors with low acuity
- Ability to pay for services a la carte / as needed

**Active Adult / Age-Restricted**
- Typically independent living or assisted living
- On-site dining
- Coordinated activities
- Additional care as needed
- Typically smaller living space
- Much higher cost
- Typically include transportation and housekeeping
- Bundled costs, whether services are used or not

**Higher Care**
- Maintenance-free, stress-free living
- A community of like-minded people
- An outlet for activities and hobbies
Planning and development policies often address the far ends of the housing spectrum (single-family detached and larger multi-family) neglecting alternative development types.

**MISSING MIDDLE HOUSING TYPES EXPAND CHOICE & AFFORDABILITY**

Multi-unit or clustered housing that is in scale with surrounding single-family neighborhoods offers a solution to the disconnect between existing housing stock and shifting demographic preferences.

source: missingmiddlehousing.com
A LEADING SENIOR LIVING provider for more than 35 years, Sunrise is a McLean, Virginia-based company focused on delivering personalized services and care. Our commitment to quality care brings peace of mind to families and helps create pleasant days for residents at our communities.

Sunrise Worldwide

TOTAL RESIDENT CAPACITY APPROXIMATELY

- **29,000** in US + Canada
- **3,900** in the United Kingdom

ASSISTED LIVING • MEMORY CARE • INDEPENDENT LIVING
SKILLED NURSING • SHORT-TERM STAYS

Team Members

- Sunrise has approximately **32,000** team members across the US, Canada, and UK
- We retain nearly **80%** of our full-time team each year

New team members receive **40+ hours** of training in their first 30 days

Leaders receive an additional **72+ hours** of training to help teams meet Sunrise standards

Team members receive an additional **650,000+ hours** of continuing education

The Sunrise Experience

**INDIVIDUALIZED SERVICE PLAN (ISP)**
- Provides team members with important personal details about every aspect of the resident’s care
- Emphasizes maintaining independence

**PROGRAMMING & ACTIVITIES**
- Sunrise Live With Purpose® programming ensures residents receive meaningful daily activities to nurture the mind, body, and spirit

**DESIGNATED CARE MANAGERS**
- Becomes familiar with residents’ personal needs and preferences to provide consistency in care
- Monitors and reports any changes in care needs

**REMINISCENCE® PROGRAM**
- Provides Memory Care for residents with Alzheimer’s and other forms of dementia
- Focuses on the individual, not on the disease or lost abilities
- Life Enrichment Manager helps residents feel valued and provides a sense of purpose

**PERSONALIZED NUTRITION**
- Includes meals and snacks customized for each resident’s dietary needs and preferences
- Utilizes digital system to ensure food safety needs are met while choice is honored

Quality & Safety

At least once a month, regional leaders in key functions review standards as part of our commitment to continuous quality improvement.

In addition, specific safety measures include:

- Construction, materials and practices designed to minimize fire risk and maximize resident safety
- Security monitoring and community access controlled by trained team members
- Sunrise-monitored emergency call pendants and pull stations in each suite and bathroom
- Specially developed senior-friendly interior design techniques to create beautiful and convenient environments that help support resident comfort
Driven by baby boomers, Montgomery County population is aging.

Increased median age from 33.9 years in 1990 to 39 years in 2016.

By 2040, 46% of the county’s population will be over 45.
Montgomery County residents are highly educated and engaged.

**Highly educated adult residents:**
- 59% have BA degrees compared to 50% in region
- Concentration of advanced degrees 5th in US
- High levels of educational attainment correlated with management, business and science jobs and high median income households
- People are retiring later and remaining active longer
Figure 6. Housing Unit Type, 2011-2015
Montgomery County

Source: 2011-2015 American Community Survey, Public Use Microdata Sample (PUMS) file

Figure 8. Household Income by Percent of Area Median Income, 2015
Older Adult Households in Montgomery County


Lisa Sturtevant
& Associates, LLC

RESEARCH + SPECIAL PROJECTS
A CONSORTIUM OF THE MONTGOMERY COUNTY PLANNING COMMISSION
Where we have been: Leisure World
Where we are going: The Bonifant
Where we are going: Oronoco
THANK YOU

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