American Seniors Housing Association

Argentum

LeadingAge

National Center for Assisted Living

National Investment Center for Seniors Housing & Care

the State of Seniors Housing

2025



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2025

*Artwork for **The State of Seniors Housing** 2025 has been created by seniors housing residents.*

Special thanks to Christi Harrell, Laura Katterhenry, Madisyn Kuipers and Landyn Park of Watermark Retirement Communities for assistance with the artwork in this year's State of Seniors Housing report.

Questions about the exhibits or survey methodology should be directed to Colleen Blumenthal (colleen.blumenthal@healthtrust.com) or Samantha Medred (samantha.medred@healthtrust.com) of HealthTrust.



COVER ART:
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Autumn in the Japanese Garden
Community of Artist's Residence: Legacy at Clover Blossom



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Kaye Van Nevel
White Mountains New Hampshire
The Hacienda Mission San Luis Rey

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Introduction

The American Seniors Housing Association (ASHA), Argentum, LeadingAge, National Center for Assisted Living (NCAL) and National Investment Center for Seniors Housing & Care (NIC) are pleased to present this year's ***The State of Seniors Housing*** report.

While we realize we must continue our efforts to seek participation from **all** industry operators, we have made significant progress improving the quality of the dataset by providing large operators the option of free data-mapping assistance so that most financial data can be submitted in formats they already use, and by upgrading our Excel-based survey design.

ASHA, Argentum, LeadingAge, NCAL, and NIC wish to thank the many companies who recognize the value and importance of participating in this data collection process. We also thank members of our State of Seniors Housing Task Force and others who continue to help improve the quality of this research. We remain committed to making this annual collaborative report as useful and timely as possible and welcome readers' feedback.

Our sincere thanks and appreciation to all who continue to support ***The State of Seniors Housing*** and share our collective goal of providing America's seniors with the highest quality housing and services.



Dewey Peerson
Moonlit Car
The Fountains at Greenbriar

2025

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Executive Summary

This year's *The State of Seniors Housing* sample is comprised of over 2,000 properties with over 250,000 units – in line with typical participation levels in years past. Properties are located in 50 states plus the District of Columbia and include a mix of 57% majority assisted living (with or without memory care) and 43% majority independent living (including continuing care retirement communities – CCRCs). The properties are predominantly for-profit and over 85% are managed by operators with at least 25 communities in their portfolio.

Operationally, the central tendency of occupancy levels is 88-89% but the industry appears bifurcated as 25% of properties were below 80% occupancy while the top 25% averaged 95% and higher. While majority independent living communities (excluding CCRCs) reported an average length of stay of 27 to 34 months, properties primarily comprised of assisted living and/or memory care units reported average lengths of stay of 18 to 26 months. The range in resident stay varies widely from a year or less to over five years.

Only majority independent living communities with a continuum of care (excluding CCRCs) indicated any meaningful improvement in margin, attributed to revenue improvements that exceeded increases in expenses, particularly labor expenses. However, freestanding IL and AL communities witnessed labor expense growth that exceeded the rate gains and reported lower margins than in 2023. Overall expenses for the industry were about 50 basis points less than the increase in rates. The top 25% of for-profit properties for all community types report margins above 45%.

The same-store sample also suggests that resident turnover increased for memory care communities, was stable for CCRCs and decreased for all other community types. Staffing ratios are generally stable although independent living communities with assisted living and memory care did report an uptick that could reflect aging in place. Freestanding assisted living reported a decline in staffing ratios that likely reflects incremental improvements in occupancy while being fully staffed.

Lastly, for lenders and investors: most for-profit properties report debt coverage ratios 3.0 and above. However, roughly 25% of the survey sample was unable to cover debt service from operations. In terms of unleveraged returns, the central range was 5–7%, with the upper quartile reporting returns of 13–23%.

The 978 properties in this year's same store sample suggest the following changes:

A 234-basis-point improvement in occupancy

Over a 6% increase in rates **(revenues per occupied unit/bed)**

About a 7% increase in profits



Joan Morris
Honor the Snow Geese
The Watermark at the Pearl

Methodology and Data Analysis

ASHA, Argentum, LeadingAge, NCAL, and NIC contacted owners and managers of seniors housing residences throughout the United States and provided the 2025 *The State of Seniors Housing* survey in an Excel format. Respondents were asked to complete separate surveys for **each** of their company's properties. Large regional and national providers (generally those with 2,500 or more units) were identified by *The State of Seniors Housing* Task Force and given the option of submitting data electronically from their own operating statements, through confidential data-mapping services provided by HealthTrust. Several large providers used the data-mapping services, while others completed their surveys in the Excel format. Completed questionnaires were carefully reviewed for accuracy and, when appropriate, follow-up with respondents was made to clarify apparent ambiguities or inconsistent responses.

Respondents were asked for operating results for the 12-month period ending nearest to December 31, 2024. The metrics presented in this report that originated from *The State of Seniors Housing* questionnaires are subject to non-sampling errors, such as differences in the interpretation of questions by respondents or variations in financial reporting, and also are subject to sampling errors. Efforts were made, and are ongoing, to minimize the effects of these errors. Results may differ from findings from other surveys reported for this industry because of differences in survey timing, question wording, and different respondent samples. Each data point presented in ***The State of Seniors Housing*** report reflects a minimum number of operators (five) and properties (ten), so that the financial and operating performance of entities submitting responses for disproportionate numbers of properties would neither be over-represented nor under-represented.



JoAnn Hill
Pepper Pot
The Fountains at La Cholla



Terminology



Carol Goulet Hammond
Couple in a Meadow
The Hacienda Mission San Luis Rey

The findings reported from our analysis of the survey results are presented in several different types of measurements and statistics: counts, sums, means (averages), and what we term "medians," "deciles," and "quartiles."

Counts are the number of responses to a particular question, while sums aggregate (total) the numerical responses.

Averages and Weighted Averages: Averages are the arithmetic "means" – the sum of a set of values, divided by the count of the number of items in that set. Sometimes those averages are better expressed as weighted by the number of units, the number of dollars, the number of FTEs, etc., represented by each respondent – so that larger properties, with more units, more residents, more revenues, etc., can be made to count more heavily in the calculation. For example, "average" number of FTEs per resident for a set of properties could be calculated either by:

1) Calculating the FTEs per resident, property by property, with both large and small properties assigned equal weights. Then, take the average of all these separate calculations. This would be an unweighted average. Or,
2) Adding the total number of FTEs in the entire set, then dividing by the number of residents in the entire set (which would weight larger properties more heavily).

STATISTICAL TERMINOLOGY

COUNT
Number of responses.

SUM
Aggregate value of numerical responses.

WEIGHTED AVERAGE
The average of a set of data points where each point is ascribed a weight of importance to the overall total.

MEDIAN
As used here, the [weighted] average of the 40th through the 60th percentile. More commonly, the value of the midpoint of responses when arrayed from lowest to highest.

LOWER DECILE
As used here, the [weighted] average of the lowest 10% of responses.

UPPER DECILE
As used here, the [weighted] average of the highest 10% of responses.

LOWER QUARTILE
As used here, the [weighted] average of the lowest 25% of responses.

UPPER QUARTILE
As used here, the [weighted] average of the highest 25% of responses.

All figures in this report are intended to serve as descriptive information, not as benchmarks or performance goals. The State of Seniors Housing *results are dependent on the underlying properties selected by contributing operators (although where a disproportionate number of properties are available from particular respondents, the* State of Seniors Housing *protocol is to conduct a randomized sample within that selection). Consequently, year-to-year comparisons are inappropriate because – except where a "same-store sample" is made explicit – the sample composition is different each year; resulting differences reported year-to-year are otherwise confounded with differences solely due to the underlying samples not being identical.*

The American Seniors Housing Association, Argentum, LeadingAge, National Center for Assisted Living and National Investment Center for the Seniors Housing & Care Industry do not attempt to set or conform prices or operating ratios for the seniors housing industry.



We endeavor to make clear which averaging method is used in the various tables because the methods produce different results.

Percentiles: Measures derived from percentile data are presented extensively throughout this report, often including the 10th and 90th percentiles (in other words, the lower and upper deciles); the 25th and 75th percentiles (the lower and upper quartiles); and the 50th percentile, often (but not here) referred to as the median. Medians are sometimes preferred as more representative than means (in other words, averages) which can be skewed by a few extremely high or low response values.

Quartiles are calculated by dividing a sample into four equal parts. When responses are arranged sequentially, the "lower quartile" describes the properties in the lowest 25% of the sample. The "upper quartile" describes the upper 25% of the responses. Similarly, the lower decile describes the lowest 10% of the responses, and the upper decile describes the upper 10% of the responses.

In this report, the metrics presented for a decile or quartile are calculated as the average of **all** the responses within the decile or quartile, respectively, rather than as the **one**-property's value at the "cutpoint" separating that decile or quartile from the next. Our method of calculation was chosen to better summarize and represent **all** the properties within that decile or quartile rather than portray the characteristic(s) for only one particular property (the one which happens to fall **at** the cutpoint), and which may well not be as representative of the entire decile or quartile. Such data, when presented, now summarize the responses within the decile or quartile, rather than representing the one property at the cutpoint.

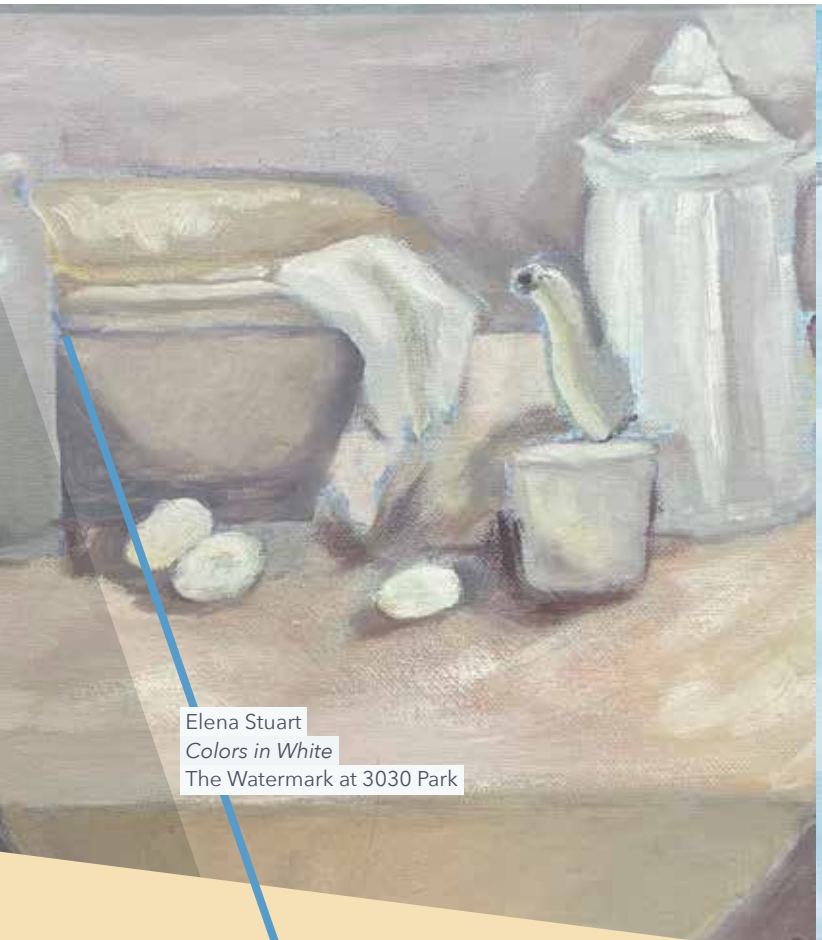


Linda Johnson
Ocean Spray
The Hacienda Mission San Luis Rey

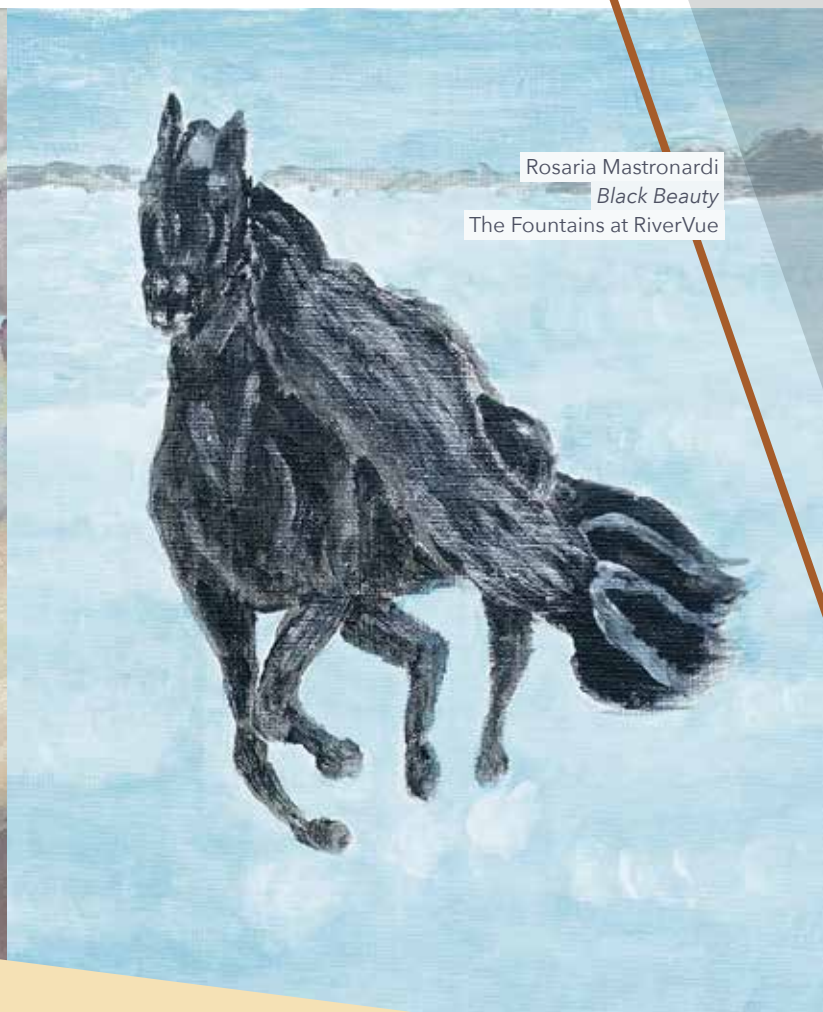
In the same spirit, the metric presented as a "median" in this report is **not** the value demonstrated by the one particular middle property in a set arrayed in ascending or descending order, but rather is the average of the properties in the middle two deciles (the 5th and 6th decile, in other words from the 40th to 60th percentile). By doing so, the "median" we report is broader, more stable, and more "typical" of a set of data than is one particular property. This calculation was chosen to better represent the central cluster, or "middle of the pack" characteristic of an entire set of data, and still without undue influence from extreme high or low values. Using this calculation also allows adding quantities up (or subtracting quantities down) in a typical operating statement format, as presented in Chapter 9, whereas classic median values (because each line item may be from a different property) do not add up.

Exhibits in which these "medians" are presented are often accompanied by decile and/or quartile statistics. Together with the "median," such deciles and quartiles provide a range of responses to identify higher-performing and lower-performing properties. Means (that is, averages) are presented either when a sample is relatively uniform, or in select cases when it is not, along with median data, in order to identify the effects of outlier responses.

Questions about the exhibits or survey methodology should be directed to Colleen Blumenthal (colleen.blumenthal@healthtrust.com) or Samantha Medred (samantha.medred@healthtrust.com) of HealthTrust.



Elena Stuart
Colors in White
The Watermark at 3030 Park



Rosaria Mastronardi
Black Beauty
The Fountains at RiverVue

Definitions and Nomenclature



Raymond G. Merritt
Barn
The Fountains at Millbrook

Categorizing seniors housing remains a challenge because most states use varying nomenclature and regulatory systems. However, by making survey instructions very specific and then carefully sorting data after the responses are received, we believe that property types have been accurately and consistently categorized for purposes of this report.

CATEGORIZATION OF UNIT TYPES

Rather than asking respondents to categorize their **property** type, we instead asked them to identify the kinds of **units** and/or beds that were contained within each property surveyed, based on the following definitions:

Active Adult (AA): Active adult rental communities are age-eligible, market-rate, multifamily properties focused on enhanced lifestyle programming without providing meals.

Independent Living Units (IL): Designed for seniors who pay for some services (e.g., meals, housekeeping, transportation) as part of a monthly fee or rental rate, and who require little if any assistance with activities of daily living (e.g., bathing, eating, dressing, toilet, transfer in/out of bed, etc.). Typically, independent living units are not licensed for health care – although the residents of independent living units may receive home health care services provided to them by either an outside agency or by a licensed affiliate of the property management. In order to qualify as having independent living units (rather than senior apartments), the community must contain a common dining facility that provides at least one daily meal as part of the monthly fee.

Assisted Living Beds (AL): Designed for frail seniors who need assistance with activities of daily living (e.g., bathing, eating, dressing, toilet, transfer in/out of bed, etc.) but do not require continuous skilled nursing care. These beds can be offered in a separate wing, separate floor, or separate building and typically have state licensure requirements for the delivery of assisted living services.

Memory Care Beds (MC): Designed for residents with significant cognitive impairment as a result of having Alzheimer's disease or related dementia. Memory Care beds are not licensed as nursing beds but may have additional state licensure requirements.

Skilled Nursing Beds (SN): Operational nursing beds (as opposed to licensed beds).



CATEGORIZATION OF PROPERTY TYPES

By asking respondents to categorize their units/beds, **rather than** property type the database is designed to allow **the research team** then to make logical groupings by type, **after** responses are reported – thereby reducing respondent bias and minimizing confusion over terminology. The major groupings used in the analysis are:

The **active adult** category consists of properties for which the majority of units are market-rate senior apartments (but not independent living units because a meal plan is not included in the base monthly fee).

The **independent living community** category, where meal plans are required for a majority of residents, is comprised of two distinct sub-categories:

1) Includes "freestanding" properties with independent living units only, and
2) Separately identified, where applicable, are properties with both independent living units **and** a smaller amount of assisted living beds and/or memory care beds – but in which the majority of the property's units are for independent living

The **assisted living** category is comprised of several distinct sub-categories:

1) "Freestanding" assisted-living-only properties, together with assisted living properties **predominantly** containing assisted living beds but which may sometimes include a small number of independent living units (and where the majority of the property's units/beds – and therefore its revenues – are for assisted living)
2) Separately identified, where applicable, are assisted living properties that also contain some memory care beds
3) Separately identified, properties that contain only memory care beds
4) Separately identified, majority-assisted living with some skilled nursing and/or other specialty care beds

The **skilled nursing facility** category consists of properties for which the majority of beds are skilled nursing beds.

The **Continuing Care Retirement Communities / Life Plan Communities (CCRC):** CCRCs must include both independent living units and skilled nursing beds and in addition to the independent living and skilled nursing, may also include some assisted living beds and/or memory care beds.

The State of Seniors Housing report categorizes CCRCs separately from independent living communities – in contrast to some other research sources in this industry which consider CCRCs to be a **sub-category** of independent living communities.

Within the CCRC category are **entry-fee CCRCs** as well as **rental CCRCs**. In rental CCRCs, residents pay no up-front entry fee at the time they occupy an independent living unit (although a nominal deposit or community fee consisting of up to a few months' rent may be required up-front. An entry fee of more than $20,000 is **not** required at a "rental" CCRC and the resident pays the prevailing market rate for the level of care provided.

OTHER TERMS DEFINED

Total Revenues: Base fees, level-of-care fees assessed according to acuity, second-occupant fees, community (move-in) fees, interest income and miscellaneous income, plus net cash (if any) from entry fees received less entry fees refunded.

Net Operating Income (NOI): Total revenues minus total operating expenses. Total operating expenses are defined as labor, marketing/advertising, repairs/maintenance, property taxes, insurance, raw food and/or outsourced dietary service expenses, utilities, management fees, and property-level operating expenses.

NOI is calculated **before** subtracting deductions for corporate (overhead) allocations, operating lease payments, ground lease payments, debt service, amortization, depreciation, income taxes, and capital expenditures and replacement reserves above normal repair and maintenance. So, NOI is analogous to the quantity represented by the commonly used acronym EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortization, and Rents or Reserves).

Return on Investment (Unleveraged): NOI divided by total project investment (financed by either debt or equity or both). For acquired properties, total project investment is total historical cost: purchase price plus all capital costs incurred to date, including subsequent expansions/renovations after acquisition. For properties developed "from the ground up," that total project investment is also total historical cost: development cost including land acquisition, pre-marketing, and then any subsequent expansions/renovations after initial development.

Because the total project investment in the Return on Investment (ROI) denominator is in terms of historical cost – sometimes from many years ago – and is not adjusted for inflation or time-value-of money, and because the NOI in the ROI numerator is historical (last full year's) rather than run-rate or current year's projected income, the Return of Investment presented in this report is not necessarily equivalent to a current capitalization rate.

Debt Service: Annual interest, principal repayment, and other debt-related expenses such as mortgage insurance premiums and letter of credit fees, trustee or servicing fees.

Debt Coverage Ratio: NOI divided by total debt service.

Replacement Reserve: An allowance for the periodic replacement of building and furniture/fixtures/equipment components.

Net Cash Flow: NOI less corporate (overhead) allocations, debt service (or less facility and ground lease amounts if the property is leased rather than debt-financed) and less capital replacement reserves to cover repairs and maintenance. The net cash flow available for required taxes and for distribution to equity investors or for additional investment in the business.

Description of the survey sample

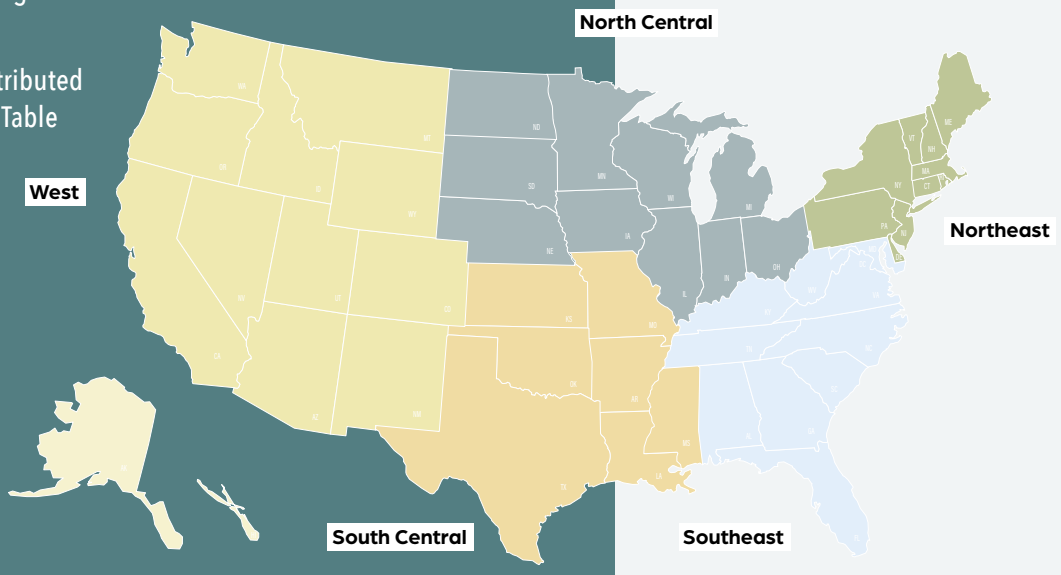
CHAPTER 1

The State of Seniors Housing 2025 report summarizes data collected from over 2,000 seniors housing properties, which are comprised of over 250,000 units (or, in cases where those units are occupied by more than one person and the persons are unrelated, the numbers of beds are counted). This represents about one in every six professionally managed independent living, assisted living, memory care, and continuing care retirement **properties** in the U.S. and nearly one in every six professionally managed independent living, assisted living, memory care, and nursing care **units/beds** in U.S. seniors housing and care properties.[1]

The properties and units are distributed by community type as shown in Table 1.1 and Table 1.2.

Surveys with sufficient detail were received from 44 respondents, with the distribution of properties in proportion to the regional and state populations and to their senior populations age 65+ as well as seniors age 85+. That geographic distribution further suggests that the results reported here are reliably representative of the state of seniors housing across the U.S.

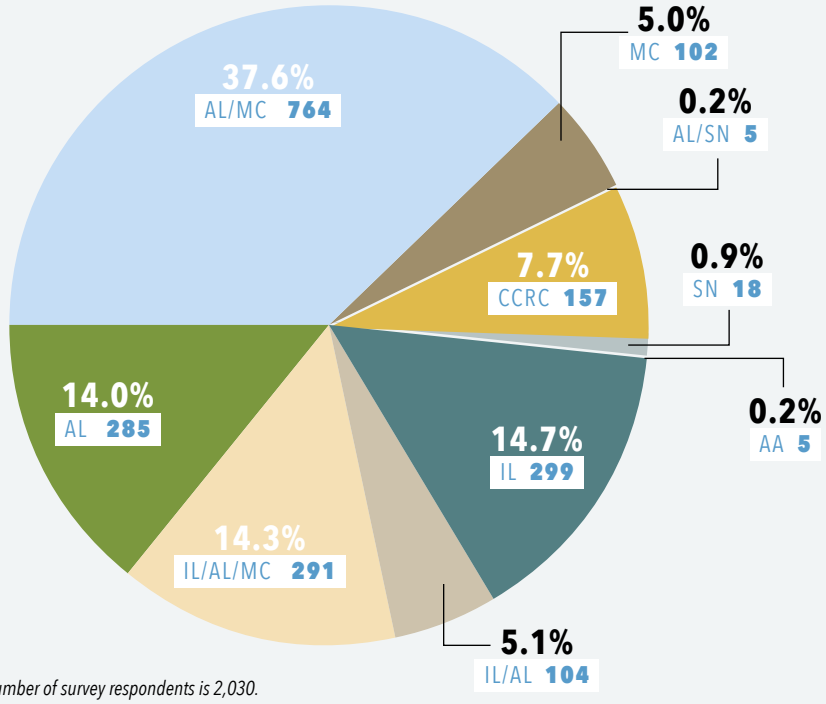
For the purposes of this report, we have defined the regions of the continental United States as shown:



[1] 2024 Year-End Estimates, NIC Analytics (15,100 properties with an estimated 1,985,100 units, excluding those properties and their units licensed primarily for skilled nursing care).

TABLE 1.1

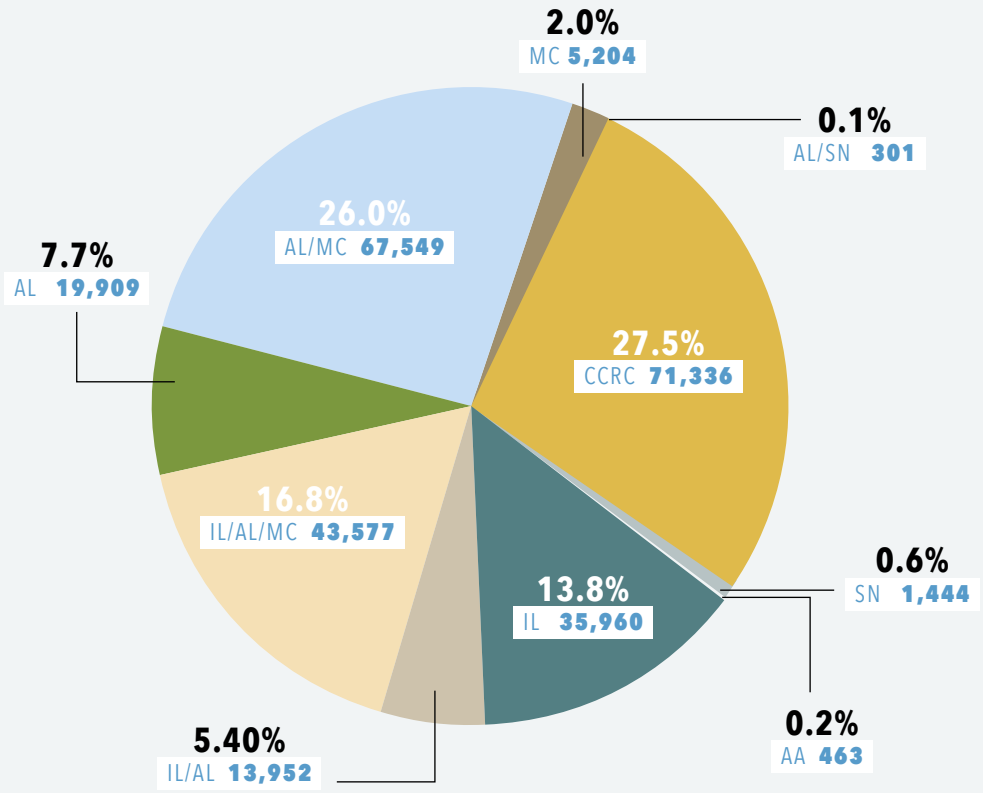
Percent and Total Number of Survey Respondents by Community Type



Note: *The total number of survey respondents is 2,030.*

TABLE 1.2

Percent and Total Number of Units / Beds by Community Type



Note: *The total number of units/beds by community type is 259,692.*

LEGEND

- Active Adult (AA)
- Assisted Living (AL)
- Assisted Living/Memory Care (AL/MC)
- Assisted Living/Skilled Nursing (AL/SN)
- Independent Living (IL)
- Independent/Assisted Living (IL/AL)
- Independent/Assisted Living/ Memory Care (IL/AL/MC)
- Memory Care (MC)
- CCRC
- Skilled Nursing (SN)

In terms of community size, properties with more active populations contain more units and larger units than communities primarily serving assisted living or memory care residents. However, for most community types, we see a distribution over a wide range of sizes.

The allocations of space **within** buildings reflect their different uses. Assisted living properties and those with memory care allocate more space proportionally to common areas – and so have proportionally less rentable space – likely because more of the resident-service functions, such as assistance with eating and socialization, take place **outside** of residents' rooms.

Respondents were also asked to provide the total property size (in acres) of their communities. Because CCRCs often consist of more than one building, they are usually situated on **significantly** larger parcels of land – the middle range of our responding CCRCs occupied 41.5 acres – compared to all other communities.

As noted earlier the per-unit **sizes** (calculated as the total rentable square footage of properties, divided by the number of units available) are highest for communities with more active residents where units may include full kitchens and laundry equipment.

The collection of unit mix data underscores this tendency of communities with more active residents offering fewer studios and more two-bedroom units than those primarily serving assisted living and memory care residents. However, this year's survey sample suggests that most assisted living units are larger than a studio.

The survey sample includes many properties developed before the 1990s as well as several built in the last development wave (beginning in 2016). However, the distribution of properties by age varies tremendously by community type as shown in Table 1.9

TABLE 1.3

Community Size (Units/Beds)

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	AVERAGE	UPPER QUARTILE
Independent Living	53	118	121	303
Independent/Assisted Living	59	120	135	267
Independent/Assisted Living/Memory Care	75	155	150	307
Assisted Living	30	62	70	157
Assisted Living/Memory Care	45	83	88	193
Memory Care	28	51	51	77
CCRC	151	347	454	1,284
ALL COMMUNITIES	**36**	**99**	**128**	**1,117**

TABLE 1.4

Median Community Size (Square Feet)

COMMUNITY TYPE	MEDIAN TOTAL AREA (SF)	MEDIAN COMMON AREA (SF)	MEDIAN NET RENTABLE AREA (SF)
Independent Living	102,351	33,134	69,217
Independent/Assisted Living	146,862	42,243	104,619
Independent/Assisted Living/Memory Care	162,489	58,789	103,700
Assisted Living	75,187	34,625	40,562
Assisted Living/Memory Care	75,350	31,085	44,264
Memory Care	37,981	21,365	16,617
CCRC	471,735	149,937	321,798

Note: *Rounded to the nearest square foot.*

TABLE 1.5

Median Common Area Ratio by Community Type

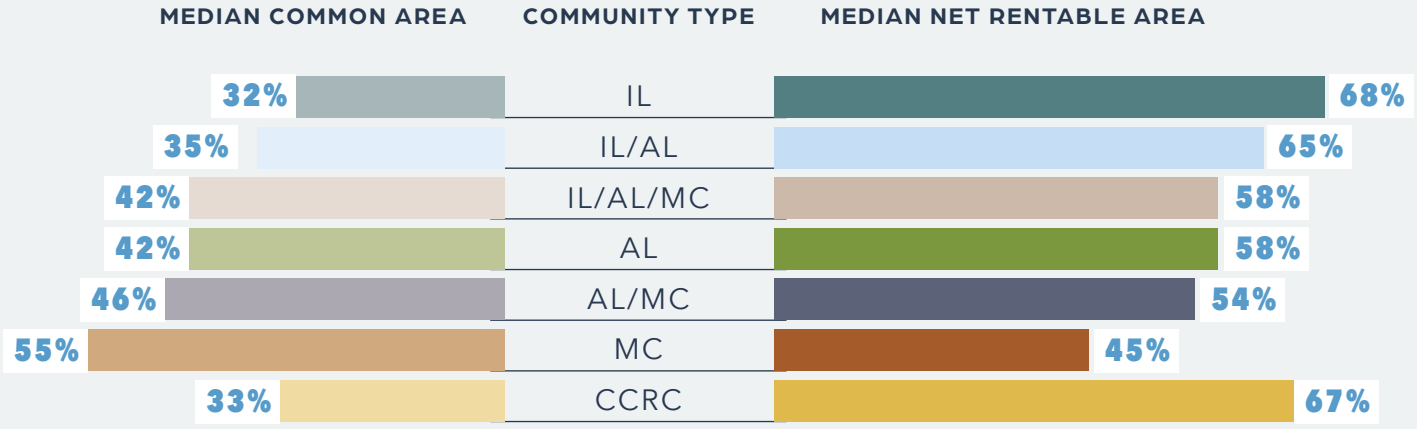


TABLE 1.6

Median Property Size (in Acres) by Community Type

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
Independent Living	2.1	5.1	47.7
Independent/Assisted Living	1.8	5.4	30.1
Independent/Assisted Living/Memory Care	2.4	7.5	35.8
Assisted Living	1.4	3.4	17.5
Assisted Living/Memory Care	1.7	4.4	43.7
Memory Care	2.1	3.8	9.1
CCRC	10.5	41.5	143.5
ALL COMMUNITIES	**1.7**	**5.0**	**112.7**

Note: *Properties are ranked by land area. Each quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

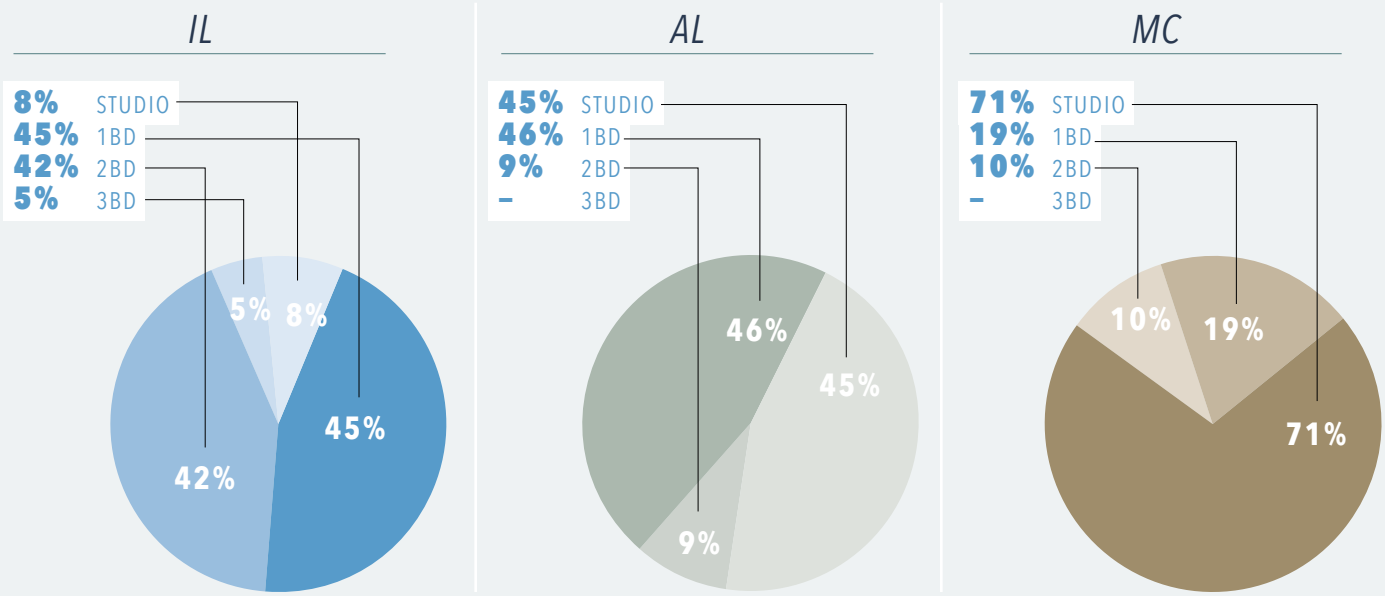
TABLE 1.7

Average Unit Sizes (in Square Feet)

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
Independent Living	477	666	1,521
Independent/Assisted Living	405	707	1,392
Independent/Assisted Living/Memory Care	393	629	1,457
Assisted Living	282	518	1,293
Assisted Living/Memory Care	263	522	1,429
Memory Care	208	269	483
CCRC	479	1,083	1,782
ALL COMMUNITIES	**271**	**599**	**1,520**

Note: *Properties are ranked by unit size. Each quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 1.8
Unit Mix by Level of Care



Note: *Percentages are a percent of the total (100%) for each level of care.*

TABLE 1.9
Community Type by Years Open (Stabilized Properties Only)

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
Independent Living	10	25	80
Independent/Assisted Living	8	18	38
Independent/Assisted Living/Memory Care	4	13	76
Assisted Living	11	26	87
Assisted Living/Memory Care	6	22	82
Memory Care	6	11	72
CCRC	13	33	78
ALL COMMUNITIES	**7**	**23**	**83**

Note: *Properties are ranked by age. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

Operating Characteristics of the survey sample

CHAPTER 2

OWNERSHIP/MANAGEMENT

As in prior surveys, this year's sample is predominantly comprised of for-profit communities, owned by both private and public owners, as shown. However, CCRCs are primarily operated on a not-for-profit basis.

Respondents were asked to identify the number of properties under management by the operator. This year's sample – similar to recent years – is primarily comprised of operators with more than 25 communities: See Table 2.2

Rental payment plans are dominant among all community types – see Table 2.3 – except CCRCs, where just under one-half of the properties require entry fees of more than $20,000 up-front[2] (in addition to monthly fees, in most cases) as the primary payment option.

Average monthly base fees – excluding care charges and entry at those communities that charge them – vary regionally with the Northeast and the West regions typically demonstrating the highest monthly fees: See Table 2.4

For assisted living and memory care, properties may or may not include care in the base fees. Properties that use care levels, points or another fee-for-service pricing structure allow lower acuity residents to pay only for the services they require. The all-inclusive pricing model affords residents and their families more predictable monthly fees. Because monthly care charges can be significant, material spreads exist in monthly base fees for properties that are otherwise comparable. Tables 2.5 and 2.6 outline the gross monthly fees for both assisted living and memory care by region.

OCCUPANCY

The occupancy rates we report should be understood as stabilized occupancy (rather than overall industry occupancy rates) because we do not incorporate survey responses from properties open two years or less by December 31, 2024 – as most often such properties have not reached financial or operational stabilization. Additionally, we exclude properties that do not report an average occupancy of 70% for the year, our threshold for stabilized occupancy.

For all properties, the occupancy rates centered (median and average indications) at 87–91%. However, there is a range of performance as occupancy indications for the lower quartile were consistently below 80% for all community types while the top 25% reported occupancy levels exceeding 95%.

Occupancy rates by what we call care segment or level of care (rather than by community type), are presented in Tables 2.11 for the subset of Table 2.7's respondents who broke out their numbers of available and occupied units by level of care, and not just for the property as a whole.

[2] Survey respondents were instructed that requiring nominal "community fees" or "move-in fees" or "security deposits" did not, in themselves, qualify a property as an "entry-fee" community where an up-front fee of $20,000 or more, whether eventually refundable or not, was required.

TABLE 2.1

Property Ownership by Community Type

	IL		IL/AL		IL/AL/MC	
COMMUNITY TYPE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
Private For-Profit	90	30.1%	78	75.00%	236	81.1%
Publicly-Held	172	57.5%	15	14.40%	21	7.2%
Not-For-Profit	6	2.0%	3	2.90%	14	4.8%
No Response	31	10.4%	8	7.70%	20	6.9%
TOTAL	**299**	**100.0%**	**104**	**100.00%**	**291**	**100.0%**

	AL		AL/MC		MC	
COMMUNITY TYPE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
Private For-Profit	130	45.6%	475	62.2%	60	58.8%
Publicly-Held	136	47.7%	232	30.4%	33	32.4%
Not-For-Profit	6	2.1%	13	1.7%	0	0.0%
No Response	13	4.6%	44	5.8%	9	8.8%
TOTAL	**285**	**100.0%**	**764**	**100.0%**	**102**	**100.0%**

	CCRC		ALL OTHERS		ALL	
COMMUNITY TYPE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
Private For-Profit	38	24.2%	6	21.4%	1,113	54.8%
Publicly-Held	15	9.6%	5	17.9%	629	31.0%
Not-For-Profit	98	62.4%	13	0.0%	153	7.5%
No Response	6	3.8%	4	14.3%	135	6.7%
TOTAL	**157**	**100.0%**	**28**	**100.0%**	**2,030**	**100.0%**

Note: *All percentages rounded to the nearest tenth of a percent.*

TABLE 2.2

Number of Communities Managed by Survey Respondents

	IL		IL/AL		IL/AL/MC	
OPERATOR SIZE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
1 (this property)	0	0.0%	0	0.0%	1	0.4%
2 – 10	8	3.2%	7	7.5%	8	3.0%
11 – 25	7	2.8%	15	16.1%	21	7.8%
> 25	235	94.0%	71	76.3%	238	88.8%
TOTAL	**250**	**100.0%**	**93**	**100.0%**	**268**	**100.0%**

	AL		AL/MC		MC	
OPERATOR SIZE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
1 (this property)	0	0.0%	0	0.0%	0	0.0%
2 – 10	7	3.0%	9	1.7%	3	4.1%
11 – 25	10	4.3%	26	5.0%	15	20.5%
> 25	216	92.7%	482	93.2%	55	75.3%
TOTAL	**233**	**100.0%**	**517**	**100.0%**	**73**	**100.0%**

	CCRC		ALL OTHERS		ALL	
OPERATOR SIZE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
1 (this property)	2	1.4%	0	0.0%	3	0.2%
2 – 10	41	27.9%	2	7.1%	85	5.3%
11 – 25	35	23.8%	1	3.6%	130	8.1%
> 25	69	46.9%	25	89.3%	1,391	86.5%
TOTAL	**147**	**100.0%**	**28**	**100.0%**	**1,609**	**100.0%**

Note: *All percentages rounded to the nearest tenth of a percent.*

TABLE 2.3

Primary Payment Structure by Community Type

	IL		IL/AL		IL/AL/MC	
PAYMENT STRUCTURE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
All or Virtually All Rental	178	59.5%	78	75.0%	228	78.4%
All or Virtually All with Entry Fee (> $20,000)	5	1.7%	2	1.9%	5	1.7%
Blend of Rentals + Units with Entry Fee (> $20,000)	0	0.0%	0	0.0%	0	0.0%
No Response	116	38.8%	24	23.1%	58	19.9%
TOTAL	**299**	**100.0%**	**104**	**100.0%**	**291**	**100.0%**

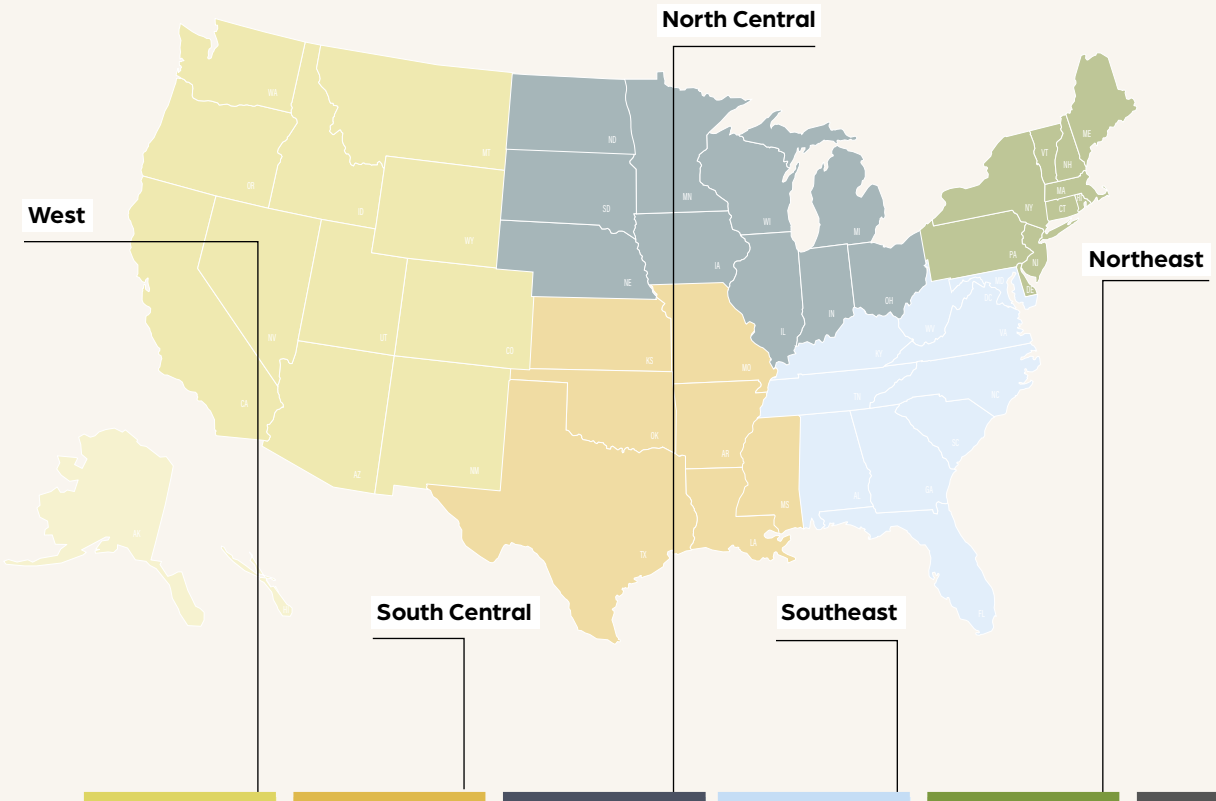
	AL		AL/MC		MC	
PAYMENT STRUCTURE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
All or Virtually All Rental	126	44.2%	596	78.0%	61	59.8%
All or Virtually All with Entry Fee (> $20,000)	0	0.0%	2	0.3%	0	0.0%
Blend of Rentals + Units with Entry Fee (> $20,000)	0	0.0%	0	0.0%	0	0.0%
No Response	159	55.8%	166	21.7%	41	40.2%
TOTAL	**285**	**100.0%**	**764**	**100.0%**	**102**	**100.0%**

	CCRC		ALL OTHERS		ALL	
PAYMENT STRUCTURE	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING	# RESPONSES	% RESPONDING
All or Virtually All Rental	16	10.2%	24	85.7%	1,307	64.4%
All or Virtually All with Entry Fee (> $20,000)	104	66.2%	0	0.0%	118	5.8%
Blend of Rentals + Units with Entry Fee (> $20,000)	0	0.0%	0	0.0%	0	0.0%
No Response	37	23.6%	4	14.3%	605	29.8%
TOTAL	**157**	**100.0%**	**28**	**100.0%**	**2,030**	**100.0%**

Note: *All percentages rounded to the nearest tenth of a percent.*

TABLE 2.4

Average Monthly Base Fee Revenue per Occupied Unit/Bed per Month by Region



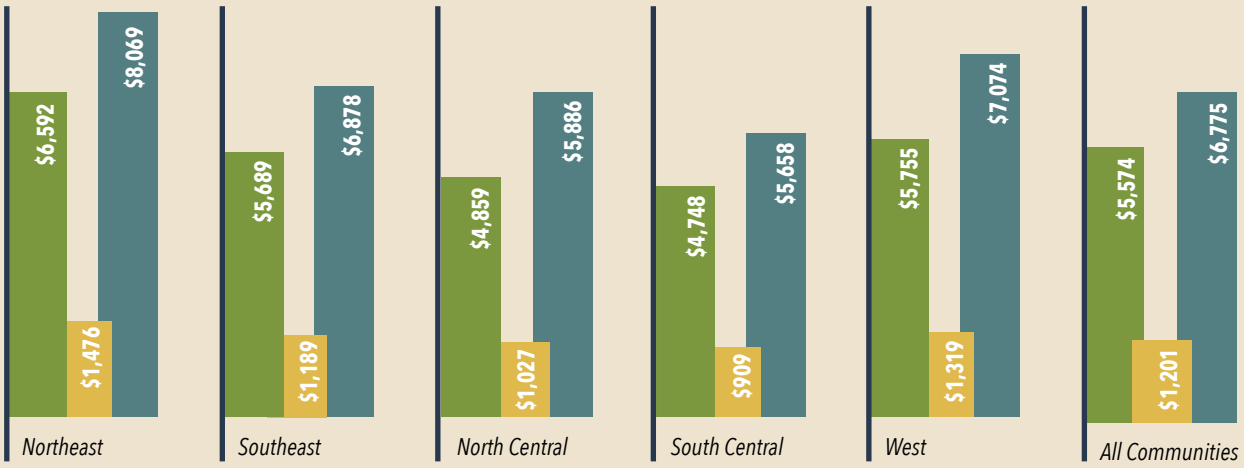
	WEST	SOUTH CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	ALL
IL	$3,625	$3,089	$2,737	$3,553	$3,875	$3,367
IL/AL	$5,903	$4,237	$4,395	$4,404	**	$5,039
IL/AL/MC	$5,358	$4,565	$5,034	$5,554	$7,285	$5,611
AL	$5,181	**	$4,739	$4,183	$5,647	$4,732
AL/MC	$6,156	$5,030	$4,947	$5,807	$7,027	$5,899
MC	$8,991	**	$6,776	**	$9,427	$8,310
CCRC	$6,855	$5,435	$6,329	$5,524	$5,284	$5,834

** *Insufficient sample size*

Note: *Only IL communities are solely comprised of units; other property types include units and beds. CCRC base fees exclude skilled nursing beds and revenues.*

TABLE 2.5

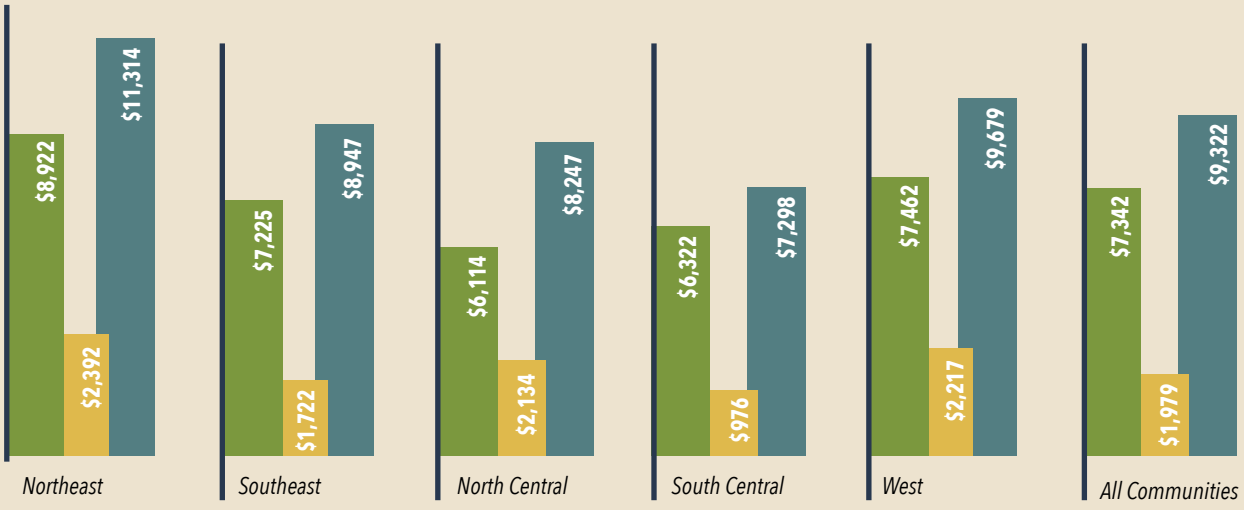
Assisted Living Average Monthly Base Fee and Level of Care Fee per Occupied Unit/Bed by Region



Note: *Both the base monthly and LOC fees represent the unweighted average for assisted living across all community types.*

TABLE 2.6

Memory Care Average Monthly Base Fee and Level of Care Fee per Occupied Unit/Bed by Region



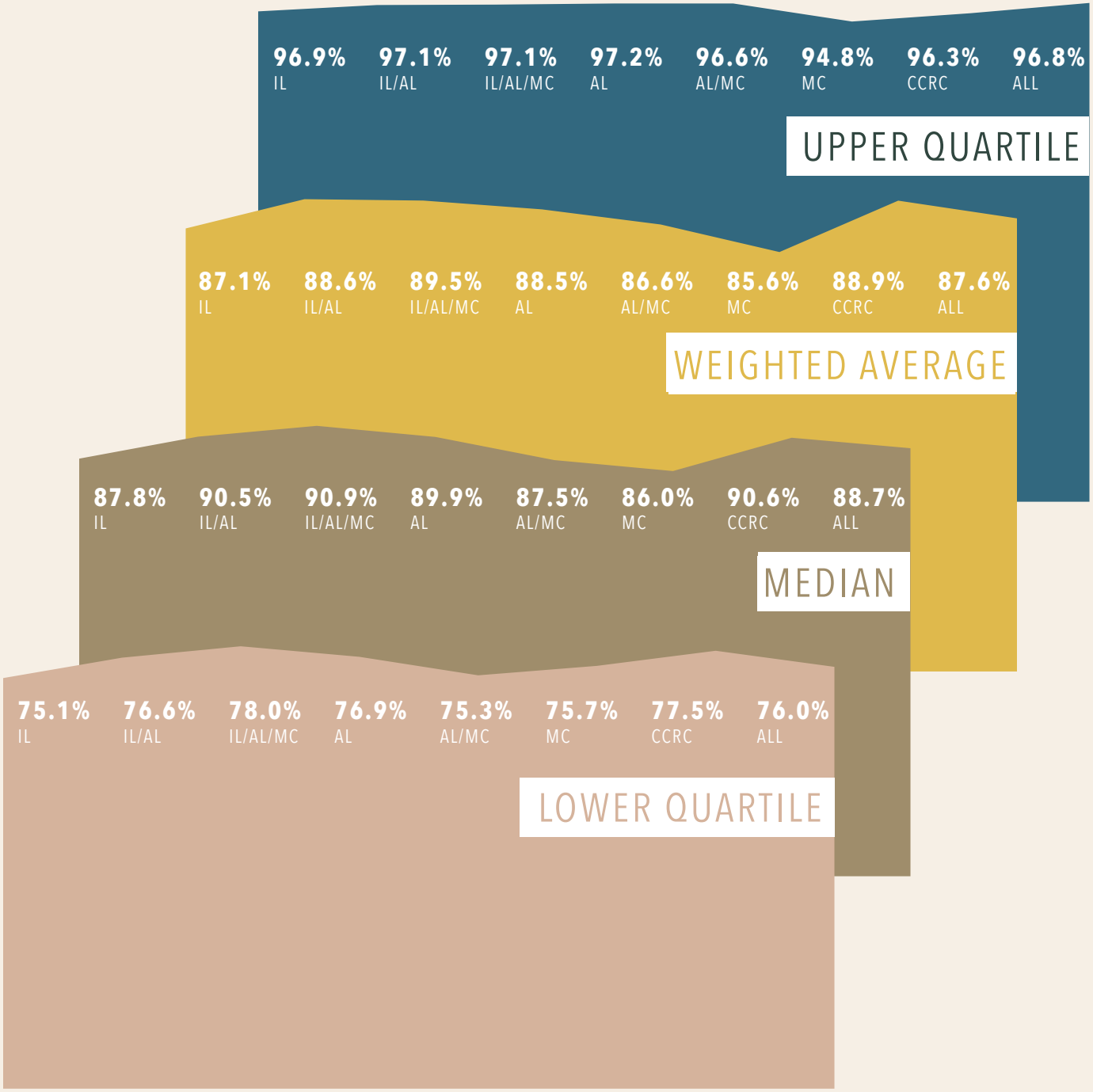
Note: *Both the base monthly and LOC fees represent the unweighted average for memory care across all community types.*

LEGEND

Base Monthly Fee | LOC Monthly Fee | Total Monthly Base + LOC Fees

TABLE 2.7

Occupancy by Community Type



Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.8

Occupancy by Community Type – Private For-Profit Communities

	IL	IL/AL	IL/AL/MC	AL	AL/MC	MC	CCRC	ALL
Lower Quartile	76.8%	77.4%	78.8%	77.9%	75.4%	79.8%	**	76.5%
Median	89.0%	91.6%	91.5%	**	87.1%	**	**	89.1%
Weighted Average	88.0%	89.3%	90.1%	89.7%	86.4%	87.9%	89.5%	88.1%
Upper Quartile	97.5%	97.2%	97.1%	**	96.4%	**	**	96.9%

** *Insufficient sample size*

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.9

Occupancy by Community Type – Publicly Held Communities

	IL	IL/AL	IL/AL/MC	AL	AL/MC	MC	CCRC	ALL
Lower Quartile	**	**	**	**	75.5%	**	**	75.1%
Median	**	**	**	88.2%	87.9%	**	**	87.5%
Weighted Average	**	86.4%	88.5%	87.5%	86.8%	**	**	86.6%
Upper Quartile	**	**	**	96.5%	96.8%	**	**	96.6%

** *Insufficient sample size*

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.10

Occupancy by Community Type – Not-For-Profit Communities

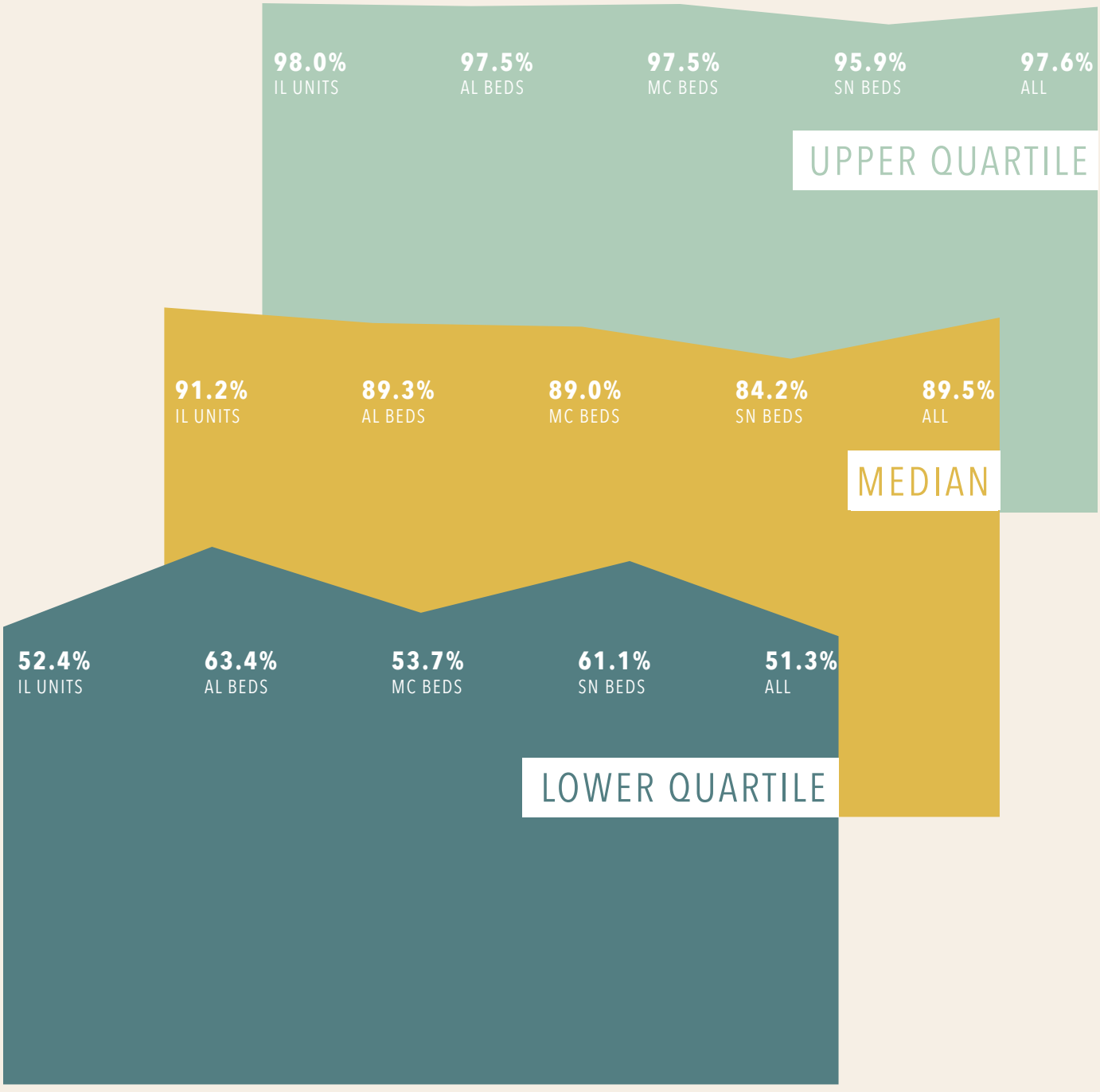
	IL	IL/AL	IL/AL/MC	AL	AL/MC	MC	CCRC	ALL
Lower Quartile	**	**	**	**	**	**	78.2%	78.1%
Median	**	**	**	**	**	**	90.7%	90.7%
Weighted Average	**	**	88.6%	**	**	**	89.4%	89.4%
Upper Quartile	**	**	**	**	**	**	96.3%	96.6%

** *Insufficient sample size*

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.11

Occupancy by Level of Care – All Communities



Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.12

Occupancy by Level of Care – Private For-Profit Communities

	IL UNITS	AL BEDS	MC BEDS	SN BEDS	ALL LEVELS OF CARE
Lower Quartile	52.4%	68.1%	57.3%	**	51.9%
Median	91.7%	89.8%	89.1%	**	89.8%
Upper Quartile	98.4%	97.7%	97.3%	**	97.7%

** *Insufficient sample size*

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles..*

TABLE 2.13

Occupancy by Level of Care – Publicly Held Communities

	IL UNITS	AL BEDS	MC BEDS	SN BEDS	ALL LEVELS OF CARE
Lower Quartile	**	65.3%	54.6%	**	55.2%
Median	88.8%	88.2%	87.7%	**	88.0%
Upper Quartile	97.2%	97.2%	97.5%	**	97.2%

** *Insufficient sample size*

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.14

Occupancy by Level of Care – Not-For-Profit Communities

	IL UNITS	AL BEDS	MC BEDS	SN BEDS	ALL LEVELS OF CARE
Lower Quartile	73.9%	63.6%	54.0%	60.7%	54.2%
Median	93.4%	89.4%	91.3%	83.0%	89.9%
Upper Quartile	98.0%	97.5%	98.7%	94.9%	97.6%

Note: *Properties are ranked by percent occupied. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

RESIDENT TURNOVER

Annual resident turnover is calculated as the number of move-outs at properties during the year, divided by the average number of units or beds occupied at those properties during that same year. For example, a property starting the year with 101 occupied units, with 20 move-outs (no matter what their tenure) but 18 off-setting move-ins, to end the year with 99 occupied units, would be rated as having 20 in 100, or 20% turnover.

STAFFING METRICS

We asked respondents to provide the number of Full Time Equivalent (FTE) employees, by department and in total.[3] Furthermore, this staffing information was restricted to employees who work on-site and that corporate "overhead" such as regional property managers or corporate department managers be excluded. Total FTEs vary by community type and within community types: See Table 2.17

We also report staff-to-resident ratios (expressed as the number of FTEs in each labor category and in total for the property, then divided by the average number of residents at that property throughout the year) to eliminate the variances due to property size. Broadly speaking, the number of FTEs per resident rises as residents' needs increase. See Table 2.18.

Drilling down specifically on the care, we have also examined the number of FTEs in the assisted living department per assisted living (and/or memory care) resident and FTEs in the nursing departments per nursing resident: See Table 2.19

Average annual wages (excluding payroll taxes and employee benefits costs) are presented for the operated departments in Table 2.20. Please note that these annual wages should not be divided by 2,080 to obtain a measure of "average hourly wage rates" at the property because, among other things, the dollar totals shown include an unknown amount of overtime wages.

[3] Full Time Equivalent is defined for respondents to our survey as a 2,080-hour block of time paid in a year (that is, 40 hours per week over 52 weeks). For example, two part-time housekeepers each working 20 hours per week over the year are, together, equal to one FTE.

TABLE 2.15
Annual Resident Turnover

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
Independent Living Communities	20.3%	44.3%	77.9%
IL/AL Communities	23.1%	35.7%	60.6%
IL/AL/MC Communities	19.4%	39.3%	73.0%
Assisted Living Communities	28.5%	48.1%	79.2%
AL/MC Communities	25.9%	56.7%	83.6%
Memory Care Communities	27.9%	64.7%	87.1%
All CCRCs (excluding skilled nursing beds)	8.7%	15.6%	32.4%

Note: *Properties are ranked by turnover ratio. Each quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.16
Implied Length of Stay (in months)

COMMUNITY TYPE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
Independent Living Communities	11.9	27.7	71.7
IL/AL Communities	19.9	34.1	79.2
IL/AL/MC Communities	14.7	31.0	77.1
Assisted Living Communities	12.0	25.5	66.5
AL/MC Communities	10.6	21.0	50.3
Memory Care Communities	10.5	18.2	45.1
All CCRCs (excluding skilled nursing beds)	37.1	77.9	201.8

Note: *Properties are ranked by turnover ratio. Each quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 2.17

FTEs by Department and Community Type

	IL			IL/AL			IL/AL/MC		
DEPARTMENT	MIN	AVERAGE	MAX	MIN	AVERAGE	MAX	MIN	AVERAGE	MAX
Administrative	0.1	3.8	10.8	0.6	4.7	21.1	1.7	7.0	21.0
Dietary	2.7	10.7	78.8	1.5	15.8	57.0	1.9	19.8	65.6
Housekeeping	0.4	3.2	16.7	0.4	4.4	14.0	0.9	5.7	20.0
Maintenance	0.3	1.7	7.8	0.3	2.8	9.9	0.7	3.1	21.0
Marketing	0.3	1.2	7.9	0.3	1.6	4.5	0.4	2.0	4.9
Assisted Living	**	**	**	5.6	18.2	79.2	0.4	30.2	85.5
Skilled Nursing	**	**	**	2.5	17.3	42.0	0.1	14.1	62.0
Activities	0.2	1.3	4.6	0.3	2.8	10.5	0.7	3.7	8.9
Security	**	**	**	**	**	**	0.1	2.9	12.7
Other	0.1	1.2	12.9	0.5	7.0	29.9	0.1	3.0	26.0
TOTAL	**5.3**	**22.8**	**149.4**	**6.9**	**51.6**	**181.3**	**17.6**	**74.2**	**232.4**

*** Insufficient sample size*

N/A – Not reported to preserve data confidentiality for a large community provider.

***Note:** Average reported for those properties with staffed departments; the sum of the parts may not equal the whole.*

TABLE 2.18

Average FTEs Per Resident by Department and Community Type

	IL			IL/AL			IL/AL/MC		
DEPARTMENT	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX
Administrative	0.00	0.03	0.11	0.01	0.04	0.29	0.01	0.05	0.14
Dietary	0.04	0.09	0.23	0.04	0.13	0.53	0.05	0.13	0.25
Housekeeping	0.00	0.03	0.08	0.01	0.04	0.15	0.01	0.04	0.10
Maintenance	0.00	0.01	0.08	0.01	0.02	0.08	0.01	0.02	0.05
Marketing	0.00	0.01	0.04	0.00	0.01	0.05	0.00	0.01	0.04
Assisted Living	0.00	0.06	0.50	0.05	0.14	0.75	0.01	0.21	0.57
Skilled Nursing	**	**	**	0.02	0.12	0.28	0.00	0.06	0.25
Activities	0.00	0.01	0.04	0.01	0.02	0.05	0.00	0.02	0.11
Security	0.00	0.02	0.08	0.00	0.01	0.04	0.00	0.01	0.03
Other	0.00	0.01	0.21	0.00	0.04	0.14	0.00	0.02	0.08
TOTAL	**0.04**	**0.19**	**0.74**	**0.13**	**0.39**	**1.04**	**0.21**	**0.49**	**1.18**

*** Insufficient sample size*

***Note:** Average reported for those properties with staffed departments; the sum of the parts may not equal the whole.*

	AL			AL/MC			MC			CCRC		
	MIN	AVERAGE	MAX	MIN	AVERAGE	MAX	MIN	AVERAGE	MAX	MIN	AVERAGE	MAX
	0.4	3.1	13.2	0.6	4.2	14.7	0.4	2.9	6.5	0.6	11.2	N/A
	0.8	7.2	34.5	0.8	9.8	42.2	1.6	4.6	10.2	2.1	69.4	N/A
	0.2	2.2	16.0	0.3	3.2	25.1	0.4	1.9	4.3	1.6	23.5	N/A
	0.2	1.3	7.4	0.1	1.7	8.9	0.3	1.1	3.8	0.2	11.6	N/A
	0.2	1.0	3.6	0.1	1.3	4.8	0.3	1.0	2.0	0.7	5.2	N/A
	4.6	15.8	58.2	8.2	33.6	72.9	6.8	22.6	55.5	0.3	29.3	N/A
	3.5	15.1	31.0	2.3	20.0	72.1	**	**	**	0.8	51.3	N/A
	0.3	1.4	5.5	0.2	2.2	8.5	0.4	2.3	6.0	0.7	7.2	N/A
	**	**	**	**	**	**	**	**	**	0.3	11.2	N/A
	**	**	**	0.1	0.9	11.4	**	**	**	1.0	46.0	N/A
	6.4	**31.6**	**114.9**	**9.1**	**55.9**	**177.9**	**12.0**	**38.7**	**82.8**	**30.9**	**239.4**	**N/A**

	AL			AL/MC			MC			CCRC		
	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX
	0.00	0.05	0.10	0.01	0.06	0.19	0.01	0.06	0.12	0.00	0.03	0.13
	0.03	0.09	0.22	0.02	0.11	0.60	0.05	0.10	0.19	0.06	0.15	0.67
	0.01	0.03	0.10	0.00	0.04	0.36	0.01	0.04	0.07	0.02	0.06	0.29
	0.00	0.02	0.05	0.00	0.02	0.13	0.00	0.02	0.04	0.01	0.03	0.13
	0.00	0.02	0.04	0.00	0.02	0.07	0.00	0.02	0.04	0.00	0.01	0.02
	0.09	0.29	0.61	0.06	0.44	0.77	0.23	0.50	0.89	0.00	0.08	0.65
	0.00	0.18	0.32	0.00	0.15	0.60	0.06	0.37	0.70	0.00	0.15	0.84
	0.00	0.02	0.05	0.00	0.02	0.10	0.01	0.05	0.11	0.00	0.02	0.10
	0.00	0.01	0.01	0.00	0.01	0.13	0.01	0.01	0.01	0.00	0.02	0.06
	0.00	0.01	0.03	0.00	0.01	0.15	0.00	0.01	0.01	0.01	0.08	0.57
	0.10	**0.48**	**0.85**	**0.10**	**0.71**	**1.13**	**0.40**	**0.82**	**1.21**	**0.15**	**0.54**	**1.26**

TABLE 2.19

FTEs per Assisted Living / Memory Care or Skilled Nursing Resident by Community Type

	IL/AL			IL/AL/MC			AL		
DEPARTMENT	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX
Assisted Living / Memory Care	0.13	0.32	2.74	0.01	0.43	0.96	0.09	0.26	0.61
Skilled Nursing	Not Applicable			Not Applicable			Not Applicable		
	AL/MC			MC			CCRC		
DEPARTMENT	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX	MIN	WEIGHTED AVERAGE	MAX
Assisted Living / Memory Care	0.14	0.43	0.77	0.23	0.48	0.89	0.20	0.50	1.87
Skilled Nursing	Not Applicable			Not Applicable			0.37	1.04	2.40



Susan Carmody
African Siesta
The Hacienda at the Canyon

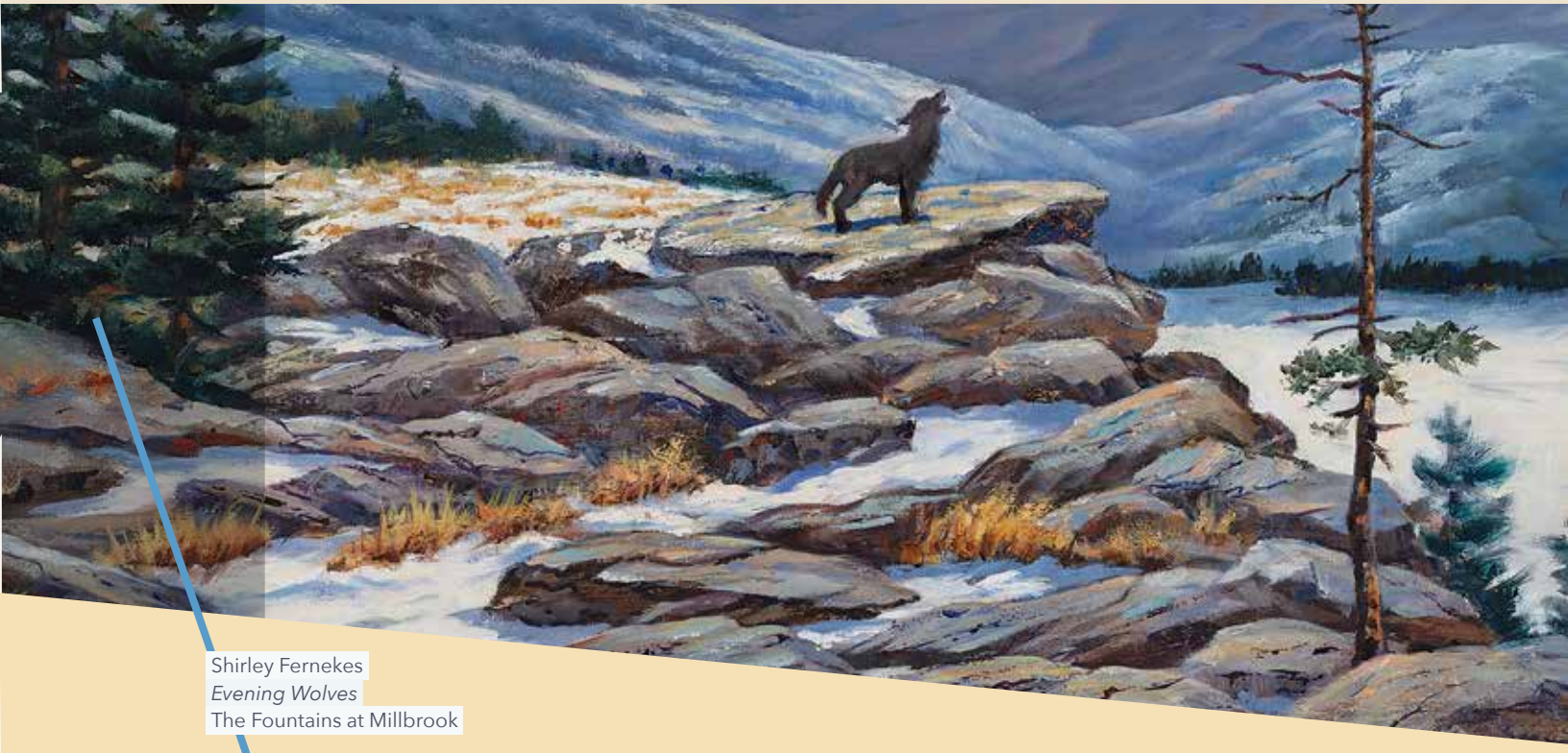
TABLE 2.20

Annual Weighted Average Wages per FTE by Department

DEPARTMENT	IL	IL / AL	IL / AL / MC	AL	AL / MC	MC	CCRC
Administrative	$64,741	$70,999	$69,223	$74,306	$73,958	$76,312	$88,971
Dietary	$40,303	$43,337	$41,562	$42,970	$43,527	$44,502	$42,697
Housekeeping/Laundry	$35,262	$38,915	$36,791	$37,003	$36,392	$36,727	$39,957
Maintenance	$52,787	$52,541	$54,382	$57,173	$62,888	$63,939	$58,127
Marketing	$84,282	$103,917	$98,101	$83,449	$105,657	$101,316	$107,224
Assisted Living	**	$50,430	$53,789	$47,206	$48,917	$58,419	$61,666
Skilled Nursing	**	**	$60,133	$49,217	$56,739	**	$64,974
Activities	$45,843	$48,651	$48,100	$46,207	$50,422	$42,820	$53,019
Security	**	**	$36,887	**	**	**	$46,926
Other	**	**	$103,853	**	$26,143	**	$43,870
TOTAL	**$47,667**	**$46,300**	**$50,240**	**$45,326**	**$52,996**	**$46,960**	**$57,811**

*** Insufficient sample size*

***Note:** Payroll divided by total FTEs per department.*



Shirley Fernekes
Evening Wolves
The Fountains at Millbrook

Financial Performance of the survey sample

CHAPTER 3

PER OCCUPIED UNIT INDICATIONS

Properties are ranked by Revenues per Occupied Unit, and values in the Tables are reported as dollars per occupied unit (or bed)[4]. The columns reading left to right when ranked by Revenues per Occupied Unit in these Tables are a fair proxy for progressions from the most moderately-priced, to mid-priced, to the highest-priced properties – just as, for example, a set of hospitality properties would progress if ranked by Average Daily Rates.

PER RESIDENT PER DAY INDICATIONS

Table 3.8 through 3.13 provide select operating results (revenues, operating expenses, NOI, margins, and average occupancy throughout the year) for the major property types (those that provided sufficient numbers of responses to be meaningful) in terms of another metric of substantial interest to the industry: per resident per day.

Unfortunately, an insufficient number of operators provided resident day data to publish these indicators for other community types.

EXPENSE ITEM DETAILS

We have drilled deeper into food costs and note regional difference by community type as follows: See Table 3.14

Management fees average close to 5% of revenue for all community types with the range typically starting near 2% and extending to at least 10% with many community types reporting management fees 12% and higher.

Next, we have examined employee benefit expenses both on a per-FTE basis and as a ratio of wages: See Tables 3.16 and 3.17

The respondents report a material range in property insurance that we attribute, in part, to natural disasters and the impact that fires, floods, tornados and hurricanes can have on property insurance costs: See Table 3.18

Professional liability varies as shown by community type: See Table 3.19

We present workers' compensation expense both on a per available unit similar to the other types of insurance as well as a ratio of wages: See Tables 3.20 and 3.21

4 The calculated values for ***each line item*** in the deciles, quartiles, and "medians" we report are derived by first ranking the various properties on the basis of Total Revenue per Occupied Unit (or bed). We rank all properties by Revenue per Occupied Unit so that total revenues, total operating expenses, net operating income and net cash flow will add up (really, subtract down) the page representing the "income statement."

Utility expenses can vary by the age of the community, its location and the type of community. See Tables 3.22 – 3.24

Responding to concerns regarding the amounts being set aside to maintain the competitive position of seniors housing properties, The State of Seniors Housing survey asked about both budgeted and actual amounts of capital expenditure per property. We report the survey results by both community type and property age. See Tables 3.25 and 3.26

KEY FINANCIAL PERFORMANCE INDICATORS

While these results accurately portray the performance of the set of responses to The State of Seniors Housing survey, the results may not necessarily be indicative of overall industry performance (not only because of random sampling variation, but also because of the industry representation in our response set). As mentioned previously, direct comparisons with prior year survey results will not be appropriate as they are taken from different samples each year. See Chapter 4 for a more-valid examination of year-over-year comparisons.

Further, the results shown in this section **focuses on for-profits only** with rankings for each table reflecting the metric presented.

Return on current investment was calculated as Net Operating Income divided by the total investment (that is, debt plus equity) incurred for the property's development cost or acquisition cost plus, when known to us, the divisor included costs of subsequent expansions/renovations during the hold period. Considering that leverage can boost returns, our results imply that typical returns on equity alone (in other words, leveraged returns) for for-profit seniors housing would, if calculated, run even higher.

TABLE 3.1

Independent Living Communities – Per Occupied Unit

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**$21,239**	**$27,121**	**$38,125**	**$61,866**	**$82,358**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	$2,361	$834	$0	$225	$424
INDEPENDENT					
Base Fees	$18,862	$26,009	$36,990	$55,325	$69,175
2nd Occupant Base Fees	$224	$407	$730	$1,684	$1,635
ASSISTED					
Base Fees (for all levels of care)	$0	($42)	$0	$325	$922
2nd Occupant Base Fees	$0	$0	$0	$0	$1
Acuity-based Care Fees	$0	$0	$0	$221	$626
MEMORY CARE					
Base Fees (for all levels of care)	$0	$0	$0	$543	$1,541
2nd Occupant Base Fees	$0	$0	$0	$0	$0
Acuity-based Care Fees	$0	$0	$0	$0	$0
NURSING					
Base Fees	$0	$0	$0	$0	$0
Acuity-based Care Fees	$0	$0	$0	$2	$4
OTHER REVENUES					
Community Fees	$399	$550	$671	$1,015	$1,373
Net Cash From Entrance Fees	$0	$0	$0	$1,791	$4,697
Interest Income	$16	$6	$0	$143	$364
All Other Operating Income	($367)	($322)	($56)	$667	$1,645
Bad Debt	($256)	($321)	($210)	($75)	($49)

TABLE 3.1

Independent Living Communities – Per Occupied Unit (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**$16,525**	**$20,572**	**$25,646**	**$38,815**	**$52,718**
LABOR RELATED					
Administrative	$1,469	$1,674	$2,014	$2,784	$3,576
Dietary	$1,766	$2,532	$3,458	$5,133	$6,540
Housekeeping	$557	$796	$1,039	$1,195	$1,483
Maintenance	$507	$467	$638	$1,028	$1,372
Assisted Living Labor	$12	$4	$0	$292	$828
Nursing Labor	$0	$15	$0	$17	$0
Marketing	$492	$601	$685	$1,161	$1,371
Activities	$275	$371	$528	$684	$919
Security	$96	$73	$28	$365	$449
All Labor in Other Departments	$157	$265	$418	$1,106	$1,843
Contract Labor – Nursing/Personal Care	$78	$27	$0	$3	$3
Contract Labor – All Other Departments	$19	$11	$8	$97	$201
Payroll Taxes	$447	$608	$879	$1,174	$1,497
Employee Benefits	$431	$557	$740	$1,049	$1,496
LABOR RELATED TOTAL	**$6,306**	**$8,001**	**$10,435**	**$16,088**	**$21,578**
NON-LABOR RELATED					
Property Taxes	$1,311	$1,686	$2,023	$2,805	$3,291
Property Insurance	$670	$602	$731	$923	$1,047
Liability Insurance	$190	$119	$98	$105	$86
Workers Comp	$119	$98	$150	$247	$357
Raw Food	$1,240	$1,876	$2,279	$3,128	$3,751
Non-Labor Other Dietary	$51	$87	$130	$332	$706
Utilities	$1,702	$1,837	$2,347	$2,962	$3,481
Marketing/Advertising	$687	$1,095	$1,201	$1,679	$2,064
Repairs & Maintenance	$1,241	$1,315	$1,359	$2,165	$3,134
Housekeeping	$50	$72	$82	$273	$540
Resident Care Supplies	$0	$1	$1	$42	$80
Security Supplies/Contracts	$8	$32	$5	$118	$148
Software/IT	$239	$370	$330	$287	$291
Administrative & General	$297	$254	$358	$883	$1,499
Activities	$115	$206	$245	$348	$524
Total Management Fees	$1,054	$1,391	$1,982	$3,170	$4,295
All Other Operating Expenses	$1,246	$1,528	$1,890	$3,259	$5,844
NET OPERATING INCOME	**$4,714**	**$6,549**	**$12,479**	**$23,051**	**$29,640**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**$0**	**$0**	**$0**	**$774**	**$1,426**
DEBT SERVICE	**$733**	**$259**	**$0**	**$3,124**	**$7,814**
FACILITY LEASE	**$0**	**$34**	**$303**	**$1,852**	**$2,487**
GROUND LEASE	**$0**	**$0**	**$0**	**$48**	**$50**
REPLACEMENT RESERVE	**$13**	**$5**	**$0**	**$0**	**$0**
NET CASH FLOW	**$3,968**	**$6,251**	**$12,176**	**$17,252**	**$17,863**

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.2

Independent Living Communities with AL – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**	**$46,339**	**$71,327**	**$102,627**	**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	**	$0	$0	$0	**
INDEPENDENT					
Base Fees	**	$26,222	$31,307	$50,001	**
2nd Occupant Base Fees	**	$745	$837	$1,310	**
ASSISTED					
Base Fees (for all levels of care)	**	$13,765	$27,603	$33,066	**
2nd Occupant Base Fees	**	$141	$353	$435	**
Acuity-based Care Fees	**	$3,546	$7,774	$7,400	**
MEMORY CARE					
Base Fees (for all levels of care)	**	$890	$1,095	$4,747	**
2nd Occupant Base Fees	**	$0	$0	$0	**
Acuity-based Care Fees	**	$0	$531	$679	**
NURSING					
Base Fees	**	$0	$0	$1,032	**
Acuity-based Care Fees	**	$3	$0	$845	**
OTHER REVENUES					
Community Fees	**	$688	$1,164	$2,476	**
Net Cash From Entrance Fees	**	($60)	$0	$0	**
Interest Income	**	$11	$33	$45	**
All Other Operating Income	**	$592	$681	$714	**
Bad Debt	**	($204)	($51)	($123)	**

TABLE 3.2

Independent Living Communities with AL – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**	**$36,719**	**$48,524**	**$63,060**	**
LABOR RELATED					
Administrative	**	$2,461	$2,969	$3,603	**
Dietary	**	$3,692	$5,838	$7,369	**
Housekeeping	**	$1,078	$1,683	$1,766	**
Maintenance	**	$1,045	$998	$1,396	**
Assisted Living Labor	**	$3,964	$8,240	$7,439	**
Nursing Labor	**	$941	$572	$1,048	**
Marketing	**	$1,027	$1,293	$1,687	**
Activities	**	$863	$1,155	$1,540	**
Security	**	$43	$0	$54	**
All Labor in Other Departments	**	$142	$0	$907	**
Contract Labor – Nursing/Personal Care	**	$44	$64	$77	**
Contract Labor – All Other Departments	**	$25	$8	$278	**
Payroll Taxes	**	$1,267	$1,962	$2,250	**
Employee Benefits	**	$1,185	$1,911	$2,076	**
LABOR RELATED TOTAL	**	**$17,777**	**$26,693**	**$31,490**	**
NON-LABOR RELATED					
Property Taxes	**	$2,103	$2,143	$4,054	**
Property Insurance	**	$1,660	$2,207	$1,892	**
Liability Insurance	**	$176	$295	$42	**
Workers Comp	**	$270	$431	$592	**
Raw Food	**	$2,867	$3,272	$4,177	**
Non-Labor Other Dietary	**	$561	$614	$968	**
Utilities	**	$2,670	$2,822	$4,014	**
Marketing/Advertising	**	$1,200	$1,375	$2,021	**
Repairs & Maintenance	**	$2,246	$1,904	$2,419	**
Housekeeping	**	$429	$217	$536	**
Resident Care Supplies	**	$133	$98	$383	**
Security Supplies/Contracts	**	$25	$0	$16	**
Software/IT	**	$377	$810	$425	**
Administrative & General	**	$1,104	$1,066	$1,620	**
Activities	**	$285	$429	$675	**
Total Management Fees	**	$2,276	$3,624	$5,179	**
All Other Operating Expenses	**	$560	$525	$2,558	**
NET OPERATING INCOME	**	**$9,620**	**$22,803**	**$39,567**	**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**	**$21**	**$0**	**$259**	**
DEBT SERVICE	**	**$1,304**	**$3,129**	**$6,147**	**
FACILITY LEASE	**	**$3,860**	**$3,958**	**$6,062**	**
GROUND LEASE	**	**$0**	**$0**	**$0**	**
REPLACEMENT RESERVE	**	**$0**	**($26)**	**$0**	**
NET CASH FLOW	**	**$4,435**	**$15,742**	**$27,099**	**

** *Insufficient sample diversity*

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.3

Independent Living Communities with AL and MC – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**$46,963**	**$53,317**	**$73,761**	**$107,390**	**$118,124**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	$0	$100	$167	$0	$0
INDEPENDENT					
Base Fees	$25,894	$27,390	$30,994	$45,493	$43,383
2nd Occupant Base Fees	$716	$794	$929	$1,155	$1,211
ASSISTED					
Base Fees (for all levels of care)	$9,146	$12,012	$18,219	$28,989	$36,522
2nd Occupant Base Fees	$115	$126	$332	$441	$493
Acuity-based Care Fees	$2,569	$3,087	$5,437	$5,209	$4,886
MEMORY CARE					
Base Fees (for all levels of care)	$6,338	$7,260	$11,886	$17,289	$20,498
2nd Occupant Base Fees	$1	$20	$14	$64	$80
Acuity-based Care Fees	$1,330	$1,417	$2,826	$3,011	$2,879
NURSING					
Base Fees	$0	$20	$34	$545	$1,395
Acuity-based Care Fees	$0	$0	$30	$0	$0
OTHER REVENUES					
Community Fees	$948	$930	$1,041	$1,635	$1,273
Net Cash From Entrance Fees	$0	$94	$921	$2,132	$3,733
Interest Income	$25	$62	$150	$273	$530
All Other Operating Income	$110	$201	$1,009	$1,335	$1,415
Bad Debt	($229)	($196)	($228)	($181)	($174)

TABLE 3.3

Independent Living Communities with AL and MC – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**$38,571**	**$42,017**	**$52,140**	**$66,703**	**$71,178**
LABOR RELATED					
Administrative	$1,966	$2,197	$2,805	$4,651	$4,925
Dietary	$3,830	$4,222	$5,290	$6,353	$6,440
Housekeeping	$1,060	$1,126	$1,304	$1,745	$1,771
Maintenance	$957	$973	$1,246	$1,018	$999
Assisted Living Labor	$4,336	$6,206	$9,337	$10,379	$11,498
Nursing Labor	$1,448	$1,037	$1,403	$1,656	$1,651
Marketing	$993	$1,071	$1,428	$1,029	$1,093
Activities	$777	$882	$1,245	$1,311	$1,356
Security	$198	$257	$101	$219	$260
All Labor in Other Departments	$928	$696	$955	$2,101	$2,861
Contract Labor – Nursing/Personal Care	$170	$326	$166	$140	$54
Contract Labor – All Other Departments	$50	$54	$268	$25	$12
Payroll Taxes	$1,239	$1,545	$2,054	$2,544	$2,660
Employee Benefits	$1,391	$1,506	$2,260	$2,807	$3,052
LABOR RELATED TOTAL	**$19,343**	**$22,098**	**$29,862**	**$35,978**	**$38,632**
NON-LABOR RELATED					
Property Taxes	$1,851	$1,951	$2,166	$4,281	$4,313
Property Insurance	$1,799	$1,621	$1,472	$1,693	$1,776
Liability Insurance	$22	$122	$319	$105	$120
Workers Comp	$301	$357	$477	$821	$893
Raw Food	$2,810	$2,966	$3,412	$4,189	$4,453
Non-Labor Other Dietary	$566	$616	$742	$696	$709
Utilities	$2,689	$2,692	$2,690	$3,719	$3,794
Marketing/Advertising	$1,103	$1,302	$1,374	$2,024	$2,197
Repairs & Maintenance	$1,503	$1,722	$1,924	$3,084	$3,405
Housekeeping	$182	$164	$260	$356	$448
Resident Care Supplies	$118	$121	$234	$291	$342
Security Supplies/Contracts	$69	$41	$62	$12	$30
Software/IT	$398	$528	$731	$383	$416
Administrative & General	$1,130	$1,167	$1,154	$1,768	$1,915
Activities	$254	$276	$375	$827	$955
Total Management Fees	$2,406	$2,652	$3,510	$5,428	$6,009
All Other Operating Expenses	$2,026	$1,621	$1,374	$1,047	$771
NET OPERATING INCOME	**$8,392**	**$11,300**	**$21,621**	**$40,687**	**$46,946**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**$27**	**$11**	**$199**	**$25**	**$63**
DEBT SERVICE	**$2,085**	**$1,889**	**$5,569**	**$7,625**	**$10,946**
FACILITY LEASE	**$2,044**	**$1,153**	**$1,357**	**$684**	**$1,769**
GROUND LEASE	**$23**	**$10**	**$148**	**$160**	**$415**
REPLACEMENT RESERVE	**$128**	**$57**	**$47**	**$8**	**$21**
NET CASH FLOW	**$4,085**	**$8,180**	**$14,301**	**$32,185**	**$33,732**

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.4

Assisted Living Communities – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**$42,885**	**$49,175**	**$62,482**	**$93,650**	**$110,693**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	$0	$0	$0	$0	$0
INDEPENDENT					
Base Fees	$537	$2,646	$14	$7,441	$453
2nd Occupant Base Fees	$242	$208	$59	$295	$185
ASSISTED					
Base Fees (for all levels of care)	$36,429	$39,012	$58,104	$69,449	$91,575
2nd Occupant Base Fees	$26	$78	$84	$571	$674
Acuity-based Care Fees	$4,385	$6,412	$1,518	$13,600	$14,218
MEMORY CARE					
Base Fees (for all levels of care)	$0	$0	$579	$409	$852
2nd Occupant Base Fees	$0	$0	$0	$0	$0
Acuity-based Care Fees	($1)	($1)	$0	$1	$1
NURSING					
Base Fees	$0	$0	$0	$0	$0
Acuity-based Care Fees	$0	$2	$0	$11	$0
OTHER REVENUES					
Community Fees	$631	$858	$206	$1,651	$1,903
Net Cash From Entrance Fees	$0	$0	$0	$0	$0
Interest Income	$0	$26	$322	$4	$0
All Other Operating Income	$1,458	$414	$1,927	$696	$1,219
Bad Debt	($822)	($480)	($331)	($478)	($387)

TABLE 3.4

Assisted Living Communities – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**$40,925**	**$42,775**	**$41,151**	**$70,626**	**$82,981**
LABOR RELATED					
Administrative	$2,569	$2,903	$3,019	$4,273	$4,776
Dietary	$2,635	$3,028	$3,933	$6,322	$7,851
Housekeeping	$662	$790	$1,010	$1,805	$2,192
Maintenance	$884	$929	$860	$1,431	$1,584
Assisted Living Labor	$7,721	$7,805	$1,795	$8,785	$8,007
Nursing Labor	$351	$1,107	$7,679	$1,991	$2,004
Marketing	$743	$956	$790	$1,224	$1,010
Activities	$556	$651	$599	$1,484	$1,530
Security	$0	$16	$0	$0	$0
All Labor in Other Departments	$2,126	$1,750	$0	$5,531	$7,813
Contract Labor – Nursing/Personal Care	$68	$120	$51	$256	$475
Contract Labor – All Other Departments	$86	$104	$15	$76	$137
Payroll Taxes	$1,491	$1,604	$1,684	$2,447	$2,712
Employee Benefits	$1,353	$1,362	$1,998	$2,072	$2,383
LABOR RELATED TOTAL	**$21,245**	**$23,125**	**$23,433**	**$37,697**	**$42,474**
NON-LABOR RELATED					
Property Taxes	$1,183	$1,292	$862	$3,535	$5,278
Property Insurance	$1,372	$1,358	$1,689	$1,573	$1,092
Liability Insurance	$195	$104	$9	$94	$85
Workers Comp	$312	$364	$315	$572	$801
Raw Food	$2,295	$2,275	$2,305	$3,618	$4,258
Non-Labor Other Dietary	$79	$178	$345	$615	$331
Utilities	$2,155	$2,317	$1,903	$3,466	$4,017
Marketing/Advertising	$913	$1,150	$773	$2,043	$2,339
Repairs & Maintenance	$908	$1,160	$1,478	$2,234	$3,017
Housekeeping	$215	$165	$164	$460	$767
Resident Care Supplies	$126	$150	$110	$396	$364
Security Supplies/Contracts	$14	$22	$320	$12	$23
Software/IT	$444	$527	$299	$310	$390
Administrative & General	$1,580	$1,662	$358	$1,947	$2,751
Activities	$169	$208	$177	$718	$1,011
Total Management Fees	$2,278	$2,888	$3,191	$4,800	$5,419
All Other Operating Expenses	$5,444	$3,830	$3,421	$6,535	$8,564
NET OPERATING INCOME	**$1,960**	**$6,400**	**$21,331**	**$23,024**	**$27,712**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**$0**	**$4**	**$0**	**$83**	**$0**
DEBT SERVICE	**$22**	**$379**	**$9,986**	**$1,213**	**$1,388**
FACILITY LEASE	**$2,094**	**$1,508**	**$582**	**$3,866**	**$3,777**
GROUND LEASE	**$22**	**$128**	**$0**	**$154**	**$0**
REPLACEMENT RESERVE	**$0**	**$47**	**$386**	**($6)**	**($13)**
NET CASH FLOW	**($178)**	**$4,334**	**$10,377**	**$17,714**	**$22,560**

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.5

Assisted Living Communities with Memory Care – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**$50,009**	**$61,162**	**$87,302**	**$134,232**	**$154,781**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	$0	$0	$0	$0	$0
INDEPENDENT					
Base Fees	$10,208	$5,479	$1,453	$1,265	$0
2nd Occupant Base Fees	$502	$350	$64	$56	$126
ASSISTED					
Base Fees (for all levels of care)	$22,484	$29,804	$45,181	$64,268	$70,435
2nd Occupant Base Fees	$170	$247	$433	$542	$373
Acuity-based Care Fees	$4,101	$6,531	$11,295	$18,474	$24,247
MEMORY CARE					
Base Fees (for all levels of care)	$10,446	$15,275	$20,472	$32,529	$34,554
2nd Occupant Base Fees	$2	$17	$22	$11	$18
Acuity-based Care Fees	$1,490	$2,434	$7,196	$14,176	$20,700
NURSING					
Base Fees	$4	$69	$0	$1,015	$2,478
Acuity-based Care Fees	$0	$0	$37	$0	$0
OTHER REVENUES					
Community Fees	$1,022	$1,191	$941	$1,255	$1,058
Net Cash From Entrance Fees	$0	$12	$0	$0	$0
Interest Income	($4)	$1	$13	$29	$28
All Other Operating Income	($167)	$44	$589	$981	$1,084
Bad Debt	($249)	($292)	($394)	($369)	($320)

TABLE 3.5

Assisted Living Communities with Memory Care – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**$40,624**	**$49,802**	**$67,871**	**$98,114**	**$108,866**
LABOR RELATED					
Administrative	$2,405	$2,800	$3,358	$5,454	$5,745
Dietary	$3,236	$3,885	$4,815	$6,813	$7,526
Housekeeping	$842	$1,012	$1,352	$1,971	$2,170
Maintenance	$822	$942	$1,160	$1,490	$1,612
Assisted Living Labor	$7,168	$9,394	$13,807	$25,914	$32,595
Nursing Labor	$1,960	$3,662	$3,836	$1,680	$1,669
Marketing	$1,104	$1,269	$1,427	$2,161	$2,497
Activities	$802	$992	$1,346	$1,710	$1,876
Security	$102	$93	$6	$28	$51
All Labor in Other Departments	$910	$1,229	$4,216	$4,835	$2,755
Contract Labor – Nursing/Personal Care	$188	$433	$432	$220	$83
Contract Labor – All Other Departments	$95	$118	$68	$52	$39
Payroll Taxes	$1,643	$2,067	$2,770	$4,213	$4,922
Employee Benefits	$1,372	$1,737	$2,584	$4,145	$4,888
LABOR RELATED TOTAL	**$22,649**	**$29,633**	**$41,177**	**$60,686**	**$68,428**
NON-LABOR RELATED					
Property Taxes	$1,863	$1,830	$2,386	$4,221	$5,729
Property Insurance	$1,350	$1,498	$1,800	$2,095	$2,626
Liability Insurance	$216	$199	$176	$718	$1,076
Workers Comp	$305	$418	$708	$1,488	$2,040
Raw Food	$2,315	$2,664	$3,109	$4,102	$4,411
Non-Labor Other Dietary	$272	$253	$516	$755	$842
Utilities	$2,294	$2,439	$2,876	$3,595	$3,864
Marketing/Advertising	$1,208	$1,411	$1,668	$2,524	$2,534
Repairs & Maintenance	$1,492	$1,567	$2,047	$3,236	$3,802
Housekeeping	$156	$224	$412	$862	$1,051
Resident Care Supplies	$155	$222	$376	$444	$345
Security Supplies/Contracts	$0	$8	$3	$17	$37
Software/IT	$548	$527	$241	$319	$188
Administrative & General	$876	$1,142	$1,197	$1,846	$935
Activities	$231	$275	$447	$1,006	$1,003
Total Management Fees	$2,610	$3,012	$4,342	$6,817	$8,027
All Other Operating Expenses	$2,083	$2,478	$4,389	$3,383	$1,928
NET OPERATING INCOME	**$9,385**	**$11,360**	**$19,431**	**$36,118**	**$45,915**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**$4**	**$18**	**$45**	**$0**	**$0**
DEBT SERVICE	**$931**	**$1,164**	**$1,245**	**$3,877**	**$5,409**
FACILITY LEASE	**$470**	**$1,606**	**$3,716**	**$1,613**	**$270**
GROUND LEASE	**$0**	**$92**	**$36**	**$191**	**$114**
REPLACEMENT RESERVE	**$0**	**$24**	**$4**	**$0**	**$0**
NET CASH FLOW	**$7,980**	**$8,456**	**$14,385**	**$30,437**	**$40,122**

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.6

Memory Care Communities – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**	**$76,691**	**$104,980**	**$154,028**	**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
		$0	$0	$0	
INDEPENDENT					
Base Fees	**	$0	$0	$0	**
2nd Occupant Base Fees	**	$0	$0	$5	**
ASSISTED					
Base Fees (for all levels of care)	**	$11,152	($54)	$0	**
2nd Occupant Base Fees	**	$19	$0	$0	**
Acuity-based Care Fees	**	$4,199	$92	$3,168	**
MEMORY CARE					
Base Fees (for all levels of care)	**	$59,912	$91,776	$136,938	**
2nd Occupant Base Fees	**	$32	$107	$488	**
Acuity-based Care Fees	**	$302	$10,126	$10,011	**
NURSING					
Base Fees	**	$0	$0	$0	**
Acuity-based Care Fees	**	$198	$303	$0	**
OTHER REVENUES					
Community Fees	**	$1,517	$2,482	$3,151	**
Net Cash From Entrance Fees	**	$0	$0	$0	**
Interest Income	**	$44	$35	$283	**
All Other Operating Income	**	($377)	$464	$315	**
Bad Debt	**	($307)	($351)	($331)	**

TABLE 3.6

Memory Care Communities – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**	**$64,398**	**$84,677**	**$115,773**	**
LABOR RELATED					
Administrative	**	$4,117	$5,357	$6,021	**
Dietary	**	$3,650	$4,898	$6,664	**
Housekeeping	**	$1,454	$1,779	$445	**
Maintenance	**	$1,161	$1,505	$1,528	**
Assisted Living Labor	**	$13,598	$20,294	$21,755	**
Nursing Labor	**	$8,716	$9,415	$14,110	**
Marketing	**	$1,575	$1,721	$2,188	**
Activities	**	$1,667	$2,137	$2,947	**
Security	**	$0	$0	$0	**
All Labor in Other Departments	**	$1,046	$1,470	$3,042	**
Contract Labor – Nursing/Personal Care	**	$745	$1,030	$3,836	**
Contract Labor – All Other Departments	**	$171	$9	$0	**
Payroll Taxes	**	$2,969	$4,130	$5,087	**
Employee Benefits	**	$1,816	$2,456	$4,424	**
LABOR RELATED TOTAL	**	**$42,685**	**$56,201**	**$72,047**	**
NON-LABOR RELATED					
Property Taxes	**	$1,638	$2,807	$3,335	**
Property Insurance	**	$1,574	$2,827	$2,210	**
Liability Insurance	**	$519	$310	$517	**
Workers Comp	**	$637	$1,229	$1,190	**
Raw Food	**	$2,401	$2,777	$4,024	**
Non-Labor Other Dietary	**	$483	$569	$545	**
Utilities	**	$2,157	$2,593	$3,823	**
Marketing/Advertising	**	$2,126	$2,852	$4,549	**
Repairs & Maintenance	**	$1,558	$2,062	$3,485	**
Housekeeping	**	$298	$413	$2,509	**
Resident Care Supplies	**	$514	$808	$532	**
Security Supplies/Contracts	**	$17	$0	$0	**
Software/IT	**	$472	$518	$1,222	**
Administrative & General	**	$1,731	$2,520	$3,800	**
Activities	**	$337	$344	$1,188	**
Total Management Fees	**	$4,465	$5,401	$8,562	**
All Other Operating Expenses	**	$789	$444	$2,236	**
NET OPERATING INCOME	**	**$12,293**	**$20,303**	**$38,255**	**
ALL CORPORATE AND / OR OTHER OVERHEAD EXPENSES	**	**$0**	**$1**	**$1,790**	**
DEBT SERVICE	**	**$1,665**	**$3,362**	**$22,914**	**
FACILITY LEASE	**	**$4,547**	**$4,985**	**$1,430**	**
GROUND LEASE	**	**$0**	**$0**	**$0**	**
REPLACEMENT RESERVE	**	**$69**	**$0**	**$0**	**
NET CASH FLOW	**	**$6,012**	**$11,955**	**$12,121**	**

** *Insufficient sample diversity*

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.7

CCRC Communities – Per Occupied Unit/Bed

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
REVENUE CATEGORIES:					
TOTAL	**$62,261**	**$70,047**	**$89,797**	**$120,185**	**$137,282**
RENT / FEE REVENUE BY CARE LEVEL (BY ALL OCCUPIED UNITS / BEDS)					
ACTIVE ADULT					
	$0	$0	$0	$0	$0
INDEPENDENT					
Base Fees	$32,916	$33,720	$38,627	$47,287	$51,650
2nd Occupant Base Fees	$1,225	$865	$2,463	$3,620	$4,714
ASSISTED					
Base Fees (for all levels of care)	$5,312	$7,647	$9,302	$9,751	$9,663
2nd Occupant Base Fees	$17	$26	$27	$62	$105
Acuity-based Care Fees	$586	$775	$991	$2,150	$2,256
MEMORY CARE					
Base Fees (for all levels of care)	$3,326	$3,089	$2,860	$3,175	$4,143
2nd Occupant Base Fees	$3	$14	$2	$9	$0
Acuity-based Care Fees	$323	$294	$126	$645	$658
NURSING					
Base Fees	$10,283	$11,228	$14,287	$27,122	$30,277
Acuity-based Care Fees	$162	$466	$1,404	$2,871	$4,089
OTHER REVENUES					
Community Fees	$43	$146	$24	$819	$896
Net Cash From Entrance Fees	$4,606	$7,773	$14,343	$16,238	$21,795
Interest Income	$231	$398	$345	$1,541	$2,961
All Other Operating Income	$3,489	$3,908	$5,100	$5,222	$4,274
Bad Debt	($261)	($302)	($104)	($327)	($199)

TABLE 3.7

CCRC Communities – Per Occupied Unit/Bed (cont.)

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
OPERATING EXPENSE CATEGORIES:					
TOTAL OPERATING EXPENSES	**$49,593**	**$53,362**	**$66,540**	**$93,253**	**$100,440**
LABOR RELATED					
Administrative	$2,238	$2,298	$2,259	$2,647	$2,738
Dietary	$5,393	$5,460	$6,334	$8,059	$9,647
Housekeeping	$1,277	$1,483	$2,126	$3,057	$3,381
Maintenance	$1,197	$1,222	$1,490	$2,020	$2,017
Assisted Living Labor	$2,456	$2,758	$3,927	$6,830	$5,802
Nursing Labor	$5,168	$5,771	$6,599	$10,915	$12,185
Marketing	$1,124	$994	$881	$1,630	$1,552
Activities	$465	$531	$724	$1,351	$1,405
Security	$876	$875	$853	$806	$869
All Labor in Other Departments	$2,636	$3,508	$6,004	$5,846	$5,883
Contract Labor – Nursing/Personal Care	$368	$389	$439	$881	$1,448
Contract Labor – All Other Departments	$157	$307	$660	$1,017	$939
Payroll Taxes	$1,694	$1,873	$2,247	$3,252	$3,572
Employee Benefits	$2,850	$2,992	$3,689	$5,401	$5,670
LABOR RELATED TOTAL	**$27,899**	**$30,461**	**$38,232**	**$53,712**	**$57,108**
NON-LABOR RELATED					
Property Taxes	$1,751	$2,119	$1,272	$2,142	$1,855
Property Insurance	$966	$884	$1,302	$1,897	$1,807
Liability Insurance	$304	$281	$278	$509	$540
Workers Comp	$372	$434	$518	$402	$343
Raw Food	$3,271	$3,296	$3,850	$5,384	$5,994
Non-Labor Other Dietary	$369	$447	$644	$1,244	$1,305
Utilities	$2,457	$2,652	$3,405	$3,772	$3,772
Marketing/Advertising	$1,736	$1,405	$1,307	$1,741	$1,800
Repairs & Maintenance	$1,949	$1,920	$2,215	$3,037	$3,042
Housekeeping	$191	$172	$356	$622	$640
Resident Care Supplies	$371	$413	$800	$1,676	$2,247
Security Supplies/Contracts	$336	$205	$151	$170	$231
Software/IT	$171	$184	$358	$842	$1,310
Administrative & General	$737	$683	$1,103	$3,676	$4,415
Activities	$138	$122	$236	$431	$506
Total Management Fees	$2,058	$2,749	$3,587	$4,004	$3,648
All Other Operating Expenses	$4,516	$4,934	$6,925	$7,992	$9,874
NET OPERATING INCOME	**$12,668**	**$16,685**	**$23,257**	**$26,932**	**$36,842**
ALL CORPORATE AND/OR OTHER OVERHEAD EXPENSES	**$2,619**	**$2,982**	**$2,873**	**$1,979**	**$1,920**
DEBT SERVICE	**$1,024**	**$1,230**	**$2,430**	**$11,759**	**$16,087**
FACILITY LEASE	**$0**	**$0**	**$999**	**$3,383**	**$6,885**
GROUND LEASE	**$0**	**$145**	**$0**	**$0**	**$0**
REPLACEMENT RESERVE	**$158**	**$59**	**$0**	**$107**	**$16**
NET CASH FLOW	**$8,867**	**$12,269**	**$16,955**	**$9,704**	**$11,934**

Note: *Properties are ranked by revenues per occupied unit. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.8

Independent Living Communities – Per Resident Per Day

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	**	$72.20	$93.40	$150.74	$192.63
Total Operating Expenses	**	$55.44	$63.71	$91.32	$121.17
Net Operating Income	**	$16.76	$29.69	$59.42	$71.46
Operating Margin	**	23%	32%	39%	37%
Average Annual Occupancy	**	85%	85%	89%	89%

Note: *Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.9

Independent and Assisted Living Communities – Per Resident Per Day

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	**	$108.00	**	$282.54	**
Total Operating Expenses	**	$82.37	**	$183.22	**
Net Operating Income	**	$25.63	**	$99.32	**
Operating Margin	**	24%	**	35%	**
Average Annual Occupancy	**	92%	**	86%	**

** *Insufficient sample size*

Note: *Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.10

Independent Living Communities with AL and MC – Per Resident Per Day

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	$120.63	$135.12	$187.73	$293.53	$324.08
Total Operating Expenses	$99.21	$104.55	$130.43	$182.09	$201.00
Net Operating Income	$21.42	$30.57	$57.30	$111.44	$123.08
Operating Margin	18%	23%	31%	38%	38%
Average Annual Occupancy	86%	88%	91%	90%	90%

Note: *Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.11

Independent Living Communities with AL and MC – Per Resident Per Day

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	**	$133.45	**	$238.10	$284.07
Total Operating Expenses	**	$114.17	**	$166.32	$195.39
Net Operating Income	**	$19.28	**	$71.78	$88.68
Operating Margin	**	14%	**	30%	31%
Average Annual Occupancy	**	86%	**	89%	89%

*** Insufficient properties/communities*

***Note:** Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.12

Assisted Living Communities with MC – Per Resident Per Day

	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	$118.32	$149.32	$229.96	$348.16	**
Total Operating Expenses	$94.40	$121.20	$174.49	$248.62	**
Net Operating Income	$23.92	$28.12	$55.47	$99.54	**
Operating Margin	20%	19%	24%	29%	**
Average Annual Occupancy	88%	87%	87%	84%	**

*** Insufficient properties/communities*

***Note:** Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.13

CCRC Communities – Per Resident Per Day

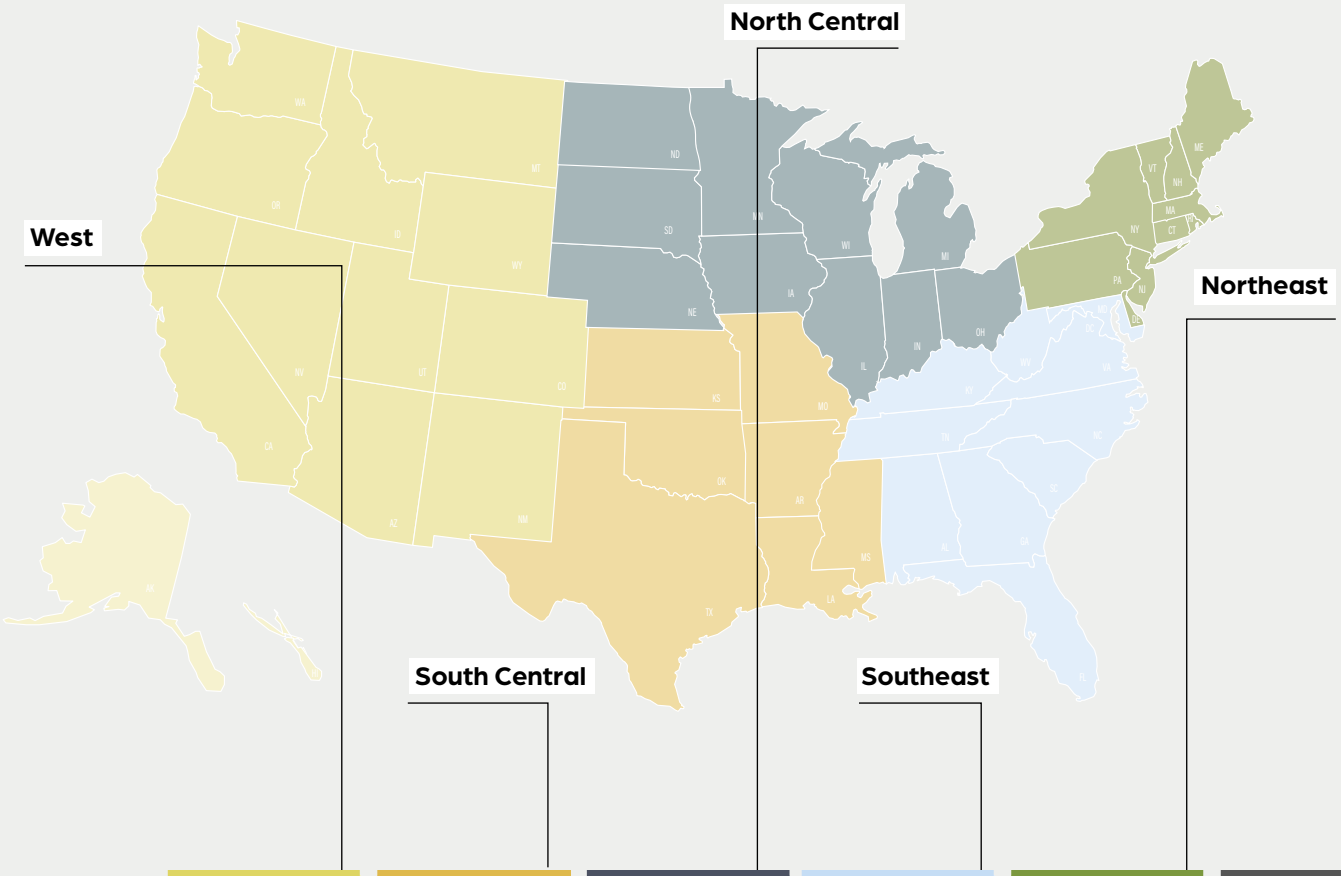
	LOWER DECILE	LOWER QUARTILE	MEDIAN	UPPER QUARTILE	UPPER DECILE
Total Revenues	$143.03	$160.17	$212.94	$304.15	**
Total Operating Expenses	$107.25	$111.58	$160.84	$244.89	**
Net Operating Income	$35.78	$48.59	$52.10	$59.27	**
Operating Margin	25%	30%	24%	19%	**
Average Annual Occupancy	93%	92%	89%	88%	**

*** Insufficient properties/communities*

***Note:** Properties are ranked by revenues per resident day. Each decile and quartile represents the weighted average of all properties falling in that rank, while the median reflects the average of the 5th and 6th deciles.*

TABLE 3.14

Weighted Average Daily Raw Food Costs per Resident Day by Region



	WEST	SOUTH CENTRAL	NORTH CENTRAL	SOUTHEAST	NORTHEAST	ALL
IL	$5.88	**	$5.83	$6.41	**	$6.13
IL/AL	$9.57	**	**	$8.80	**	$9.07
IL/AL/MC	$8.65	$8.27	$8.03	$9.04	$11.02	$9.01
AL	$8.40	**	$6.17	**	**	$6.84
AL/MC	$9.42	**	$7.55	$7.93	$8.44	$8.17
MC	**	**	**	**	**	$8.32
CCRC	$12.16	**	$9.14	$8.62	$7.72	$8.99
ALL	$9.56	$7.48	$7.46	$8.35	$8.34	$8.36

** *Insufficient sample size*

Note: *Total food costs divided by total residents for the year.*

TABLE 3.15

Management Fees as a Percentage of Total Revenues by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	2.5%	5.2%	9.7%
Independent/Assisted Living	1.3%	5.1%	12.0%
Independent/Assisted Living/Memory Care	2.5%	5.2%	15.6%
Assisted Living	2.0%	5.9%	14.0%
Assisted Living/Memory Care	1.5%	5.2%	19.3%
Memory Care	1.6%	5.6%	11.5%
CCRC	1.4%	4.9%	12.3%
ALL COMMUNITIES	**1.3%**	**5.3%**	**19.3%**

Note: *Weighted average reflects total management fees divided by total revenues for each community type.*

TABLE 3.16

Total Cost of Employee Benefits per FTE by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	$367	$3,759	$15,435
Independent/Assisted Living	$472	$4,182	$7,373
Independent/Assisted Living with Memory Care	$120	$4,242	$11,877
Assisted Living	$256	$4,296	$12,896
Assisted Living/Memory Care	$190	$3,947	$12,966
Memory Care	$248	$3,158	$6,469
CCRC	$1,596	$7,341	$14,083
TOTAL	**$120**	**$4,319**	**$15,435**

Note: *Weighted average reflects total employee benefits divided by total FTEs for each community type.*

TABLE 3.17

Benefits as a Percentage of Total Wages and Salaries by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	0.6%	7.7%	20.1%
Independent/Assisted Living	1.0%	8.4%	16.5%
Independent/Assisted Living with Memory Care	0.3%	8.4%	22.2%
Assisted Living	0.6%	8.6%	17.6%
Assisted Living/Memory Care	0.4%	7.5%	20.2%
Memory Care	0.5%	5.9%	12.5%
CCRC	2.0%	13.1%	25.1%
TOTAL	**0.3%**	**8.3%**	**25.1%**

Note: *Weighted average reflects total employee benefits divided by total wages for each community type.*

TABLE 3.18

Annual Cost of General Property and Liability Insurance Per Available Unit by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	$39	$675	$4,030
Independent/Assisted Living	$113	$1,312	$4,833
Independent/Assisted Living with Memory Care	$37	$1,607	$7,411
Assisted Living	$38	$1,367	$6,409
Assisted Living/Memory Care	$40	$1,585	$7,132
Memory Care	$214	$1,930	$5,555
CCRC	$110	$1,384	$7,976
ALL COMMUNITIES	**$37**	**$1,397**	**$7,976**

Note: *Includes vehicle insurance and excess liability, but not professional liability. Weighted average reflects property insurance cost divided by total units for each community type.*

TABLE 3.19

Annual Cost of Professional Liability Insurance Per Available Unit by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	$4	$187	$4,472
Independent/Assisted Living	$19	$393	$1,084
Independent/Assisted Living with Memory Care	$12	$525	$2,401
Assisted Living	$3	$308	$2,468
Assisted Living/Memory Care	$4	$686	$5,189
Memory Care	$15	$777	$1,773
CCRC	$15	$462	$1,552
ALL COMMUNITIES	**$3**	**$517**	**$5,189**

Note: *Weighted average reflects liability insurance cost divided by total units for each community type.*

TABLE 3.20

Annual Cost of Workers Comp Per Available Unit by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	$11	$174	$908
Independent/Assisted Living	$45	$479	$2,460
Independent/Assisted Living with Memory Care	$23	$510	$1,769
Assisted Living	$47	$431	$2,069
Assisted Living/Memory Care	$40	$833	$5,332
Memory Care	$190	$1,168	$4,696
CCRC	$67	$474	$1,435
ALL COMMUNITIES	**$11**	**$604**	**$5,332**

Note: *Weighted average reflects workers comp insurance cost divided by total units for each community type.*

TABLE 3.21

Annual Cost of Workers Comp as a Percentage of Total Wages and Salaries by Community Type

COMMUNITY TYPE	MINIMUM	AVERAGE	MAXIMUM
Independent Living	0.1%	2.1%	9.4%
Independent/Assisted Living	0.6%	2.5%	9.7%
Independent/Assisted Living with Memory Care	0.2%	2.2%	6.9%
Assisted Living	0.2%	1.9%	6.6%
Assisted Living/Memory Care	0.1%	2.4%	13.1%
Memory Care	0.8%	2.6%	5.6%
CCRC	0.4%	1.7%	4.7%
ALL COMMUNITIES	**0.1%**	**2.2%**	**13.1%**

Note: *Weighted average reflects workers comp insurance cost divided by total wages for each community type.*

TABLE 3.22

Utilities Cost by Property Age

COMMUNITY TYPE	MINIMUM	WEIGHTED AVERAGE	MAXIMUM
PROPERTIES OPEN IN OR AFTER 2015			
By Square Foot	$1.08	$2.33	$9.91
By Resident Day	$2.98	$7.25	$18.94
PROPERTIES OPEN 2000-2015			
By Square Foot	$1.12	$2.12	$9.17
By Resident Day	$1.63	$6.87	$17.53
PROPERTIES OPEN 1990-1999			
By Square Foot	$1.17	$2.37	$6.91
By Resident Day	$2.47	$6.90	$18.56
PROPERTIES OPEN BEFORE 1990			
By Square Foot	$1.01	$2.63	$8.33
By Resident Day	$1.07	$8.09	$18.66

Note: *Weighted average reflects total annual utility expense divided by either total gross building area or total annual resident days for each category.*

TABLE 3.23

Utilities Cost by Square Foot by Community Type

COMMUNITY TYPE	MINIMUM	WEIGHTED AVERAGE	MAXIMUM
Independent Living	$1.07	$2.00	$9.17
Independent/Assisted Living	$1.01	$2.68	$4.55
Independent/Assisted Living with Memory Care	$1.12	$2.60	$7.00
Assisted Living	$1.20	$2.47	$8.53
Assisted Living/Memory Care	$1.08	$3.29	$9.91
Memory Care	$1.92	$3.82	$7.78
CCRC	$1.01	$2.06	$7.50
TOTAL	**$1.01**	**$2.33**	**$9.91**

Note: Weighted average reflects total annual utility cost divided by total gross building area for each community type.

TABLE 3.24

Utilities Cost by Resident Day by Community Type

COMMUNITY TYPE	MINIMUM	WEIGHTED AVERAGE	MAXIMUM
Independent Living	$1.07	$5.87	$16.50
Independent/Assisted Living	$3.44	$8.86	$15.69
Independent/Assisted Living with Memory Care	$3.54	$7.48	$17.11
Assisted Living	$2.48	$6.39	$18.56
Assisted Living/Memory Care	$1.10	$7.38	$18.94
Memory Care	$3.45	$7.21	$14.59
CCRC	$3.55	$7.44	$18.66
TOTAL	**$1.07**	**$7.23**	**$18.94**

Note: *Weighted average reflects total utility cost divided by annual resident days for each community type.*

TABLE 3.25

Actual vs. Budgeted Capital Expenditures Per Available Unit by Community Type

	MINIMUM		UNWEIGHTED AVERAGE		WEIGHTED AVERAGE		MAXIMUM	
COMMUNITY TYPE	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025
Independent Living	$199	$202	$5,796	$2,480	$5,620	$2,580	$27,855	$16,017
Independent / Assisted Living	$11	$537	$4,538	$6,824	$5,046	$6,620	$19,046	$37,895
Independent / Assisted Living with Memory Care	$51	$37	$4,055	$4,648	$4,537	$4,787	$33,673	$23,170
Assisted Living	$15	$15	$2,817	$2,311	$2,519	$2,050	$27,749	$16,151
Assisted Living / Memory Care	$15	$27	$2,898	$2,697	$2,969	$2,774	$16,172	$19,691
Memory Care	$19	$217	$3,089	$3,251	$2,811	$2,960	$12,216	$14,183
CCRC	$1,000	$950	$12,393	$8,039	$10,304	$7,501	$47,748	$36,985
ALL COMMUNITIES	**$11**	**$15**	**$4,681**	**$3,651**	**$6,404**	**$4,925**	**$47,748**	**$37,895**

Note: *Weighted average reflects total actual and budgeted capital expenditures, divided by total units, for each community type.*

TABLE 3.26

Actual vs. Budgeted Capital Expenditures Per Available Unit by Age of Property

	MINIMUM		UNWEIGHTED AVERAGE		WEIGHTED AVERAGE		MAXIMUM	
YEAR OPENED	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025	ACTUAL 2024	BUDGETED 2025
Before 1980	$15	$15	$6,451	$4,646	$9,888	$6,883	$42,197	$37,895
1980 thru 1999	$53	$181	$5,922	$3,734	$7,350	$5,320	$44,129	$19,021
2000 thru 2009	$70	$202	$4,677	$3,652	$6,093	$4,799	$47,748	$36,985
2010 and later	$11	$37	$1,948	$2,477	$1,969	$2,441	$15,163	$23,170

Note: *Weighted average reflects total actual and budgeted capital expenditures, divided by total units, for each age cohort.*

TABLE 3.27

For-Profit Operating Margins by Community Type (EDITDAR / Total Revenues)

FOR-PROFIT COMMUNITIES ONLY	IL ONLY	IL WITH AL	IL WITH AL / MC	AL WITHOUT MC	AL WITH MC	MC	CCRC
Lower Quartile	-2.9%	-3.5%	-3.4%	-10.4%	-7.3%	-5.6%	-8.4%
Median	31.2%	33.8%	29.6%	24.5%	23.0%	21.7%	22.8%
Upper Quartile	49.1%	48.4%	43.1%	41.1%	42.9%	35.6%	45.4%

Note: *Communities are ranked by operating margin.*

TABLE 3.28

For-Profit Debt Service Coverage Ratios by Community Type

FOR-PROFIT COMMUNITIES ONLY	IL ONLY	IL WITH AL	IL WITH AL / MC	AL WITHOUT MC	AL WITH MC	MC	CCRC
Lower Quartile	0.29	1.16	-0.93	0.30	-1.17	-0.55	-1.43
Median	1.09	1.98	1.89	2.74	1.65	1.24	3.04
Upper Quartile	5.57	4.13	8.11	6.69	6.17	1.98	12.51

Note: *Communities are ranked by debt service coverage.*

TABLE 3.29

For-Profit Current Return on Investment (Unleveraged)

FOR-PROFIT COMMUNITIES ONLY	IL	IL WITH AL	IL WITH AL / MC	AL WITHOUT MC	AL WITH MC	MC	CCRC	ALL COMMUNITIES
Lower Quartile	-0.8%	-3.4%	-3.5%	-4.2%	-4.1%	**	-3.1%	-3.7%
Median	7.2%	5.5%	4.9%	4.7%	4.8%	**	6.4%	5.3%
Upper Quartile	22.6%	15.7%	13.3%	15.6%	14.4%	**	17.5%	19.3%

** *Insufficient sample size*

Note: Communities are ranked by return on historical investment.

Same-Store Indications

CHAPTER 4

The results from the State of Seniors Housing surveys we report are dependent on the properties and the data supplied each year. Consequently, simple year-to-year comparisons of the data can be misleading – because the composition of the sample varies each year. The response set not being identical can mask or can magnify any differences caused by changes in conditions or performance over time. So, although year-to-year comparisons of the reports are tempting, we discourage making those year-over-year comparisons of the "raw" report findings unless these factors are kept in mind.

To make year-over-year comparisons more valid and more reliable, this chapter presents only data from "same-store" properties – meaning, only properties that do contribute data in both years are compared. Therefore, differences identified and reported are the result of changes in each property's performance, and so are more likely to represent real trends over time.

For this year's same store analysis, we have focused on these key indicators:

- Occupancy
- Rates – what residents pay
- Resident turnover
- Labor – both in terms of wages and staffing levels
- Profit Margin

All properties demonstrate increases in occupancy and all but freestanding independent communities report increases in rates. The freestanding independent communities indicated a slight decrease in revenues per occupied unit, which may represent short-term concessions made to improve occupancy. Overall, increases in labor costs offset most of the gains in revenues for most community types. Independent living communities with assisted living and those with assisted living and memory care were the only types that managed to grow revenues significantly higher than labor expenses.

Occupancy levels likely benefited from stable – and for many community types, lower - resident turnover which reduced volatility and the demands on marketing to build up pipelines of leads. Only freestanding memory care suggested a higher turnover and an average length of stay of one to three weeks shorter.

The national employment cost index suggested increases in wages of 3.6% during 2024, but the industry generally reported larger increases, with the exceptions of independent living communities with assisted living and memory care as well as assisted living communities with memory care. Of note, these communities reported much higher wages in 2023 than those without memory care or assisted living.

Lastly, most communities reported similar staffing levels in 2024 as in 2023. Independent living communities with assisted living and memory care did report an increase whereas freestanding assisted living communities suggested a decrease. As regards the latter, freestanding assisted living communities reported the largest wage increase of any community type and the lower staffing ratio may represent a decline in turnover.

TABLE 4.1

Same-Store Analysis of Key Financial Results 2024 vs. 2023

INDEPENDENT LIVING PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**99**	**99**	
Occupancy	90%	86%	4.41%
Total Revenues	$522,799,767	$511,386,093	2.23%
Revenues per Occupied Unit	$44,859	$45,527	-1.47%
Total Operating Expense	$358,025,604	$331,911,776	7.87%
Operating Expenses per Occupied Unit	$30,721	$29,549	3.97%
Labor Expenses (included in total above)	$147,898,049	$137,012,365	7.95%
Labor as a Ratio of Revenues	28%	27%	5.59%
Net Operating Income	$164,774,164	$179,474,318	-8.19%
NOI per Occupied Unit	$14,139	$15,978	-11.51%
Operating Margin	32%	35%	-10.20%

INDEPENDENT LIVING/ASSISTED LIVING PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**67**	**67**	
Occupancy	91%	89%	2.04%
Total Revenues	$581,760,688	$532,668,521	9.22%
Revenues per Occupied Unit	$74,310	$67,789	9.62%
Total Operating Expense	$385,476,676	$363,358,618	6.09%
Operating Expenses per Occupied Unit	$49,238	$46,242	6.48%
Labor Expenses (included in total above)	$201,640,438	$186,529,309	8.10%
Labor as a Ratio of Revenues	35%	35%	-1.02%
Net Operating Income	$196,284,012	$169,309,903	15.93%
NOI per Occupied Unit	$25,072	$21,547	16.36%
Operating Margin	34%	32%	6.15%

INDEPENDENT LIVING/ASSISTED LIVING/MEMORY CARE PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**182**	**182**	
Occupancy	90%	89%	1.65%
Total Revenues	$2,195,342,921	$2,036,714,053	7.79%
Revenues per Occupied Unit	$78,128	$73,140	6.82%
Total Operating Expense	$1,501,393,379	$1,430,276,615	4.97%
Operating Expenses per Occupied Unit	$53,431	$51,362	4.03%
Labor Expenses (included in total above)	$827,356,203	$790,498,481	4.66%
Labor as a Ratio of Revenues	38%	39%	-2.90%
Net Operating Income	$693,949,542	$606,437,438	14.43%
NOI per Occupied Unit	$24,696	$21,778	13.40%
Operating Margin	32%	30%	6.16%

TABLE 4.1

Same-Store Analysis of Key Financial Results 2024 vs. 2023 (cont.)

ASSISTED LIVING PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**130**	**130**	
Occupancy	91%	90%	1.51%
Total Revenues	$702,064,070	$644,809,883	8.88%
Revenues per Occupied Unit	$68,843	$63,876	7.78%
Total Operating Expense	$497,604,758	$445,338,759	11.74%
Operating Expenses per Occupied Unit	$48,794	$44,116	10.60%
Labor Expenses (included in total above)	$272,680,417	$239,067,772	14.06%
Labor as a Ratio of Revenues	39%	37%	4.76%
Net Operating Income	$204,459,311	$199,471,124	2.50%
NOI per Occupied Unit	$20,049	$19,760	1.46%
Operating Margin	29%	31%	-5.86%

ASSISTED LIVING/MEMORY CARE PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**413**	**413**	
Occupancy	88%	85%	3.77%
Total Revenues	$3,042,039,188	$2,789,284,879	9.06%
Revenues per Occupied Unit	$95,307	$90,269	5.58%
Total Operating Expense	$2,291,405,919	$2,101,814,835	9.02%
Operating Expenses per Occupied Unit	$71,789	$68,020	5.54%
Labor Expenses (included in total above)	$1,406,360,381	$1,297,445,619	8.39%
Labor as a Ratio of Revenues	46%	47%	-0.61%
Net Operating Income	$750,633,269	$687,470,044	9.19%
NOI per Occupied Unit	$23,517	$22,248	5.70%
Operating Margin	25%	25%	0.12%

CCRC PROPERTY PROFILE			
	YE 12/31/2024	YE 12/31/2023	ANNUAL CHANGE
TOTAL PROPERTIES	**57**	**57**	
Occupancy	92%	91%	1.17%
Total Revenues	$2,882,286,592	$2,678,313,874	7.62%
Revenues per Occupied Unit	$86,665	$81,264	6.65%
Total Operating Expense	$2,024,319,304	$1,889,343,899	7.14%
Operating Expenses per Occupied Unit	$60,868	$57,325	6.18%
Labor Expenses (included in total above)	$1,150,208,421	$1,061,124,871	8.40%
Labor as a Ratio of Revenues	40%	40%	0.72%
Net Operating Income	$857,967,288	$788,969,975	8.75%
NOI per Occupied Unit	$25,798	$23,938	7.77%
Operating Margin	30%	29%	1.05%

TABLE 4.1

Same-Store Analysis of Key Financial Results 2024 vs. 2023 (cont.)

ALL PROPERTY PROFILE			
	YE 12/31/24	YE 12/31/23	ANNUAL CHANGE
TOTAL PROPERTIES	**978**	**978**	
Occupancy	90%	88%	2.34%
Total Revenues	$10,072,597,206	$9,339,645,513	7.85%
Revenues per Occupied Unit	$80,967	$76,299	6.12%
Total Operating Expense	$7,177,824,136	$6,683,975,351	7.39%
Operating Expenses per Occupied Unit	$57,698	$54,604	5.67%
Labor Expenses (included in total above)	$4,083,164,483	$3,789,305,894	7.75%
Labor as a Ratio of Revenues	40.50%	40.60%	-0.09%
Net Operating Income	$2,894,773,070	$2,655,670,162	9.00%
NOI per Occupied Unit	$23,269	$21,695	7.26%
Operating Margin	28.70%	28.40%	1.07%

TABLE 4.2

Same Store (2024 vs. 2023) – Annual Resident Turnover

COMMUNITY TYPE	WEIGHTED AVERAGE (2024)	WEIGHTED AVERAGE (2023)	AVERAGE (2024)	AVERAGE (2023)
Independent Living Communities	36.9%	39.6%	44.3%	46.0%
IL/AL Communities	34.5%	37.6%	36.5%	39.3%
IL/AL/MC Communities	36.1%	39.6%	37.6%	41.9%
Assisted Living Communities	42.4%	43.6%	44.0%	46.1%
AL/MC Communities	48.8%	51.2%	50.0%	52.1%
Memory Care Communities	79.0%	75.8%	78.6%	77.4%
All CCRCs (excluding skilled nursing beds)	11.7%	11.8%	13.3%	13.6%

Note: *The weighted average figures are weighted by total move-outs and occupied units.*

TABLE 4.3

Same-Store – Average Compensation/FTE

COMMUNITY TYPE	YE 12/31/24	YE 12/31/23	ANNUAL CHANGE
Independent Living	$56,961	$54,739	4.1%
Independent/Assisted Living	$60,278	$57,764	4.4%
Independent/Assisted Living with Memory Care	$59,895	$59,089	1.4%
Assisted Living	$59,211	$56,080	5.6%
Assisted Living/Memory Care	$60,909	$60,020	1.5%
Memory Care	$63,504	$60,888	4.3%
CCRC	$69,210	$67,128	3.1%
ALL COMMUNITIES	**$62,561**	**$61,093**	**2.4%**

TABLE 4.4

Same-Store – FTEs/Resident Day

COMMUNITY TYPE	YE 12/31/24	YE 12/31/23	ANNUAL CHANGE
Independent Living	0.21	0.21	0.0%
Independent/Assisted Living	0.37	0.37	-0.1%
Independent/Assisted Living with Memory Care	0.46	0.45	2.6%
Assisted Living	0.47	0.49	-5.0%
Assisted Living/Memory Care	0.64	0.65	-0.6%
CCRC	0.40	0.41	-1.0%
ALL COMMUNITIES	**0.44**	**0.44**	**-0.5%**

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