# Senior Communities in Maine

Transition from the Greatest Generation to the Baby Boomers



# Sea Coast Management Company

- Develop, own & operate senior communities in Maine including:
  - OceanView at Falmouth (CCRC)
  - The Highlands of Topsham (CCRC)
  - Highland Green (Active Adult)
- Communities currently include over 400 cottage homes, 200 independent living and 100 assisted living apartments. Another 400 homes are approved for development.
- Almost 1000 residents and 300 employees

### Overview of Presentation

- A significant transition of the senior living marketplace has begun.
- The product is rapidly evolving to meet the demands of this new market.
- The product is shaped by:
  - The desires of the customer
  - The needs of the customer
- This presentation will review this transition in the context of two of our communities, OceanView at Falmouth and Highland Green.

### Who is the customer?

#### WW II Generation

- Conservative, College Educated WASPs
- Responsible FinancialPlanners & Crises Driven
- Solid Financial
  Background savings,
  home equity & pensions
- Many from outside of Maine
- Respectful

#### Baby Boomers

- Increasingly diverse in every way
  - Culturally / Socially
  - Politically
  - Financially
- Driven by lifestyle
- Financial Reality
- An increasing number from Maine
- Demanding

- The World War II Generation
  - A safe, secure home in an attractive, quiet community
  - Relatively simple homes with modest finishes
  - Access to the continuum of care -- healthcare

- The Baby-Boomers
  - Lifestyle
    - Active & Healthy
    - Neighbors and involvement
  - Amenities
    - The basics <u>complete</u> maintenance free living
    - And more cafes, pubs, pools, exercise facilities, conservation areas, trails, golf, etc.
  - The Continuum of Care
    - They might not be as explicit about their need for the continuum but they also strongly value it.

- The Baby-Boomers & Home Design
  - Larger homes with finished basements & second floors
  - Ability to customize
  - High end finishes / bells & whistles
  - Tall ceilings / lots of windows
  - Energy efficiency (even before the last year)

- The Baby-Boomers & Community Design
  - Single family homes and/or the sense of a single family home
  - Strong sense of community but privacy in their home
  - Neighborhoods and walkability
  - Community Center and common areas
  - Exercise Facility
  - Conservation land / trails / sustainability green space
  - Involvement in community design

- Assisted Living and the Continuum of Care
  - Want to stay as independent as possible for as long as possible. A senior community with support services allows them to do this.
  - Want to avoid any additional moves
  - Want to make sure their spouse is cared for
  - Want to avoid a nursing home
  - Shared Risk
  - Hospitality Approach v. Medical Environment

#### Senior's Current Home

- The number 1 desire of everyone is to remain in their home for as long as possible.
- This is the number 1 competitor for all senior communities
- Like home health care, there is a growing trend toward providing soft, support services in the home.

- Independent Living Cottages
  - This has been and will continue to be the fastest growing market segment for senior housing.
  - Key to successful development is balancing the customer's desire for size and amenities with a marketable price.



- Independent Living Multi-Unit Buildings
  - A lower-priced / higher density alternative to cottages in both rural and in-town locations.
  - The key will be balancing density with a sense of single-family living and privacy.
  - These are not the duplexes and triplexes of a decade ago.



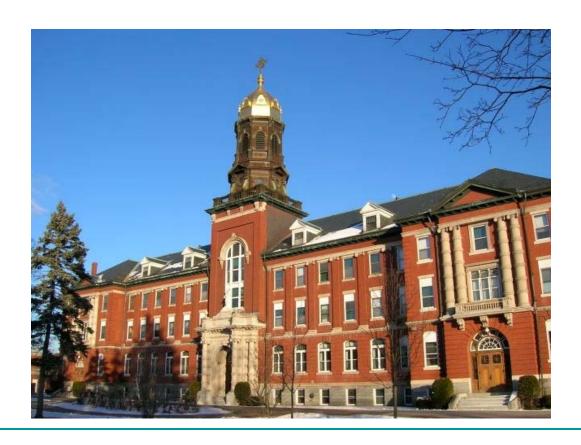
- Independent Living Lodge or Congregate Living Apartments
  - Some possibility of this product becoming obsolete with the shift toward cottages.
  - Evolving into a new form of light assisted living
  - Older, smaller apartments becoming a more affordable component of senior living communities.



Niche Products – Historic Homes



Niche Products – Historic Buildings / Redevelopment Opportunities



- Standard Assisted Living
  - Yesterday's nursing home
  - Non-medical support services delivered in a non-medical environment
  - Increasingly the last stop for residents
  - An essential component for a full service senior housing community.



- Memory Supported Assisted Living
  - Increasingly important product as the percentage of seniors with some form of memory loss / dementia grows
  - Important to provide different products for the physically challenged v. the memory challenged
  - Increasingly specialized field with its own:
    - Design criteria
    - Service criteria

### What type of CCRCs are available in Maine?

- Typical Project Sponsors
  - Individual developers
  - Hospital sponsored projects
  - National companies
- Various Financial Models
  - Life Care
  - Rental Projects
  - Cooperative Ownership
  - Entrance Fee
- Future growth opportunities in Maine

### Conclusion

- On the surface growing trend toward larger homes with more services and amenities
- Behind the scenes continuing desire for safe, secure communities with assisted living / additional support available