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INDUSTRY TREND

Covid-19 Curtails 'Messy Middle' of Senior Housing Demand, But Most Consumers Stay Positive

By Chuck Sudo

The coronavirus pandemic's initial spread throughout nursing homes in the United States continues to color perceptions from prospective residents — and to a lesser extent, their adult children — about the relative safety of long-term care across the spectrum, nearly six months later. As a result, current senior living demand is stemming largely from those early in the shopping process and those with urgent needs.

The good news is that the majority of prospective senior living consumers continue to have a positive perception of independent living, assisted living and memory care. However, the pandemic has created a negative impression of senior living in some consumers, which the industry must address going forward, according to final results of a survey conducted for the American Seniors Housing Association (ASHA) by market research firm ProMatura, throughout June and July.

Interest in senior housing is now coming from two groups: Seniors who are beginning the shopping process, and adult children looking to place their loved ones into assisted living directly out of a nursing home or post-acute care setting.

"We've lost that bell curve that we call the 'messy middle,'" Juniper Communities Vice President of Business Development, Marketing and Sales Cindy Longfellow said Friday during a webinar hosted by the American Seniors Housing Association (ASHA).



The focus of the webinar was on the results of the ProMatura survey and addressed how operators can respond to prospects' fears that the virus has made senior living an unsafe environment.

ProMatura surveyed prospective buyers from a lead list of 131 ASHA member communities across the U.S. from June 1 through July 15, collecting 637 responses. It also surveyed a purchased list of households where the leader was over age 75 and earned more than \$35,000 annually, garnering 14,999 responses from June 10 through June 29. The survey then narrowed responses to 14 metropolitan statistical areas (MSAs).

ProMatura's findings revealed that 76% of respondents from the lead list have shopped for senior housing at some care level over the past 12 months, compared to 19% from the purchased list. Additionally, 71% of lead list respondents — and 81% of purchase list respondents — indicated that they were shopping for themselves.

Differences in Perception

The survey revealed varying interest in the levels of care between prospects and their adult children, and between respondents on the two lists.

The majority of prospects on the lead list indicated they were shopping for independent living, while a higher number of family members were doing research on higher acuity levels of care. Longfellow suggested that this aligns with pre-pandemic trends of how prospects view their own acuity levels.

"Is this based in part on the perception of that prospect as being perhaps more able than they really are?" she said.

Adult children, conversely, had more favorable opinions toward assisted living, which ProMatura Vice President, Market Research Kristin Paris attributed to their being more knowledgeable of available care options, and being attuned to the needs of their loved ones.



But the conflation of skilled nursing with higher acuity care levels in senior living has had an impact on consumer confidence, which is especially affecting demand for assisted living. Nearly 37% of respondents from the purchased list indicated that they have a more negative opinion of assisted living since Covid-19 spread across the country, and 161 respondents said they believe assisted living communities were susceptible to being Covid-19 hotspots, ProMatura CEO and founder Dr. Margaret Wylde said.

ASHA and other industry groups have repeatedly called for news outlets covering the pandemic to do a better job at defining the differences between skilled nursing and senior housing. The survey suggests that initial reports from the pandemic's early U.S. hotspots have had a lasting impact on perceptions, which the industry is struggling to reverse.

"As an industry [we] may not have done a good enough job of countering that negative impression. And I think that's something that we can all work together on" Longfellow said.

The survey results give ASHA and other industry groups a foundation for moving forward. Assisted living and memory care have been harder hit by the virus than independent living, but the broad-brush strokes about assisted living deaths has had a cooling effect in interest across all care levels. Last month, a congressional report commissioned by Massachusetts Senators Elizabeth Warren and Ed Markey indicated that at least 7,000 Covid-19 deaths can be traced to assisted living facilities. Those numbers may be higher, as assisted living deaths are not reported to the federal government.

Original Article:

<https://seniorhousingnews.com/2020/08/16/covid-19-curtails-messy-middle-of-senior-housing-demand-but-most-consumers-stay-positive/>

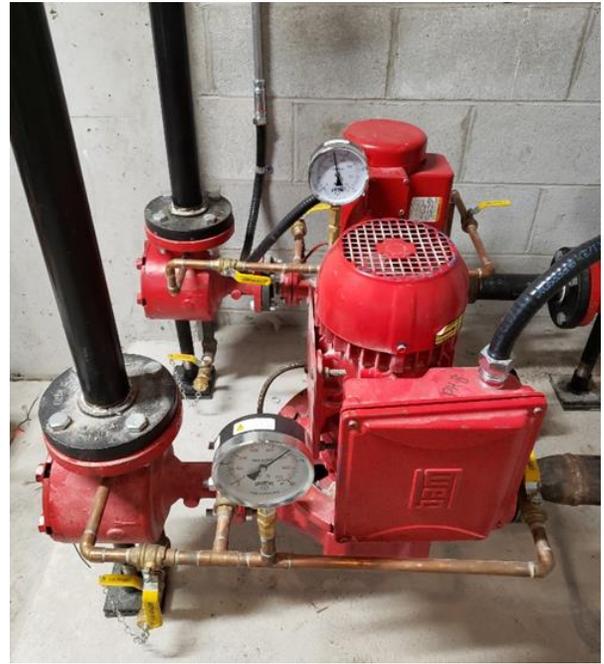
PROJECT UPDATE

The Bartlett Seniors Apartment Project

The Bartlett Seniors Housing Complex will be a 129-unit apartment building designed for active senior living, located at 550 Bond Street in Oshawa, ON. The Bartlett represents an affordable alternative to conventional seniors housing, offering services that permit seniors to live independently, on an à-la-carte basis through a concierge, in a regular apartment building, while providing the comfort to seniors and their families that care will be available in short order should the need arise.

1. Interior of the model suite has been finished.
2. Second floor ceilings are installed. Vinyl flooring is almost complete, and kitchens are being installed.
3. Third floor flooring has started, and suite entry doors are being installed.
4. Fourth floor ceilings and corridors are being painted.
5. Fifth floor drywall is complete, electrical rough ins are nearing completion, and HVAC has been installed in the suites.





The Middleton Seniors Apartment Project

The Middleton will be a 122-unit apartment building designed for active senior living. It represents an affordable alternative to conventional seniors housing, offering services that permit seniors to live independently, on an à-la-carte basis through a concierge, in a regular apartment building, while providing the comfort to seniors and their families that care will be available in short order should the need arise.

1. As of May 19, 2020, Ontario entered into the first stage of its reopening plan and our site has since been allowed to resume operations.
2. Since the reopening, we have completed the trenches for pumping water from the site, to be ready for break-ground.
3. We have been working closely with our designer and architect for partial redesign/modification of the building and have also negotiated with our general contractor on their pricing. Our quantity surveyor (Altus Group) is finalizing the full budget report for our lenders' review.
4. Per our senior lender's request, we have also submitted an updated lender package for their final review and approval of our loan request.



Chancery Seniors Housing Investments Inc. is a private real-estate investment firm with a focus on seniors housing. Powered by its two strong founding partners, Suske Capital Inc. and LD Capital Corp., Chancery creates a team with the expertise and experience of over 55 years in real estate and seniors housing developments with an estimated completion value of over \$5 billion.

For more information about our company and projects, please visit www.chanceryseniors.com