

NCREIF White Paper

Investing in Senior Housing

September 2026

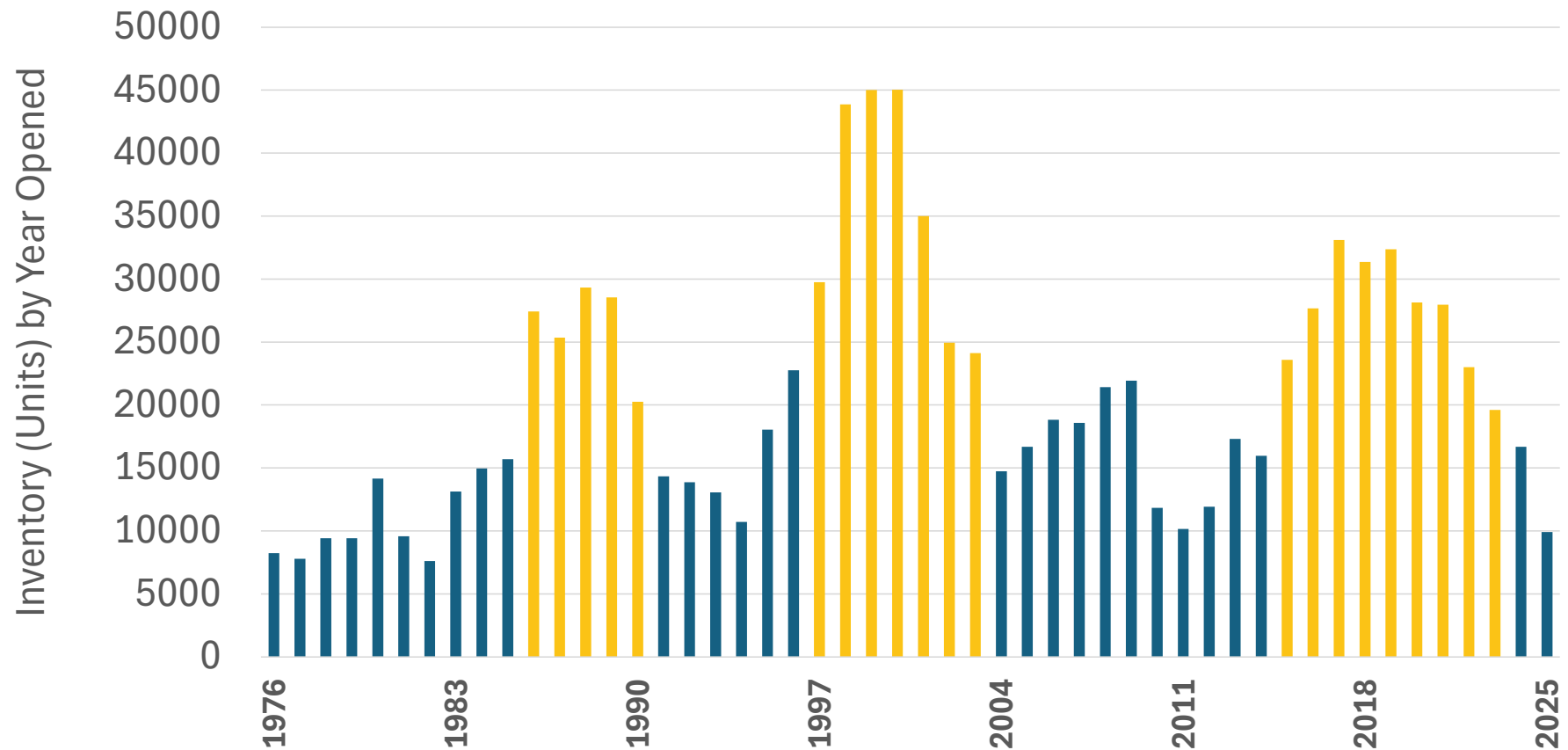


Topics

- Industry History & Overview
- Market Penetration and Demand Drivers
- Inventory and Construction
- Operating Economics
- Investment & Financing Characteristics
- Industry Outlook

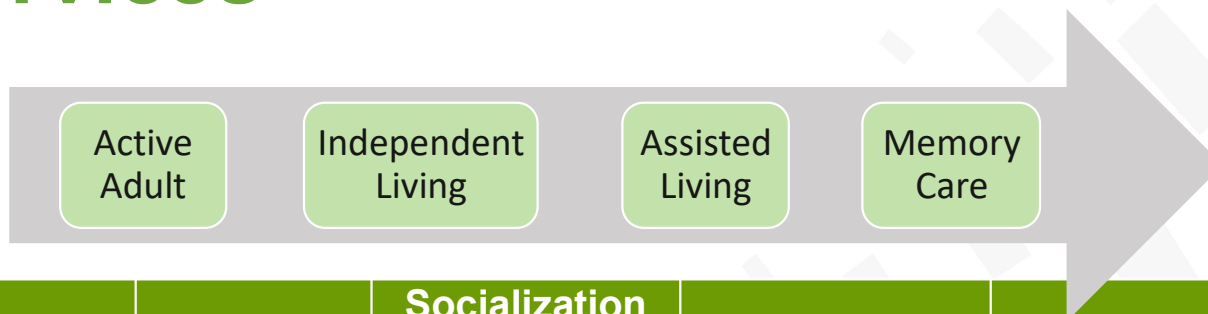
The Senior Housing Industry: A Brief History & Overview

Senior Housing Historical Growth Cycle



Source: NIC MAP® 99 Primary and Secondary Markets; Prepared by NIC Analytics of the National Investment Center for Seniors Housing & Care
Reflects unit count upon open and does not reflect subsequent unit additions or deletions

Continuum of Senior Housing Properties and Services



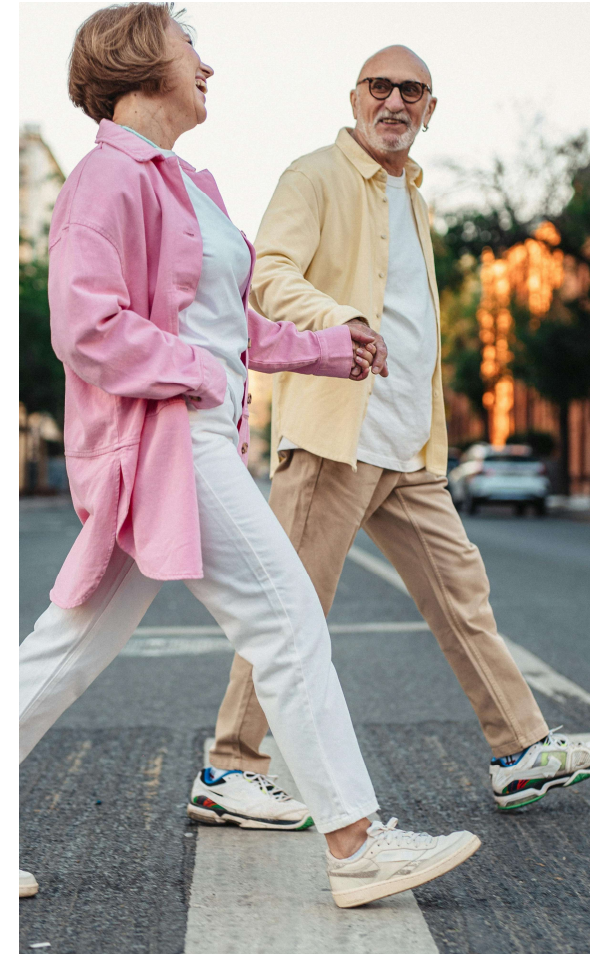
Value Proposition of Senior Housing to Residents	Shelter Security	Socialization Engagement Activities Recreation Lifestyle Wellness	Meals Transportation Laundry	Care Coordination	On-Site Staffed Care
Active Adult (AA)	✓	✓			
Independent Living (IL)	✓	✓	✓	✓	
Assisted Living (AL)	✓	✓	✓		✓
Memory Care (MC)	✓	✓	✓		✓

Active Adult (AA) Definition

Age-eligible, market-rate, multifamily rental properties focused on enhanced lifestyle programming without providing meals

Active Adult (AA) Residents

- Profile: Singles and couples age upper 60s to early 70s seeking lifestyle, amenities, and maintenance-free convenience from downsizing
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Average Length of Stay: 2.9 years but can see longer stays of 6-9 years





Avenida Carrollton
Active Adult Hybrid of Villas and Flats

Independent Living (IL) Definition

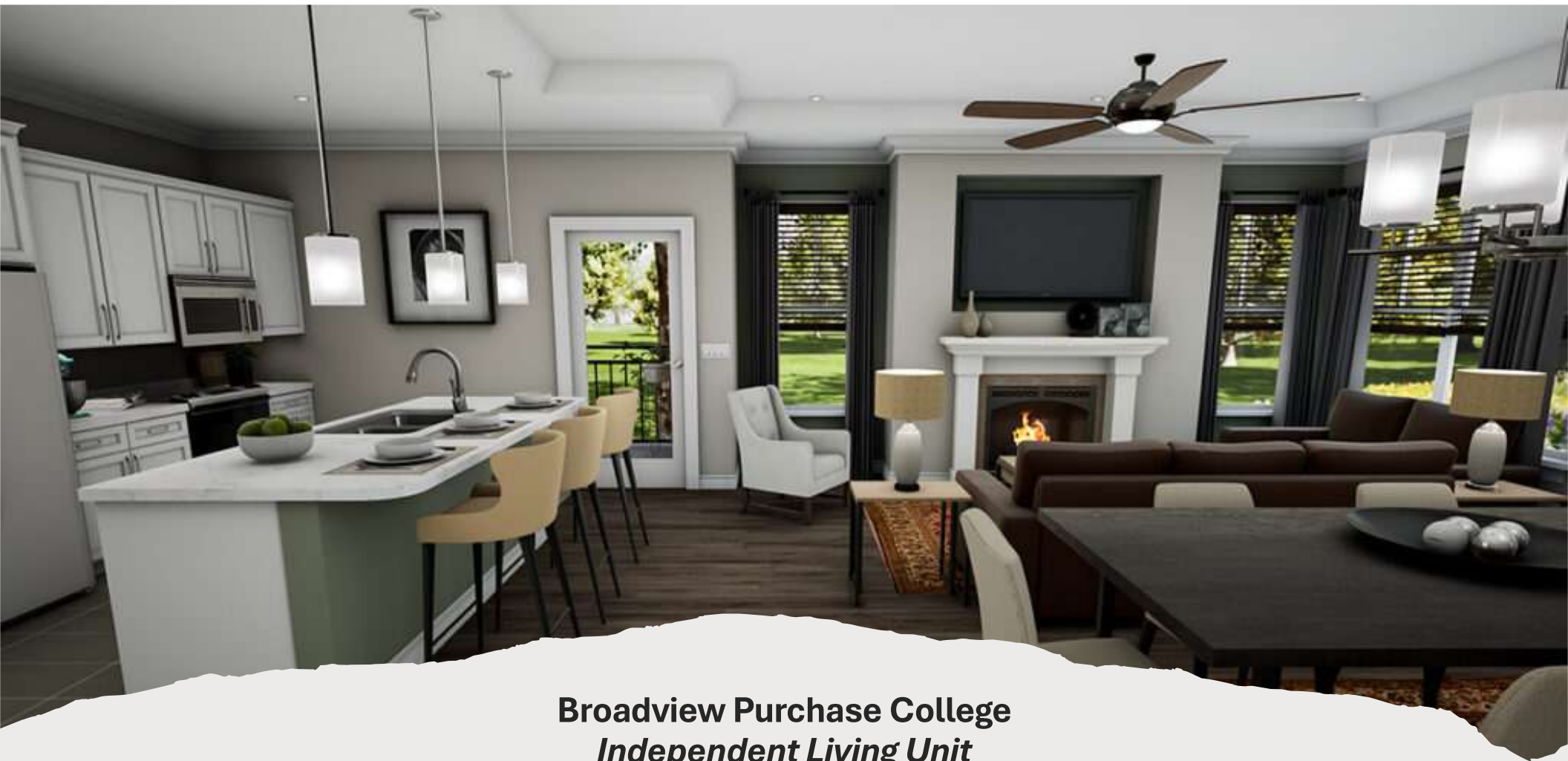
The part or section of a property that provides independent living services, or Instrumental Activities of Daily Living (IADLs).

As part of the monthly fee, access to meals and other services, such as housekeeping, transportation, and social and recreational activities, is provided to residents.

Independent Living (IL) Residents

- Profile: Relatively healthy 83-year-old widowed female seeking lifestyle and convenience
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Median Length of Stay: 2.1 years





Broadview Purchase College
Independent Living Unit

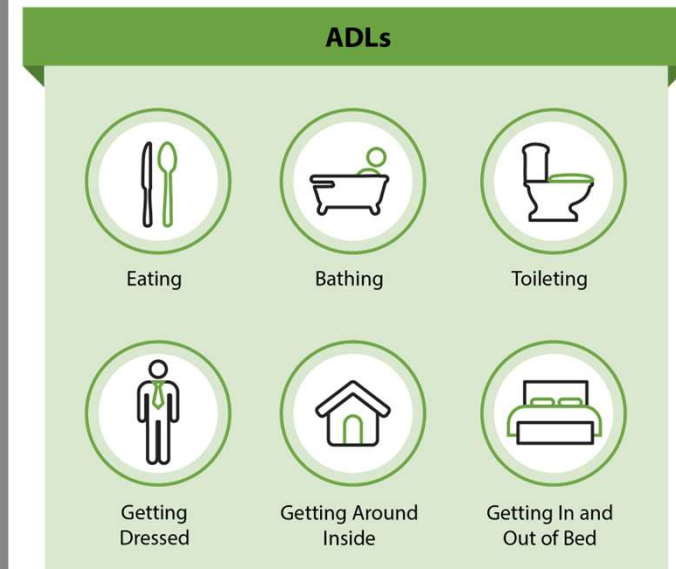
Assisted Living (AL) Definition

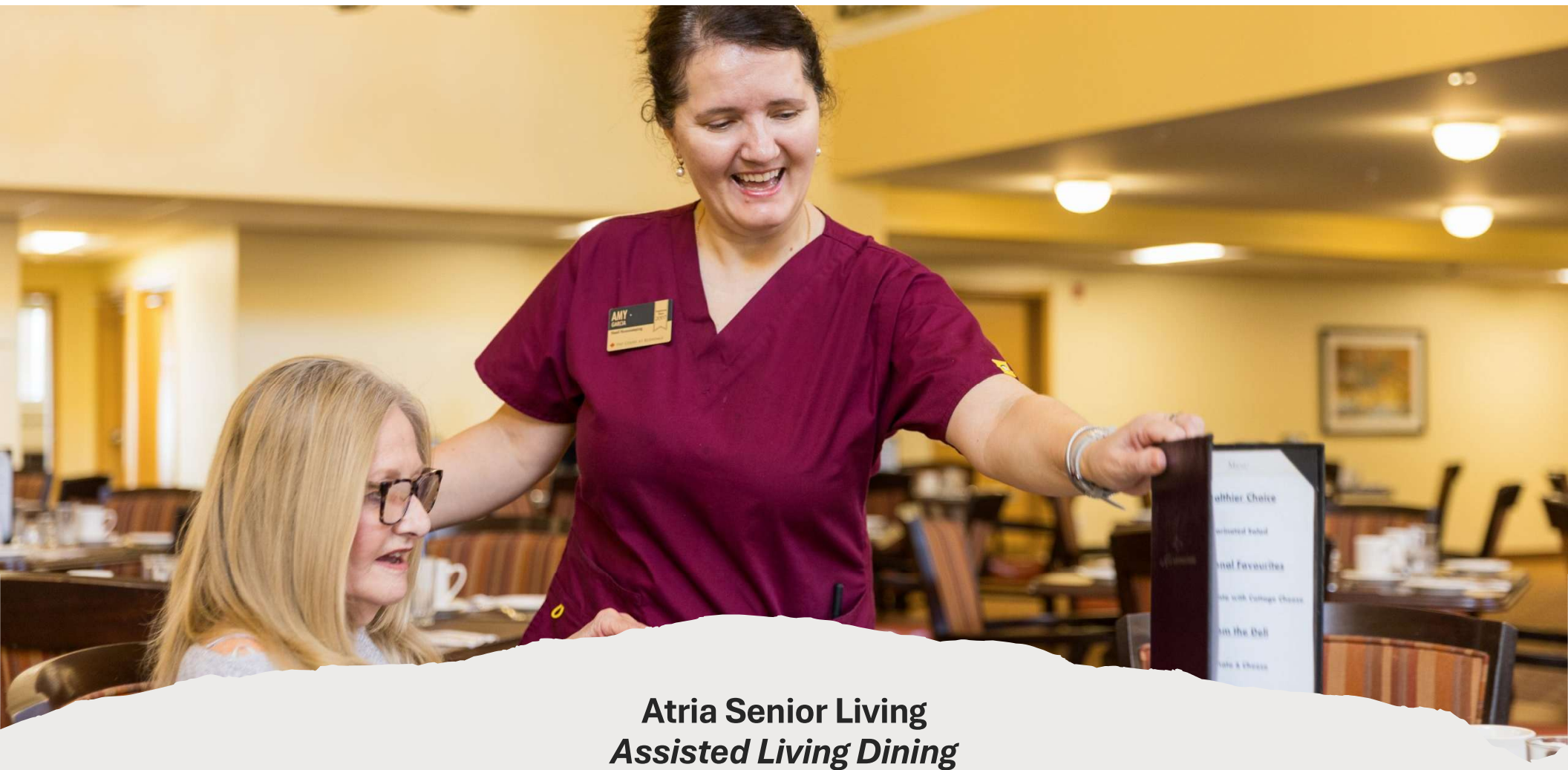
The part or section of a property that provides supportive care from trained employees to residents who are unable to live independently and require assistance with Activities of Daily Living (ADLs).

Assisted living residences, not including memory care, typically have state licensure requirements for the delivery of assisted living services.

Assisted Living (AL) Residents

- Profile: 85-year-old widowed female requiring assistance with two ADLs
- Decision to Move: Made by residents and their adult children and often need-driven or event-driven
- Primary Payment: Resident income and monetized assets and may include financial assistance from adult children
- Median Length of Stay: 2.2 years





Atria Senior Living
Assisted Living Dining

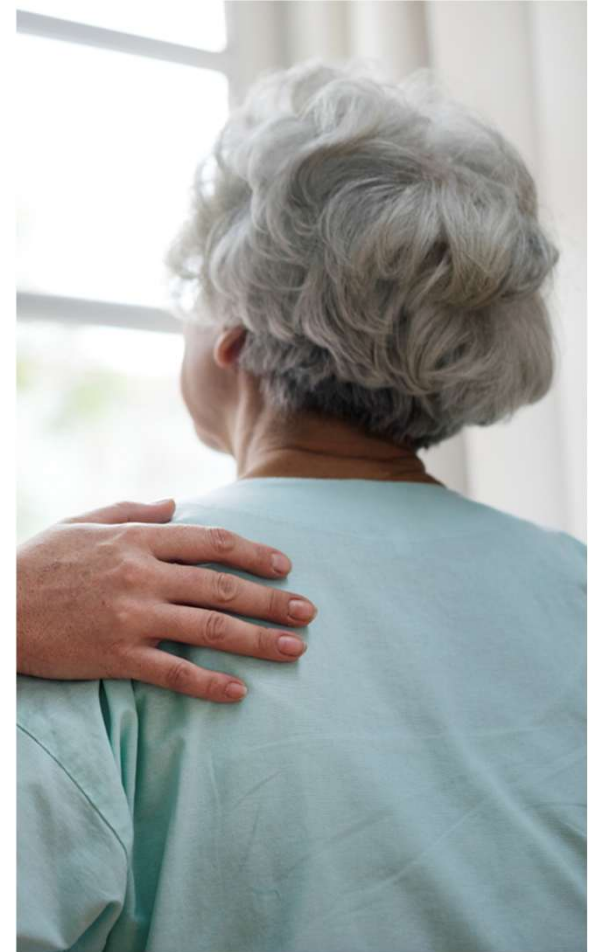
Memory Care (MC) Definition

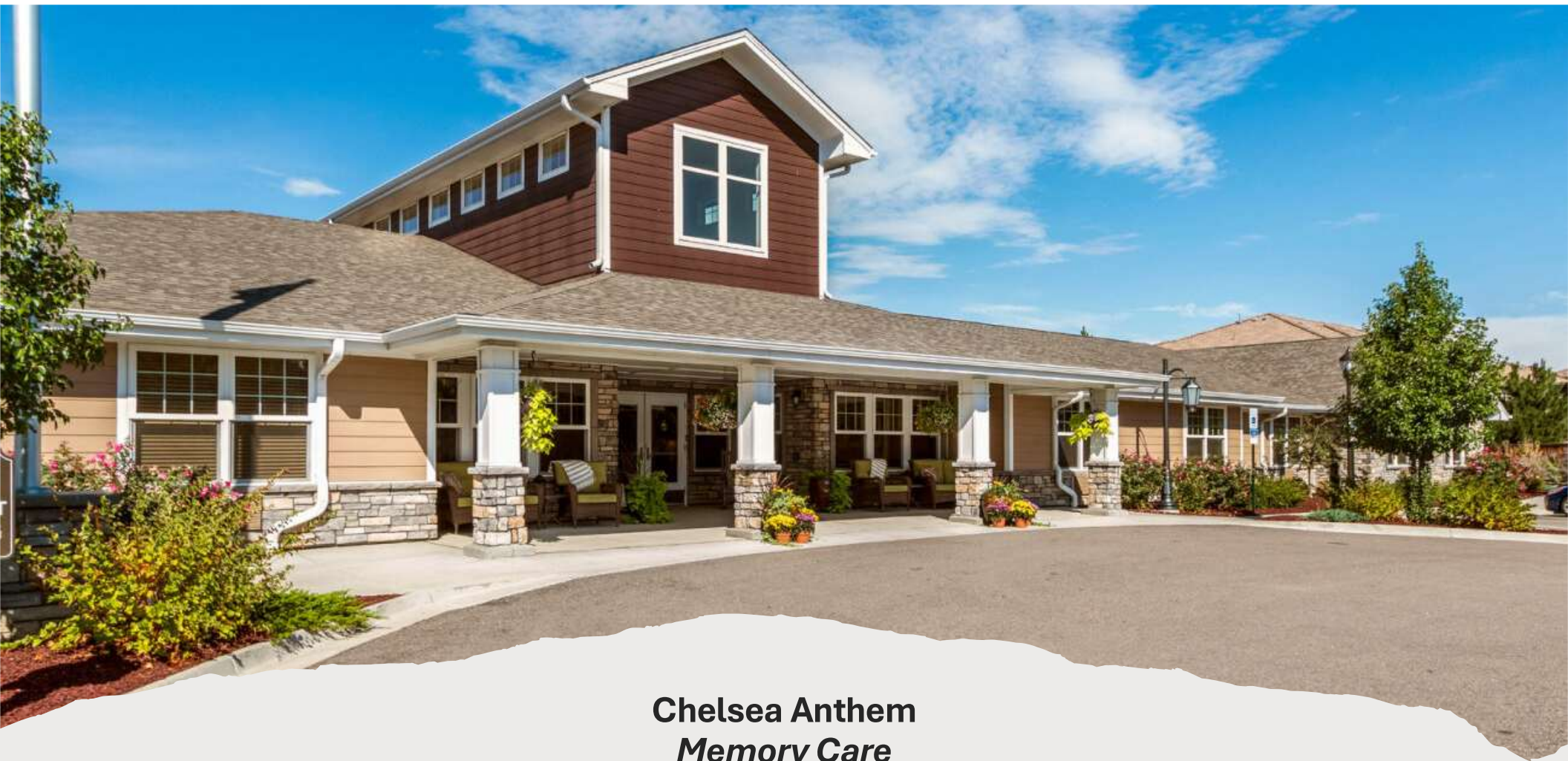
The part or section of a property that provides services to persons with Alzheimer's disease or other forms of dementia.

These are generally separate or secured areas, with specific programming for persons with memory impairment in addition to services provided for persons in assisted living.

Memory Care (MC) Residents

- Profile: Age 75 and older and require two or more ADLs and beginning to suffer from episodes of memory loss or severe confusion that threatens safety
- Decision to Move: Made by family members and staff to maintain resident safety and care
- Primary Payment: Resident income and monetized assets and may include financial assistance from adult children
- Median Length of Stay: 1.5 years





Chelsea Anthem
Memory Care

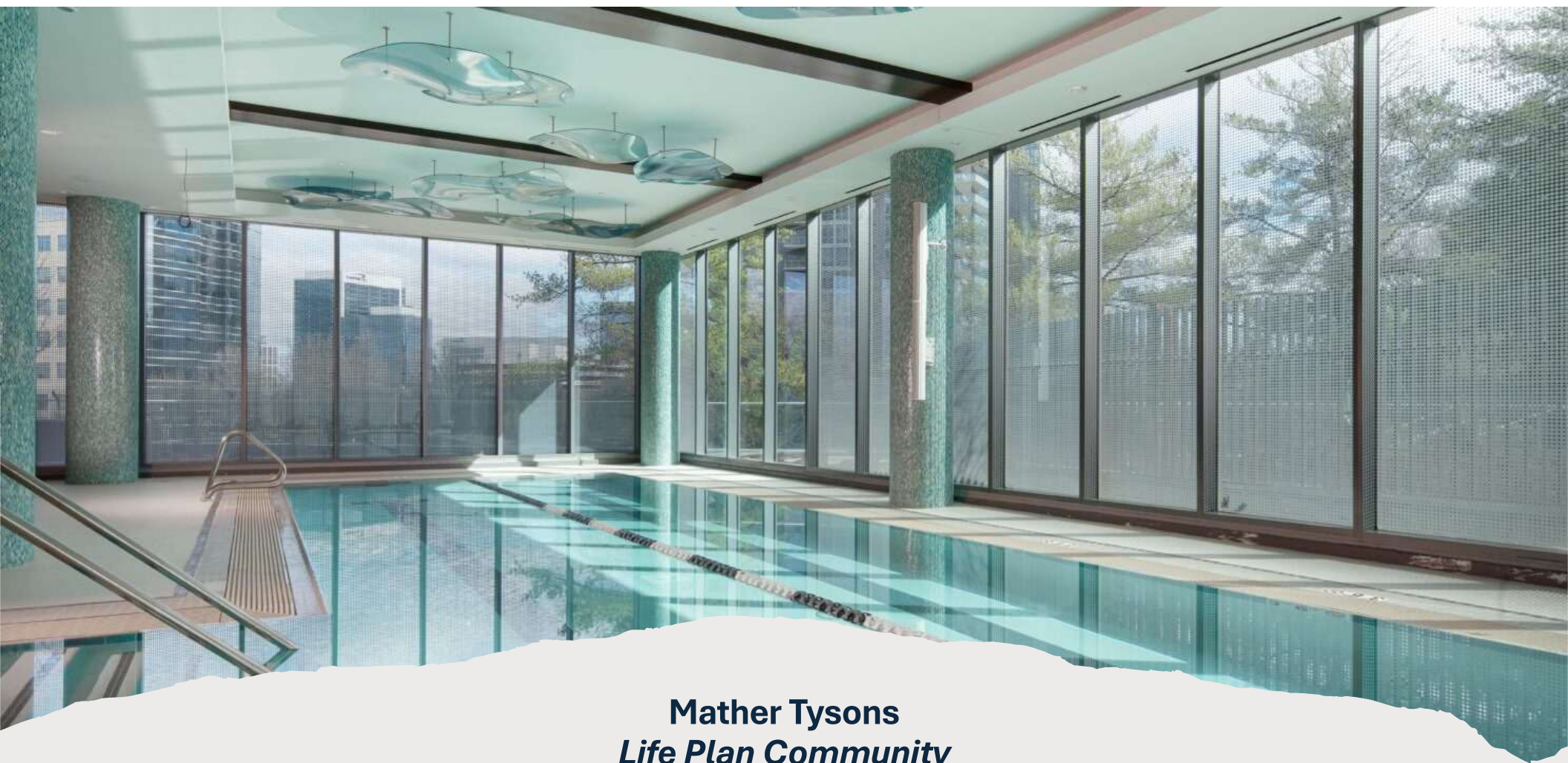
Continuing Care Retirement Communities (CCRCs) or Life Plan Communities (LPCs)

Age-restricted properties that offer at least independent living and nursing care and may include a full continuum of care including assisted living, memory care, and other supportive services to residents all on one campus.

Continuing Care Retirement Communities (CCRCs) or Life Plan Communities (LPCs)

- Resident Profile: IL customer seeking hospitality-style amenities and services with eye toward future care needs
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Median Length of Stay (excluding skilled nursing beds): 7.7 years





Mather Tysons
Life Plan Community

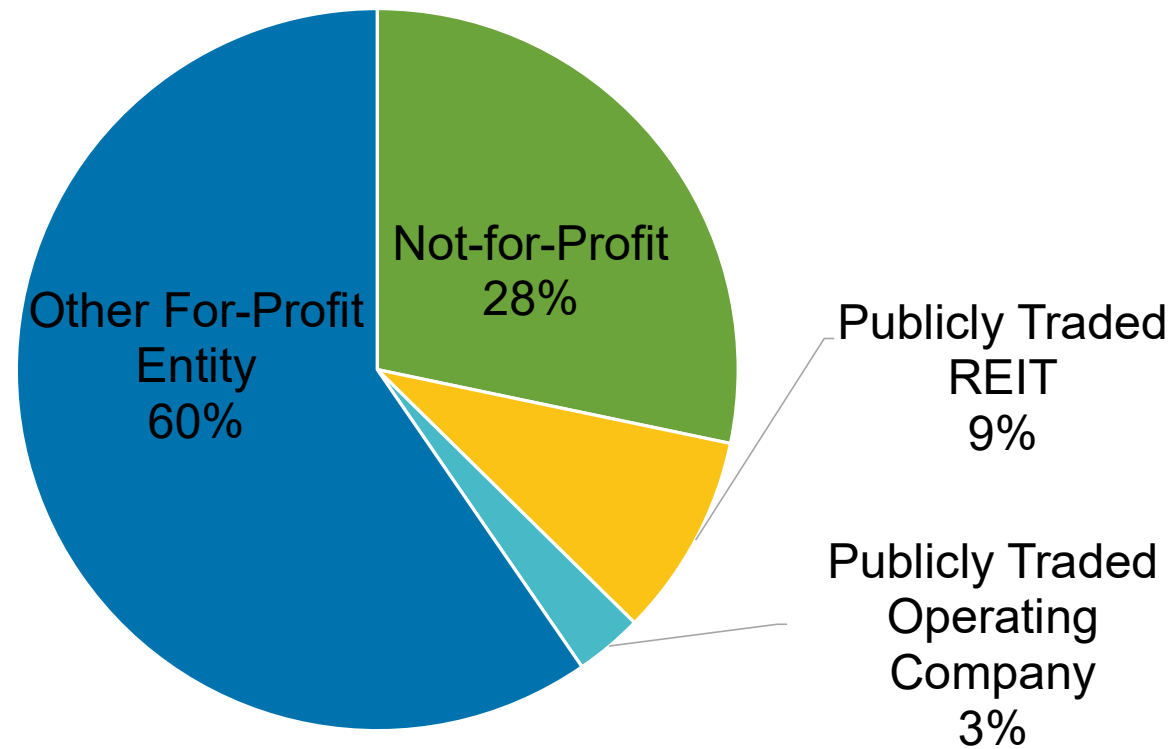
More Than Two Million Senior Housing Units in the U.S.

Community Type	# Properties	# Units
Independent Living (IL)	3,500	561,700
Assisted Living (AL)	8,200	731,100
Memory Care (MC)	1,600	84,200
CCRCs/Life Plan Communities (LPC)	1,900	619,000
Active Adult Rental Communities (AA)	880	130,000
Total	16,075	2,125,000

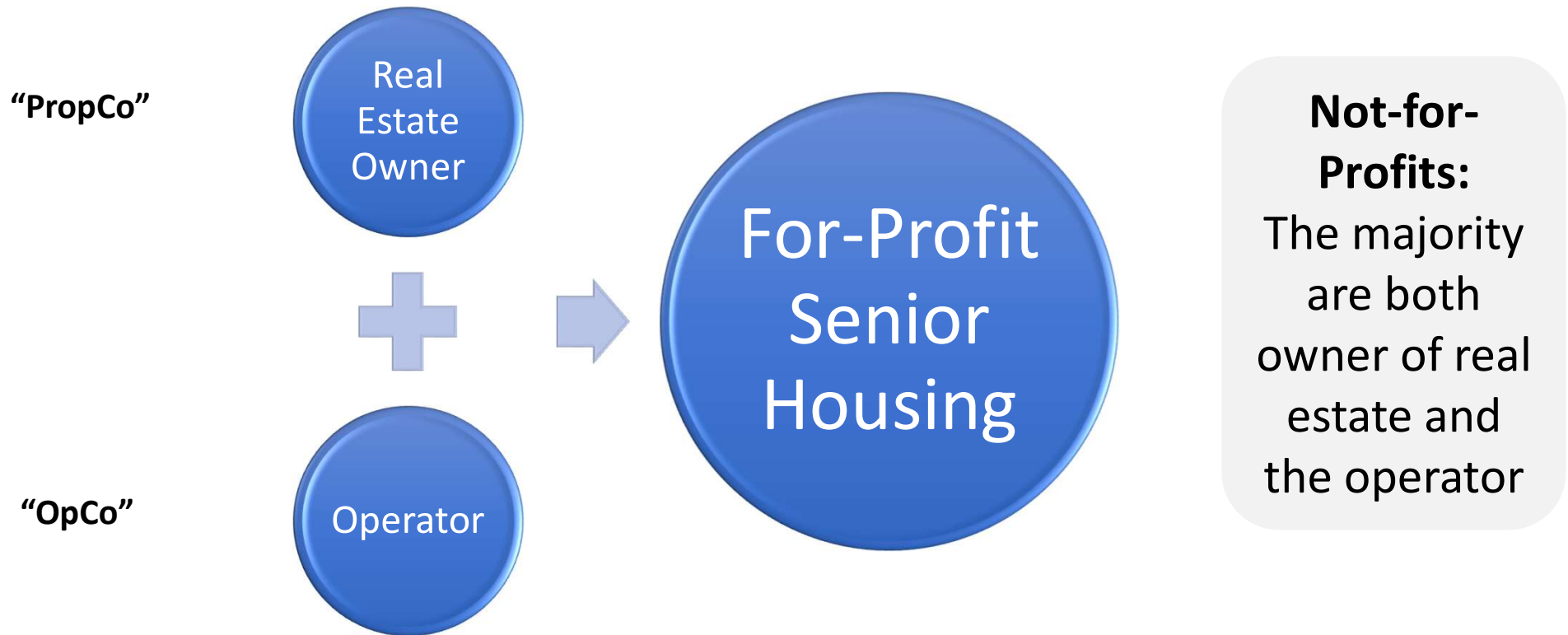
Source: NIC MAP®, 4Q 2025, except active adult 2Q26
Representative of properties with at least 25 units/beds

Senior Housing Ownership/Sponsorship

Excludes Majority Skilled Nursing

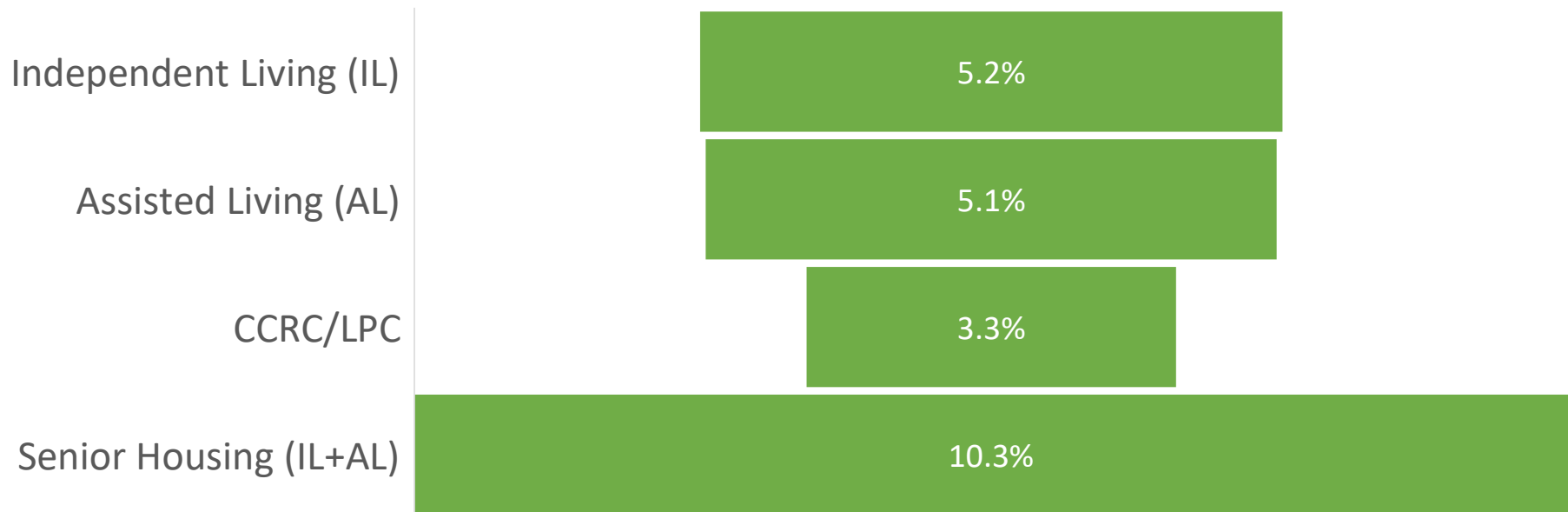


Common Owner/Operator Structure



Senior Housing is Available for 10% Older Adult Households...

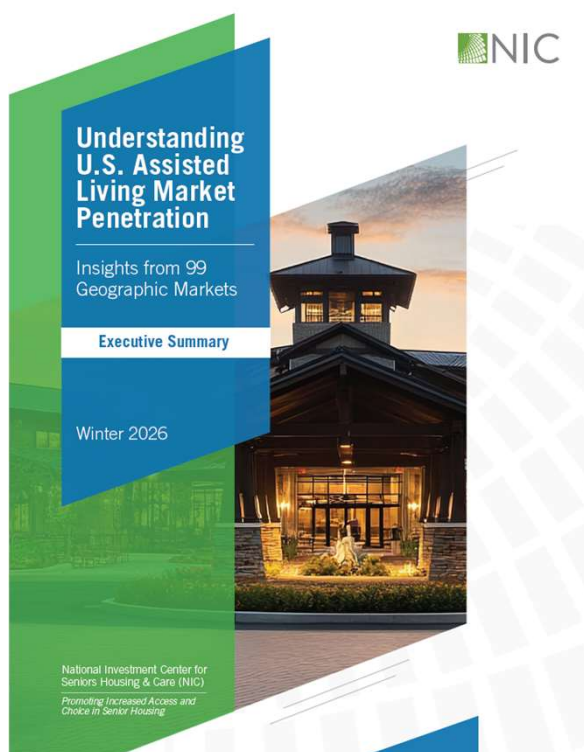
Market Penetration Rates for Households Age 75+



Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q 2026

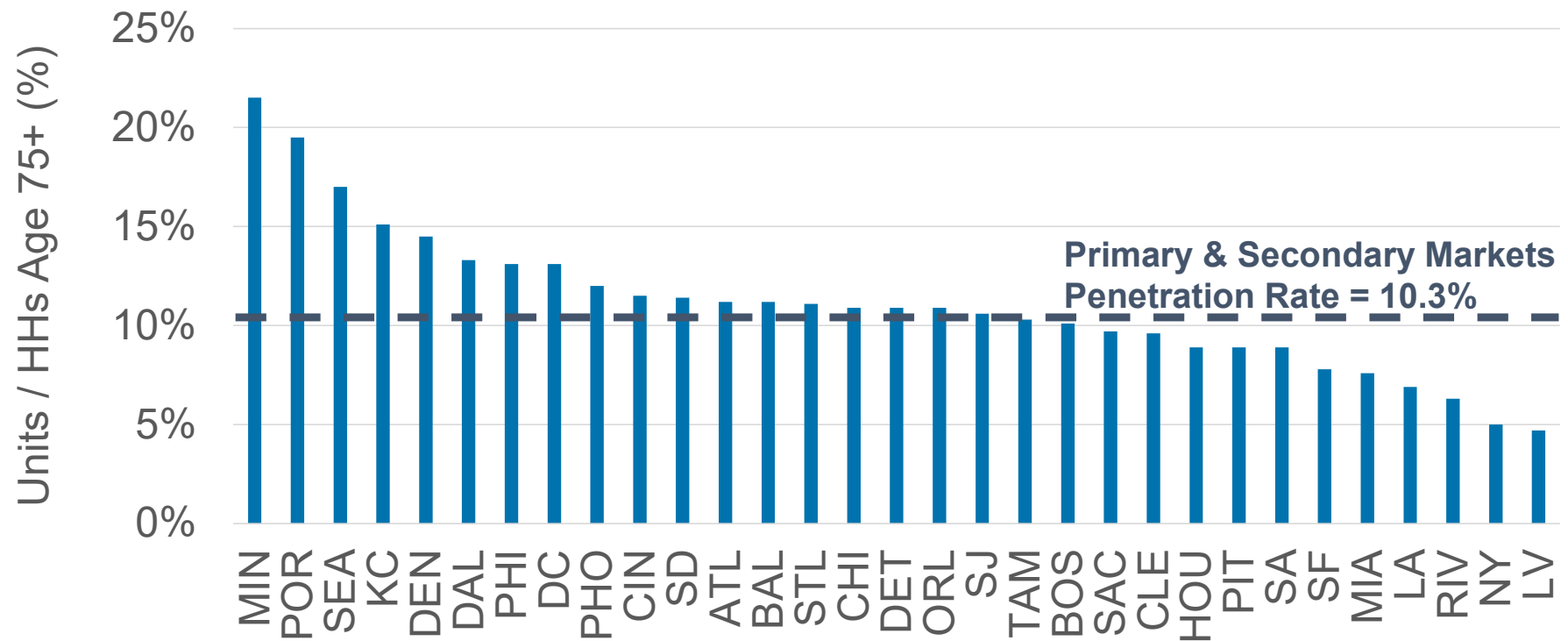


...but Market Potential May Be Greater



- NIC Research found that improving market penetration requires coordination across:
 - Operators
 - Investors
 - Policymakers
 - Educators
 - Advocates

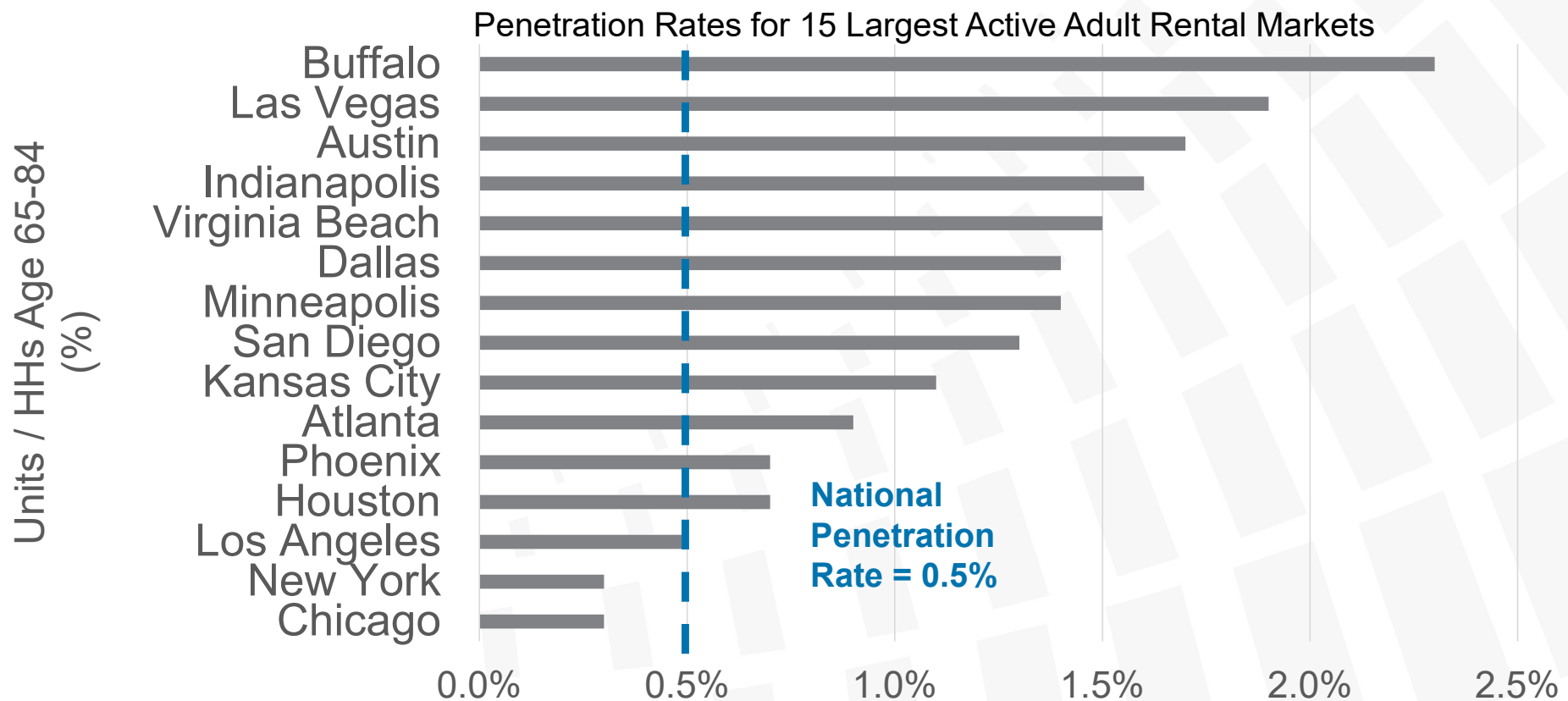
Senior Housing More Widely Accepted in Certain Markets



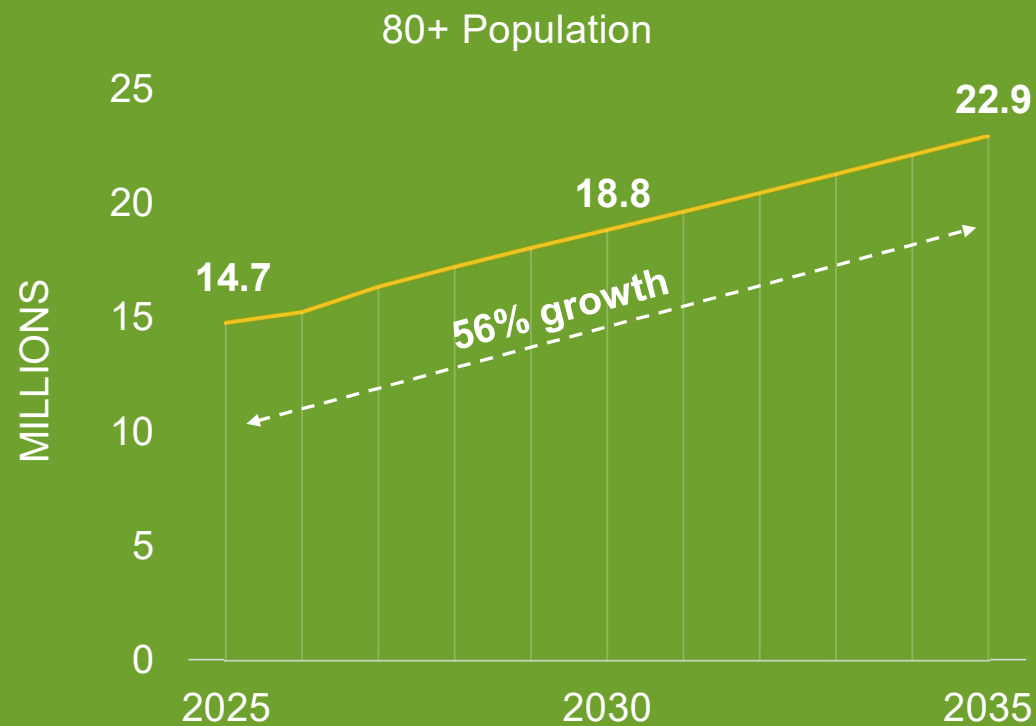
Source: NIC MAP®, 31 Primary Markets, 2Q 2026



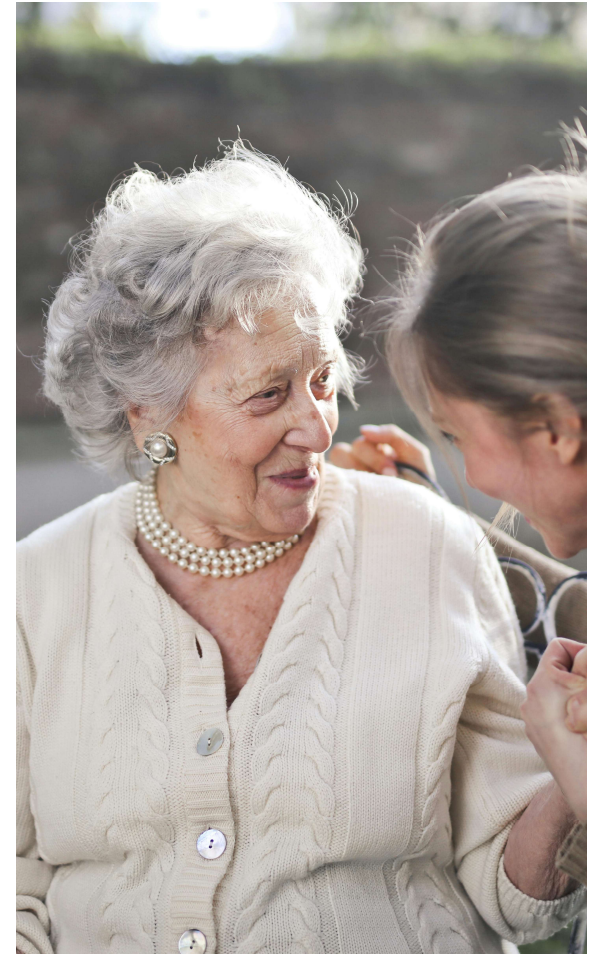
Active Adult is Available for Only 0.5% of Older Adult Households



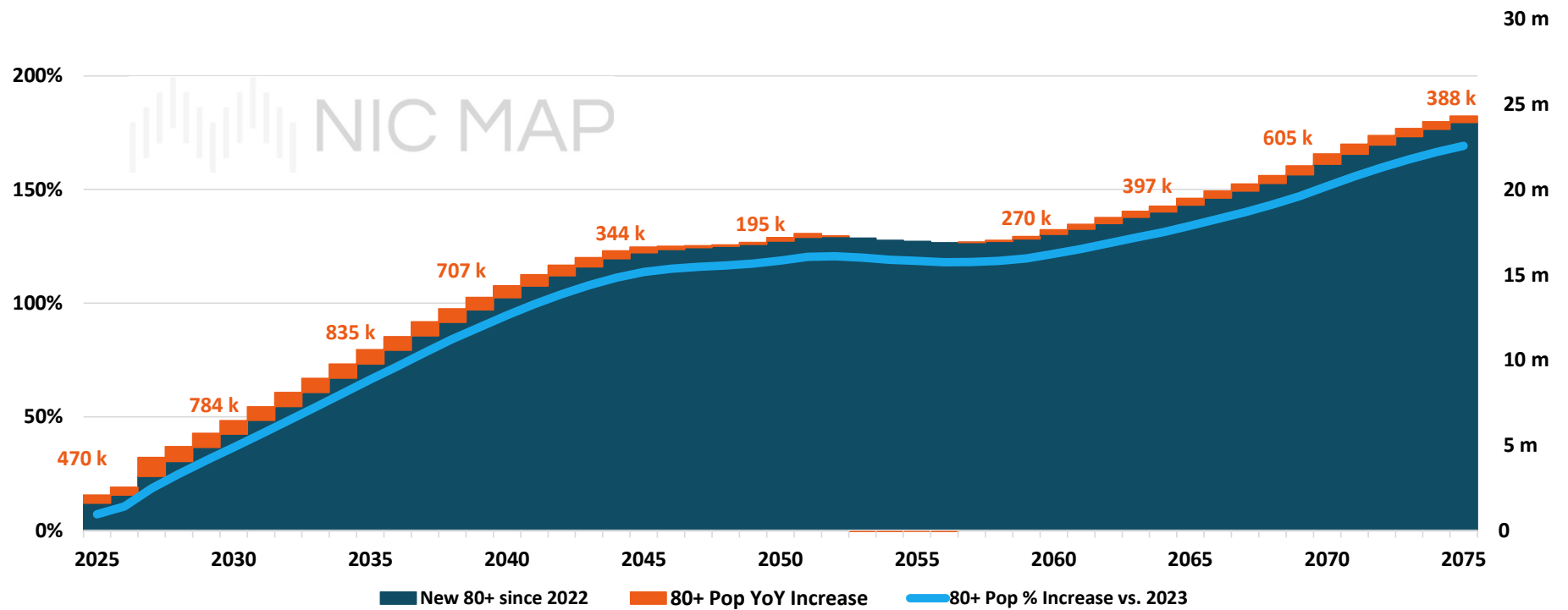
Population Age 80+ Growing Rapidly



Source: U.S. Census Bureau Projections, 2022

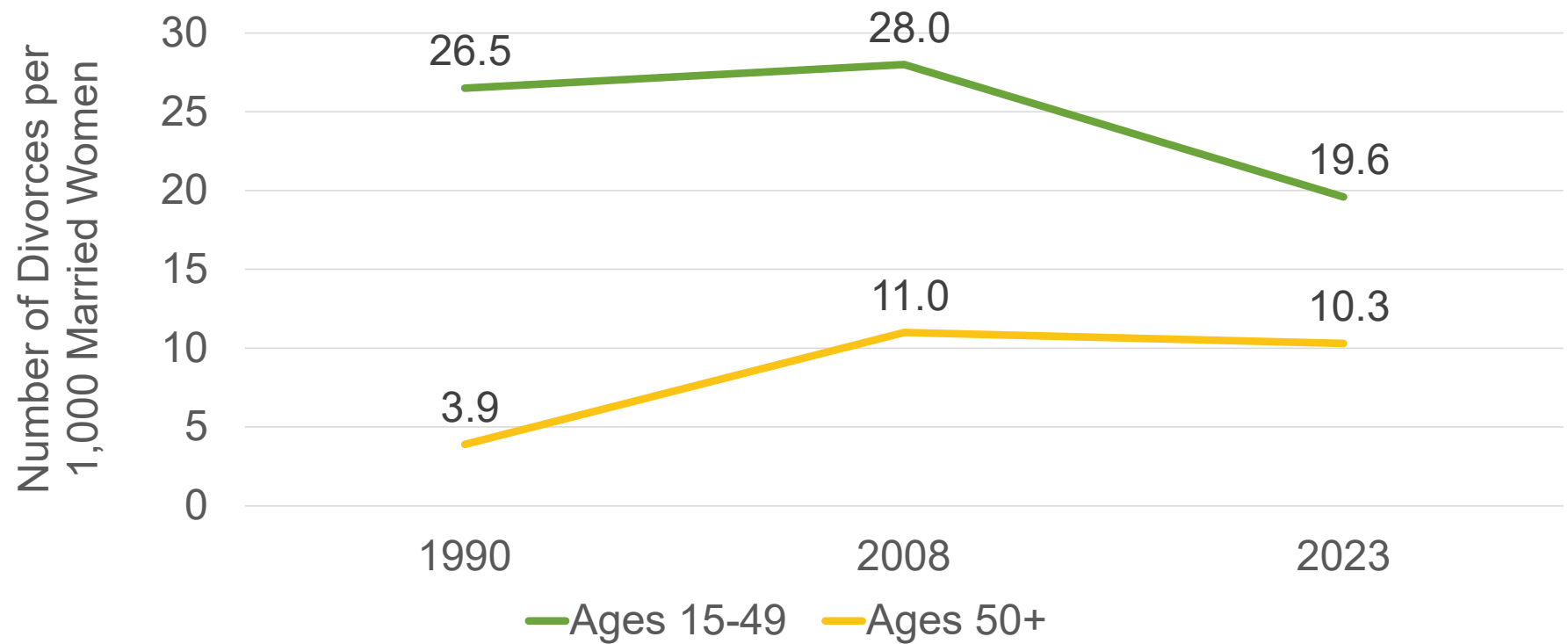


Sustained Aging Population



Source: NIC MAP® Data, powered by NIC MAP®, Primary and Secondary Markets, OECD.

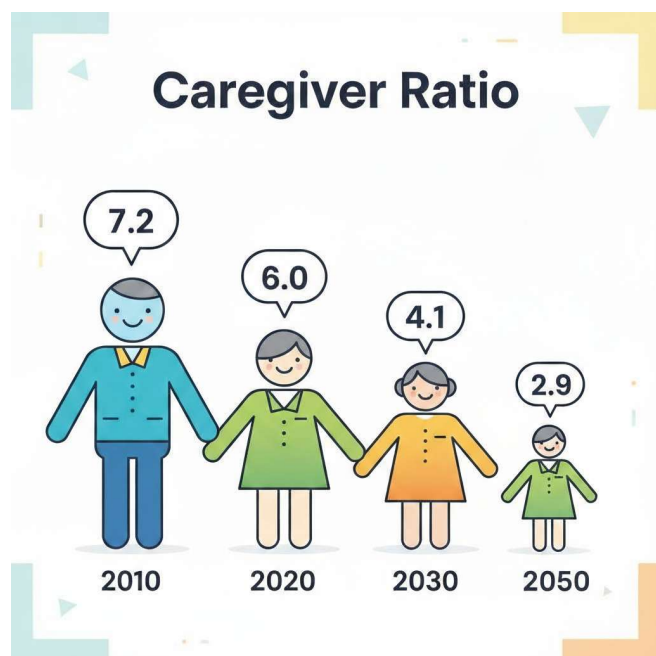
Divorce Rate Age 50+ Jumped and Remained Elevated



Source: Pew Research Center, October 2025

Boomers Have Fewer Caregiver Safety Nets

The number of seniors aged 75 and older living alone is projected to more than double by 2040

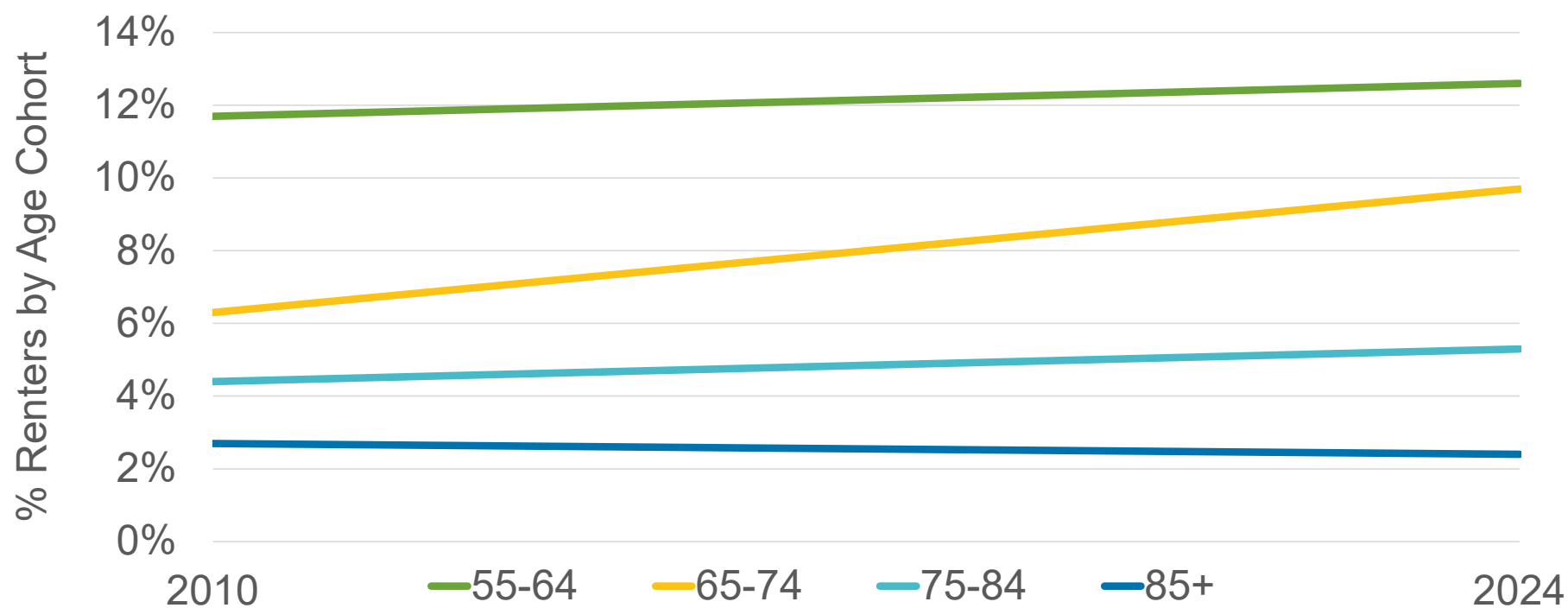


Data source: AARP Public Policy Institute
Reflects number of working-age adults for every one individual 80+ in the U.S.



Source: National Center for Family and Marriage Research, Bowling Green University; 2022

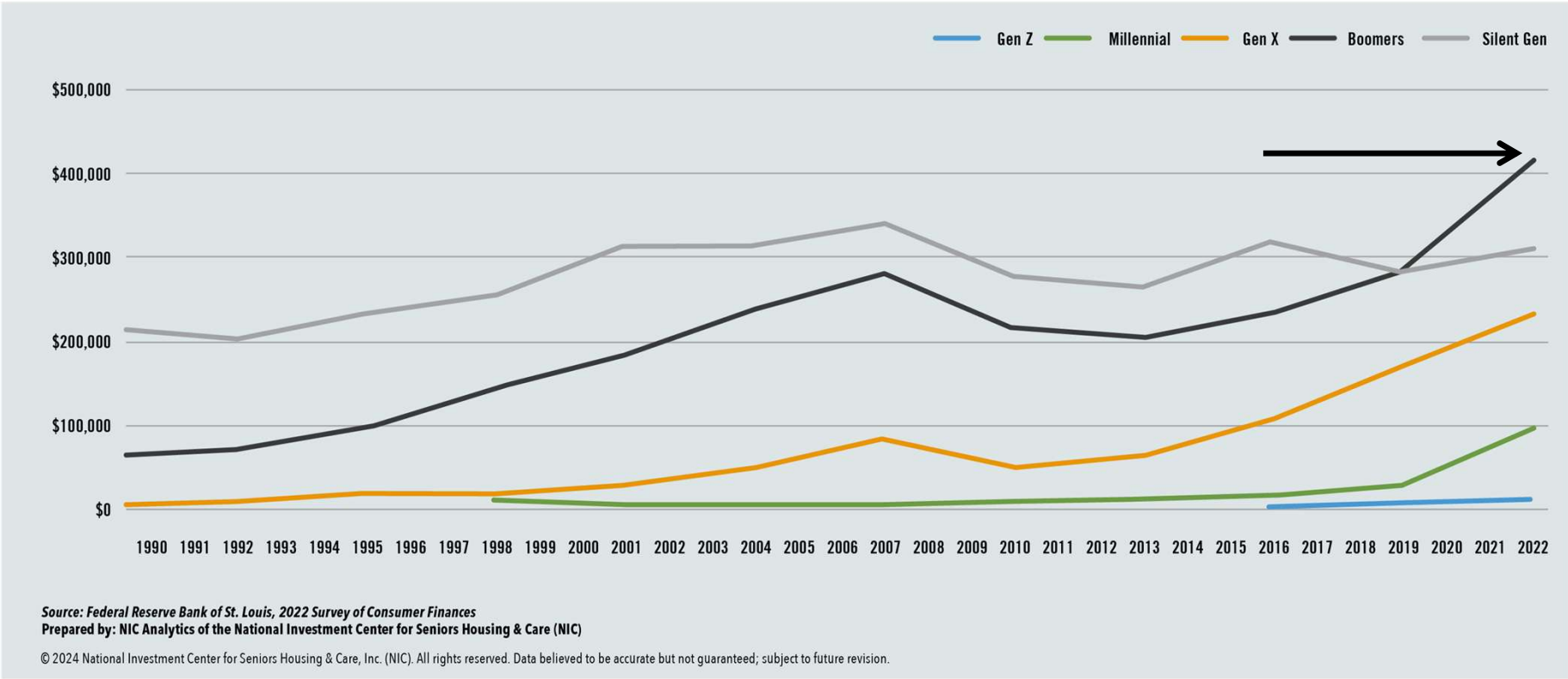
Age 65-74 Fastest Growing Renters of All Age Cohorts



Source: Census Bureau American Community Surveys 2010 and 2024

Boomers Have Greatest Net Worth

Median Net Worth by Generation
1990–2022



Boomer Net Worth Greater Than Prior Generations

Generation
(U.S. households age 58-76)

Median Household Wealth
(inflation-adjusted to 2024 dollars)

Baby Boomers



\$432,200

Silent Generation



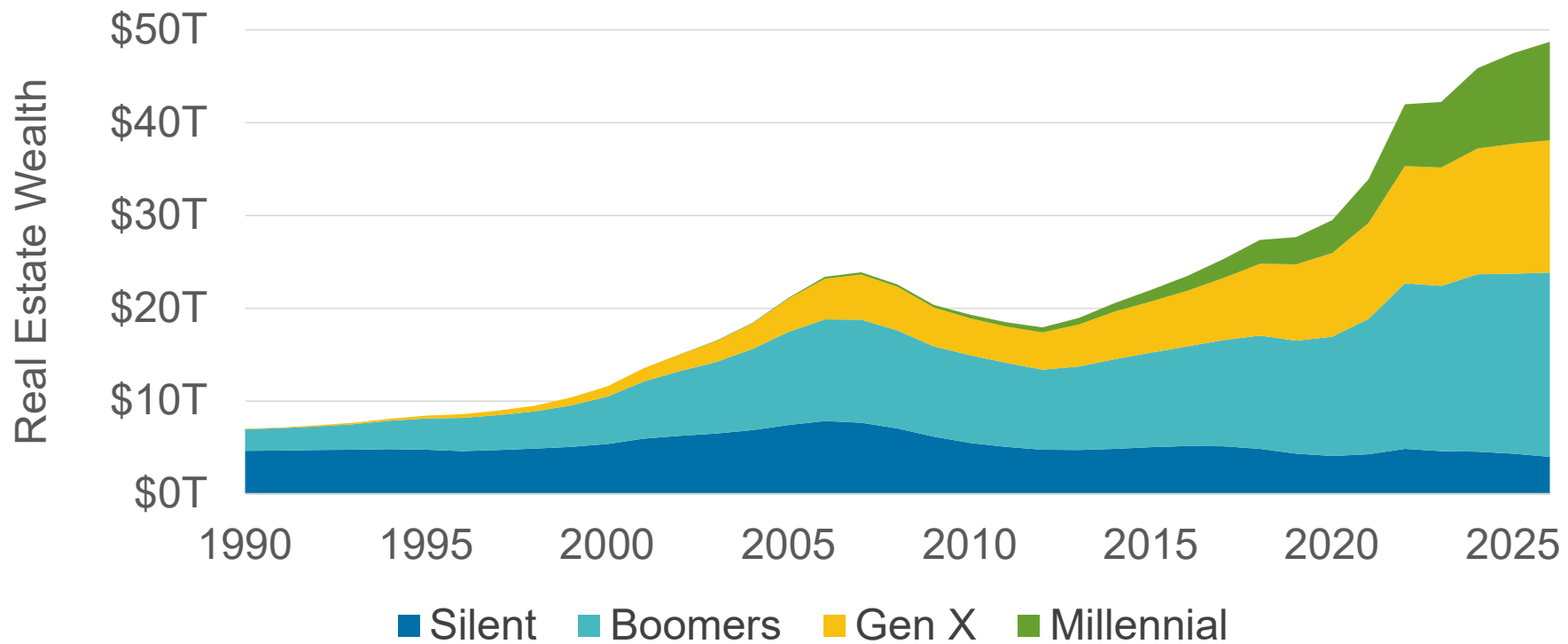
\$335,900

Greatest Generation



\$185,300

Boomers Have Greatest Home Equity



Source: U.S. Federal Reserve Board, Distributional Financial Accounts (real estate wealth as of Q1 each year, current dollars)

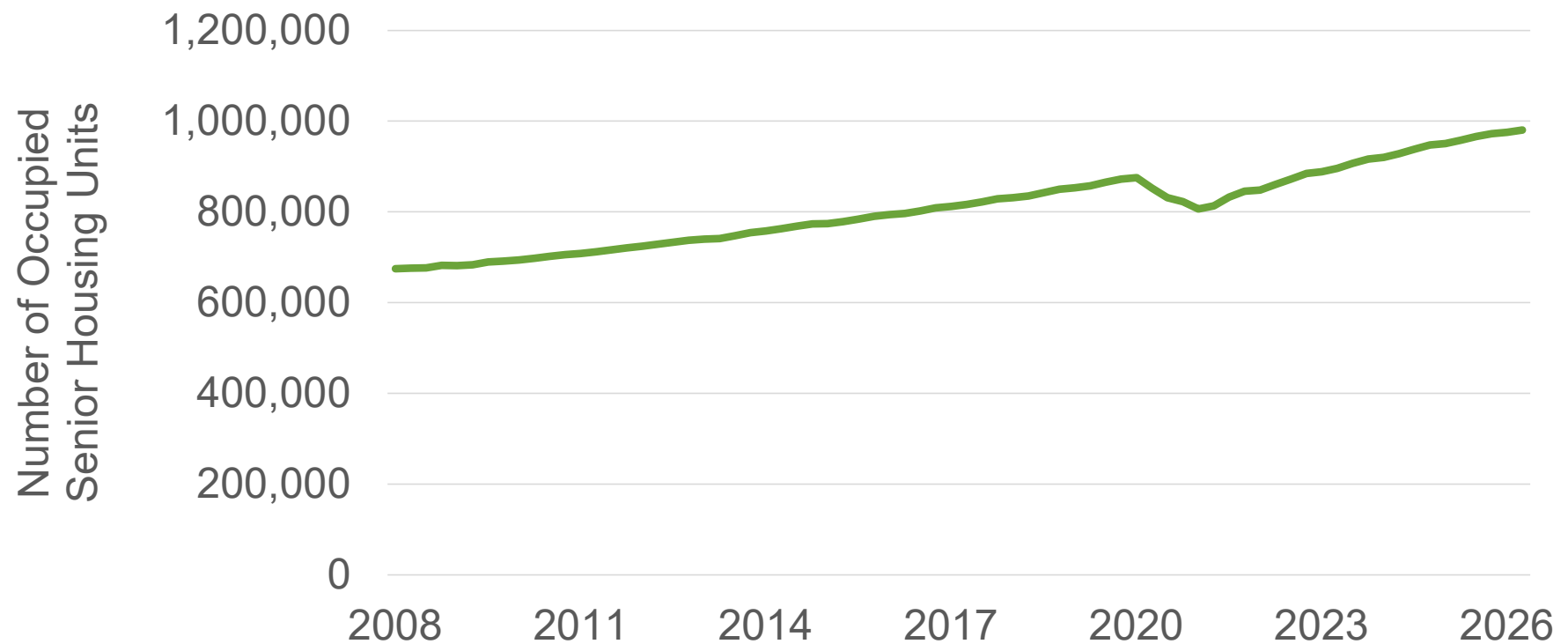
Underestimated Cost of Remaining in SF Homes

- Median cost of a private duty nurse is \$90 per hour, while non-medical caregiver services are \$35 per hour
- Excludes food, housing costs, and any required home modifications
- Competition for labor may limit availability for nurses and aides

Source: CareScout, 2025



Demand for Units at Record Highs



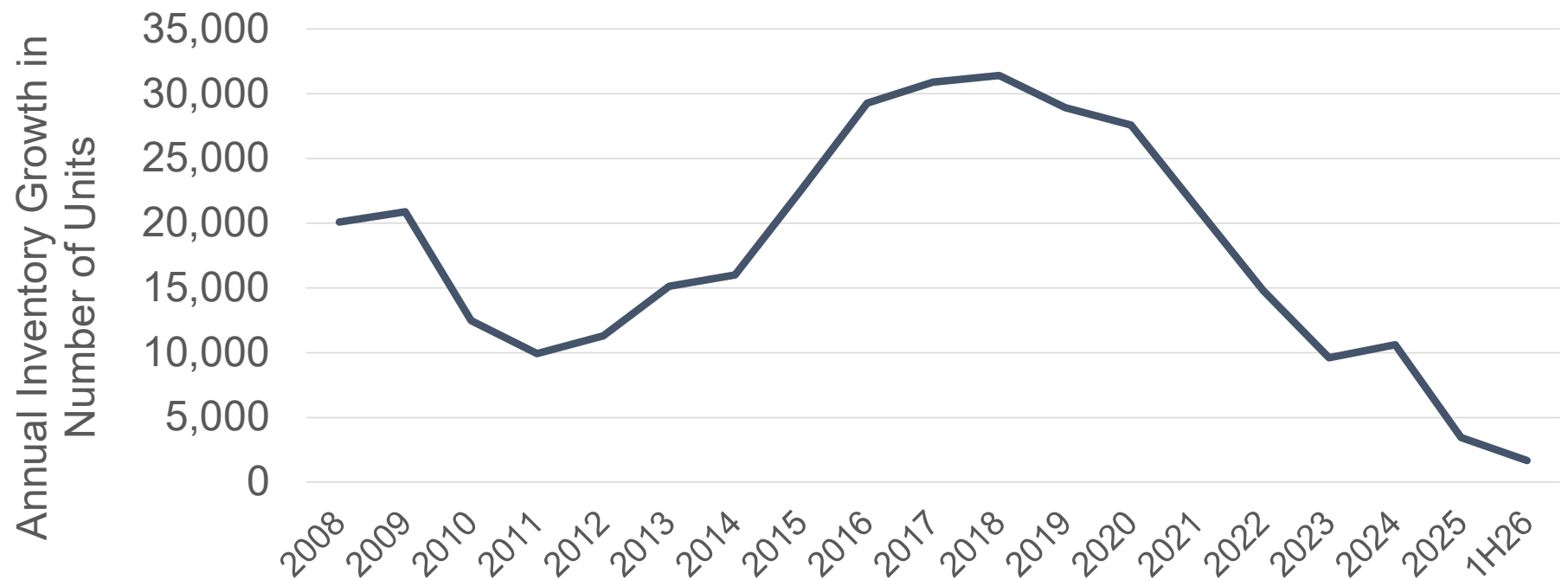
Source: NIC MAP® , 99 Primary and Secondary Markets, 2Q26



Inventory and Construction



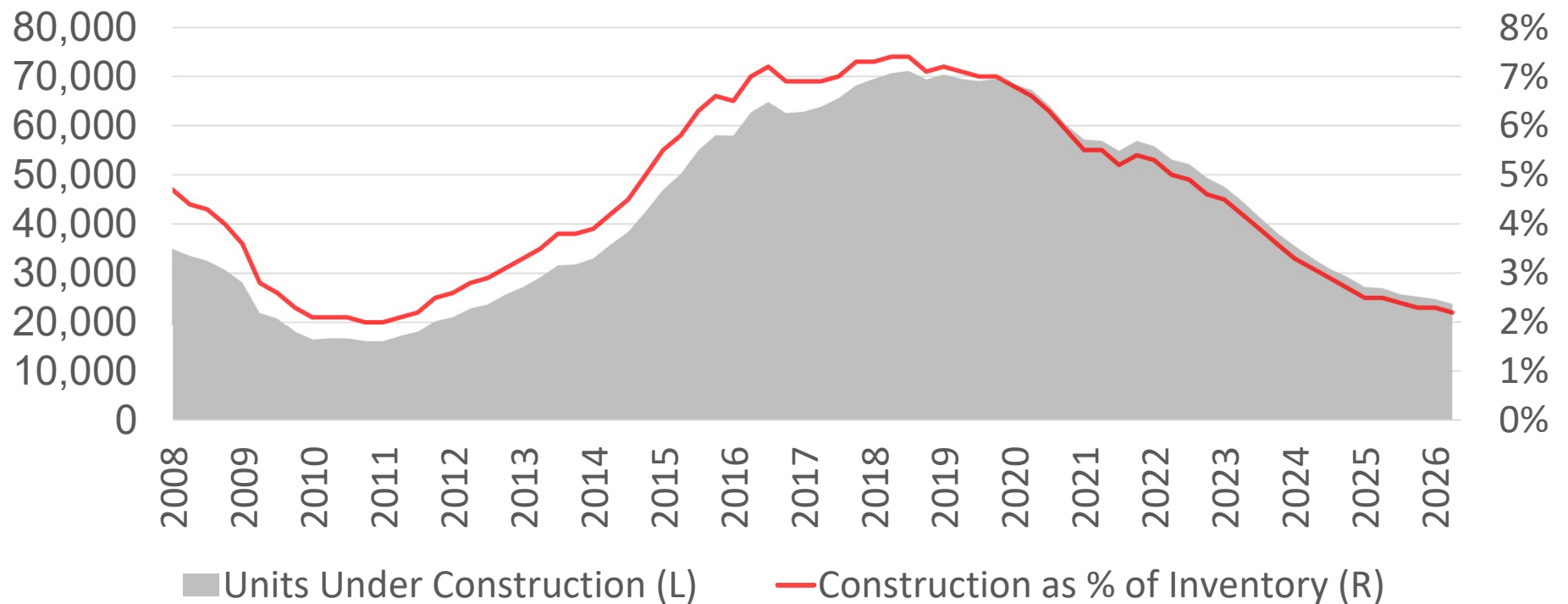
Inventory Growth at Record Lows



Source: NIC MAP® , 99 Primary and Secondary Markets, 2Q26

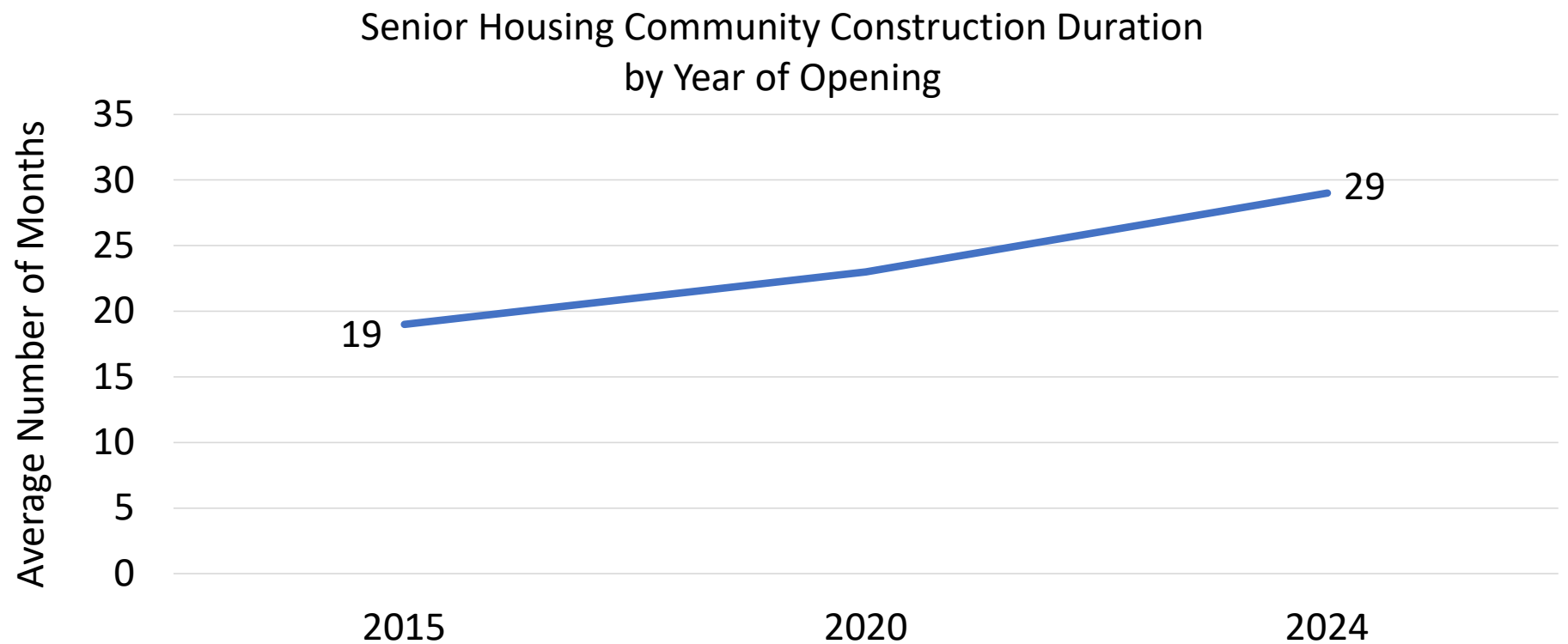


Construction Has Slowed Sharply



Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q26

Construction Cycle Lengthening

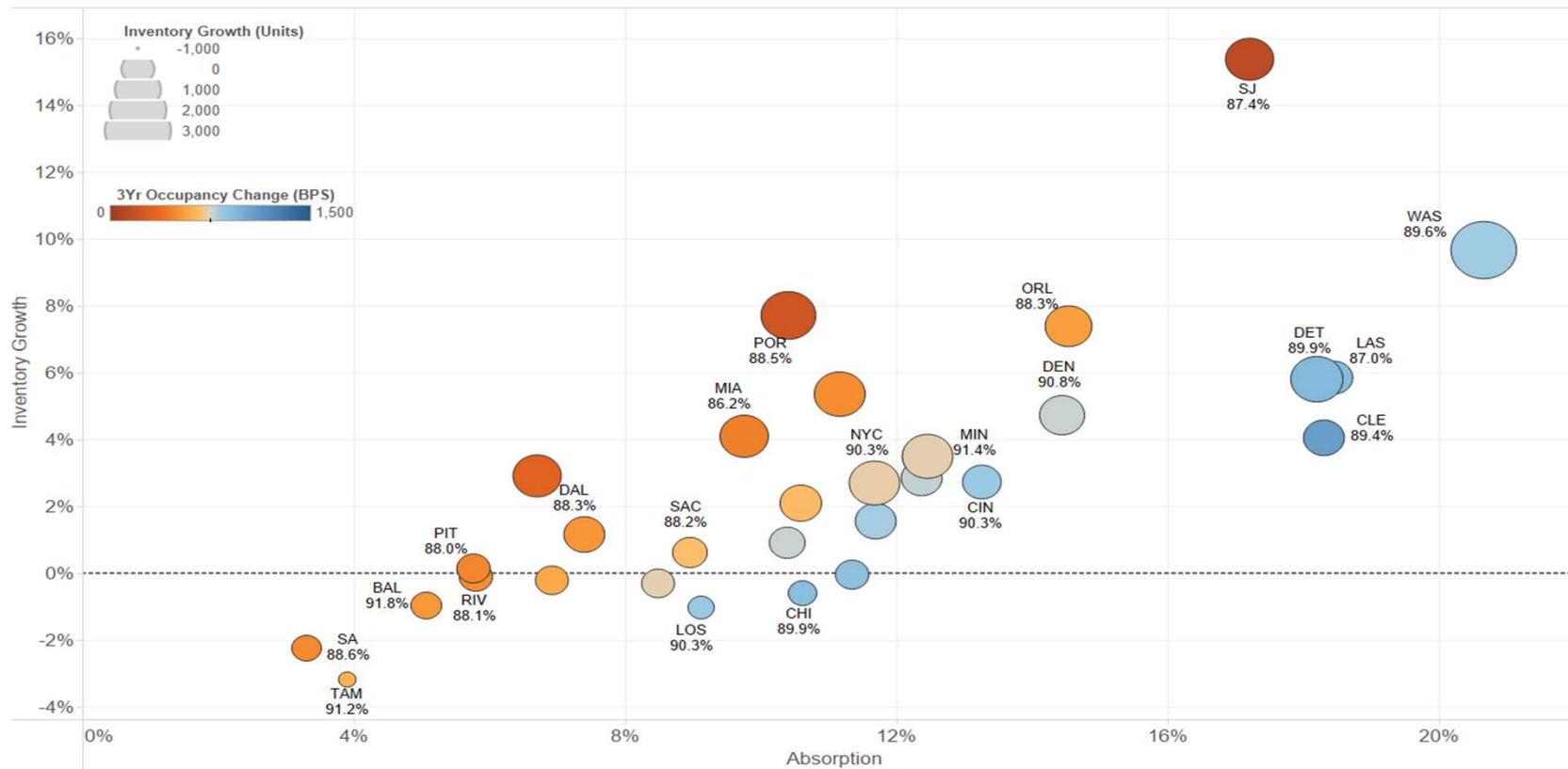


Source: NIC MAP®, 2024; Prepared by: NIC Analytics of the National Investment Center for Seniors Housing & Care



Shrinking Inventory in 29% of Primary Markets

Senior Housing Supply vs Demand | 1Q23 – 1Q26



Source: NIC MAP®, 31 Primary Markets, 1Q26

Aging Inventory May Pose a Growing Supply Challenge

~50%

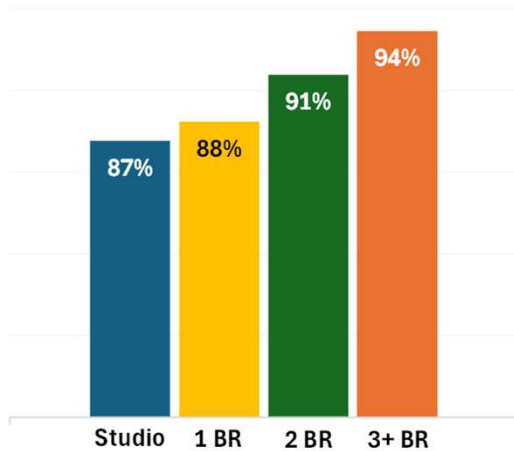
**Senior Housing
Inventory 25 Years
or Older**

Larger Units Are Filling Faster, Developers Are Pivoting

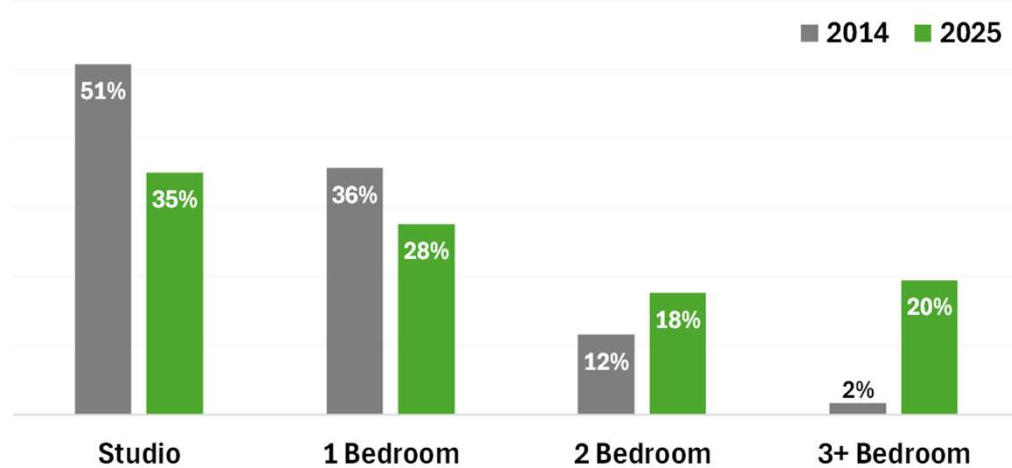
Senior Housing Occupancy and Construction by Unit Mix | 99 NIC MAP® Primary & Secondary Markets | 2014 – 2025



Senior Housing Occupancy | 2Q25



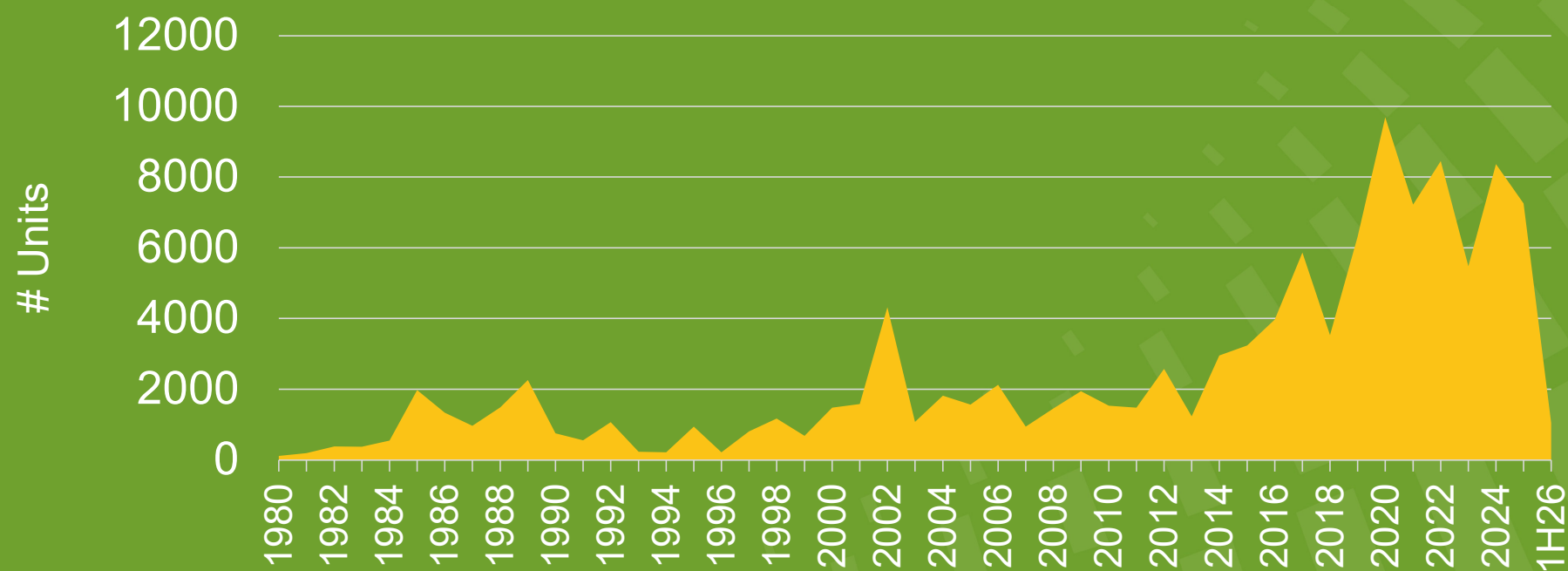
Distribution of Senior Housing Unit Under Construction



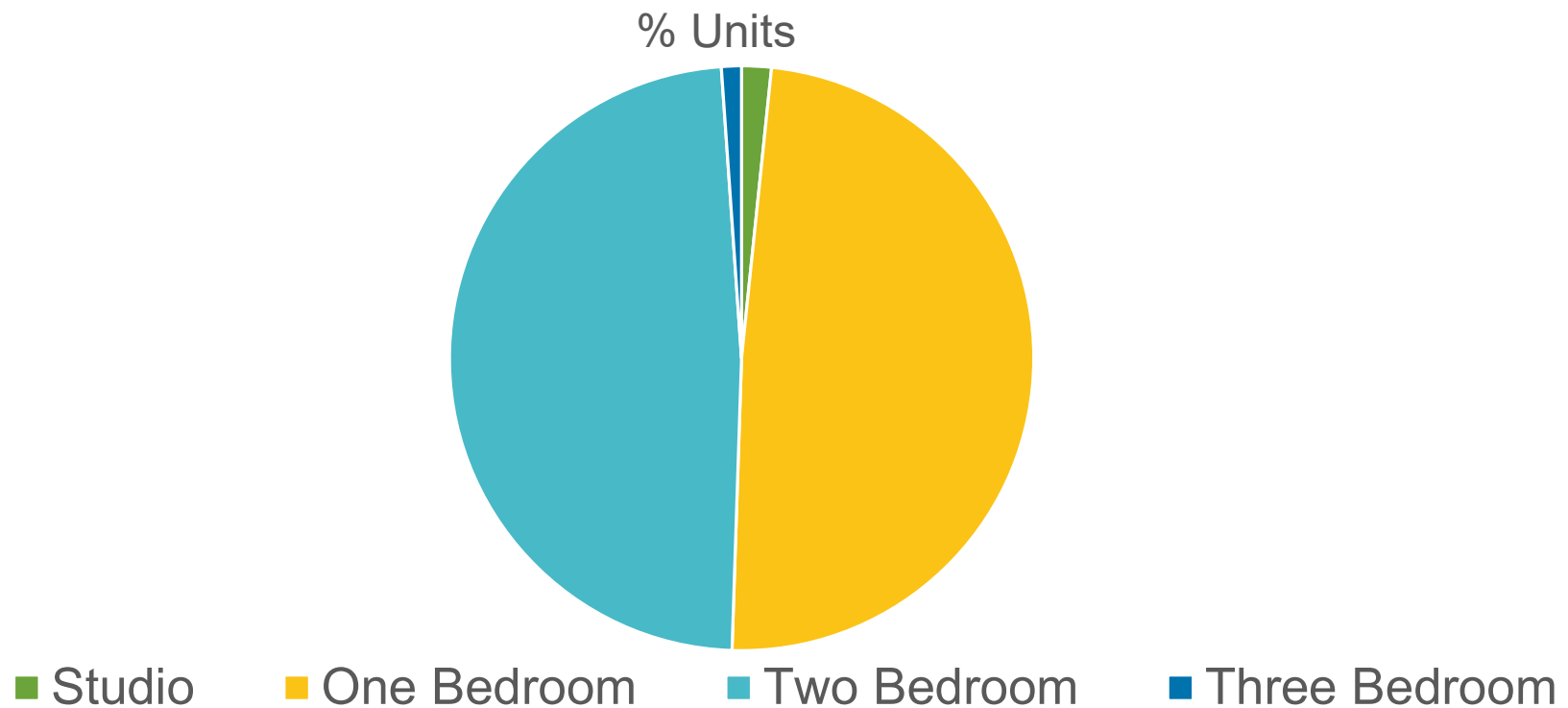
Data Source: NIC MAP® | Prepared by: NIC Analytics of the National Investment Center for Seniors Housing & Care (NIC)

Active Adult Rental Market is Relatively Small and Recently Built

Inventory by Year Opened



Inventory is Roughly Evenly Split Between One- and Two-Bedroom Units



Operating Economics



Asking Rent, Staffing, and Margins Vary by Community Type

	AA	IL	AL	MC	CCRC / LPC
Average Monthly Rents	\$1,925	\$4,480	\$7,012	\$8,834	\$4,529
Median Number of Units	137	148	83	50	296
Median NOI Margin	50%+*	32%	29%	25%**	30%
Average FTEs***	3 - 8	0.13	0.40	0.75	0.49

*Stabilized estimate

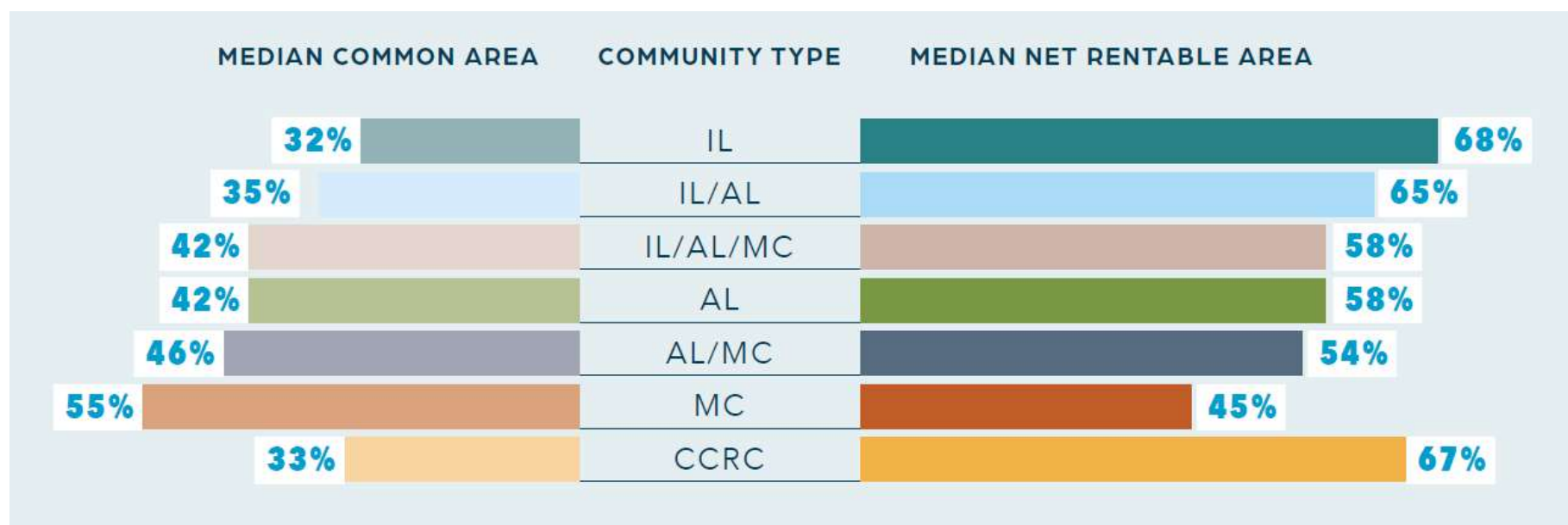
**AL/MC Combined Properties

***AA is per property and SH is per resident

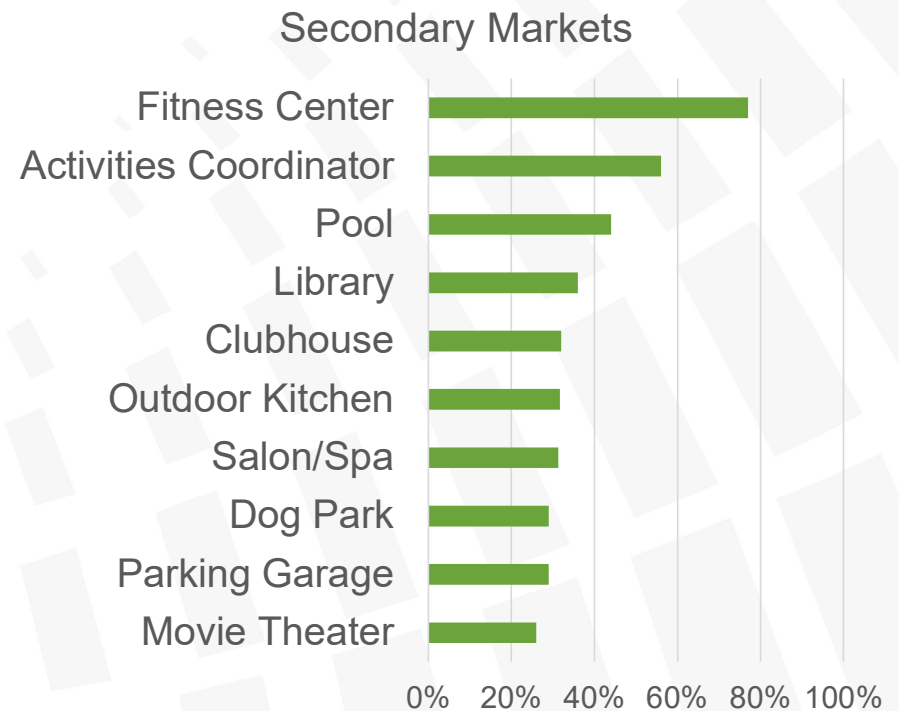
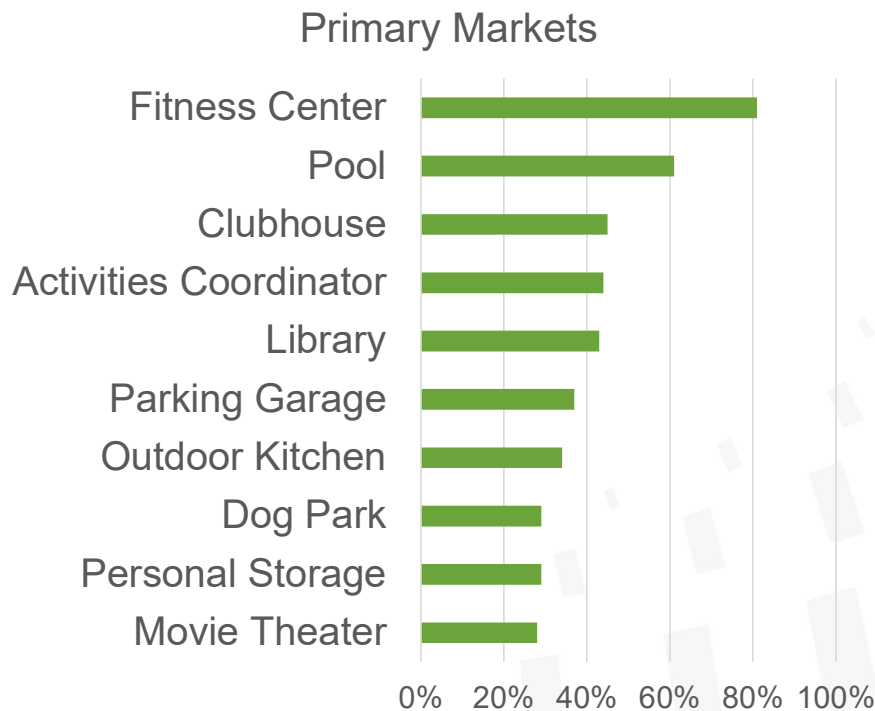
Source: NIC MAP®, 99 Primary and Secondary Markets 2Q26; The State of Seniors Housing 2025; NIC Active Adult White Paper 2026



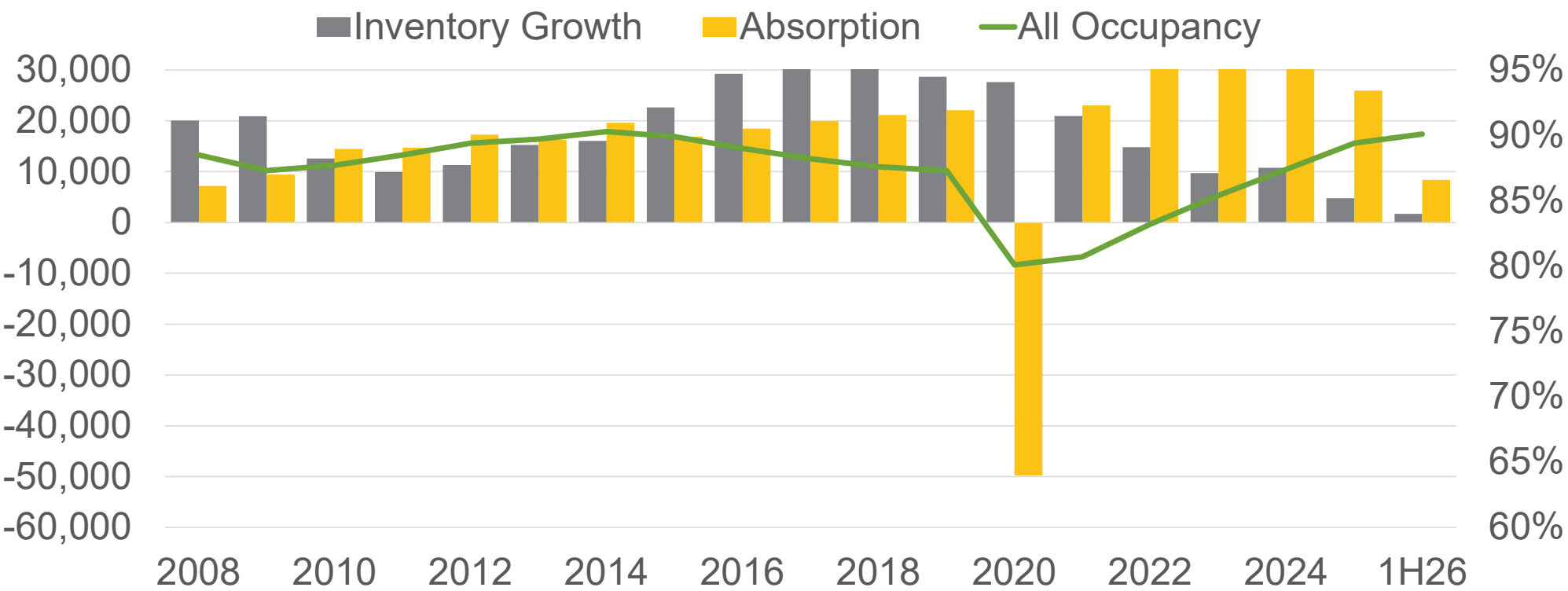
Senior Housing Common Area Ratios Vary by Community Type



Most Popular Active Adult Amenities Focus on Lifestyle and Wellness



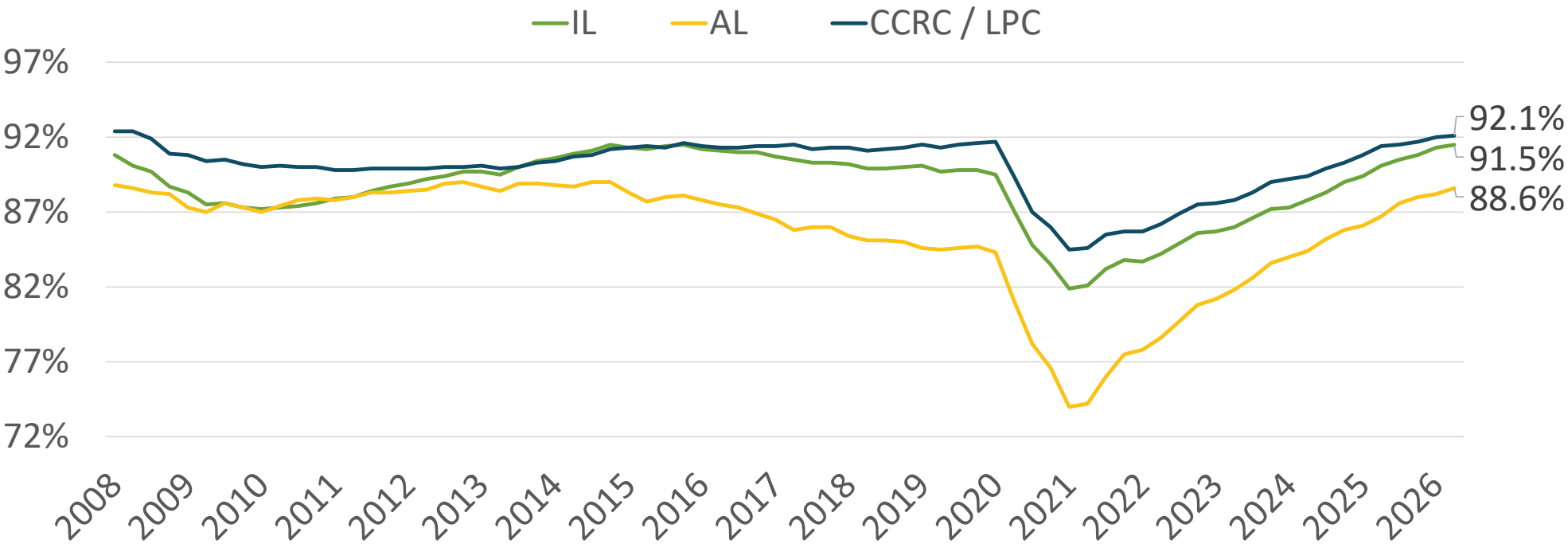
Occupancy Rate at Prior Peak Above 90%



Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q26



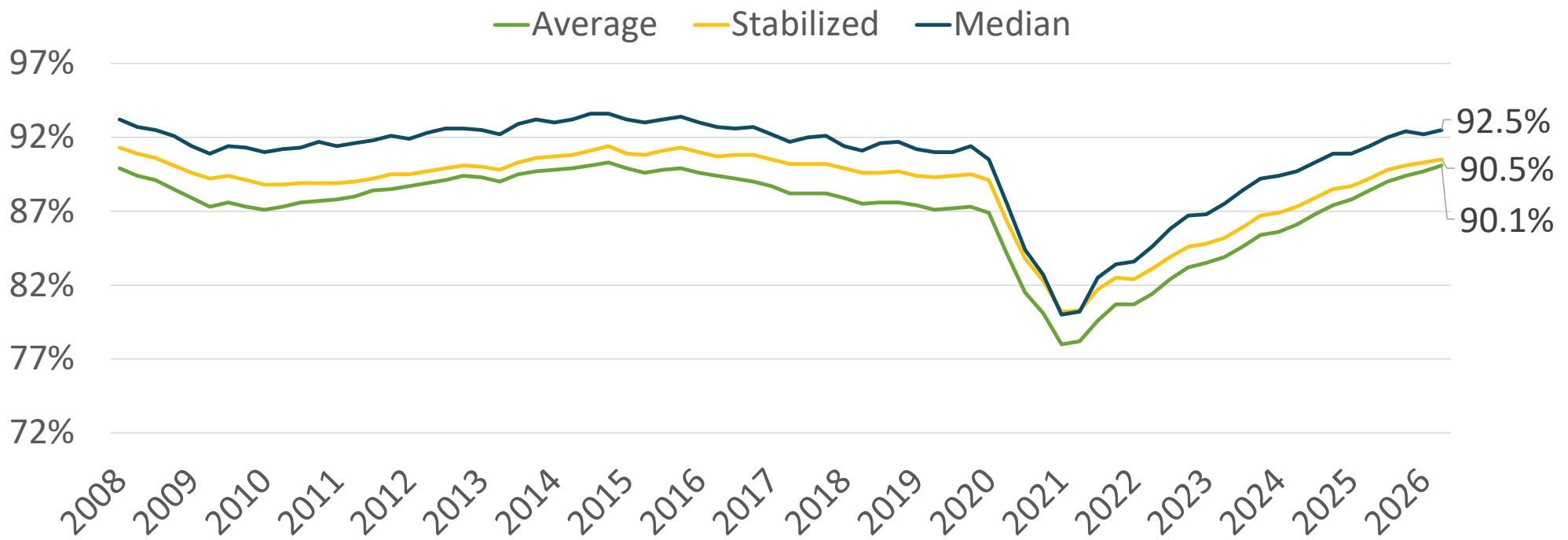
Occupancy Rates Typically Highest in CCRC / LPC



Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q26



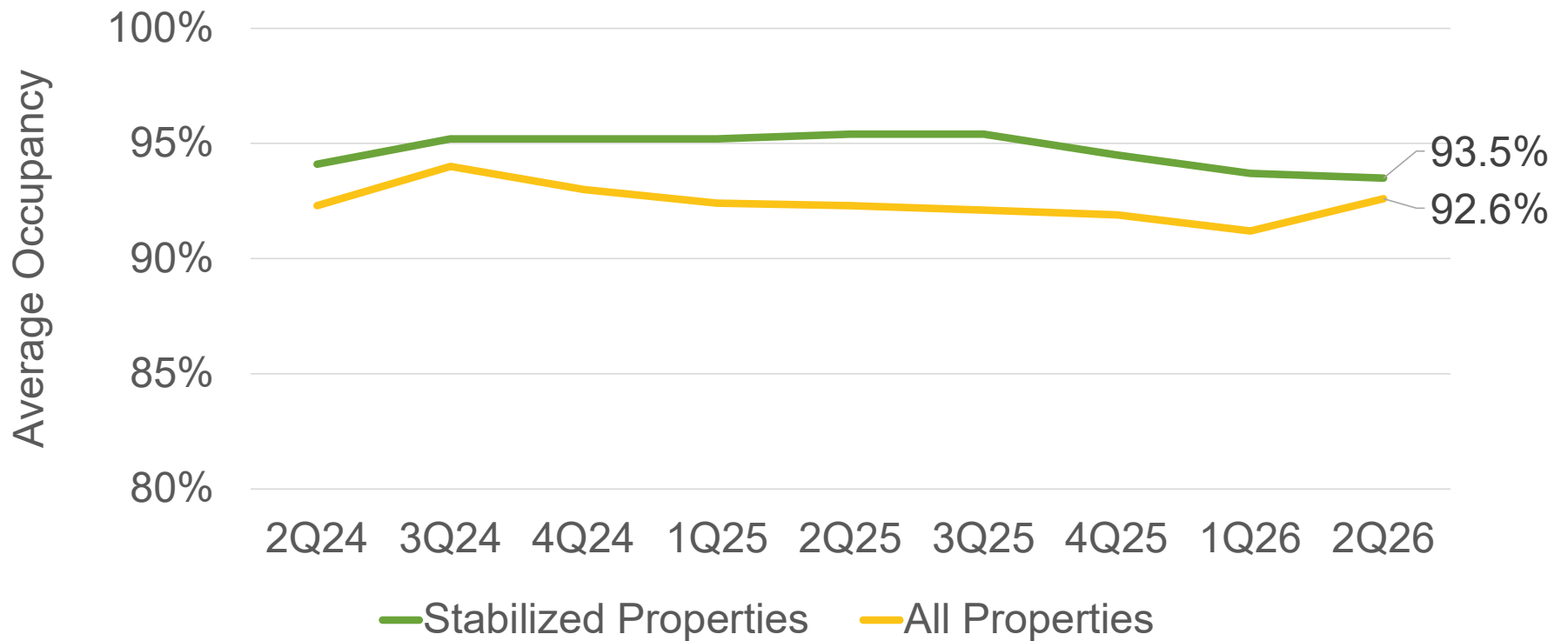
Senior Housing Occupancy Rate Spreads Are Narrower Than Historical Averages



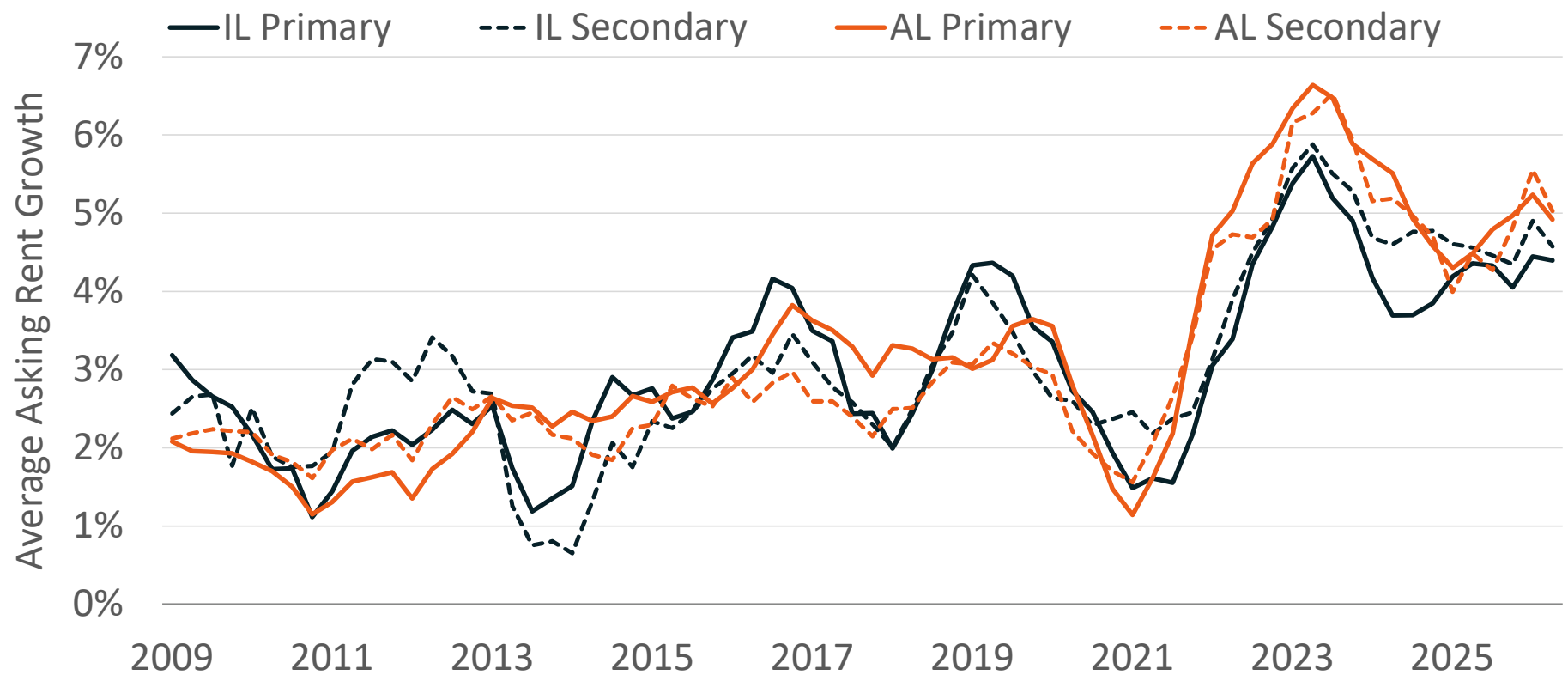
Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q26



Active Adult Occupancy Above 90%



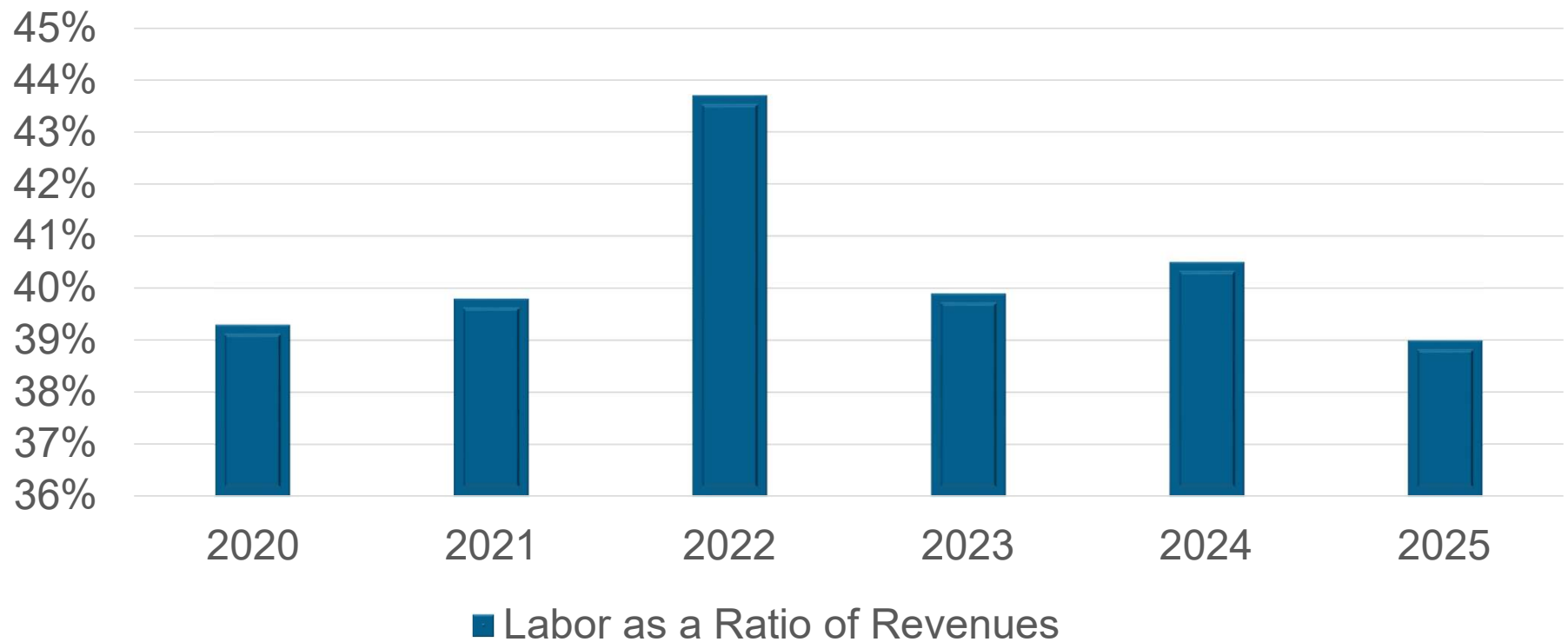
Annual Asking Rent Growth Above Historical Averages



Source: NIC MAP®, 99 Primary and Secondary Markets, 2Q26



Labor Expenses Consume Significant Portion of Total Revenue



Source: State of Seniors Housing Annual Reports, All Property Profile; reflects year-end data, not same-store data

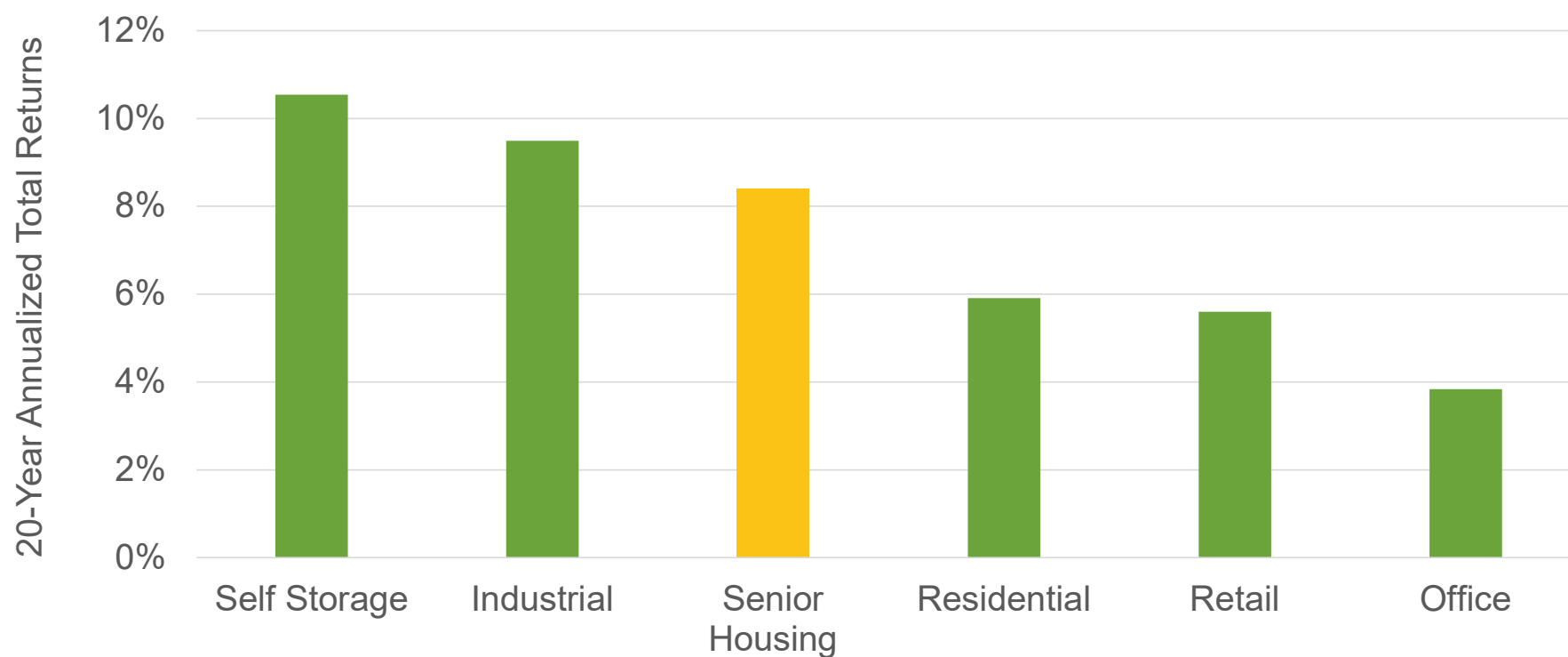
Investment & Financing Characteristics



Expanded NCREIF Property Index Raised Senior Housing Visibility

1. Residential a. Apartment b. Student c. Manufactured Housing d. Single Family 2. Hotel a. Full Service b. Limited Service 3. Industrial a. Manufacturing b. Flex c. Warehouse d. Specialized e. Life Science 4. Office a. Medical b. Life Science c. CBD d. Urban e. Secondary Business District f. Suburban	5. Retail a. Street b. Strip c. Mall 6. Seniors Housing a. Independent living b. Assisted Living c. Continuing Care d. Skilled Nursing 7. Self-storage a. No subtypes 8. Other a. Data Center b. Operating Land c. Entertainment d. Parking e. Other
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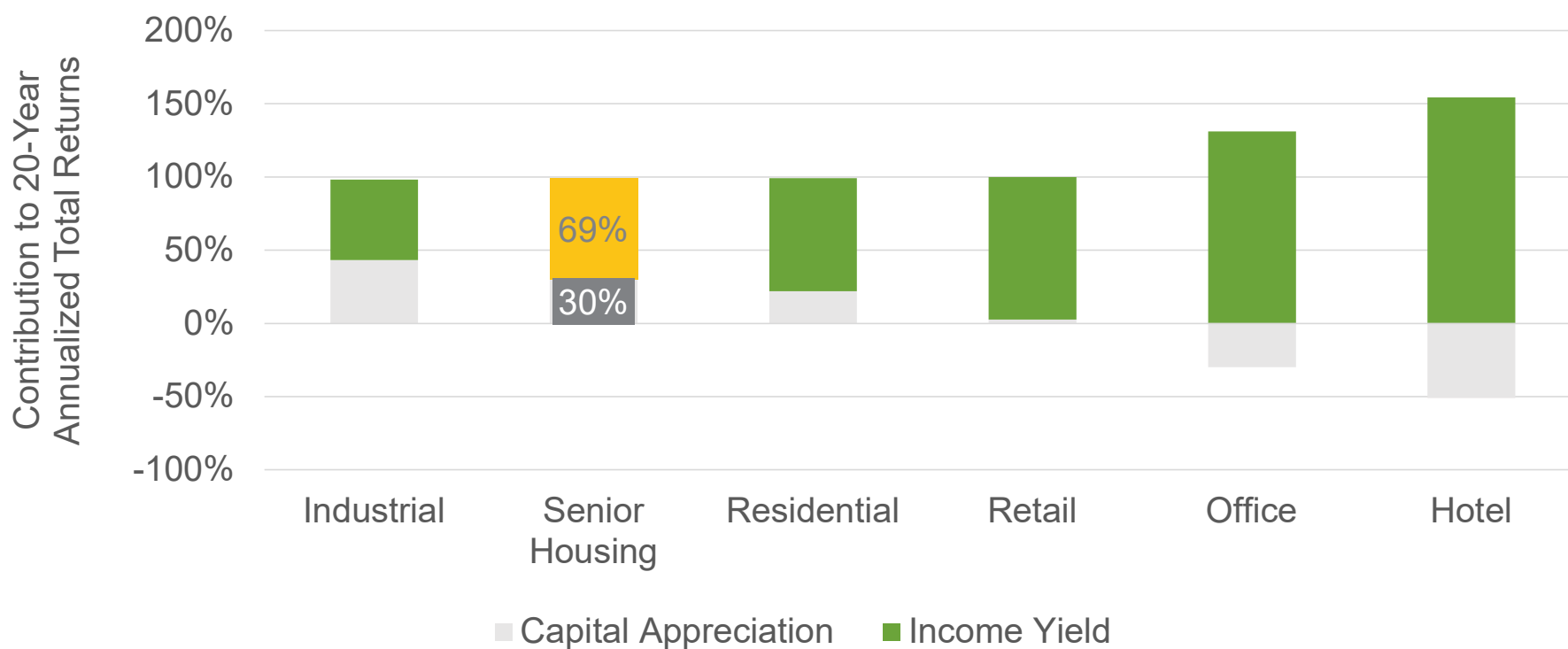
Senior Housing Investment Returns Have Been Competitive With Other Real Estate...



Source: NCREIF, 2Q26



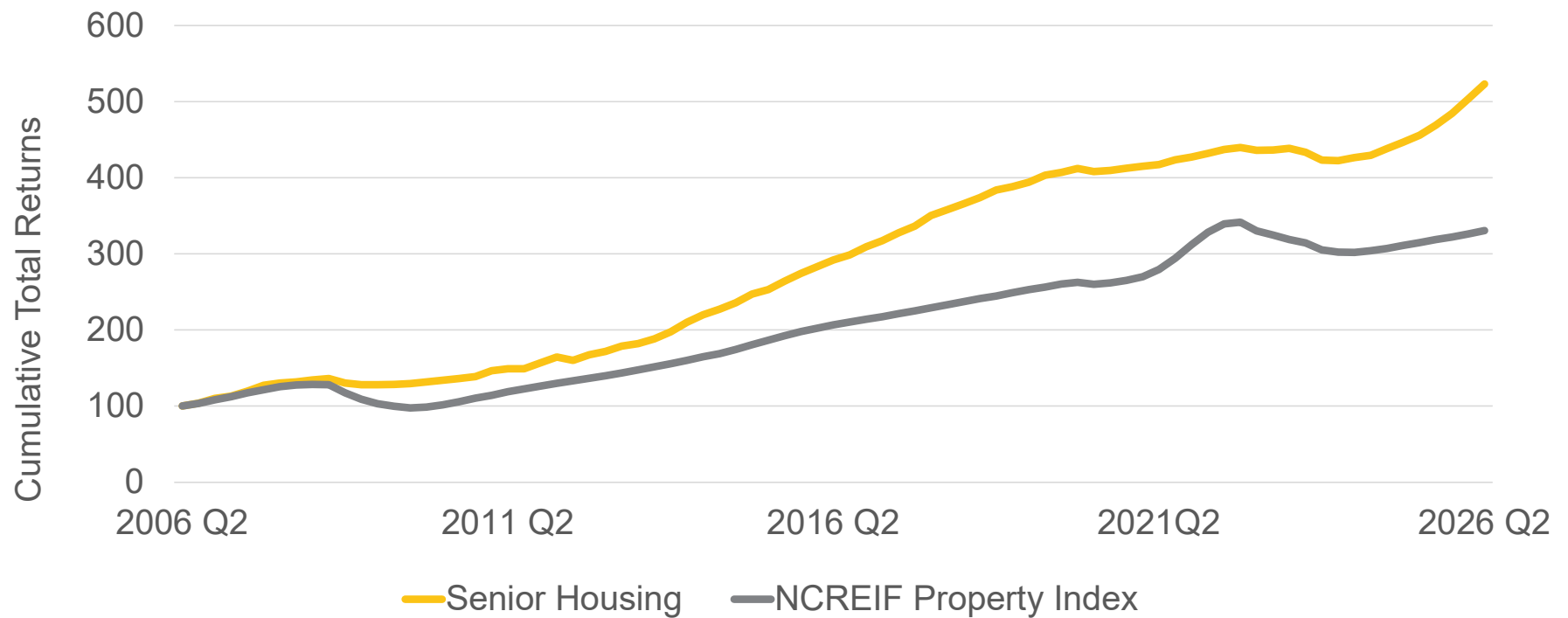
...Providing Both Yield & Appreciation



Source: NCREIF, 2Q26



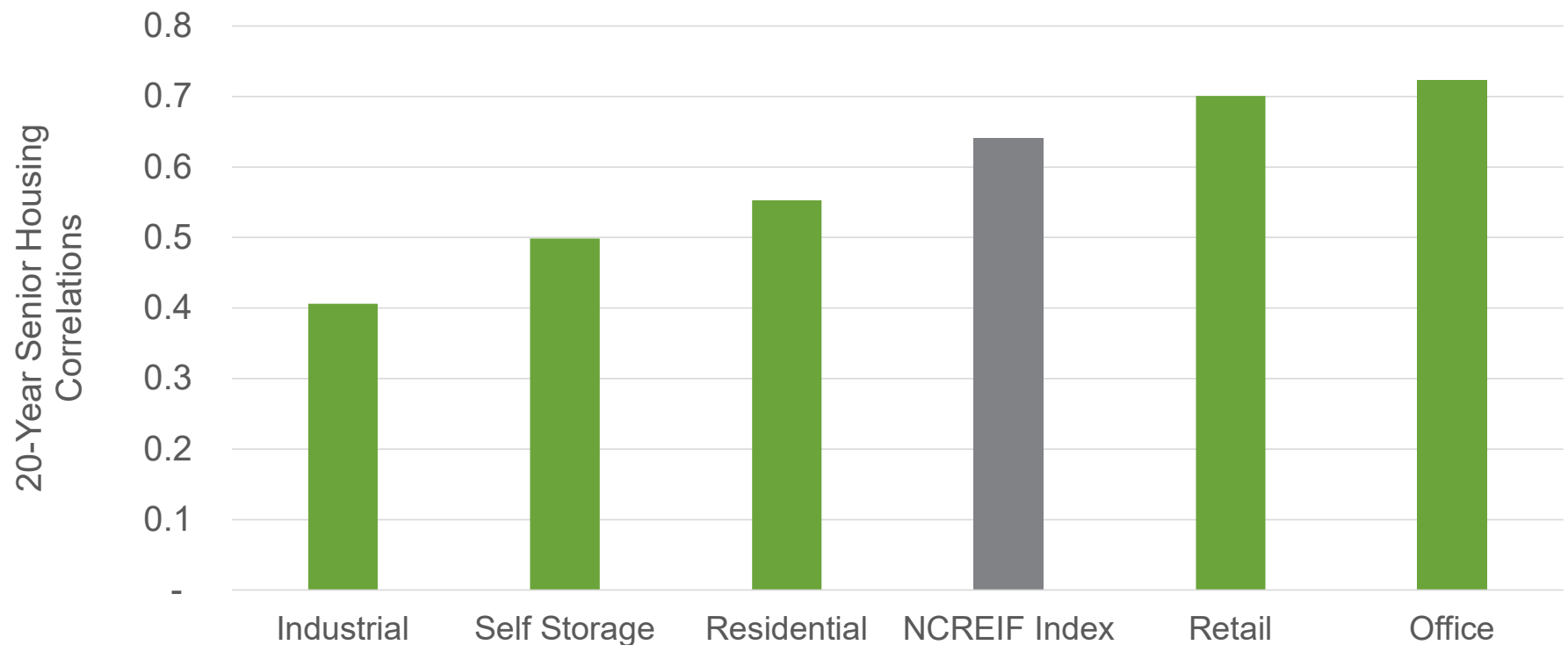
Senior Housing Has Outperformed Its Broader Real Estate Index...



Source: NCREIF, 2Q26



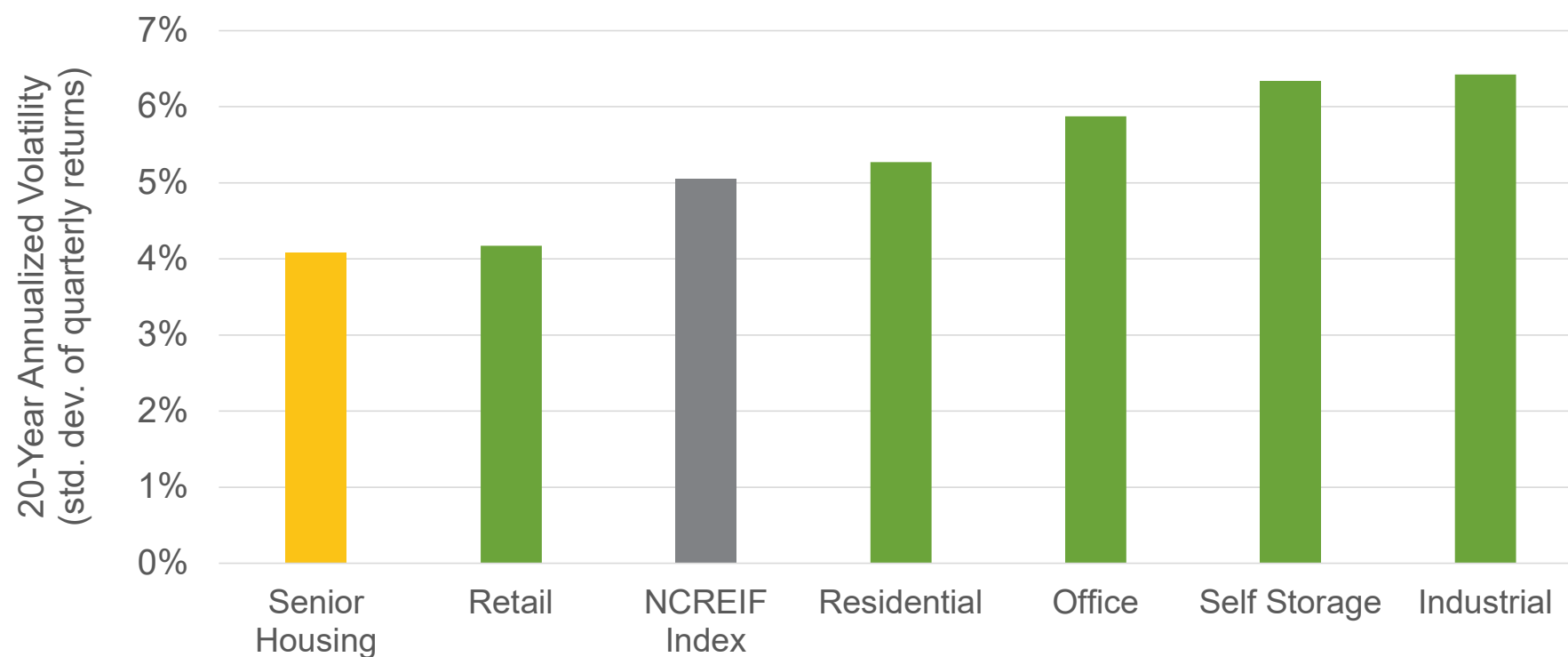
...While Offering Diversification Benefits With Other Real Estate...



Source: NCREIF, 2Q26



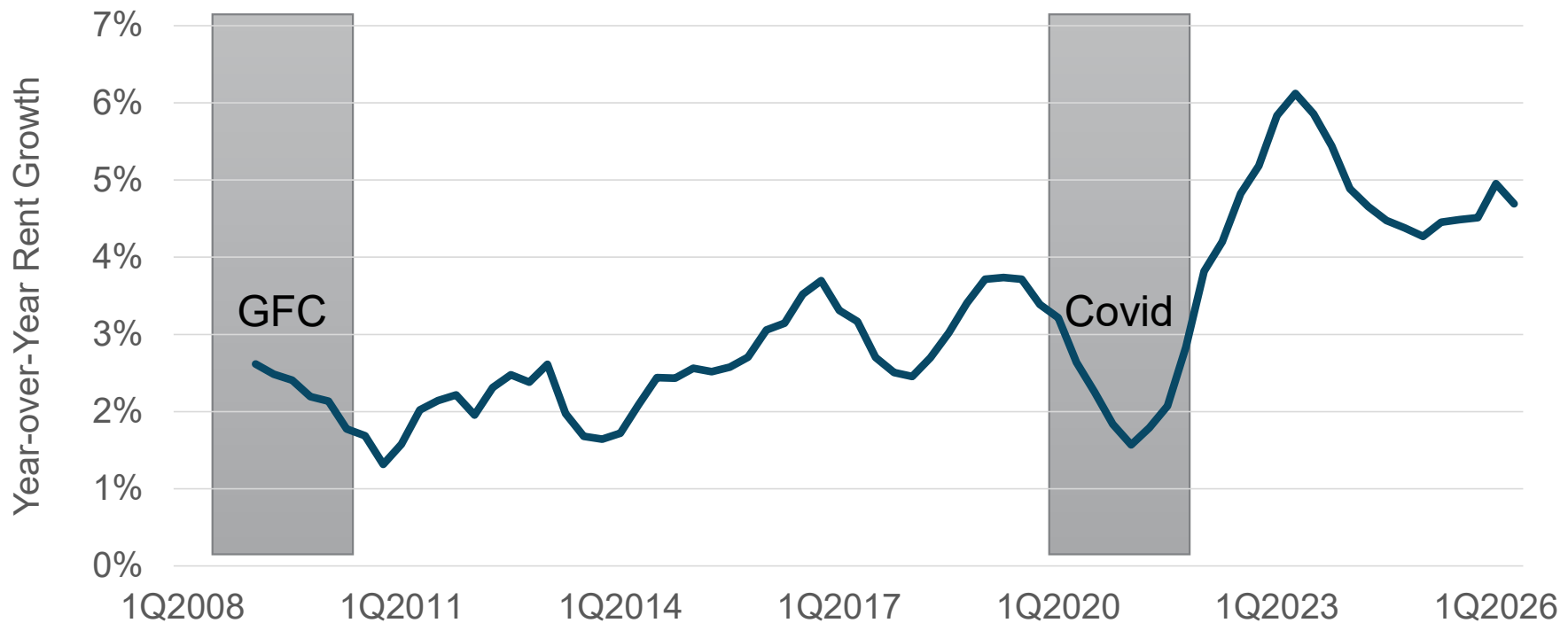
...and Below Average Volatility...



Source: NCREIF, 2Q26



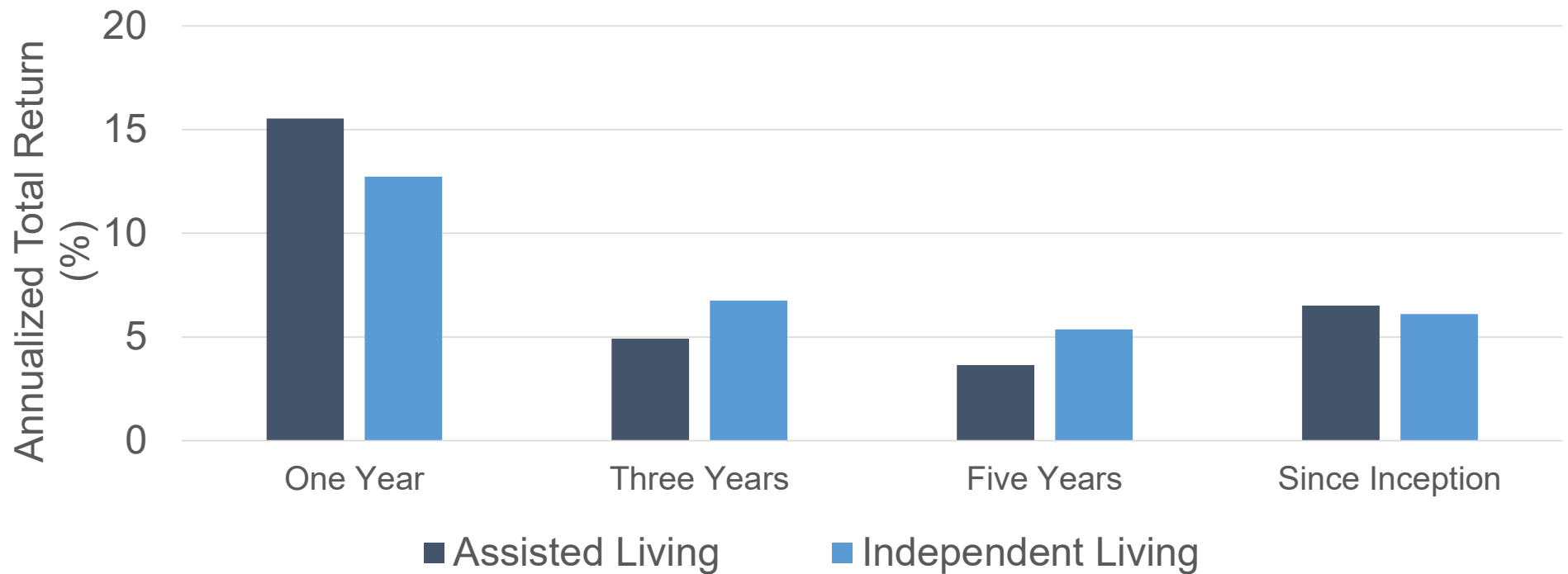
...with Positive Rent Growth Throughout Economic Cycles



Source: NIC MAP® , Primary and Secondary Markets, 2Q26



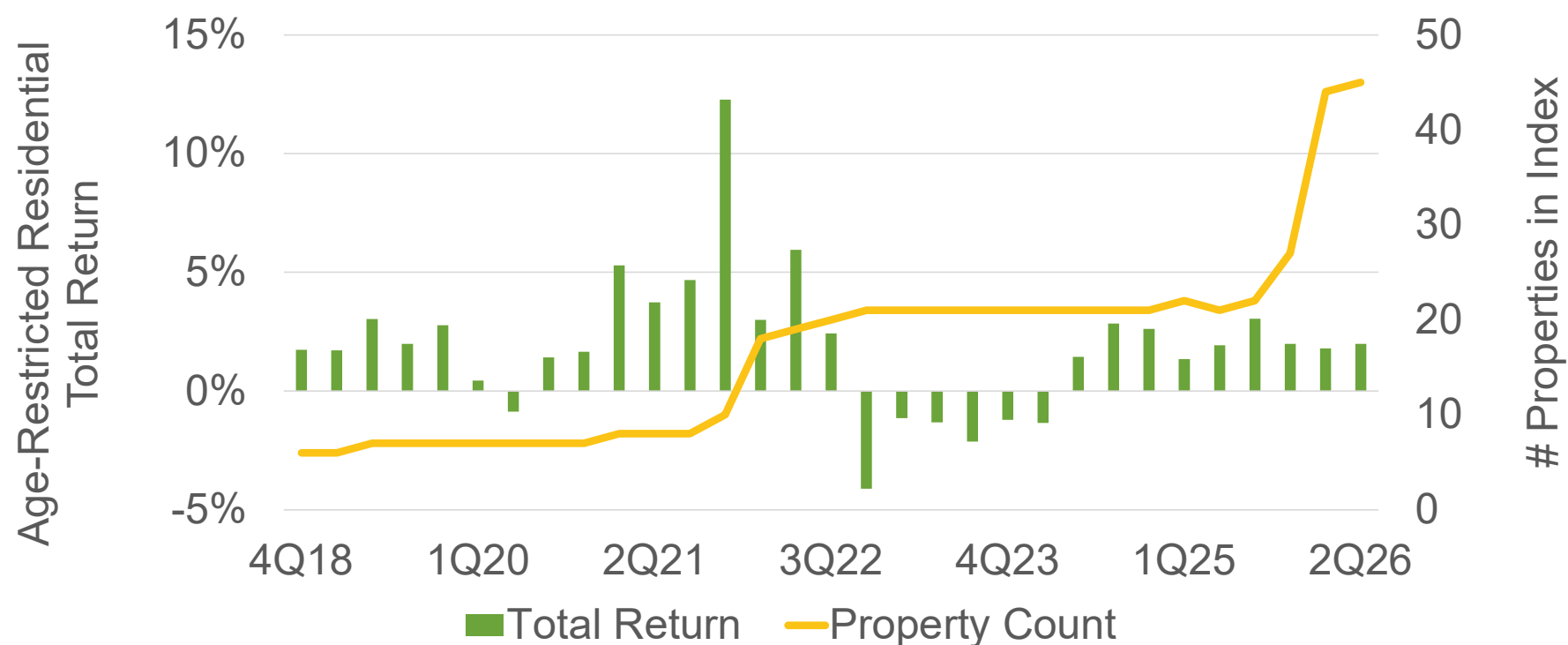
Assisted Living Total Returns Comparable to Independent Living Over Long Run



Note: Since Inception is 2014 for Assisted Living and 2016 for Independent Living

Source: NCREIF, 2Q26, Annualized Total Returns

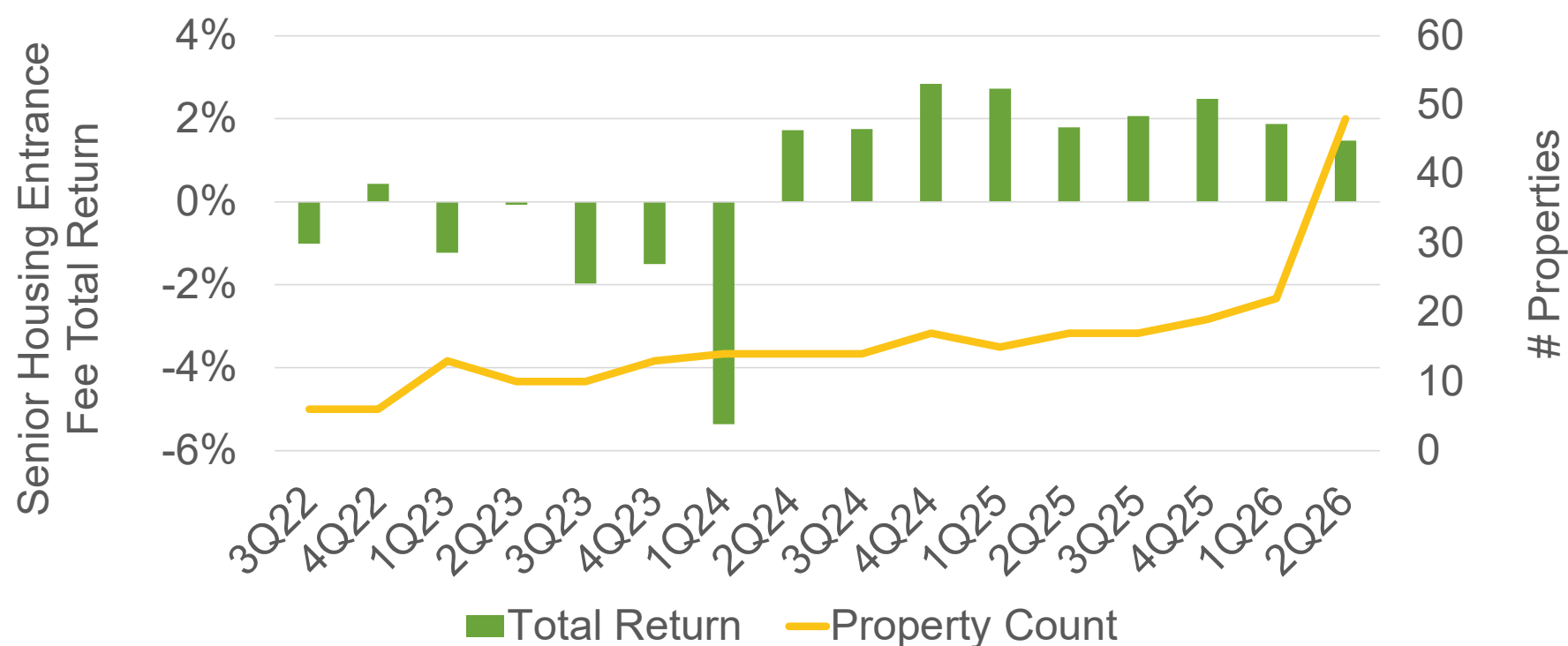
NCREIF Growing Active Adult Coverage



Source: NCREIF, 2Q26



More Entrance Fee CCRCs Also Added



Source: NCREIF, 2Q26

Cap Rates Rise as Operating Complexity and Staffing Increase

U.S. Property Type (Primary Markets)	Cap Rate, Investment Class A (%)
Active Adult	5.1
Independent Living	6.1
Assisted Living	6.6
Memory Care	8.2
CCRC / LPC	7.2

Source: Cushman & Wakefield Senior Living & Care Investor Survey Results, H1 2026

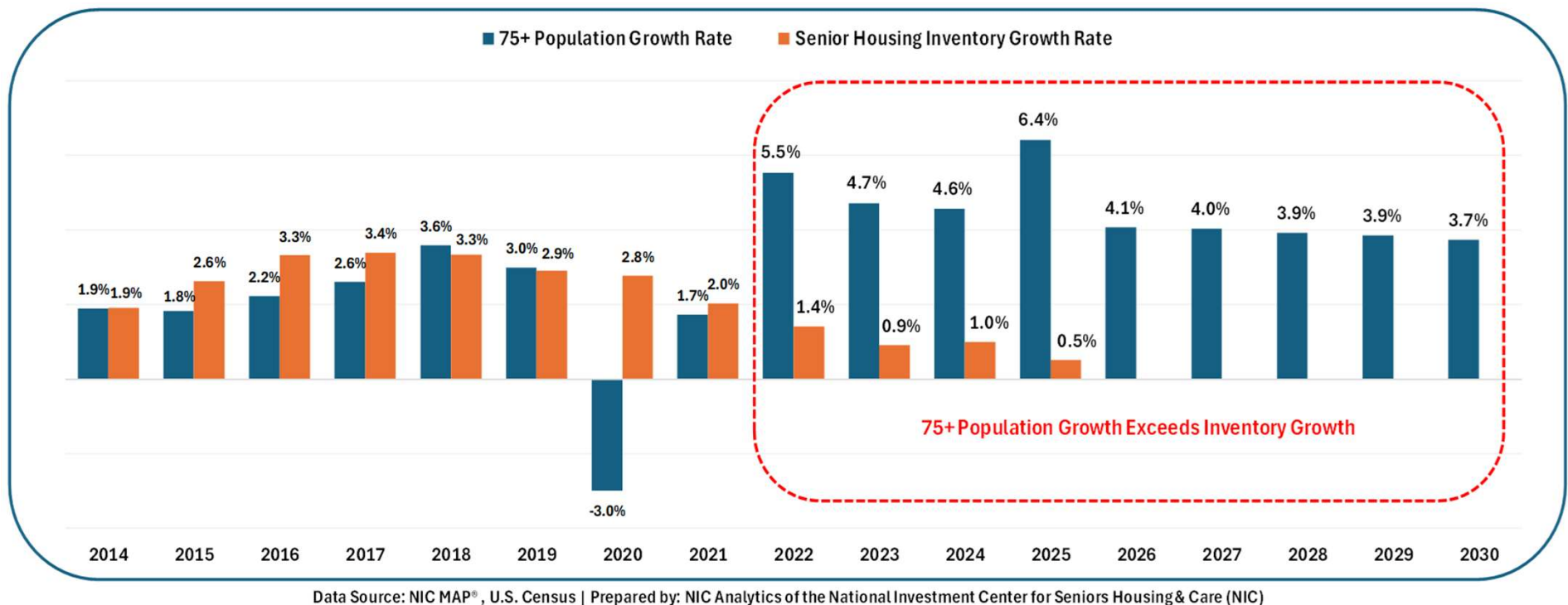


Canadian Cap Rates Slightly Lower Than the U.S.

Canada Property Type	Cap Rate, Investment Class A (%)
Multifamily High Rise	4.5
Multifamily Low Rise	4.7
Independent Living / Assisted Living	6.0
Long Term Care	7.1

Industry Outlook

Forecasted Supply-Demand Imbalances



Positive Outlook for the Sector

- Senior housing is in the spotlight
 - Optimism is high, both within the sector and from those historically outside the space
- Strong market fundamentals are driving solid performance
 - Will occupancy rates hit new highs?
- Headwinds remain:
 - Ongoing labor challenges
 - Aging / dated inventory that might need repositioning, and
 - Kickstarting new construction to meet increasing demand

Investment Risks

- Actuarial risks
 - Entry ages are stable for now – will wellness / prevention delay in the future?
- Operator risk
 - Investor alignment is key
- Regulatory risk
 - Government intervention in operations, e.g., staffing ratios
 - Immigration law's impact on the labor pool
- Headline risk
 - Media influence on demand vs. avoidance
- Obsolescence
 - Role of technology in residential in-home care
 - Significant evolution in consumer preferences



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