

From the Albuquerque Business First:

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## Why the senior housing market is smaller than expected

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Julie Ferguson works at a senior housing development company, and yet it took her years to convince her own grandfather to live in a senior living facility.

He lived at his house until he was 93 years old before he moved into an assisted living community, she said.

"We sell a product a lot of people don't want to think about," Ferguson said. Ferguson is the director of senior living at Titan Senior Living, the senior housing development arm of Titan Development. The Albuquerque company is building an 85,134-square-foot, 109-unit assisted living facility called Élan Santa Monica in the Northeast Heights.

"Of the age-appropriate individuals who could live in a senior housing community, only 11 percent choose to live in a senior housing community. That hasn't changed much in the last 15 years," she said.

Though senior housing is meant for individuals over 55, the average age of those living in independent living is 80.6 years old. For assisted living and memory care, it's 85.



THINKSTOCK

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The occupancy rate for senior housing nationwide is strong, roughly 90 percent. But industry experts say the occupancy rates could grow higher if the stigma around senior housing was broken.

Ferguson said she's heard from adult children who don't want to put their parents "in a nursing home." Some families would rather have their parents move in with them or hire a home health aide.

Dave Walbright, director of marketing for Haverland Carter Lifestyle Group, said few realize there are many senior lifestyle options out there. Some facilities are more like apartments that have luxury amenities geared toward older active adults.

"Those 11 percent who make a move are planners and thinkers. The other 89 percent are waiting for something to happen," Walbright said.

Finances can be a big barrier, however. Walbright said a one-bedroom at The Neighborhood in Rio Rancho, which offers both independent and assisted living, costs \$2,900 per month. Rent stays the same regardless of the type of care needed, but there is an initial \$159,000 entry fee to live in the community.

Ferguson said a one-bedroom assisted living unit in the Northeast Heights can cost as much as \$4,800 per month. And the average unit is only 500 square feet.

Still, the need for more senior housing in New Mexico is expected to grow as the state's baby boomers age. In 2000, there were more than 212,000 New Mexicans over the age of 65. In 2015, that number grew 22 percent to 330,000, according to research by the University of New Mexico's Bureau of Business and Economic Research.

**Stephanie Guzman**

Reporter

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