



THE HIGHLAND GROUP

*Strategic Research, Planning, and Marketing Solutions
for Seniors Housing and Care Communities*

Needs and Opportunities in Housing and Care in Larimer County: Next 25 Years



PREPARED FOR:
PARTNERSHIP FOR AGE-FRIENDLY COMMUNITIES
MAY 4, 2015



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This report was generously funded by:

Loveland Housing Authority
Waters' Edge Investments, LLLP
Town of Estes Park
Fort Collins Housing Authority
City of Fort Collins
Larimer County
Estes Park Housing Authority

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Attached as Electronic Files: Demographics Spreadsheets by Submarket

Sponsorship, Purpose, and Introduction

Sponsorship

This research report was commissioned by the Housing Priority Group of the Partnership for Age-Friendly Communities. According to the website of the Foundation on Aging for Larimer County, “Since the summer of 2013, the Partnership for Age-Friendly Communities has been working to engage Larimer County stakeholders in collaborative efforts to accommodate and benefit from the growing population of boomers and retired seniors.”

The Partnership for Age-Friendly Communities represents a variety of organizations and initiatives intended to improve livability for seniors in Larimer County. The initiative is led by the Foundation on Aging for Larimer County and the Larimer County Office on Aging, in collaboration with eight other community organizations:

AARP Colorado
CSU Center for Public Deliberation
Elder Care Network of Northern Colorado
Fort Collins Area Interfaith Council
Fort Collins Human Relations Commission
Fort Collins Senior Advisory Board
Loveland Senior Advisory Board
UCHealth Aspen Club

Purpose and Approach

The Housing Priority Group commissioned this research report from The Highland Group so that the Partnership for Age-Friendly Communities would have detailed housing-specific data available to inform its efforts to improve livability for those age 55 and older in Larimer County.

The Highland Group is a Boulder-based research firm focused exclusively on age 55+ housing and care. For the past 15 years, The Highland Group has provided market research, feasibility studies, development planning, and strategic consulting for over 200 public and private developers and operators for all types of housing and care targeted to older Coloradoans.

Introduction

For people of all ages, a diverse mix of preferred and affordable housing choices is a major factor in the livability of any community. As people reach their mid-50s to 70s, needs and preferences shift, as family and work responsibilities change. People in this age group have increased freedom to live where and how they want, often combined with a desire or need to reduce expenses. For the oldest age groups, 80+, additional settings are needed that directly offer or facilitate social and community connection, health, wellness, personal care, and/or end-of-life care.

Of course, the most obvious factor in availability of desired or needed housing is the ability to pay the market cost, whether buying a new patio home, or paying for a stay in assisted living. Rarely is there a shortage of good-quality, market-rate housing and care, with the exception of rural areas. And, more funding will always be needed for affordable assisted living or rental apartments. That said, many other aspects of housing and care can be addressed to increase livability for those growing older in Larimer County.

As the Partnership moves forward, it will most likely explore all of the following aspects of livability, as it works to create age-friendly communities throughout Larimer County:

- Options to live in preferred neighborhood and housing type
- Housing that supports community and family relationships
- Housing that can be adapted as needed or preferred
- More housing with physical accessibility
- Access to technology
- Good-quality and maintenance assured
- Housing that reduces need for car or special transit
- Housing that facilitates mutual and informal support and care
- Paid services are available as needed
- Funding options to support affordable development

Report Overview and Approach (Page 1 of 2)

This research report provides a picture of Larimer County as a whole, as well as for five geographic submarkets. The submarkets were defined by the Housing Priority Group, along census tract boundaries:

Larimer County (all)	Fort Collins
Loveland	Rural plains
Estes Park	Rural mountains

Part 1: Demographic Profiles and Key Variables

The Highland Group completed the following:

1. Obtained demographics from three different sources: Ribbon Demographics, LLC and The Nielsen Company for each of the submarkets; and the Demography Section of Colorado Department of Local Affairs for Larimer County as a whole. Calculated key variables relevant to evaluating demand for certain types of senior housing and care, such as the number of households in certain age, need, and income groups.
2. Tabulated and displayed demographic information in tables for each of the six submarkets, and provided separate tables comparing the selected demographics between geographic areas. Created maps outlining the boundaries of the six submarkets.
3. For all of Larimer County only: Prepared table displaying long range growth projections to 2040 for age-targeted population groups (age 45 to 64, age 65 to 74 and age 75+) and for the total population.

Part 2: Need and Demand Estimates and Forecast

The Highland Group prepared estimates of need and demand for various types of senior housing and care (both affordable and market rate) for Larimer County as a whole, and for each of the five submarkets. Demand was estimated for 2015 and projected to 2020 for each submarket, and was forecast to 2040 for Larimer County as a whole. The senior housing and care types included in these estimates were:

- * Age-qualified for-sale (patio, townhome, condo, mobile)
- * Age-qualified rental (market-rate and affordable/subsidized)
- * Independent living (with services) * Assisted living
- * Skilled nursing * Memory care assisted

To complete the need and demand estimates and forecast, The Highland Group completed the following:

1. Updated and compiled information on the current inventory of senior housing and care; created tables.
2. Contacted key informants to obtain best, most currently available information about other planned properties; created table.
3. Created maps indicating the location of planned and existing properties.
4. Calculated 2015 need/demand estimate and a 2020 forecast for each of the identified senior housing and care types for Larimer County as a whole and for the submarkets, utilizing demographic information and key industry benchmarks to establish expected quantitative demand. Compared expected quantitative demand to existing inventory to help determine additional demand for or oversupply of each senior housing and care type.

Report Overview and Approach (Page 1 of 2)

Part 3:

Generational, Demographic, and Socioeconomic Trends and the Impact of These Trends on Short and Long-Range Demand for Housing and Care

The Highland Group completed the following:

1. Reviewed a wide body of current information relative to generational trends and preferences, income and asset forecasts, housing and household formation trends, disability, and race/ethnicity. Trend data is collected and compiled on an ongoing basis by The Highland Group from: public and private demographic sources; retirement and gerontology research institutes; economic and financial institutions; health and long-term care policy centers; senior housing and care industry surveys and reports; for-sale and multifamily rental housing industry surveys and reports; state licensing agencies; Colorado-based city planners; state and local aging services agencies; and developers and operators of senior housing and care properties.
2. Compiled a list of trends that The Highland Group believes will impact current and future demand for different housing and care types
3. Created a list of the implications of these trends
4. Compiled a list of actions and advocacy needed to address livability now and into the future, based on these trends and their implications.
5. Created a long-range need/demand forecast for each of the identified senior housing and care types for Larimer County as a whole, utilizing long-range population forecasts to 2040. Forecasts were based on an estimate of future utilization that incorporates these generational trends and preferences. The forecasts provide a rough estimate of future demand and need.

Property Definitions Used in this Report

The senior housing and care property classifications listed below have been endorsed by all of the major national industry associations: LeadingAge; American Health Care Association (AHCA); American Seniors Housing Association (ASHA); Assisted Living Federation of America (ALFA); National Center for Assisted Living (NCAL); and the National Investment Center for the Seniors Housing & Care Industry, Inc. (NIC). Throughout this report, we have used these classifications, with some modification in property names (shown in parentheses after the industry's name). The definitions are verbatim.

Active Adult Communities (For-Sale): For-sale single-family homes, townhomes, cluster homes, mobile homes and condominiums with no specialized services, restricted to adults at least 55 years of age or older. Rental housing is not included in this category. Residents generally lead an independent lifestyle; projects are not equipped to provide increased care as the individual ages. May include amenities such as clubhouse, golf course and recreational spaces. Outdoor maintenance is normally included in the monthly homeowner's association or condominium fee.

Senior Apartments (Age-Qualified Apartments): Multifamily residential rental properties restricted to adults at least 55 years of age or older. These properties do not have central kitchen facilities and generally do not provide meals to residents, but may offer community rooms, social activities, and other amenities.

Independent Living Communities: Age-restricted multifamily rental properties with central dining facilities that provide residents, as part of their monthly fee, access to meals and other services such as housekeeping, linen service, transportation, and social and recreational activities. Such properties do not provide, in a majority of the units, assistance with activities of daily living (ADLs) such as supervision of medication, bathing, dressing, toileting, etc.

Assisted Living Residences: State regulated rental properties that provide the same services as independent living communities listed above, but also provide, in a majority of the units, supportive care from trained employees to residents who are unable to live independently and require assistance with activities of daily living (ADLs) including management of medications, bathing, dressing, toileting, ambulating and eating.

Memory Care Assisted Living: Many of these assisted living properties include wings or floors dedicated to residents with Alzheimer's or other forms of dementia. A property that specializes in the care of residents with Alzheimer's or other forms of dementia that is not a licensed nursing facility should be considered an assisted living property. *(THG note: Since the publication of these classifications, new communities that only offer secured memory care assisted living have emerged and are now common.)*

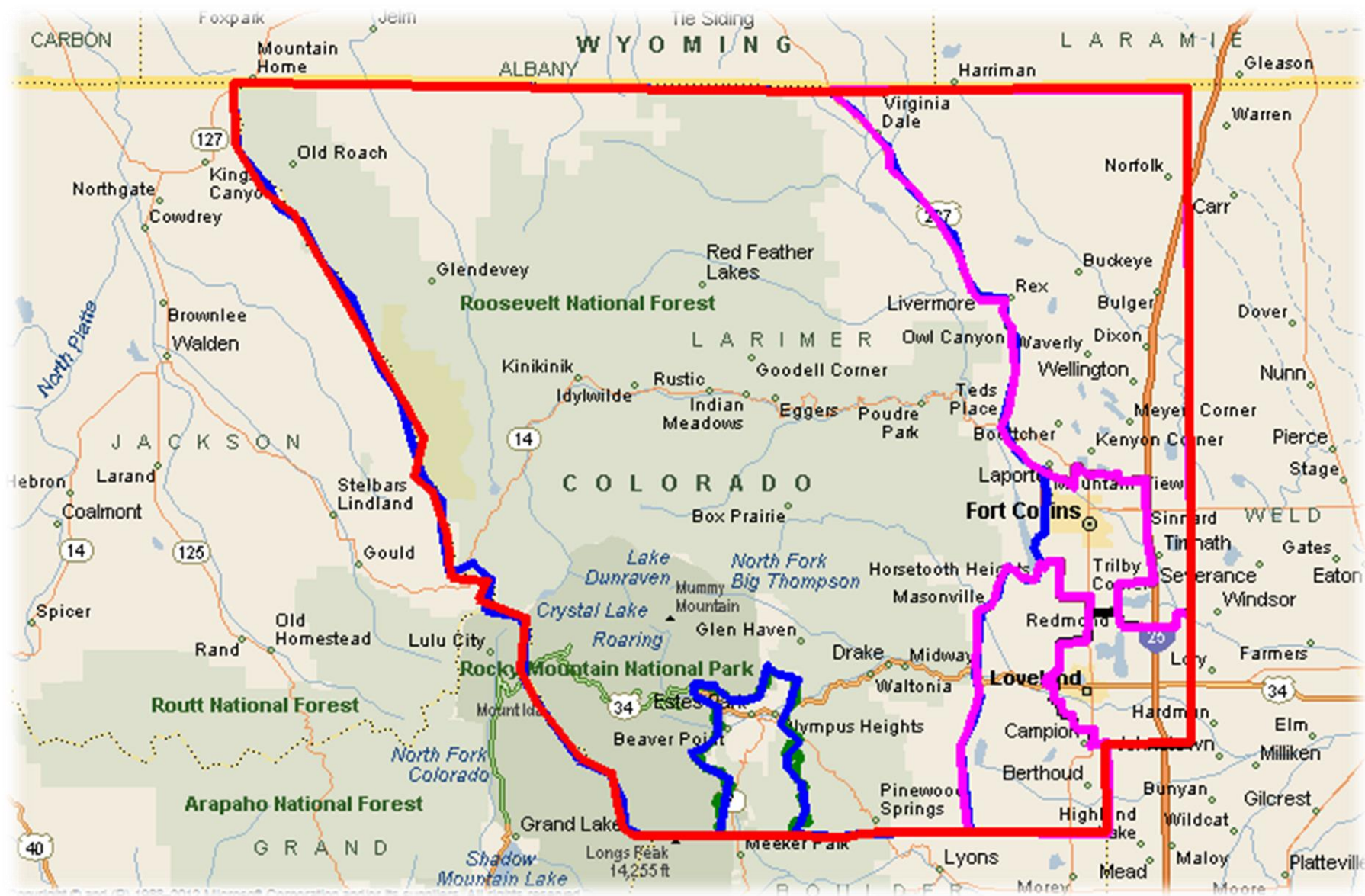
Nursing Homes (Skilled Nursing): Licensed daily rate or rental properties that are technically referred to as skilled nursing facilities (SNF) or nursing facilities (NF) where the majority of individuals require 24-hour nursing and/or medical care. In most cases, these properties are licensed for Medicaid and/or Medicare reimbursement.



Larimer County - Submarkets

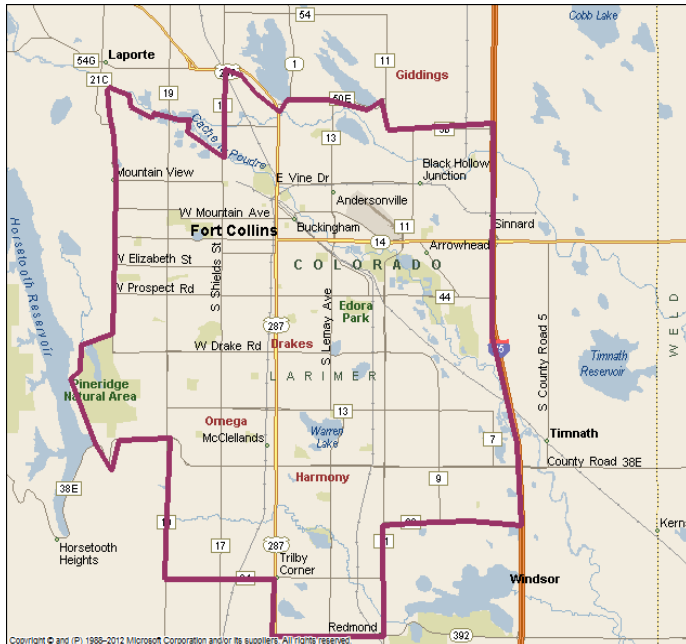


Larimer County and Submarkets



Fort Collins Submarket

Submarket Boundaries



Submarket Definition - For purposes of this report, the submarket was defined as the greater Fort Collins area, using census tract boundaries. Those boundaries are irregular, but generally follow I-25 on the east, Overland Trail on the west, then, on the north along 50/50E, just south of Terry Lake, and CR-392/Trilby Rd. on the south.

Submarket Overview

Community Description - The City of Fort Collins is a vibrant university community in northern Colorado, and the fourth largest city in the State of Colorado. Fort Collins is the county seat of Larimer County.

Key Demographics - The population in this area is estimated at 153,385 for 2015, projected to grow to 162,182 by 2020. Of the total population, about 16,687 (11%) were age 65+ in 2015, increasing to 20,908 (13%) by 2020.

Current Supply of Age-Qualified Housing and Care

Fort Collins - Type	Number Units or Beds	Type	Number Units or Beds
For-sale/age 55+	612	Assisted living (market)	298
Independent living	544	Assisted (Medicaid)	102
Market rental	0	Memory care	122
Subsidized rental	717	Skilled nursing	761

Age-Qualified Housing and Care Demand - 2015 to 2020

As a larger, generally affluent community, the Fort Collins submarket has a plentiful supply of good-quality **market-rate retirement apartments (independent living), assisted living, and memory care**. For these types of properties, supply and demand appear to be in balance and will likely remain so through pure market forces as demonstrated by several properties now under development in the City.

The **55+ for-sale communities** range widely from mobile home parks to newer patio homes, with little new home inventory and likely demand for age-qualified new homes.

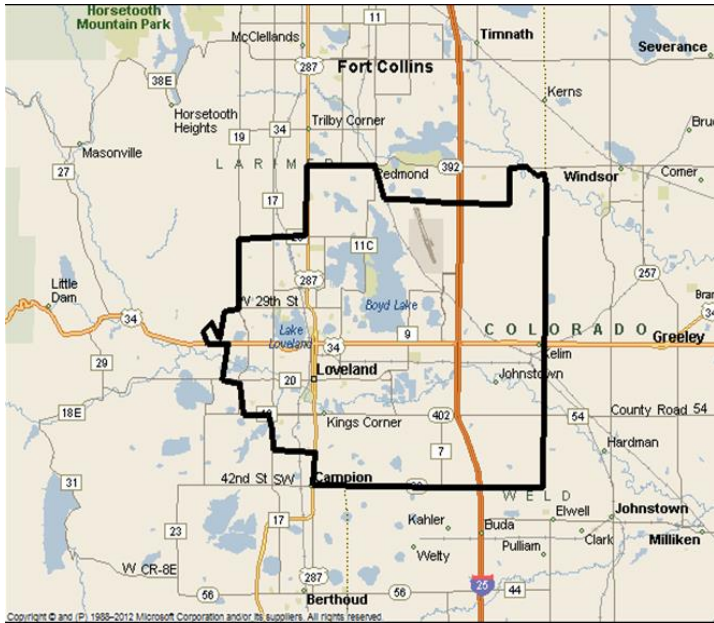
Skilled nursing inventory is a mix of newer and older properties of mixed quality, with an apparent oversupply of at least 100 beds in the area. A new skilled facility with 100 beds is under development; it will serve only short-term rehab patients.

There is significant unmet demand for more **age-qualified, affordable rentals**, with 2 planned age-qualified projects currently seeking funding. Due to funding limits, perhaps only one of these will move forward. **Affordable assisted living** is in great demand.

Market-rate age-qualified apartments is a newly-emerging housing type, with no existing units in the area, and a 161-unit project expected to break ground in 2015.

Loveland Submarket

Submarket Boundaries



Submarket Definition - For purposes of this report, the submarket was defined as the greater Loveland area, using census tract boundaries. The area is irregularly-shaped and generally stretches from the Larimer/Weld County line on the east, beyond Interstate-25, to the foothills on the west. The boundaries reach generally to Wilson Ave. on the west, then, on the north along CR-392/Trilby Rd. and CR-50 on the south.

Submarket Overview

Community Description - Loveland is in northern Colorado, ranked as the 14th largest city in Colorado. Loveland has extended eastward to include a newly-developing commercial and medical hub at I-25 and US-34. Loveland has been ranked as a top retirement destination due to reasonable housing prices and access to mountain recreation.

Key Demographics - The population in this area is estimated at 74,288 in 2015, projected to grow to 80,658 by 2020. Of the total population, about 12,361 (17%) were age 65+ in 2015, projected to increase to 15,303 (19%) by 2020.

Current Supply of Age-Qualified Housing and Care

Loveland - Type	Number Units or Beds	Type	Number Units or Beds
For-sale/age 55+	557	Assisted living (market)	355
Independent living	449	Assisted (Medicaid)	88
Market rental	24	Memory care	128
Subsidized rental	446	Skilled nursing	412

Age-Qualified Housing and Care Demand - 2015 to 2020

As a dynamic small city, the Loveland area has a plentiful supply of good-quality **market-rate retirement apartments (independent living), assisted living, and memory care**. For these types of properties, supply and demand appear to skewing toward oversupply, but will likely remain in relative balance purely through market forces.

The **age-qualified, for-sale communities are nearly all mobile home parks, except for patio homes at Mirasol**. There is likely demand for other, new, age-qualified homes.

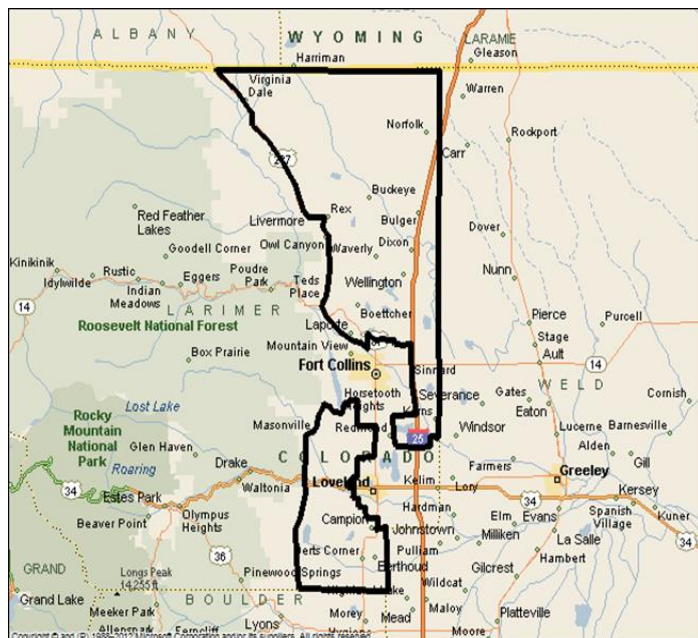
Skilled nursing inventory is a mix of newer and older properties of mixed quality, with an calculation of mathematical oversupply that is mostly attributable to rural and mountain residents who come to Loveland to use these facilities. The new GreenHouses® at Mirasol offer the first of a new generation of residential-style skilled nursing.

There is strong unmet demand for **affordable rentals** and no known affordable projects in the pipeline. **Affordable assisted living** is also in great demand.

Market-rate age-qualified rentals is a newly-emerging housing type. Strong demand is estimated and may be largely met by Traditions at Loveland, a 165-unit planned market-rate property. Existing rentals are limited to 24 market-rate patio homes at Mirasol.

Rural Plains Submarket

Submarket Boundaries



Submarket Definition - For purposes of this report, the Rural Plains submarket was defined as two separate areas. The northern portion lies north and east of Fort Collins to the Weld County border and Wyoming/Colorado border, and contains the communities of La Porte and Wellington. The southern portion falls west of I-25 and south and west of Loveland, including the Town of Berthoud. The area extends south to the Larimer/Boulder County border.

Submarket Overview

Community Description - Much of the Rural Plains submarket consists of agricultural and ranch land. The northern portion is less populated, although it includes the LaPorte area close to Fort Collins. The Abbey of St. Walburga is a well-known retreat center at Virginia Dale. The Town of Berthoud is predominant in the southern portion, along with many areas of single-family homes on large acreage.

Key Demographics - The population in this area is relatively large, estimated at 72,927 in 2015, projected to grow to 79,716 by 2020. Of the total population, about 10,948 (15%) are age 65+ in 2015, projected to increase to 14,427 (18%) by 2020.

Current Supply of Age-Qualified Housing and Care

Rural Plains- Type	Number Units or Beds	Type	Number Units or Beds
For-sale/age 55+	190	Assisted living (market)	30
Independent living	0	Assisted (Medicaid)	16
Market rental	0	Memory care	0
Subsidized rental	48	Skilled nursing	76

Age-Qualified Housing and Care Demand - 2015 to 2020

This submarket is served by four small **assisted living** homes in the northern portion and, in the Town of Berthoud in the southern portion, by an older **skilled nursing** facility, **affordable age-qualified apartments**, and a 12-resident **assisted living** home. Sunflower, a large, **age-qualified manufactured home community**, is located east of I-25 from Fort Collins. None of the communities in this area have enough population to attract larger, market-rate retirement housing and care properties.

Although calculations specific to this area conclude there is mathematical demand for market-rate housing and care based on population, potential demand must be considered in light of the strong supply in neighboring Fort Collins and Loveland, to which people from these areas routinely travel for services.

That said, there is demand for additional **age-qualified rental apartments**, **Medicaid assisted living**, and **market-rate assisted living**, any of which could be developed on a scale that is appropriate to the rural nature of this submarket.

There is likely demand for **age-qualified, for-sale patio homes** in the Berthoud area.

Estes Park Submarket

Submarket Boundaries



Submarket Definition - For purposes of this report, the submarket has been defined as the greater Estes Park area. There are only two census tracts making up this area. To the west and north, the area is bounded by Rocky Mountain National Park, and to the east and south the submarket is bounded by Roosevelt National Forest. The submarket extends south to the Larimer County/Boulder County border, with the southern half of the area falling entirely within public recreation lands.

Submarket Overview

Community Description - Estes Park is a family-oriented and historic mountain resort community, surrounded by heavily-visited public recreation lands. Local landmarks include Rocky Mountain National Park, the YMCA of the Rockies and the Stanley Hotel. Estes Park is a popular retirement destination, and has a relatively high proportion of age 65+ households.

Key Demographics - The population in this area is estimated at 10,096 in 2015, projected to grow to 11,089 by 2020. Of the total population, about 2,980 (30%) were age 65+ in 2015, projected to increase to 3,650 (33%) by 2020.

Current Supply of Age-Qualified Housing and Care

Estes Park - Type	Number Units or Beds	Type	Number Units or Beds
For-sale/age 55+	0	Assisted living (market)	24
Independent living	80	Assisted (Medicaid)	0
Market rental	0	Memory care	0
Subsidized rental	84	Skilled nursing	60

Age-Qualified Housing and Care Demand - 2015 to 2020

The population and services in this submarket is relatively contained geographically. Currently within Estes Park are: a market-rate retirement community offering **independent living apartments and duplexes and assisted living**; an older **skilled nursing facility**; and three **affordable, age-qualified rental apartment properties**.

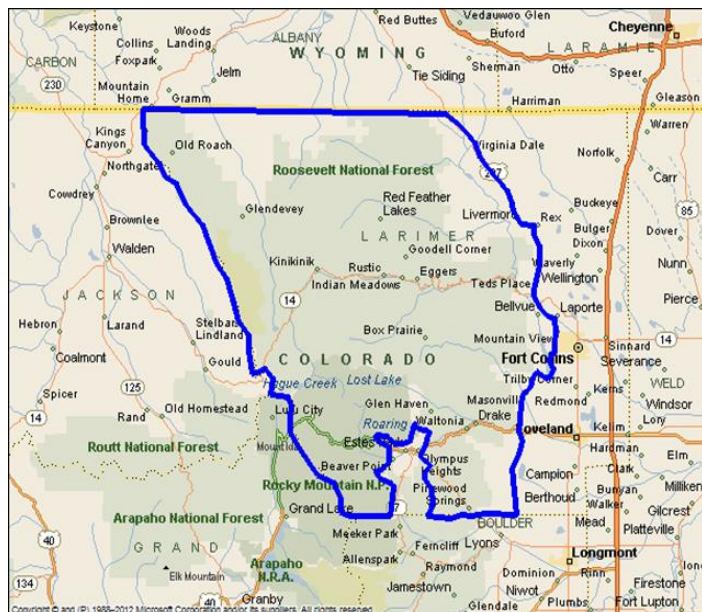
Skilled nursing beds appear to be in balance with demand; however, Prospect Park had only 35 beds occupied of its capacity of 60 at last reporting. Most are Medicaid.

There is estimated additional potential demand for both for **market-rate and Medicaid assisted living**; as well as demand for **memory care assisted living**.

There are no **age-qualified, for-sale housing communities** in this submarket, nor any **age-qualified, market-rate rentals**, and we have calculated potential demand for both of these housing types.

Rural Mountains Submarket

Submarket Boundaries



Submarket Definition - The Rural Mountains submarket has been defined as the mountainous western two-thirds of Larimer County. The area contains all of the land between the northern and southern boundaries of the county, with the exception of the Estes Park area. This submarket contains the communities of Bellvue and Red Feather Lakes. For purposes of this report, the submarket has been defined using census tract boundaries.

Submarket Overview

Community Description - The Rural Mountains area consists almost entirely of federal land in Roosevelt National Forest. The Red Feather Lakes, Poudre Canyon and Cameron Pass areas offer highly-regarded recreation opportunities. There is little population, with the majority living adjacent to Fort Collins and Loveland. Due to the nature of this submarket, services are very limited.

Key Demographics - The population in this area is estimated at 12,186 for 2015, projected to grow to 13,035 by 2020. Of the total population, about 2,477 (20%) were age 65+ in 2015, increasing to 3,246 (25%) by 2020.

Current Supply of Age-Qualified Housing and Care

Rural Mountains - Type	Number Units or Beds	Type	Number Units or Beds
For-sale/age 55+	0	Assisted living (market)	16
Independent living	0	Assisted (Medicaid)	0
Market rental	0	Memory care	0
Subsidized rental	0	Skilled nursing	0

Age-Qualified Housing and Care Demand - 2015 to 2020

This submarket contains only two age-qualified properties, both 8-resident assisted living group homes, located just west of Fort Collins.

Although calculations specific to this area conclude there is a moderate level of unmet demand for every different age-qualified housing and care type, this result must be considered in light of the strong supply in Fort Collins and Loveland, at least for those in the submarket who live along the eastern side of the area.

That said, residents of this submarket would be expected to generate demand for 45 to 50 **skilled nursing beds**, an additional 30 **market-rate assisted living** units, 31 **Medicaid assisted living** units, and 20 memory care assisted living units in 2015.

Demand for **age-qualified rental apartments or cottage units** is estimated at about 70 to 80 affordable and 40 to 50 market-rate units. There is also potential demand for **age-qualified, for-sale housing**, although age-restricted home communities may not be as appropriate to the communities and land options in this area.

Larimer County:

Demographic Summary and Comparison of Submarkets

Summary: Larimer County and Submarkets, 2015 and Change 2015 to 2020							
	Larimer County	Fort Collins	Loveland	Estes Park	Rural Plains	Rural Mountains	Colorado
General Population Demographics:							
Population growth rate, 5 years, 2015 to 2020	7.4%	5.7%	8.6%	9.8%	9.3%	7.0%	6.3%
Household growth rate, 5 years, 2015 to 2020	8.4%	7.4%	9.6%	9.4%	9.2%	8.6%	6.9%
Median household income, 2015	\$55,944	\$48,313	\$53,696	\$57,603	\$73,519	\$65,274	\$60,280
Median owner housing value, 2015	\$266,662	\$259,314	\$228,479	\$360,962	\$304,819	\$311,131	\$266,005
Targeted Households: Numbers and Incomes							
Age 45 to 64, 2015	48,087	19,557	11,673	1,783	12,312	2,762	824,007
Age 65 to 74, 2015	17,032	6,144	4,393	1,090	4,324	1,082	265,155
\$50,000+ income, 2015	8,856	2,972	1,926	620	2,684	652	141,224
Age 75+, 2015	12,072	4,858	3,674	822	2,245	472	183,167
Medicaid-qualified, 2015	4,722	2,008	1,694	202	660	159	72,024
\$35,000+ income, 2015	5,660	2,133	1,484	492	1,286	258	83,633
Caregiver Ratio: (age 75+ individuals divided by age 45-64 individuals)	0.219	0.217	0.273	0.393	0.165	0.153	0.192

Larimer County:

Demographic Summary and Comparison of Submarkets

Summary: Larimer County and Submarkets, 2015 and Change 2015 to 2020							
	Larimer County	Fort Collins	Loveland	Estes Park	Rural Plains	Rural Mountains	Colorado
Targeted Households: Growth Rates and Incomes							
Age 45-64 growth rate, 5 years, 2015 to 2020	1.2%	2.6%	0.5%	-6.0%	0.9%	-0.5%	3.9%
Age 45-64 percent with \$75,000+ income, 2015	45.0%	43.4%	37.7%	37.8%	55.0%	47.1%	48.6%
Age 45-64 median household income, 2015	\$68,360	\$65,702	\$60,207	\$62,718	\$83,123	\$71,951	\$73,276
Age 65-74 growth rate, 5 years, 2015 to 2020	30.7%	32.5%	29.8%	26.1%	30.6%	28.9%	28.2%
Age 65-74 percent with \$50,000+ income, 2015	52.0%	48.4%	43.8%	56.9%	62.1%	60.3%	53.3%
Age 65-74 median household income, 2015	\$52,267	\$48,496	\$44,877	\$58,045	\$62,178	\$59,471	\$53,985
Age 75+ growth rate, 5 years, 2015 to 2020	17.1%	11.0%	16.4%	14.7%	29.0%	32.8%	17.4%
Age 75+ percent Medicaid-qualified, 2015	39.1%	41.3%	46.1%	24.5%	29.4%	33.6%	39.3%
Age 75+ percent with \$35,000+ income, 2015	46.9%	43.9%	40.4%	59.9%	57.3%	54.7%	45.7%
Age 75+ percent with \$50,000+ income, 2015	30.2%	27.3%	23.7%	38.1%	41.7%	40.0%	30.4%
Age 75+ Median household income, 2015	\$33,138	\$31,327	\$28,782	\$41,540	\$41,931	\$39,953	\$32,272

Larimer County: Demand - Short and Long-Range Projections

This table summarizes our short and long-term demand estimates and projections for Larimer County as a whole. Methods and assumptions are listed in the Appendix.

For each type of housing or care community, demand is calculated based on typical and projected utilization rates for an age-, income-, and/or needs-based pool of qualified households. Total supply - existing and under-construction properties are shown for 2015 and 2020, and are unknown in future years.

Demand Projections cover the following housing and care types:

- Skilled nursing
- Assisted living - market rate
- Assisted living - Medicaid
- Memory care assisted living
- Independent living
- Age-qualified rentals/market-rate
- Age-qualified rentals/affordable
- For-sale, age-qualified housing

These estimates and projections are detailed and discussed further within each of the submarket sections that follow.

DEMAND PROJECTIONS	2015	2020	2025	2030	2035	2040
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)						
Nursing home utilization - all payer sources ⁽¹⁾	5.96%	5.36%	4.83%	4.34%	3.91%	3.52%
Total Expected Demand	1,093	1,226	1,466	1,696	1,835	1,798
2015/2020 Supply	1,309	1,409				
ASSISTED LIVING: MARKET-RATE						
Assisted living utilization by market-rate households ⁽²⁾	14.91%	14.91%	14.91%	14.91%	14.91%	14.91%
Assisted Living Market-Rate Demand	854	1,079	1,251	1,436	1,541	1,498
2015/2020 Supply	723	777				
ASSISTED LIVING: MEDICAID						
Assisted living utilization by Medicaid households ⁽²⁾	17.98%	17.98%	17.98%	17.98%	17.98%	17.98%
Assisted Living Medicaid Demand	860	1,031	1,391	1,765	2,094	2,249
2015/2020 Supply	206	206				
MEMORY CARE ASSISTED LIVING						
Memory care assisted living utilization by market-rate households ⁽³⁾	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%
Memory Care Assisted Living Demand	371	468	540	583	594	601
2015/2020 Supply	250	341				
INDEPENDENT LIVING: MARKET-RATE						
Independent living utilization ⁽⁴⁾	9.00%	8.50%	8.00%	7.50%	7.00%	6.50%
Independent Living Demand (Market-Rate)	1,100	1,281	1,506	1,707	1,800	1,710
2015/2020 Supply	1,073	1,073				
AGE-QUALIFIED APARTMENTS (MARKET-RATE)						
Age-qualified apartments (market-rate) expected utilization ⁽⁵⁾	3.00%	3.25%	3.50%	3.75%	4.75%	5.00%
Age-Qualified Apartments (Market-Rate) Demand	596	814	1,012	1,170	1,511	1,609
2015/2020 Supply	24	350				
AGE-QUALIFIED APARTMENTS (INCOME-RESTRICTED)						
Age-qualified apartments (income-restricted) expected utilization ⁽⁶⁾	20%	20%	20%	20%	20%	20%
Age-Qualified Apartments (Income-Restricted) Demand (Age 62+ 1 and 2-Person HHs)	1,700	2,099	2,459	2,697	2,926	3,133
2015/2020 Supply	1,295	1,421				
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES						
Expected percent age 55+ households in age-qualified, for-sale housing (all incomes) ⁽⁷⁾	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Age-Qualified For-Sale Housing Demand (Age 55+ Households (Total, All Incomes))	1,660	1,901	2,092	2,300	2,518	2,707
2015/2020 Supply	1,359	1,359				

Trends Impacting Housing and Care Needs

Generational Trends: What will Boomers Do?

BOOMERS ARE DIVERSE IN EVERY WAY, BUT - A FEW THEMES.....

- **Majority want to stay in own home** (though own home may not be same home)
- Stay engaged, relevant, current, integrated into community life and will have more time to do so (college classes, public service, schools, neighborhoods, parks, non-profits, advocacy groups)
- Most social generation ever - live and play near friends
- Working longer to afford preferred lifestyle
- Like to believe they are “unique” “cool” “rebellious”
- Don’t want to be housed and managed in institutions. Value interdependence - “I’ll get by with a little help from my friends”, “Lean on me”
- Some are dreaming up their own brand of “cohousing” with friends, family, colleagues for fun, companionship; “do your own thing”
- More want to live in walkable vibrant downtowns, suburban town centers, mixed-use areas
- Fewer want to continue to own; want more flexibility, freedom, not as attached to long-term house where they raised the kids
- Less trust in big financial institutions to ensure pensions, savings, mutual funds, housing values
- Value green and sustainable, organic, local business/sourcing
- Play outdoors, go to the gym, look and feel younger/healthy
- Travel, connect with friends/family elsewhere
- Spend money on fun, friends, grandkids, not as much on housing
- Want to change laws to have Individual choice about timing of death; disability and decline is far worse than death

Economic and Household Trends

FAMILIES AND HOUSEHOLDS

- Big age shift to 60+ in Larimer County, underway now; also people living longer – many will live well into 90s
- Low proportion of younger/middle-aged households in County
- Changes in 60+ families: fewer adult children, more single and divorced living alone, more second marriages, blended families
- Young adults need more financial, childcare and housing support
- As Boomer age and parents die, fewer parents relocated to County from other areas

MONEY - INCOME, EXPENSES, ASSETS

- Boomers working longer - need and desire
- Retirement income not keeping pace, reductions in Social Security benefits, low savings interest, underfunded pension funds
- Health costs increasing - shrinking retiree health benefits, reductions in Medicare, increases in supplemental insurance
- Homeowner equity - lower equity percent, but balanced with higher housing values; more 60+ with mortgages
- Huge costs of long-term care; long-term care insurance gone

ECONOMY AND LABOR

- Big pending labor shortages: caregivers, nurses, doctors
- Consolidating and REIT-ification of senior housing industry

HEALTH AND TECHNOLOGY

- Joint and organ replacements, high-tech prosthetics improve or restore function and lengthen life
- Technology allows ongoing communications with families and health providers; provides in-home monitoring and safety

Implications of Trends for Housing and Care

Housing Mix for an Aging Community

- The mix of available housing inventory in the County will increasingly be a mismatch with the age and income mix of the population:
 - Need more rental/less owned
 - More urban/walkable, less suburban
 - More multi-family/shared, less single-family
 - More affordable
 - More accessible (zero step)
- Need for accessibility via main floor bedrooms, elevator buildings, zero step and universal design in new housing
- Need for new and retooled home designs to support sustainability: share-able, low-maintenance, energy-efficient, accessible, work from home. Not just the same old home types and apartment unit mix.
- Need for more housing choices that reduce need for cars and paid specialized transportation
- Need to find ways to facilitate exchange of services, peer-peer, old to young, community to individual
- Need for affordable housing new multifamily developments to support self-employment and self-help (Internet, meeting space, garage/shop space)
- Opportunities to make more single-family homes available for younger/larger families by providing good options for those who really don't want to stay in theirs

Long-Term Care and Support Services

TRADITIONAL, MARKET-RATE RETIREMENT AND CARE

- Growing gap between market pricing and income/assets available to pay for traditional retirement living and care
- Mix of new development increasingly skewed to higher-cost, market-rate; out of balance with reality of incomes
- Increasing labor shortages will make it hard to provide good care and will raise costs even higher
- As Boomers age and parents die, fewer out-of-state parents will occupy local care facilities (now 30+% of residents)
- Majority (80%) of long-term care is delivered informally now. Going forward: fewer spouses/partners and adult children – how will this care be replaced?
- Increased individual choice in timing of death may reduce long-term stays in care facilities by people needing total assistance

SMALLER, INFORMAL, CITY AND RURAL CHOICES

For both cost sustainability and preference, long-term care will need increasing focus on self-help and mutual support, rather than on being “cared for” and “managed” and “provided for”.

- Need for small, home-based, mutual support options that are integrated with formal health and service systems and monitored
- Community, neighbor, volunteer involvement, “high-touch”
- Technology to ensure good communications with friends/family
- Need to maximize technologies for remote medical communications, remote monitoring those needing care at home

Gaps and Opportunities: Fort Collins and Loveland

Affordable: For Those Who Can't Pay Average Market Pricing

The Younger Old (55-80)

- Affordable rental apartments and other attached housing; walkable or good public transit
- New affordable development should support continued self employment (meeting space, garage/shop); growing food, maintaining health/wellness
- Affordable/moderately-priced for-sale options, walkable or good public transit; diverse types, locations, shared options
- New types of housing choices that promote engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Affordable assisted living, larger and group home models
- Affordable memory care in assisted living setting, larger and group home models
- New generation of skilled care residences for people of all incomes
- New models of care and support in cooperatives, live-in caregivers, home sharing – facilitate more informal and family caregiving
- Accessible, walkable housing; public transit from home
- Internet, integrated technology and support/care networks

Market-Rate: Those Who Can Pay at Least Average Market Pricing

The Younger Old (55-80)

- Good to high-quality rental apartments in walkable locations
- Well-designed and located for-sale options – age-targeted and age-qualified; pocket communities; lock and leave, wide variety of sizes and pricing, multi-gen design
- New and reconfigured housing types and units that allow engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Traditional retirement market-rate housing and care at market pricing (independent living apartments, assisted living, memory care) will continue to be developed in balance with demand at least down to the small city level.
- Good-quality, reasonably-priced assisted living, memory care; becoming less affordable with growing affordability gap
- New generation of skilled care residences for people of all incomes
- New models of care and support in cooperatives, live-in caregivers, home sharing - facilitate more informal and family caregiving
- Accessible, walkable housing; public transit from home
- Internet, integrated technology and support/care networks

Gaps and Opportunities: Mountains and Plains

Affordable: For Those Who Can't Pay Average Market Pricing

The Younger Old (55-80)

- Affordable rental apartments and other attached housing; walkable good, but limited options for walkability in these areas
- Affordable/moderately-priced for-sale options, walkable; diverse types, locations, shared options
- New affordable development should support continued self employment and self-sufficiency (meeting space, garage/shop); growing food, maintaining health/wellness
- New types of housing choices that promote engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Help for people to adapt homes for accessibility/safety
- Affordable, good-quality assisted living and memory care in smaller assisted living settings and group homes
- New models of care and support in cooperatives, live-in caregivers, home sharing – facilitate informal caregiving; reimburse owners to care for 1-2 people; younger people share homes/provide services
- Accessible, safe, walkable housing
- Internet, integrated technology to link families and health and support networks
- Local care housing interwoven with town or community, neighbors, other supportive services

Market-Rate: Those Who Can Pay at Least Average Market Pricing

The Younger Old (55-80)

- Good-quality rental apartments; some in walkable, but options limited in these areas (downtown Berthoud?)
- Well-designed and located for-sale options – accessible designs, both age-targeted and age-qualified; pocket communities; lock and leave, variety of sizes and pricing
- New and reconfigured housing types and units that allow engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Good- to high-quality assisted living and memory care in group home and smaller residential models. Escalating pricing and growing affordability gap
- New models of care and support in cooperatives, live-in caregivers, home sharing – facilitate more informal and family caregiving; reimburse owners to care for 1 or 2 people; younger people share homes and provide services
- Accessible, safe, walkable housing
- Internet, integrated technology to link families and health and support networks
- Local care housing interwoven with town or community, neighbors, other supportive services

Gaps and Opportunities: Estes Park

Affordable: For Those Who Can't Pay Average Market Pricing

The Younger Old (55-80)

- Affordable rental apartments and other attached housing; walkable to downtown Estes or other commercial areas
- Affordable/moderately-priced for-sale options, walkable; condos/attached, diverse types, locations, shared options
- Any new affordable development should support continued self employment and self-sufficiency (meeting space, garage/shop); growing food, maintaining health/wellness
- New types of housing choices that promote engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Help for people to adapt homes for accessibility/safety
- Affordable, good-quality assisted living and memory care in smaller assisted living settings and group homes
- Creatively renovate or replace existing skilled facility to residential model to serve those on Medicaid needing long-term care
- New models of care and support in cooperatives, live-in caregivers, home sharing – facilitate informal caregiving; reimburse owners to care for 1-2 people; younger people share homes/provide services
- Internet, integrated technology to link families and health and support networks
- Local care housing interwoven with town or community, neighbors, other supportive services

Market-Rate: Those Who Can Pay at Least Average Market Pricing

The Younger Old (55-80)

- Good-quality rental apartments; some in walkable locations like downtown Estes or other commercial areas
- Well-designed and located for-sale options – accessible designs, both age-targeted and age-qualified; lock and leave, diverse
- New and reconfigured housing types and units that allow engagement, mutual support, companionship, cost-efficiency, resource sharing (co-housing, rental/owned, cooperatives, accessory units, other shared)
- Adaptation of existing homes to better fit changing family situations

The Older Old (80+)

- Good- to high-quality assisted living and memory care in smaller models, group homes. Escalating pricing and growing affordability gap
- Creatively renovate or replace existing skilled facility to residential model to serve all incomes who need long-term care
- New models of care and support in cooperatives, live-in caregivers, home sharing – facilitate more informal and family caregiving; reimburse owners to care for 1 or 2 people; younger people share homes and provide services
- Internet, integrated technology to link families and health and support networks
- Local care housing interwoven with town or community, neighbors, other supportive services

Needed Action and Advocacy

State Level Advocacy

- Public funding for housing
- Fix construction defects law to encourage condo development
- Tiered Medicaid reimbursement for assisted living
- Internet service for rural and mountain areas
- Good monitoring of assisted living and skilled nursing facilities
- Programs to increase long-term care workforce
- Changes in laws to allow more choice in death

Local Land Use and Planning

- Adopt policies to encourage location of new properties near transit, downtowns, mixed-use areas, near families, friends
- Adopt policies to ensure higher levels of accessibility in new housing (e.g. zero step, universal design) and more homes with ancillary apartment for family or caregiver.
- Engage citizens/neighborhoods in creative ways to increase zoning and planning opportunity for new forms of sustainable options, while minimizing impact on existing neighborhoods: shared housing (occupancy limits for 55+), cohousing, cooperatives, accessory dwelling units, “multi-gen houses, pocket home communities.
- Preserve and protect mobile home parks as a significant source of affordable home-ownership

Funding: Public and Charitable

- Must find ways to contain costs of caring for and housing people as they age in Larimer County
- Dollars to preserve existing and build new affordable housing and care options
- Dollars to help pay for home renovations for accessibility, technology
- Dollars for pilot projects for new and retooled affordable options
- Waivers of fees and exemptions in fair trade-off for affordability
- Reduce separation of housing and services providers and funding; build new partnerships to make cost-effective use of all resources

Trust in Self-Help and Mutual Support

- Stop seeing aging Boomers as a needy group that will drain resources. See people as assets, expect they want to be engaged, help solve problems, support their families, care for others.
- Help people create new choices to spend less on housing now, and save money for when needed later for care and services.
- Facilitate development of new options, as there is no “natural developer” and little potential financial incentive to build or retool these new, smaller, alternative housing and care options.
- Get creative!!! Have some dreaming visioning session design your ideal set of housing and care choices.



Larimer County

Map of Larimer County

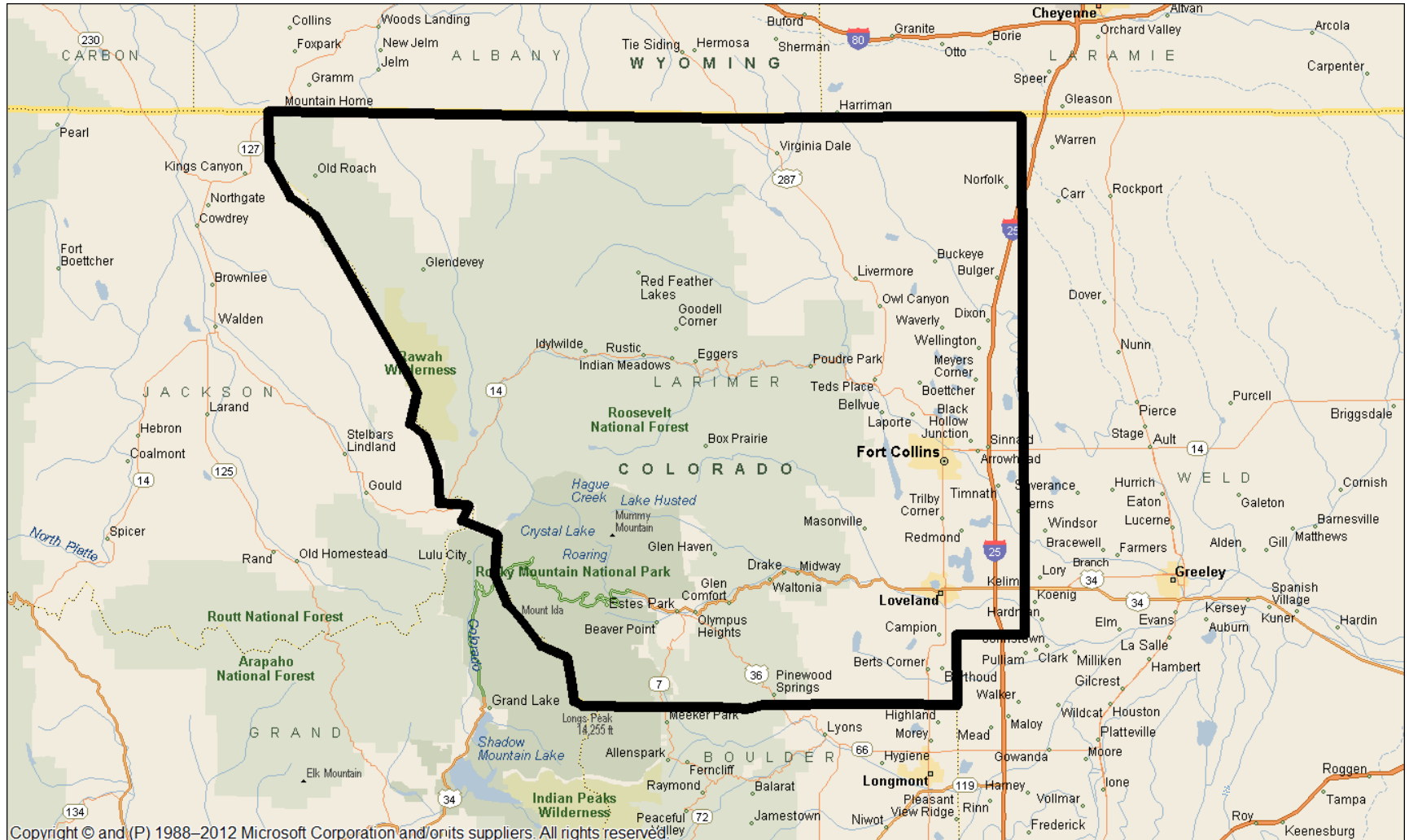
Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Larimer County - Total



Larimer County: Demographic Overview

Demographic Highlights

- Median housing values are strong in Larimer County, estimated at \$266,662 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the age 65 to 74 group, with a projected 32% growth just in the 5 years between 2015 to 2020, from 27,344 to 36,110.
- While the median income of all-age households is \$55,944, the median income for age 75+ households is just \$33,138. Median income is still high among the age 65 to 74 group, at \$52,267, and the highest median incomes are found in the age 45 to 64 group, at \$68,360.
- There are about 4,722 households in the county age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow 14% by 2020, to 5,377.
- In the age 65 to 74 group, more than half of the 17,032 households (8,856) have incomes of \$50,000 or higher. In the age 75+ group, nearly half of households (5,660 of the total 12,072 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Larimer County - All			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	322,885	346,683	7.4%
Total households	131,560	142,598	8.4%
Median household income	\$55,944	\$59,001	5.5%
Median owner housing value	\$266,662	\$292,544	9.7%
Targeted Households:			
Age 45-64	48,087	48,645	1.2%
Number of Individuals	82,585	84,534	2.4%
\$75,000+ household income	21,635	23,614	9.1%
Median household income	\$68,360	\$72,986	6.8%
Age 65-74	17,032	22,256	30.7%
Number of Individuals	27,344	36,110	32.1%
\$50,000+ household income	8,856	11,958	35.0%
Median household income	\$52,267	\$54,723	4.7%
Age 75+	12,072	14,134	17.1%
Number of Individuals	18,111	21,426	18.3%
Medicaid-qualified - (less than \$25,956)	4,722	5,377	13.9%
\$25,000+ household income	7,527	8,964	19.1%
\$35,000+ household income	5,660	6,787	19.9%
\$50,000+ household income	3,644	4,474	22.8%
Median household income	\$33,138	\$34,033	2.7%

Larimer County: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Larimer County - All		
Age 65+ Total	45,455	45,455
Age 65+ Non-Institutionalized (NI)	44,214	44,214
Age 65+ Institutionalized	1,241	1,241
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	2,197	4,469

Source: The Nielsen Company and U.S. Census American Community Survey

Disability – In this area, an estimated 2,197 non-institutionalized people age 65+ who have self-care difficulties and 4,469 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Larimer County	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	287,194	302,803	5.4%
Age 65 and Over	43,713	54,792	25.3%
Black or African American Alone	4,309	6,378	48.0%
Age 65 and Over	178	341	91.8%
American Indian and Alaska Native Alone	2,552	2,929	14.8%
Age 65 and Over	202	297	47.0%
Asian Alone	6,865	8,036	17.1%
Age 65 and Over	522	790	51.4%
Native Hawaiian/Other Pacific Islander Alone	317	423	33.4%
Age 65 and Over	15	33	123.3%
Some Other Race Alone	11,516	13,486	17.1%
Age 65 and Over	449	649	44.5%
Two or More Races	10,131	12,627	24.6%
Age 65 and Over	378	636	68.3%
Population by Hispanic or Latino			
Hispanic or Latino	37,582	44,148	17.5%
Age 65 and Over	1,988	2,927	47.2%
Not Hispanic or Latino	285,302	302,534	6.0%

In the county, about 11.6% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 17.5% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 6%. Of the 37,582 reporting they are “Hispanic or Latino”, 1,988 are age 65+, projected to grow to 2,927 by 2020.

Of age 65+ people only, most report they are “White Alone” The largest other representation is from “Asian Alone”, with 522 people age 65+.

Larimer County: Demographics -

Age 75+ Owners/Renters by Income and Household Size

2015 Larimer County - All Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total		1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total	
\$0-10,000	206	36	8	10	7	267	\$0-10,000	234	164	20	12	9	438
\$10,000-20,000	916	71	16	10	9	1,022	\$10,000-20,000	1,028	423	68	22	20	1,562
\$20,000-30,000	389	140	12	12	14	567	\$20,000-30,000	674	687	51	25	47	1,484
\$30,000-40,000	249	133	12	8	9	411	\$30,000-40,000	631	714	62	56	17	1,480
\$40,000-50,000	199	41	10	12	12	274	\$40,000-50,000	294	518	30	24	12	878
\$50,000-60,000	66	29	9	18	8	131	\$50,000-60,000	116	331	38	12	4	502
\$60,000-75,000	134	48	13	12	7	214	\$60,000-75,000	350	476	67	16	12	922
\$75,000-100,000	91	68	11	5	13	189	\$75,000-100,000	194	501	76	14	14	800
\$100,000-125,000	66	24	10	8	3	112	\$100,000-125,000	87	146	37	13	8	291
\$125,000-150,000	25	6	3	5	6	45	\$125,000-150,000	44	77	15	5	6	148
\$150,000-200,000	17	6	4	6	4	37	\$150,000-200,000	38	49	7	4	8	105
\$200,000+	26	8	3	4	3	43	\$200,000+	56	74	5	6	5	146
Total	2,383	610	110	110	95	3,309	Total	3,747	4,160	477	210	163	8,757

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

The majority of those age 75+ in Larimer County are in owner households, with 8,757 total owner households and 3,309 renter households.

Owners - The largest number (4,160) live in 2-person households. Most other owners live alone (3,747), while 850 age 75+ homeowners live with at least 3 people. Some of these age 75+ owners live in age-qualified homes, mobile home communities, and condominiums.

Renters - The great majority of renters age 75+ (2,383 of 3,309) are 1-person households; only 610 are 2-person households and 315 live with at least 3 people. Many of these renters live in senior apartments or retirement communities.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 26% of 1-person renter households and 31.4% of 1-person owner households with annual incomes over \$40,000, compared to 37.7% of 2-person renter households and 52.2% of 2-person owner households with incomes over \$40,000.

Larimer County: Long Range Growth 2010 to 2040

Long-Range Projected Growth, 2010 to 2040				
Age Group	Larimer County Percent Growth	Statewide Percent Growth	County Totals by Five-Year Periods	
All Ages Percent Growth and County Totals				
2010 to 2015	8.7%	7.7%	2015	326,804
2015 to 2020	9.2%	8.9%	2020	356,900
2020 to 2025	9.0%	8.5%	2025	388,866
2025 to 2030	7.7%	7.6%	2030	418,813
2030 to 2035	6.6%	6.3%	2035	446,263
2035 to 2040	5.7%	5.4%	2040	471,613
Age 45-64 Percent Growth and County Totals				
2010 to 2015	3.9%	5.4%	2015	82,924
2015 to 2020	2.8%	3.3%	2020	85,246
2020 to 2025	4.6%	3.0%	2025	89,152
2025 to 2030	7.0%	6.0%	2030	95,392
2030 to 2035	9.4%	5.9%	2035	104,401
2035 to 2040	8.2%	7.0%	2040	112,949
Age 65-74 Percent Growth and County Totals				
2010 to 2015	39.3%	38.8%	2015	27,948
2015 to 2020	26.9%	26.7%	2020	35,458
2020 to 2025	14.1%	14.4%	2025	40,467
2025 to 2030	2.5%	6.1%	2030	41,473
2030 to 2035	-4.8%	-1.0%	2035	39,465
2035 to 2040	3.7%	1.3%	2040	40,933
Age 75+ Percent Growth and County Totals				
2010 to 2015	16.0%	17.5%	2015	18,332
2015 to 2020	24.6%	24.7%	2020	22,849
2020 to 2025	32.9%	33.5%	2025	30,365
2025 to 2030	28.6%	27.4%	2030	39,042
2030 to 2035	20.2%	20.5%	2035	46,926
2035 to 2040	8.9%	11.0%	2040	51,082

Source: Demography Section of Colorado Department of Local Affairs

Overview of Long Range Population Growth

- The total population of Larimer County is expected to grow by about 150,000 next 25 years, from 326,804 in 2015 to 471,613 in 2040.
- The age 65+ population will nearly double in the next 25 years, from about 46,000 to 92,000 by 2040.
- Of the projected 92,000 age 65+ people in Larimer County in 2040, more than half will be over age 75 (51,082).
- The greatest percentage growth in the age 65 to 74 group is right now - between 2010 and 2020 - representing the leading half of the baby boomers. This group will grow by 67% just in this decade, 2010 to 2020.
- Age 75+, the oldest age group, will more than double in the 15 years between now and 2030, rising from about 18,000 now, to over 39,000 in 2030.
- In contrast, much slower growth is projected in the population age 45 to 64, increasing by only about 7% in this decade.

Comparison to Statewide Growth Rates

- Projected Larimer County growth rates for the total population in all these five-year increments up to 2040 closely parallel projected statewide growth rates.
- Similarly, growth rates for the age 65 to 74 population and the age 75+ population closely parallel projected statewide growth through 2025, although age 65 to 74 growth rate after 2025 is slower than statewide growth.

Larimer County: Properties

Existing and Under-Construction Supply

Map of Existing Properties

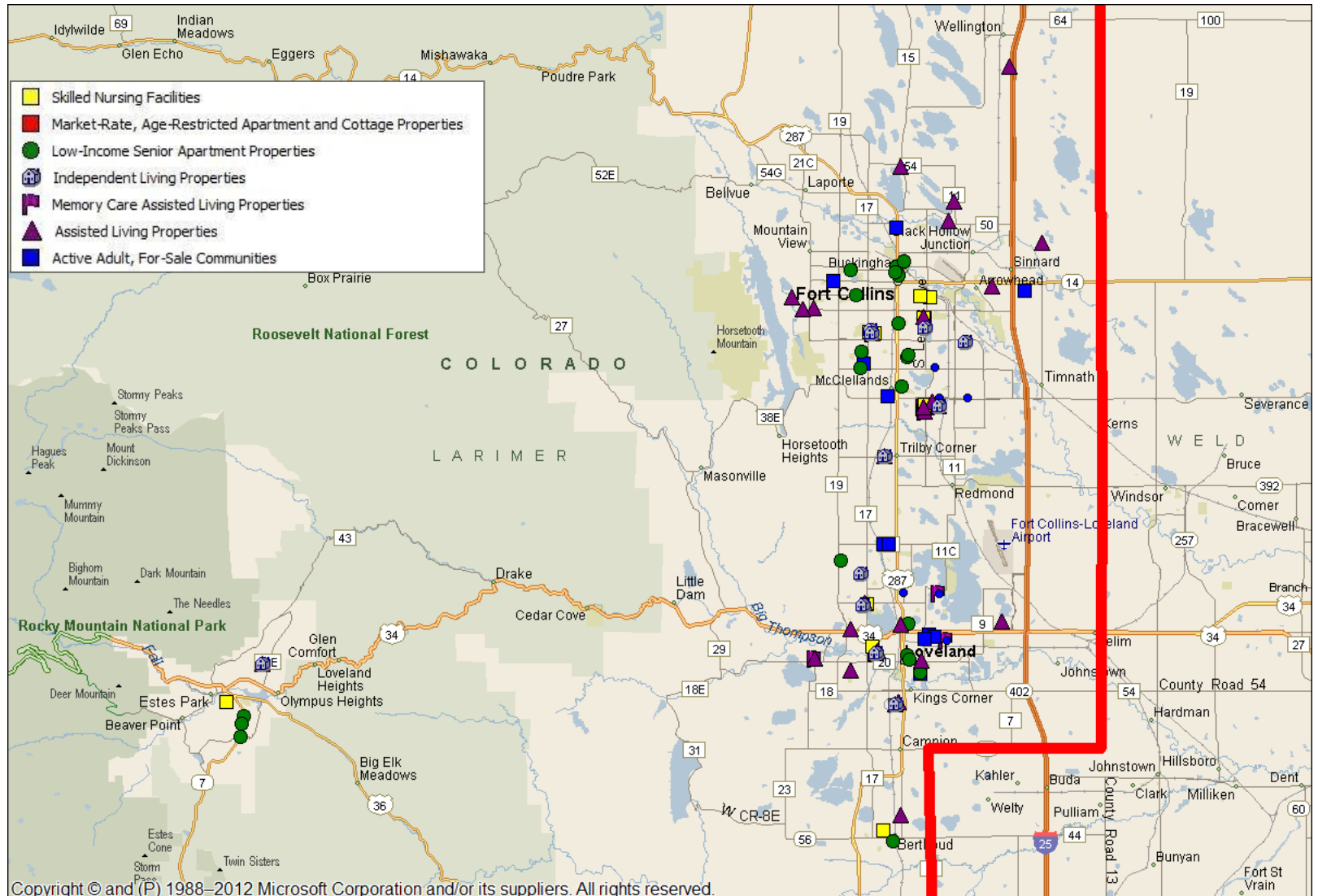
Development Pipeline

Larimer County: Current Supply by Property Type

Type	Number of Units or Beds					
	Larimer County - All	Fort Collins Submarket	Loveland Submarket	Estes Park Submarket	Rural Plains Submarket	Rural Mountains Submarket
For-sale/age 55+	1,359	612	557	0	190	0
Independent living	1,073	544	449	80	0	0
Market rental	24	0	24	0	0	0
Subsidized rental	1,295	717	446	84	48	0
Assisted living (market)	723	298	355	24	30	16
Assisted (Medicaid)	206	102	88	0	16	0
Memory care	250	122	128	0	0	0
Skilled nursing	1,309	761	412	60	76	0
Total Units	6,239	3,156	2,459	248	360	16

Larimer County: Map of Existing Properties

The individual properties are labeled by name on maps within the submarket sections.



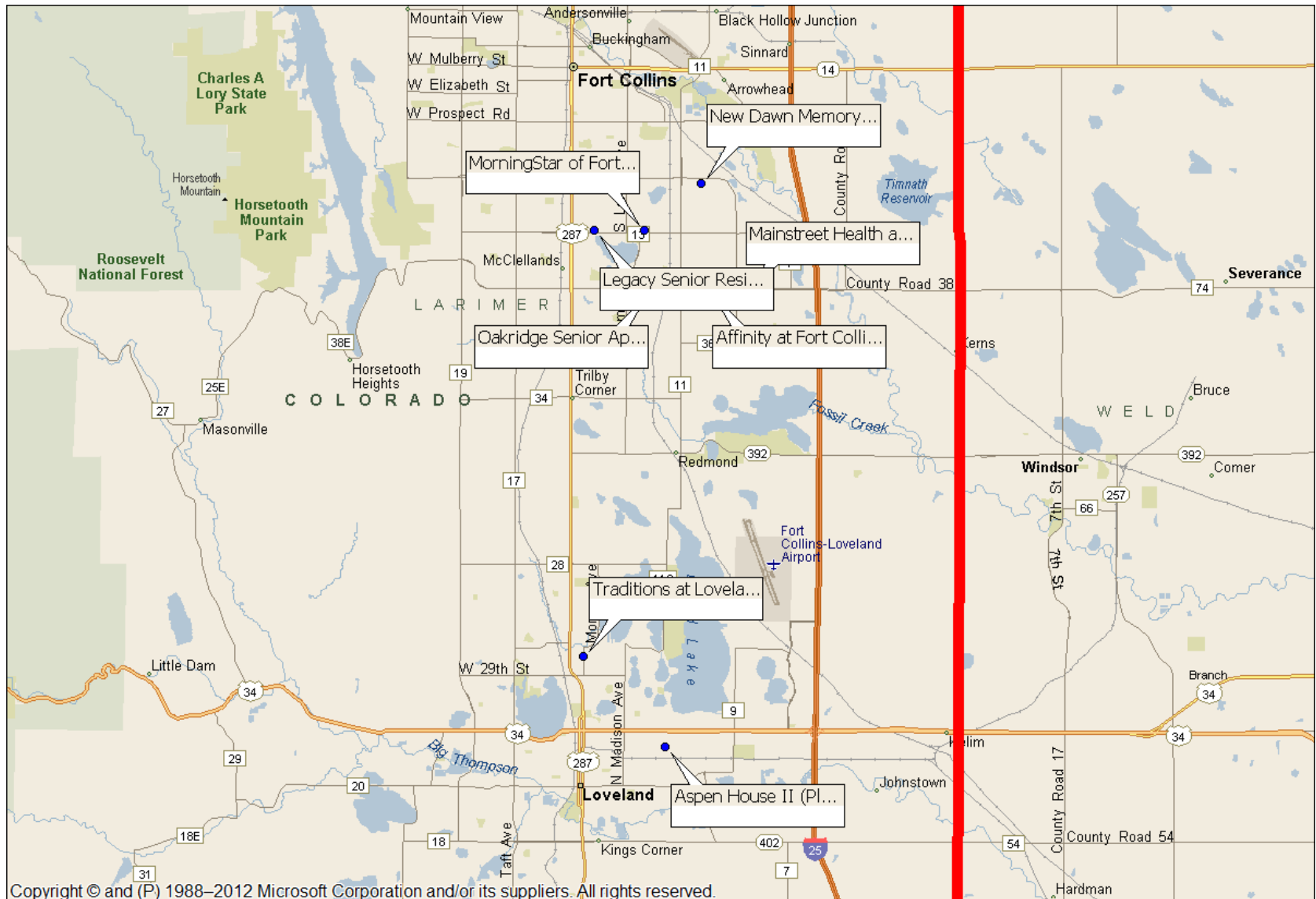
Larimer County Development Pipeline

Name	Approximate Address	Independent Living (High-Service)	Low-Income Apartments & Cottages	Market-Rate Apartments & Cottages	Market-Rate Assisted Living	Medicaid Assisted Living	Memory Care Assisted Living	Skilled Nursing	New, For-Sale Age-Qualified Housing
Affinity at Fort Collins (Planned)	2600 E. Harmony Rd., Fort Collins, CO	0	0	161	0	0	0	0	0
Aspen House II (Under construction)	1083 N. Denver Ave., Loveland, CO	0	0	0	0	0	20	0	0
Legacy Senior Residences II (Planned)	NE corner Stanford and Horsetooth, Fort Collins, CO	0	60	0	0	0	0	0	0
Mainstreet Health and Wellness Suites	E. side of Ziegler Road and S. of East Harmony Road	0	0	0	0	0	0	100	0
MorningStar of Fort Collins (Under construction)	3572 Lochwood Dr, Fort Collins, CO	0	0	0	54	0	23	0	0
New Dawn Memory Care (Planned)	2345 Limon Dr., Fort Collins, CO	0	0	0	0	0	48	0	0
Oakridge Senior Apartments (Planned)	1599 E Harmony Rd, Fort Collins, CO	0	126	0	0	0	0	0	0
Traditions at Loveland (Planned)	3400 N. Lincoln Ave., Loveland, CO	0	0	165	0	0	0	0	0
Total Potential Units (if developed)		0	186	326	54	0	91	100	0

There are several properties known to be under development within Larimer County; all are in Fort Collins or Loveland. There are other projects, not listed, that have been discussed with local planners or consultants, but are either in an earlier stage of potential development, or are not considered likely to move forward. At this time, we are aware of no other properties under development; although it is quite likely that other properties are under development of which we are unaware. The properties listed in this table are described as follows:

- **The Inland Group** has two market-rate, age-qualified apartment properties under development. **Traditions at Loveland**, with 165-units, and **Affinity at Fort Collins**, with 161 units. Both are expected to break ground in spring or summer 2015.
- **Aspen House II** in Loveland is a 20-unit expansion of a memory care community, now under construction and expected to open soon.
- **Cornerstone Associates** has announced it will apply for a 2015 tax credit award for a 60-unit **Legacy Senior Residences II** affordable apartments in Fort Collins.
- **MorningStar of Fort Collins**, a combined assisted living (54 units) and memory care (23 units) property, is under construction in Fort Collins.
- **New Dawn Memory Care** hopes to begin construction later in 2015 on a stand-alone memory care community with 48 units in Fort Collins.
- **Mainstreet Asset Management, Inc.** recently submitted a building permit application for a 100-bed sub-acute/rehab skilled nursing facility in Fort Collins.
- **McDermott Properties** is pursuing low-income housing tax credit funding to build **Oakridge Senior Apartments**, a 126-unit affordable apartment community in Fort Collins. A decision on that funding will come this spring.

Larimer County: Development Pipeline Map



Larimer County: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Larimer County: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

The vast majority of people age 65+ in Larimer County live in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties that are actually age-restricted, or that serve people who need assisted living or skilled care, is 6,239 units, compared to a total age 65+ population of 45,555 individuals and 29,104 households. Capacity equals 13.7% of age 65+ individuals.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

Those living in and near the Cities of Fort Collins and Loveland have a plentiful supply of good to high-quality **Independent Living (market-rate, high-service retirement apartments), Assisted Living (market rate), and Memory Care Assisted Living** properties. Supply and demand appear to be in balance and will likely remain so over time through pure market forces.

Affordable Assisted Living - The supply of assisted living funded through Medicaid is inadequate countywide. Many people on Medicaid who could be appropriately cared for in assisted living are instead placed in skilled nursing beds because of this shortage. Reimbursement for Medicaid assisted living is inadequate to encourage development, and that situation does not appear likely to change in the near future.

Skilled Nursing - The skilled nursing inventory is a mix of newer and older properties of mixed quality. In calculating expected demand based on the average statewide utilization, there is a mathematical oversupply of about 200 beds, borne out by the recently-reported 190 vacancies in the county's facilities (not including the absorption of the new rooms at Mirasol). A 100-bed skilled facility dedicated to short-term rehab care (Medicare) is under development in Fort Collins. The new GreenHouses® at Mirasol offer the county's first entry into a new generation of skilled facilities that will gradually replace the older, more institutional model of skilled care.

HOUSING BY AFFORDABILITY (BROAD RANGE OF 60 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

Affordable/Income-Restricted Apartments - There is unmet demand for more affordable apartments. There are two potential projects in planning in Fort Collins. Given ongoing limits on available funding; however, it is likely that a situation of unmet demand for affordable apartments will continue and will grow as the 60+ population grows. We also note that close to 50% of the inventory of existing subsidized senior apartments countywide was built prior to 1980, so renovation and preservation of older properties is critical.

HOUSING BY CHOICE (AGE 55 TO 75, NOT CARE BASED, CAN PAY MARKET-PRICING)

For-Sale, Age 55+ Housing - The 55+ for-sale communities in Larimer County range widely from mobile home parks to condominiums to newer patio homes. For-sale options are heavily skewed to affordable, mobile home communities, with very little newer patio home, condominium, or townhome inventory. There is almost certainly additional demand for these newer, for-sale housing types although additional study is certainly needed to confirm that demand.

Market-Rate Rental Apartments and Cottages - As this is a newly-emerging housing type more oriented to baby boomers, few properties have yet been built in any markets in Colorado; however, development activity is building along the Front Range. The market-rate rental patio homes at Mirasol represent the only age-qualified market-rate rentals in the county at this time. The Inland Group intends to begin construction this year of two market-rate age-qualified apartment properties - 161 units in Loveland and 165 units in Fort Collins. These properties will fill a significant portion of estimated unmet demand.

Larimer County - All: Supply and Demand - Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living Medicaid

Memory Care Assisted Living

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

LARIMER COUNTY ALL - SUPPLY AND DEMAND PROJECTIONS		2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)			
Nursing home utilization - all payer sources ⁽¹⁾		5.96%	5.36%
Total expected demand		1,093	1,226
Existing and planned supply (total licensed beds + under construction or pending)		1,309	1,409
Net Demand or (Oversupply)		(216)	(183)
ASSISTED LIVING: MARKET-RATE			
Assisted living utilization by market-rate households ⁽²⁾		14.91%	14.91%
Assisted living market-rate demand		854	1,079
Existing and planned supply (total units + under construction or pending)		723	777
Net Demand or (Oversupply)		131	302
ASSISTED LIVING: MEDICAID			
Assisted living utilization by Medicaid households ⁽²⁾		17.98%	17.98%
Assisted living Medicaid demand		860	1,031
Existing and planned supply (total units + under construction or pending)		206	206
Net Demand or (Oversupply)		654	825
MEMORY CARE ASSISTED LIVING			
Memory care assisted living utilization by market-rate households ⁽³⁾		1.87%	1.87%
Memory care assisted living demand		371	468
Existing and planned supply (total units + under construction or pending)		250	341
Net Demand or (Oversupply)		121	127

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.

⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.

⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.

Larimer County- All: Supply and Demand - Projections

Independent Living

Market-Rate Rentals

Affordable Rentals

For-Sale Housing

LARIMER COUNTY ALL - SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent living utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		1,100	1,281
Existing and planned supply (total units + under construction or pending)		1,073	1,073
Net Demand or (Oversupply)		27	208
AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		596	814
Existing and planned supply (total units + under construction or pending)		24	350
Net Demand or (Oversupply)		572	464
AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-qualified apartments and cottages (income-restricted) expected utilization ⁽⁶⁾		20%	20%
Age-qualified apartments and cottages (income-restricted) demand (age 62+ 1 and 2-person HHs)		1,700	2,099
Existing and planned supply (total units + under construction or pending)		1,295	1,421
Net Demand or (Oversupply)		405	678
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent age 55+ households in age-qualified, for-sale housing, all incomes ⁽⁷⁾		3.00%	3.00%
Age-qualified for-sale housing demand (age 55+ households (total, all incomes)		1,660	1,901
Existing and planned supply (total units + under construction or pending)		1,359	1,359
Net Demand or (Oversupply)		301	542

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.



Fort Collins Submarket

Map and Overview of Submarket

Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Fort Collins: Demographic Overview

Demographic Highlights

- Median housing values are strong in this area, estimated at \$259,314 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the age 65 to 74 group, with a projected 35% growth just in the 5 years between 2015 to 2020, from 9,634 to 12,956.
- While the median income of all-age households is \$48,313, the median income for age 75+ households is just \$31,327. Median income is still high among the age 65 to 74 group, at \$48,496, and the highest median incomes are found in the age 45 to 64 group, at \$65,702.
- There are about 2,000 households age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 11% by 2020, to 2,226.
- In the age 65 to 74 group, nearly half of the 6,144 households (2,972) have incomes of \$50,000 or higher. In the age 75+ group, about 44% of households (2,133 of the total 4,858 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Fort Collins Submarket			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	153,385	162,182	5.7%
Total households	63,564	68,253	7.4%
Median household income	\$48,313	\$50,660	4.9%
Median owner housing value	\$259,314	\$283,098	9.2%
Targeted Households:			
Age 45-64	19,557	20,072	2.6%
Number of Individuals	32,520	33,879	4.2%
\$75,000+ household income	8,493	9,226	8.6%
Median household income	\$65,702	\$68,778	4.7%
Age 65-74	6,144	8,139	32.5%
Number of Individuals	9,634	12,956	34.5%
\$50,000+ household income	2,972	3,977	33.8%
Median household income	\$48,496	\$48,939	0.9%
Age 75+	4,858	5,392	11.0%
Number of Individuals	7,053	7,952	12.7%
Medicaid-qualified - (less than \$25,956)	2,008	2,226	10.9%
\$25,000+ household income	2,926	3,251	11.1%
\$35,000+ household income	2,133	2,364	10.8%
\$50,000+ household income	1,327	1,498	12.9%
Median household income	\$31,327	\$31,285	-0.1%

Source: The Nielsen Company

Fort Collins: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Fort Collins		
Age 65+ Total	16,687	16,687
Age 65+ Non-Institutionalized (NI)	16,231	16,231
Age 65+ Institutionalized	456	456
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	807	1,641

Source: The Nielsen Company and U.S. Census American Community Survey

Disability - In this area, an estimated 807 non-institutionalized people age 65+ have self-care difficulties and 1,641 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Fort Collins Submarket	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	133,368	138,174	3.6%
Age 65 and Over	15,799	19,514	23.5%
Black or African American Alone	2,794	4,018	43.8%
Age 65 and Over	97	183	88.5%
American Indian and Alaska Native Alone	1,249	1,410	12.9%
Age 65 and Over	95	142	49.3%
Asian Alone	4,216	4,716	11.9%
Age 65 and Over	278	409	47.1%
Native Hawaiian/Other Pacific Islander Alone	178	225	26.3%
Age 65 and Over	6	17	177.4%
Some Other Race Alone	5,964	6,750	13.2%
Age 65 and Over	226	327	44.7%
Two or More Races	5,616	6,889	22.7%
Age 65 and Over	185	315	70.3%
Population by Hispanic or Latino			
Hispanic or Latino	19,560	22,426	14.7%
Age 65 and Over	976	1,434	46.9%
Not Hispanic or Latino	133,825	139,756	4.4%

In this area, about 12.8% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 14.7% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 4.4%. Of the 19,560 reporting they are “Hispanic or Latino”, 976 are age 65+, projected to grow to 1,434 by 2020.

Of age 65+ people only, most report they are “White Alone” The largest other representation is from “Asian Alone”, with 278 people age 65+.

Fort Collins Demographics -

Age 75+ Owners/Renters by Income and Household Size

2015 Fort Collins Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household		Total	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household		Total
\$0-10,000	115	11	6	7	6	146	\$0-10,000	78	72	4	8	8	170
\$10,000-20,000	428	59	13	11	8	519	\$10,000-20,000	376	248	29	12	13	678
\$20,000-30,000	201	19	9	13	13	254	\$20,000-30,000	282	253	17	13	8	573
\$30,000-40,000	210	22	8	6	8	255	\$30,000-40,000	193	307	7	9	6	521
\$40,000-50,000	74	9	7	11	5	106	\$40,000-50,000	117	154	11	9	9	299
\$50,000-60,000	32	6	4	7	6	56	\$50,000-60,000	39	89	7	6	3	144
\$60,000-75,000	64	9	7	6	6	94	\$60,000-75,000	79	192	17	9	7	304
\$75,000-100,000	40	19	5	4	11	80	\$75,000-100,000	70	198	10	1	10	289
\$100,000-125,000	26	7	4	6	3	46	\$100,000-125,000	26	58	12	9	5	110
\$125,000-150,000	10	4	2	3	4	22	\$125,000-150,000	13	33	4	1	1	52
\$150,000-200,000	10	3	1	3	4	20	\$150,000-200,000	10	17	2	1	3	34
\$200,000+	11	1	2	2	1	17	\$200,000+	28	29	1	4	2	64
Total	1,223	169	69	79	74	1,613	Total	1,311	1,649	122	81	76	3,239

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

The majority of those age 75+ in Fort Collins are in owner households, with 3,239 total owner households and 1,613 renter households.

Owners - The largest number (1,649) live in 2-person households. Most other owners live alone (1,311), while 279 age 75+ homeowners live with at least 3 people. Some of these age 75+ owners live in age-qualified homes, mobile home communities, or condominiums.

Renters - The great majority of renters age 75+ (1,223 of 1,613) are 1-person households; only 169 are 2-person households and 222 live with at least 3 people. Many of these renters live in senior apartments or retirement communities.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 21.8% of 1-person renter households and 29% of 1-person owner households with annual incomes over \$40,000, compared to 34.3% of 2-person renter households and 46.7% of 2-person owner households with incomes over \$40,000.



Fort Collins: Properties



For-Sale, Age-Qualified Homes, Townhomes, Condos

Independent Living

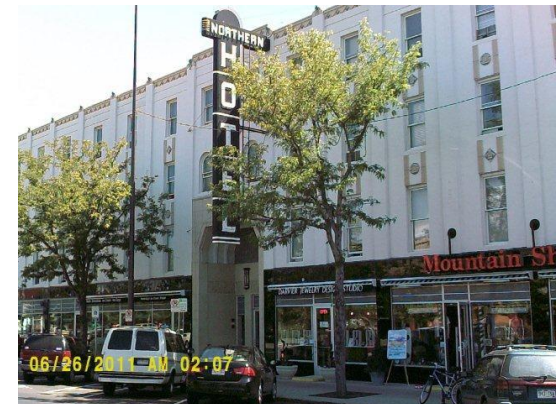
Market-Rate and Affordable Rental Apartments

Assisted Living

Memory Care Assisted Living

Skilled Nursing

Maps of Properties



Fort Collins: Properties - For-Sale and Independent Living

For-Sale Housing

Property Information		Total Unit Count	Property Details
Name	Address	Total For-Sale Units*	Year Built
Casa Grande Condominiums	3400 Laredo La., Fort Collins, CO	64	N/A
MacKenzie Place	4901 McMurray Ave., Fort Collins, CO	22	1980's
North College Manf. Home Community	1601 N. College Ave., Fort Collins, CO	320	1997
Rangeview Adult Community	4560 Larkbunting Dr., Fort Collins, CO	37	N/A
Skyline Homes	2211 W. Mulberry St., Fort Collins, CO	169	N/A
Total For-Sale Age-Qualified Units		612	

*Counts estimated from Google Earth or property contact.

Independent Living

Property Information		Total Unit Count	Property Details		
Name	Address	Market Rate	Year Built	Low Base Rent	High Base Rent
Good Samaritan Fort Collins - Apartments and Twinhomes	508 W. Trilby Rd., Fort Collins, CO	38	1972 1990's 2000's	\$2,008	\$2,377
Holiday - Parkwood Estates	2201 S. Lemay Ave., Fort Collins, CO	110	1987	\$1,800	\$3,400
MacKenzie Place - Fort Collins	4750 Pleasant Oak Dr., Fort Collins, CO	95	2008	\$3,167	\$5,466
Spectrum - Rigden Farm	2350 Limon Dr., Fort Collins, CO	121	2007	\$2,135	\$4,675
Winslow (The)	909 Centre Avenue, Fort Collins, CO	87	2005	\$2,600	\$4,030
Worthington (The)	900 Worthington Circle, Fort Collins, CO	93	1991	\$2,475	\$3,800
Total Independent Living Units		544			

The next pages provide tables displaying all of the senior housing and care properties in this submarket. Only properties that are believed to be legally age-restricted to 55+ are included.

The tables display property name, address, total unit counts, and (where known), year/s built and low and high base rents, as published in late 2014 or early 2015.

The property types include any of the following that are present in the submarket:

- **For-Sale Housing** - patio homes, townhomes, condominiums, mobile home communities
- **Independent Living** - apartments or patio homes that include high levels of service and/or are on continuing care campuses
- **Rental Apartments and Patio Homes** - both market-rate and affordable or income-restricted
- **Assisted Living** - licensed, both private pay and those that accept Medicaid
- **Memory Care Assisted Living** - secured assisted living units for dementia care
- **Skilled Nursing Communities** - licensed as skilled nursing facilities, accepting Medicare, Medicaid, and private pay

Fort Collins: Properties - Rental Apartments and Patio Homes

Affordable and/or Income-Restricted

Property Information				Total Unit Count	Property Details	
Name	Address	Tax Credit	Section 8 / Other Subsidy	Affordable/ Restricted Units	Low Base Rent	High Base Rent
CARE Housing	1303 W. Swallow Rd., Fort Collins, CO	FALSE	TRUE	10	\$411	\$667
Chalet Apartments	121 Dartmouth Tr., Fort Collins, CO	FALSE	FALSE	38	\$725	\$1,150
DMA Plaza Apartments	300 Remington St., Fort Collins, CO	FALSE	TRUE	126	\$265	\$344
Legacy Senior Residences	411 Linden St., Fort Collins, CO	TRUE	FALSE	72	\$426	\$1,024
Northern Hotel	172 North College Avenue, Fort Collins, CO	TRUE	FALSE	47	\$0	\$783
Oakbrook I	3200 Stanford Rd., Fort Collins, CO	FALSE	TRUE	107	\$758	\$846
Oakbrook II	3300 Stanford Rd., Fort Collins, CO	FALSE	TRUE	99	\$0	\$783
Parkview Apartments	1544 West Oak Street, Fort Collins, CO	TRUE	FALSE	12	\$0	\$783
Reflections Senior Apartments	321 E. Troutman Pkwy., Fort Collins, CO	TRUE	FALSE	72	\$545	\$777
Sanctuary	1404 W. Horsetooth Rd., Fort Collins, CO	FALSE	TRUE	59	\$0	\$783
Villages at Bryan	100 S. Bryan St., Fort Collins, CO	FALSE		25	\$550	\$700
Woodbridge Senior Apartment Homes	1508 W. Elizabeth St., Fort Collins, CO	TRUE	FALSE	50	\$557	\$662
Total Adjusted Income or Rent Restricted Age-Qualified Rental Units				717		

Market-Rate: There are no existing age-qualified, market-rate rental properties in this submarket.

Fort Collins: Properties - Assisted Living

Property Information		Total Unit Count		Property Details		
Property Name	Address	Market-Rate Units	Medicaid Units	Year Built	Low Base Rent	High Base Rent
Bethesda - Collinwood Assisted Living	5055 S. Lemay Ave., Fort Collins, CO	51	28	1993	Medicaid	\$4,330
Brookdale - Sterling House of Fort Collins	1002 Rule Dr., Fort Collins, CO	67	0	1997 2014	\$3,070	\$3,995
Garden Square at Spring Creek	1000 E. Stuart St., Fort Collins, CO	36	26	1963 1975	Medicaid	\$3,500
Good Samaritan Society - Fort Collins Village	508 W. Trilby Rd., Fort Collins, CO	28	0	1972 1990's 2000's	\$3,985	\$3,985
Lighthouse Elder Care, Inc.	700 Greenbriar Dr., Fort Collins, CO	8	0	1973	\$2,800	\$4,800
MacKenzie Place - Fort Collins	4750 Pleasant Oak Dr., Fort Collins, CO	26	0	2008	\$4,532	\$6,247
Monarch Greens Assisted Living	1725 Lakeview Dr., Fort Collins, CO	8	0	unavailable	\$2,500	\$5,500
New Mercer Commons	900 Centre Ave., Fort Collins, CO	46	0	1994	\$2,635	\$4,500
Residence at Oakridge	4750 Wheaton Dr., Fort Collins, CO	20	48	2002	Medicaid	\$3,100
Shamrock Manor	2914 W. Prospect Rd., Fort Collins, CO	8	0	1960	\$2,200	\$5,500
Total Assisted Living Units		298	102			

This table does not include any units that are secured for memory care.

For assisted living properties that offer both Medicaid and market-rate, the unit count split for assisted living is as reported as typical by individual properties. Also, our counts generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

Fort Collins: Properties - Memory Care Assisted Living

Property Information		Total Unit Count*	Property Details		
Name	Address	Memory Care	Year Built	Low Base Rent	High Base Rent
Bethesda - Collinwood Assisted Living	5055 S. Lemay Ave., Fort Collins, CO	14	1993	\$3,785	\$7,100
Brookdale - Clare Bridge Crossings of Fort Collins	1008 Rule Dr., Fort Collins, CO	24	2014	\$5,295	\$5,795
Brookdale - Clare Bridge of Fort Collins	1008 Rule Dr., Fort Collins, CO	36	1999	\$5,195	\$5,595
MacKenzie Place - Fort Collins	4750 Pleasant Oak Dr., Fort Collins, CO	26	2008	\$5,471	\$6,105
New Mercer Commons	900 Centre Ave., Fort Collins, CO	22	1994	\$4,825	\$5,635
Total Memory Care Units		122			

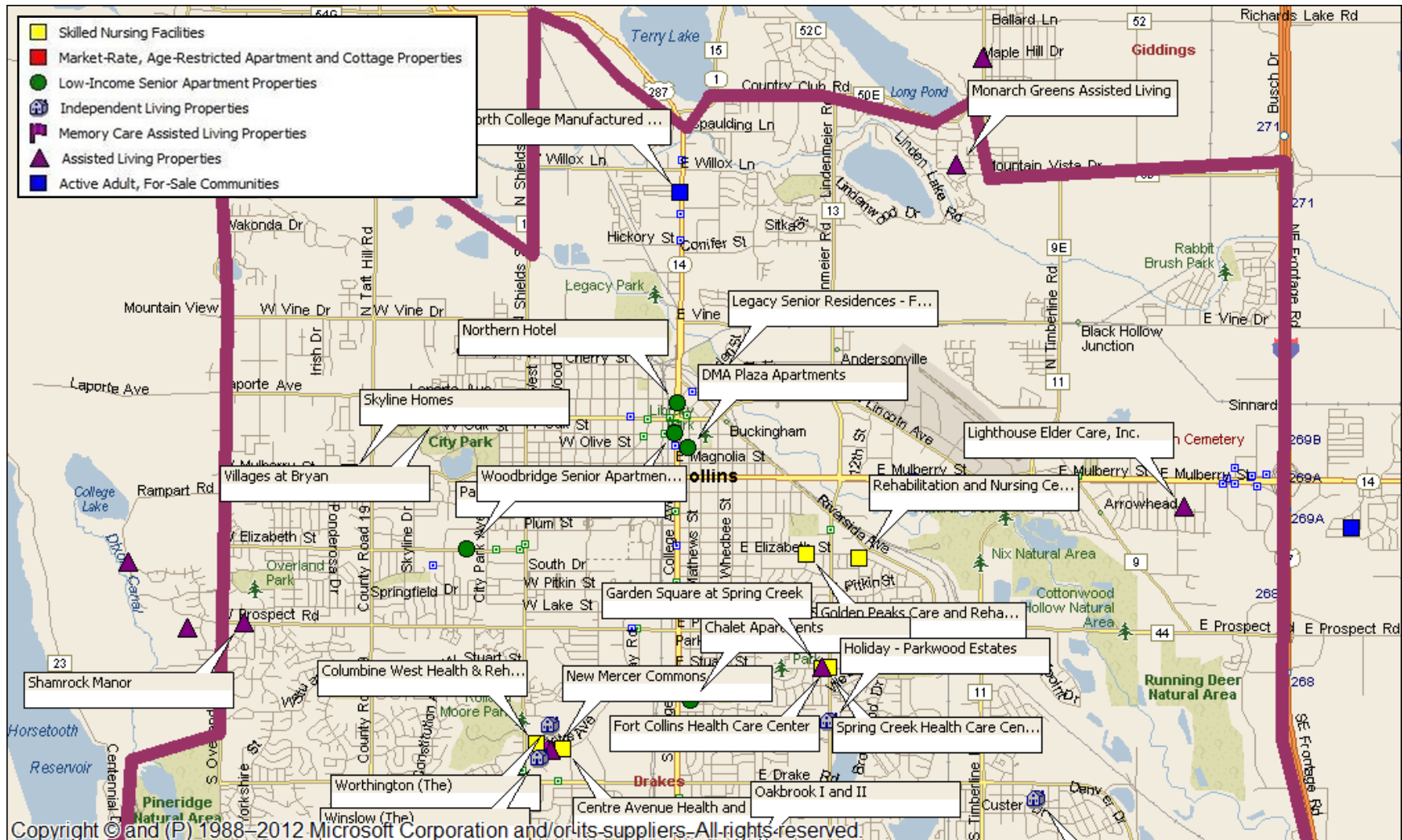
*Counts in this table generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

Fort Collins: Properties - Skilled Nursing

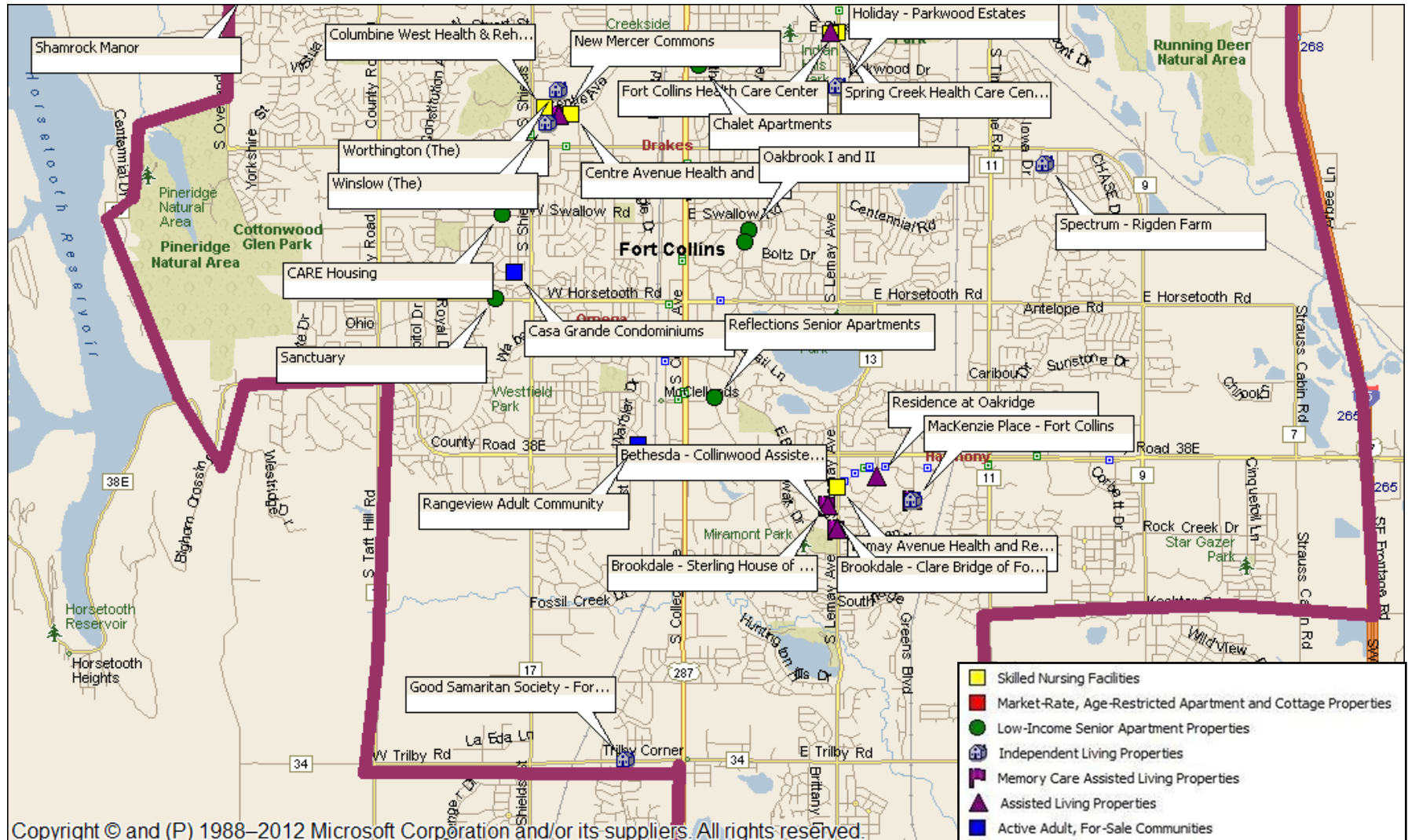
Property Information		Skilled Nursing Capacity	Skilled Nursing Occupancy (as of 12/31/14)					Property Details		
Name	Address	Total Licensed Beds	Regular Medicare Census	HMO Medicare Census	Medicaid Census	Private Pay Census	Total Census	Year Built	Low Daily Rate	High Daily Rate
Centre Avenue Health and Rehabilitation Facility	815 Centre Ave., Fort Collins, CO	90	47	8	0	20	75	2001	\$290	\$350
Columbine West Health & Rehab Facility	940 Worthington Cr., Fort Collins, CO	100	6	0	48	45	99	1988	\$224	\$242
Fort Collins Health Care Center	1000 S. Lemay Ave., Fort Collins, CO	83	8	3	48	8	67	0	\$222	\$232
Golden Peaks Care and Rehabilitation Center	1005 E. Elizabeth St., Fort Collins, CO	60	2	1	37	7	47	1998	\$223	\$246
Good Samaritan Society - Fort Collins Village	508 W. Trilby Rd., Fort Collins, CO	64	3	1	35	18	57	1972 1990's 2000's	\$255	\$375
Lemay Avenue Health and Rehabilitation Facility	4824 S Lemay Ave., Fort Collins, CO	130	28	5	42	54	129	2007	\$235	\$275
Rehabilitation and Nursing Center of the Rockies	1020 Patton St., Fort Collins, CO	96	4	0	41	29	74	2000	\$220	\$230
Spring Creek Health Care Center	1000 E. Stuart St., Fort Collins, CO	138	12	10	74	9	105	1960	\$215	\$257
Total Skilled Nursing Beds		761	110	28	325	190	653			

All skilled facilities are required to report quarterly resident/patient census by payer type to the Colorado Department of Health and Environment. The census numbers displayed in this table are from the most recent quarterly census, as provided by CDHE (census as of December 31, 2014).

Fort Collins: Properties - Map of Existing (Northern Section)



Fort Collins: Properties - Map of Existing (Southern Section)



Fort Collins: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Fort Collins: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

The vast majority of people age 65+ in the Fort Collins submarket live in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties that are actually age-restricted, or that serve people who need assisted living or skilled care, is 3,156 units, compared to a total age 65+ population of 16,687 individuals and 11,002 households. Total capacity equals 18.9% of age 65+ individuals.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

The Fort Collins submarket has a plentiful supply of good to high-quality **Independent Living (market-rate, high-service retirement apartments), Assisted Living (market rate), and Memory Care Assisted Living** properties. Supply and demand appear to be in balance and will likely remain in balance over time through pure market forces.

Affordable Assisted Living funded through Medicaid is in short supply, with an estimated shortage of about 250 units in the Fort Collins submarket in 2015-2020. Reimbursement for Medicaid assisted living is inadequate to encourage development, and that situation does not appear likely to change in the near future.

Skilled Nursing - Skilled nursing inventory is a mix of newer and older properties of mixed quality. In calculating expected demand based on population, there is an apparent oversupply of about 300 skilled nursing beds, yet, there are only about 100 empty beds in the area. This discrepancy is generally explained by the fact that Fort Collins facilities are used by those from the Rural Plains and Rural Mountains submarkets, as well as by local families who bring parents to Fort Collins from other areas. A new 100-bed short-term rehab skilled facility is under development and expected to begin construction soon.

HOUSING BY AFFORDABILITY (BROAD RANGE OF 55 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

Affordable/Income-Restricted Apartments - There is unmet demand for more affordable apartments countywide. There are two potential projects in planning in Fort Collins, both seeking funding through the Low Income Housing Tax Credit program. At this time, there are no known projects under development outside Fort Collins. Given ongoing scarcity of funding, it is likely that only one of the 2 planned projects will receive funding, and that a situation of unmet demand for affordable apartments will continue and will grow as the 60+ population grows.

HOUSING BY CHOICE (AGE 55 TO 80, NOT CARE BASED, CAN PAY MARKET-PRICING)

For-Sale, Age 55+ Housing - The 55+ for-sale communities in Fort Collins range widely from mobile home parks to condominiums to newer patio homes. Although the demand calculation indicates supply and demand is in relative balance, there is very little new age-qualified patio home or townhome inventory, and it is likely that there is additional demand. That said, there appears to be considerable development of mixed-age patio home product.

Market-Rate Rental Apartments and Cottages - There have not yet been built any market-rate, age-qualified apartments in the Fort Collins market, as this is a newly-emerging housing type. We estimate an apparent demand for close to 300 units by the end of 2020. The Inland Group intends to begin construction of a 163-unit apartment property in 2015 that will meet about half of the identified demand within the next few years.

Fort Collins: Supply and Demand – Estimates and Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living Medicaid

Memory Care Assisted Living

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

FORT COLLINS - SUPPLY AND DEMAND PROJECTIONS		2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)			
Nursing home utilization - all payer sources ⁽¹⁾		5.96%	5.36%
Total expected demand		425	455
Existing and planned supply (total licensed beds + under construction or pending)		761	761
Net Demand or (Oversupply)		(336)	(306)
ASSISTED LIVING: MARKET-RATE			
Assisted living utilization by market-rate households ⁽²⁾		15.44%	15.44%
Assisted living market-rate demand		333	389
Existing and planned supply (total units + under construction or pending)		298	352
Net Demand or (Oversupply)		35	37
ASSISTED LIVING: MEDICAID			
Assisted living utilization by Medicaid households ⁽²⁾		17.69%	17.69%
Assisted living Medicaid demand		360	420
Existing and planned supply (total units + under construction or pending)		102	102
Net Demand or (Oversupply)		258	318
MEMORY CARE ASSISTED LIVING			
Memory care assisted living utilization by market-rate households ⁽³⁾		2.00%	2.00%
Memory care assisted living demand		133	165
Existing and planned supply (total units + under construction or pending)		122	193
Net Demand or (Oversupply)		11	(28)
Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.			
⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.			
⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.			
⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.			

Fort Collins: Supply and Demand – Estimates and Projections

Independent Living

Market-Rate Rentals

Affordable Rentals

For-Sale Housing

FORT COLLINS - SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent living utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		443	489
Existing and planned supply (total units + under construction or pending)		544	544
Net Demand or (Oversupply)		(101)	(55)
AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		199	269
Existing and planned supply (total units + under construction or pending)		0	161
Net Demand or (Oversupply)		199	108
AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-qualified apartments and cottages (income-restricted) expected utilization ⁽⁶⁾		20%	20%
Age-qualified apartments and cottages (income-restricted) demand (age 62+ 1 and 2-person HHs)		730	902
Existing and planned supply (total units + under construction or pending)		717	843
Net Demand or (Oversupply)		13	59
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent age 55+ households in age-qualified, for-sale housing, all incomes ⁽⁷⁾		3.00%	3.00%
Age-qualified for-sale housing demand (age 55+ households (total, all incomes)		638	710
Existing and planned supply (total units + under construction or pending)		612	612
Net Demand or (Oversupply)		26	98

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.



Loveland Submarket

Map and Overview of Submarket

Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Loveland: Demographic Overview

Demographic Highlights

- Median housing values are lowest of the five submarkets in the County, estimated at \$228,479 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the age 65 to 74 group, with a projected 30% growth just in the 5 years between 2015 to 2020, from 6,963 to 9,054.
- While the median income of all-age households is \$53,696, the median income for age 75+ households is just \$28,782. Median income is still high among the age 65 to 74 group, at \$44,877, and the highest median incomes are found in the age 45 to 64 group, at \$60,207.
- There are about 1,700 households age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 14% by 2020, to 1,930.
- In the age 65 to 74 group, about 44% of the 4,393 households (1,926) have incomes of \$50,000 or higher. In the age 75+ group, about 40% of households (1,484 of the total 3,674 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Loveland Submarket			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	74,288	80,658	8.6%
Total households	30,761	33,709	9.6%
Median household income	\$53,696	\$55,932	4.2%
Median owner housing value	\$228,479	\$254,381	11.3%
Targeted Households:			
Age 45-64	11,673	11,728	0.5%
Number of Individuals	19,807	20,045	1.2%
\$75,000+ household income	4,399	4,798	9.1%
Median household income	\$60,207	\$63,482	5.4%
Age 65-74	4,393	5,701	29.8%
Number of Individuals	6,963	9,054	30.0%
\$50,000+ household income	1,926	2,605	35.3%
Median household income	\$44,877	\$46,440	3.5%
Age 75+	3,674	4,275	16.4%
Number of Individuals	5,398	6,249	15.8%
Medicaid-qualified - (less than \$25,956)	1,694	1,930	13.9%
\$25,000+ household income	2,029	2,403	18.4%
\$35,000+ household income	1,484	1,761	18.7%
\$50,000+ household income	872	1,056	21.1%
Median household income	\$28,782	\$29,311	1.8%

Source: The Nielsen Company

Loveland: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Loveland		
Age 65+ Total	12,361	12,361
Age 65+ Non-Institutionalized (NI)	12,024	12,024
Age 65+ Institutionalized	337	337
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	597	1,215

Source: The Nielsen Company and U.S. Census American Community Survey

Disability – In this area, an estimated 597 non-institutionalized people age 65+ have self-care difficulties and 1,215 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Loveland Submarket	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	66,539	70,942	6.6%
Age 65 and Over	11,965	14,707	22.9%
Black or African American Alone	740	1,135	53.4%
Age 65 and Over	35	65	85.7%
American Indian and Alaska Native Alone	692	816	17.9%
Age 65 and Over	55	80	45.5%
Asian Alone	908	1,116	22.9%
Age 65 and Over	94	139	47.9%
Native Hawaiian/Other Pacific Islander Alone	55	81	47.1%
Age 65 and Over	4	6	45.5%
Some Other Race Alone	3,153	3,760	19.2%
Age 65 and Over	133	191	43.7%
Two or More Races	2,201	2,808	27.6%
Age 65 and Over	75	115	53.3%
Population by Hispanic or Latino			
Hispanic or Latino	9,710	11,430	17.7%
Age 65 and Over	536	749	39.8%
Not Hispanic or Latino	64,578	69,228	7.2%

In this area, about 13.1% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 17.7% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 7.2%. Of the 9,710 reporting they are “Hispanic or Latino”, 536 are age 65+, projected to grow to 749 by 2020.

Of age 65+ people only, most report they are “White Alone” The largest other representation is from “Some Other Race Alone”, with 133 people age 65+.

Loveland: Demographics -

Age 75+ Owners/Renters by Income and Household Size

Loveland 2015 Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total		1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total	
\$0-10,000	70	19	0	1	0	90	\$0-10,000	78	49	7	0	0	133
\$10,000-20,000	364	9	0	0	0	373	\$10,000-20,000	418	104	20	1	0	543
\$20,000-30,000	122	76	0	0	0	199	\$20,000-30,000	234	298	14	0	0	546
\$30,000-40,000	34	95	0	0	0	128	\$30,000-40,000	196	168	8	2	3	379
\$40,000-50,000	77	23	0	0	5	105	\$40,000-50,000	91	185	15	0	0	291
\$50,000-60,000	25	16	0	9	1	51	\$50,000-60,000	33	96	20	1	0	150
\$60,000-75,000	37	33	0	3	0	73	\$60,000-75,000	110	106	11	0	0	226
\$75,000-100,000	24	31	0	0	0	54	\$75,000-100,000	38	105	13	1	1	157
\$100,000-125,000	22	11	0	1	0	33	\$100,000-125,000	18	19	17	1	2	57
\$125,000-150,000	7	1	0	0	0	8	\$125,000-150,000	6	10	2	2	1	22
\$150,000-200,000	5	2	0	2	0	9	\$150,000-200,000	9	14	2	1	0	27
\$200,000+	3	4	0	1	0	8	\$200,000+	3	2	1	1	0	8
Total	789	320	0	16	5	1,130	Total	1,234	1,156	130	12	8	2,540

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

The majority of those age 75+ in Loveland are in owner households, with 2,540 total owner households and 1,130 renter households.

Owners - The largest number (1,234) live in 1-person households. Most other owners live in 2-person households (1,156), while 150 age 75+ homeowners live with at least 3 people. Some of these age 75+ owners live in age-qualified homes or mobile home communities.

Renters - The great majority of renters age 75+ (789 of 1,130) are 1-person households; only 320 are 2-person households and 21 live with at least 3 people. Many of these renters live in senior apartments or retirement communities.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 25.3% of 1-person renter households and 24.9% of 1-person owner households with annual incomes over \$40,000, compared to 37.8% of 2-person renter households and 46.4% of 2-person owner households with incomes over \$40,000.

Loveland: Properties



For-Sale, Age-Qualified Homes, Townhomes, Condos

Independent Living

Market-Rate and Affordable Rental Apartments

Assisted Living

Memory Care Assisted Living

Skilled Nursing



Maps of Properties



Loveland: Properties - For-Sale and Independent Living

For-Sale Housing

Property Information		Total Unit Count	Property Details
Name	Address	Total For-Sale Units*	Year Built
Apple Ridge Retirement Community	221 W. 57th St., Loveland, CO	101	2006
Brymar Mobile Home Park	1166 N. Madison Ave., Loveland, CO	160	2004
Meadowlark Mobile Home Park	605 W. 57th St., Loveland, CO	70	2000 2001
Mirasol Senior Community - Patio Homes	1153 Finch St., Loveland, CO	24	1995
Sunset Mobile Home Park	1700 Sandstone Dr., Loveland, CO	160	Multiple
Sylmar Mobile Home Park	1407 Sylmar Pl., Loveland, CO	42	Multiple
Total For-Sale Age-Qualified Units		557	

*Counts estimated from Google Earth or property contact.

The next pages provide tables displaying all of the senior housing and care properties in this submarket. Only properties that are believed to be legally age-restricted to 55+ are included.

The tables display property name, address, total unit counts, and (where known), year/s built and low and high base rents, as published in late 2014 or early 2015.

The property types include any of the following that are present in the submarket:

- **For-Sale Housing** - patio homes, townhomes, condominiums, mobile home communities
- **Independent Living** - apartments or patio homes that include high levels of service and/or are on continuing care campuses
- **Rental Apartments and Patio Homes** - both market-rate and affordable or income-restricted
- **Assisted Living** - licensed, both private pay and those that accept Medicaid
- **Memory Care Assisted Living** - secured assisted living units for dementia care
- **Skilled Nursing Communities** - licensed as skilled nursing facilities, accepting Medicare, Medicaid, and private pay

Independent Living

Property Information		Total Unit Count	Property Details		
Name	Address	Market Rate	Year Built	Low Base Rent	High Base Rent
Good Samaritan Loveland - Apartments and Twinhomes	2101 S. Garfield Ave., Loveland, CO	182	1960 2000 2007	\$1,575	\$2,580
Hillcrest - Independent Living - Building 1	535 N. Douglas Ave, Loveland, CO	42	2007	\$2,250	\$3,950
Hillcrest - Independent Living - Building 2	535 N. Douglas Ave, Loveland, CO	14	2009	\$2,250	\$3,950
Holiday - Sugar Valley Estates	4320 Georgetown Dr., Loveland, CO	117	2009	\$2,000	\$3,500
Wexford (The)	1515 W. 28th St., Loveland, CO	94	1996	\$1,890	\$3,470
Total Independent Living Units		449			

Loveland: Properties - Rental Apartments and Patio Homes

Affordable and/or Income-Restricted

Property Information				Total Unit Count	Property Details		
Name	Address	Tax Credit	Section 8 / Other Subsidy	Affordable/ Restricted Units	Year Built	Low Base Rent	High Base Rent
Big Thompson Manor I & II	224 North Monroe Avenue, Loveland, CO	FALSE	TRUE	118	1972 1984	325	\$385
Harvest Pointe	4895 Lucerne Ave., Loveland, CO	FALSE	TRUE	80	2008	\$0	\$783
Mirasol Senior Apartments - 2	1153 Finch St. , Loveland , CO	TRUE	FALSE	60	2013	\$437	\$1,050
Mirasol Senior Apartments - I	1153 Finch St. , Loveland, CO	TRUE	FALSE	48	2007	\$437	\$938
Mirasol Senior Community - Cottages	1153 Finch St., Loveland, CO	FALSE	TRUE	7	2007	\$1,619	\$1,999
Silver Leaf I	2000 Maple Dr., Loveland, CO	FALSE	TRUE	50	1976	\$0	\$783
Silver Leaf II	2000 Maple Dr., Loveland, CO	FALSE	TRUE	72	1976	\$0	\$783
Willows Senior Housing (The)	533 E. 4th St., Loveland, CO	FALSE	TRUE	11	1985	\$575	\$575
Total Adjusted Income or Rent-Restricted Age-Qualified Rental Units				446			

Market-Rate

Property Information		Total Unit Count	Property Details		
Name	Address	Market-Rate Units	Year Built	Low Base Rent	High Base Rent
Mirasol Senior Community - Cottages	1153 Finch St., Loveland, CO	24	2007	\$1,619	\$1,999
Total Market-Rate and Age-Qualified Apartment and Cottage Units		24			

Loveland: Properties - Assisted Living

Property Information		Total Unit Count		Property Details		
Property Name	Address	Market-Rate Units	Medicaid Units	Year Built	Low Base Rent	High Base Rent
Bethesda - Park Regency Loveland	1875 Fall River Dr., Loveland, CO	90	20	2007	Medicaid	\$5,300
Brookdale - Sterling House at the Orchards	215 Shupe Circle, Loveland, CO	49	0	1998	\$3,140	\$3,680
Brookdale - Sterling House of Loveland	2895 N. Empire Ave, Loveland, CO	50	0	1997	\$3,095	\$3,545
Courtyard of Loveland	605 California Ave., Loveland, CO	9	21	1989	Medicaid	\$4,300
Eden Valley Village	9325 World Mission Dr, Loveland, CO	16	0	1960	\$1,500	\$2,500
Good Samaritan Society - Loveland Village	2101 S. Garfield Ave., Loveland, CO	60	0	1960, 2000, 2007	\$3,800	\$5,850
Heritage Haus	208 19th St. SE, Loveland, CO	18	10	1963	Medicaid	\$2,250
Hillcrest Assisted Living	535 N. Douglas Ave, Loveland, CO	13	1	2009	Medicaid	\$4,600
Lakeview Commons	1422 W. 29th St., Loveland, CO	42	8	2000	Medicaid	\$4,850
Loveland House Assisted Living	2115 Eagle Dr., Loveland, CO	2	6	1978	Medicaid	\$2,500
Primrose Place	1330 E. 1st St., Loveland, CO	4	16	unavailable	Medicaid	\$2,500
The Joneses Assisted Living	2127 Eagle Dr., Loveland, CO	2	6	1970	Medicaid	\$2,200
Total Assisted Living Units		355	88			

This table does not include any units that are secured for memory care.

For assisted living properties that offer both Medicaid and market-rate, the unit count split for assisted living is as reported as typical by individual properties. Also, our counts generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

Loveland: Properties - Memory Care and Skilled Nursing

Memory Care Assisted Living

Property Information		Total Unit Count*	Property Details		
Name	Address	Memory Care	Year Built	Low Base Rent	High Base Rent
Aspen House	2212 E 11 St, Loveland, CO	40	2010	\$6,200	\$6,200
Brookdale - Clare Bridge at the Orchards	215 Shupe Circle, Loveland, CO	28	2014	\$5,310	\$5,310
Hillcrest Assisted Living	535 N. Douglas Ave, Loveland, CO	12	2009	\$5,850	\$5,850
Memory Care at Seven Lakes	1990 Pikes Peak Dr., Loveland, CO	48	2012	\$5,255	\$6,295
Total Memory Care Units		128			

*Counts in this table generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

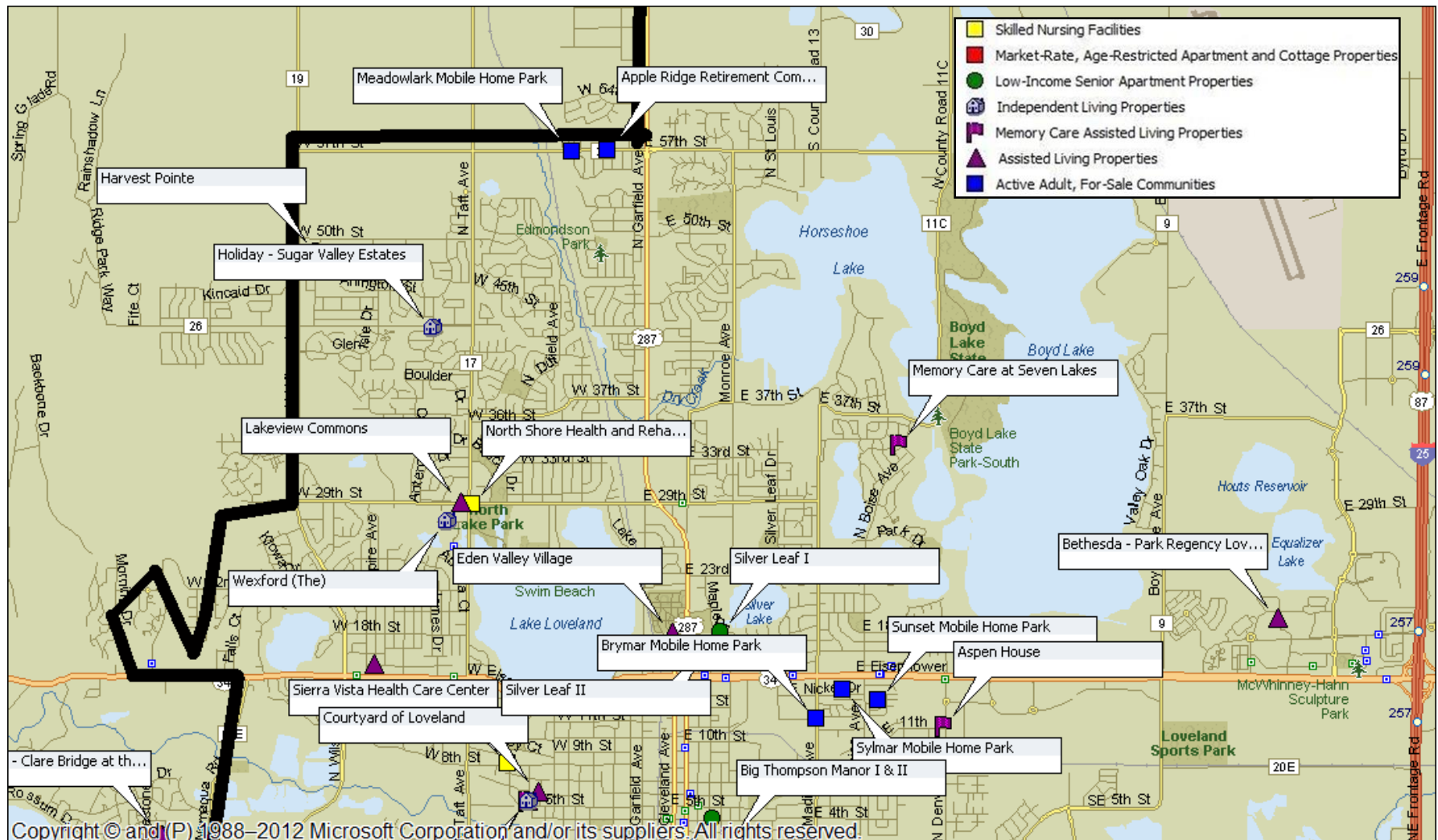
Skilled Nursing

Property Information		Skilled Nursing Capacity	Skilled Nursing Occupancy (as of 12/31/14)					Property Details		
Name	Address	Total Licensed Beds	Regular Medicare Census	HMO Medicare Census	Medicaid Census	Private Pay Census	Total Census	Year Built	Low Daily Rate	High Daily Rate
Good Samaritan Society - Loveland Village	2101 S. Garfield Ave., Loveland, CO	104	7	0	56	33	96	1960 2000 2007	\$240	\$437
Mirasol Senior Community - Skilled Nursing*	1153 Finch St., Loveland, CO	60	0	0	0	0	0	2014	\$285	\$285
North Shore Health and Rehab Facility	1365 W. 29th St., Loveland, CO	134	9	9	64	37	119	1962	\$222	\$260
Sierra Vista Health Care Center	821 Duffield Ct., Loveland, CO	114	9	5	65	9	88	1960	\$228	\$251
Total Skilled Nursing Beds		412	25	14	185	79	303			

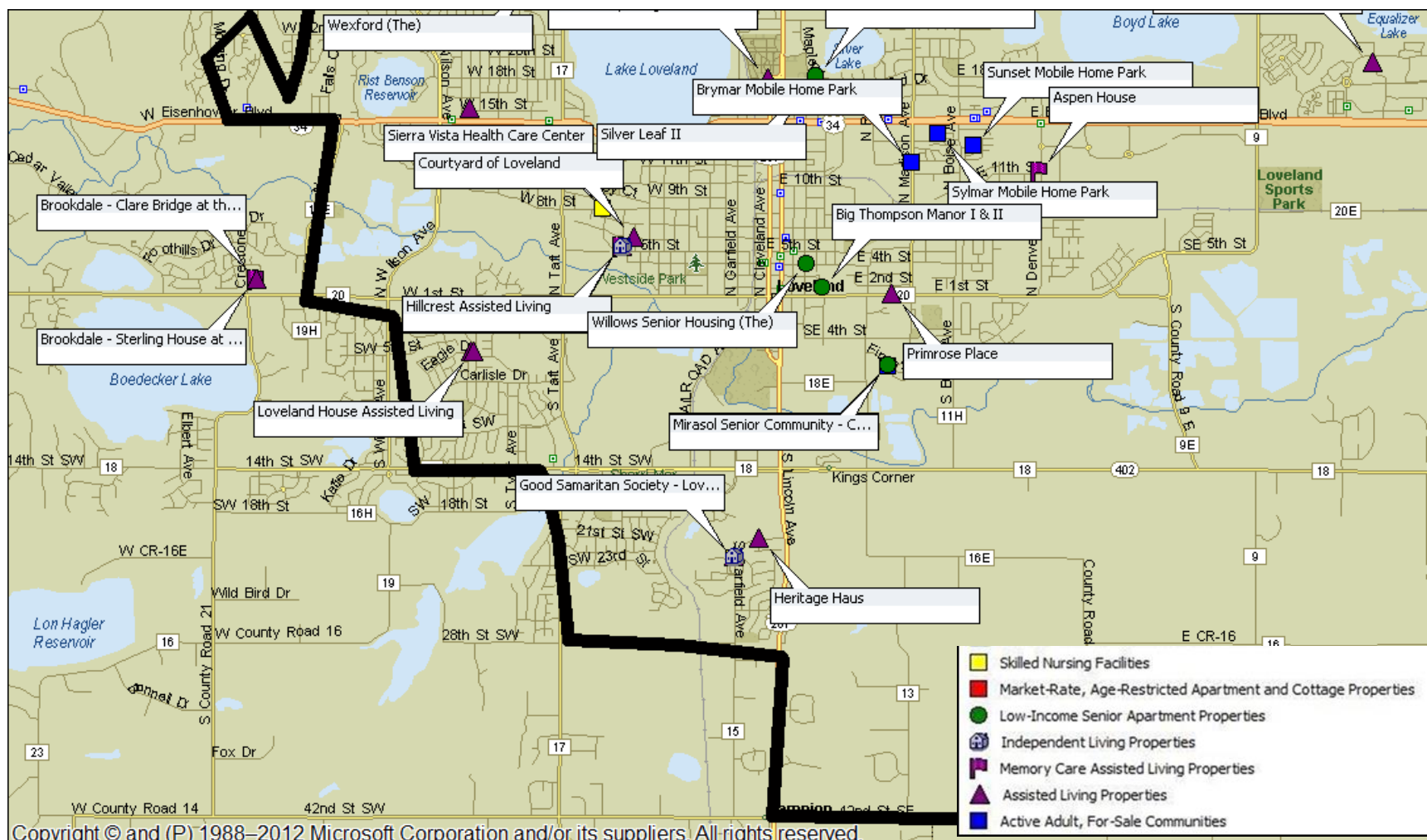
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* Mirasol is a new property that opened after collection of 12/31/2014 occupancy data.

Loveland: Properties - Map of Existing (Northern Section)



Loveland: Properties - Map of Existing (Southern Section)



Loveland: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Loveland: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

The great majority of people age 65+ in this submarket live in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties that are actually age-restricted, or that serve people who need assisted living or skilled care, is 2,459 units, compared to a total age 65+ population of 12,361 individuals and 8,067 households. Age-qualified housing and care community capacity equals 19.9% of age 65+ individuals.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

The Loveland submarket has a plentiful supply of good to high-quality **Independent Living (market-rate, high-service retirement apartments), Assisted Living (market -rate), and Memory Care Assisted Living** properties. Current supply, which has increased significantly over the past few years, appears to be greater than current and near-future demand. If there is an oversupply, it will likely correct itself over the next few years and new units are absorbed, and the pace of new development slows.

Affordable Assisted Living is in demand, with an estimated shortage of more than 200 units in the Loveland submarket in 2015-2020. Reimbursement for Medicaid assisted living is inadequate to encourage development, and that situation does not appear likely to change in the near future.

Skilled Nursing - The skilled nursing supply is a mix of newer and older properties of mixed quality. In calculating demand based on population, there appears to be an oversupply of more than 80 beds, partially explained by the fact that the Loveland facilities are used by those from the Rural Plains and Rural Mountains submarkets, as well as by local caregiver-aged families who bring their parents to Loveland from other areas for care.

The new GreenHouses at Mirasol offer the first entry into a new generation of skilled facilities that will gradually replace the older, more institutional model of skilled care.

HOUSING BY AFFORDABILITY (BROAD RANGE OF 60 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

Affordable Apartments - There is unmet demand for more affordable apartments. Given ongoing scarcity of funding, it is likely that a situation of unmet demand for affordable apartments will continue and will grow as the 60+ population grows. There are none known to be under development at this time, although we estimate demand for more than 200 additional units in Loveland within the next few years.

HOUSING BY CHOICE (AGE 55 TO 75, NOT CARE BASED, CAN PAY MARKET-PRICING)

For-Sale, Age 55+ Housing - The 55+ age-qualified for-sale communities in Loveland are almost exclusively mobile homes parks. The exception is the newer patio homes at Mirasol Senior Community. Although the demand calculation indicates there is an oversupply of for-sale homes relative to the typical penetration rates for for-sale housing among 55+ households, we do not consider the calculation to represent true demand because of the preponderance of mobile home units. There is almost certainly demand for additional good-quality patio homes, townhomes, and condominiums, although additional study is certainly needed to confirm that demand.

Market-Rate Rental Apartments and Cottages - The rental patio homes at Mirasol offer the only units of this housing type in the Loveland submarket at this time. However, there is one market-rate apartment project under development in Loveland that is expected to begin construction of 165 market-rate apartments by mid-2015.

Loveland: Supply and Demand - Estimates and Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living Medicaid

Memory Care Assisted Living

LOVELAND SUPPLY AND DEMAND PROJECTIONS		2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)			
Nursing home utilization - all payer sources ⁽¹⁾		5.96%	5.36%
Total expected demand		326	357
Existing and planned supply (total licensed beds + under construction or pending)		412	412
Net Demand or (Oversupply)		(86)	(55)
ASSISTED LIVING: MARKET-RATE			
Assisted living utilization by market-rate households ⁽²⁾		14.28%	14.28%
Assisted living market-rate demand		214	268
Existing and planned supply (total units + under construction or pending)		355	355
Net Demand or (Oversupply)		(141)	(87)
ASSISTED LIVING: MEDICAID			
Assisted living utilization by Medicaid households ⁽²⁾		18.18%	18.18%
Assisted living Medicaid demand		312	374
Existing and planned supply (total units + under construction or pending)		88	88
Net Demand or (Oversupply)		224	286
MEMORY CARE ASSISTED LIVING			
Memory care assisted living utilization by market-rate households ⁽³⁾		2.01%	2.01%
Memory care assisted living demand		88	108
Existing and planned supply (total units + under construction or pending)		128	148
Net Demand or (Oversupply)		(40)	(40)

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.

⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.

⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

Loveland: Supply and Demand - Estimates and Projections

Independent Living

Market-Rate Rentals

Affordable Rentals

For-Sale Housing

LOVELAND SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent living utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		335	388
Existing and planned supply (total units + under construction or pending)		449	449
Net Demand or (Oversupply)		(114)	(61)
AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		131	175
Existing and planned supply (total units + under construction or pending)		24	189
Net Demand or (Oversupply)		107	(14)
AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-Qualified Apartments and Cottages (Income-Restricted) Expected Utilization ⁽⁶⁾		20%	20%
Age-qualified apartments and cottages (income-restricted) demand (Age 62+ 1 and 2-person HHs)		582	719
Existing and planned supply (total units + under construction or pending)		446	446
Net Demand or (Oversupply)		136	273
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent age 55+ households in age-qualified, for-sale housing, all incomes ⁽⁷⁾		3.00%	3.00%
Age-qualified for-sale housing demand (age 55+ households (total, all incomes)		432	487
Existing and planned supply (total units + under construction or pending)		557	557
Net Demand or (Oversupply)		(125)	(70)

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.



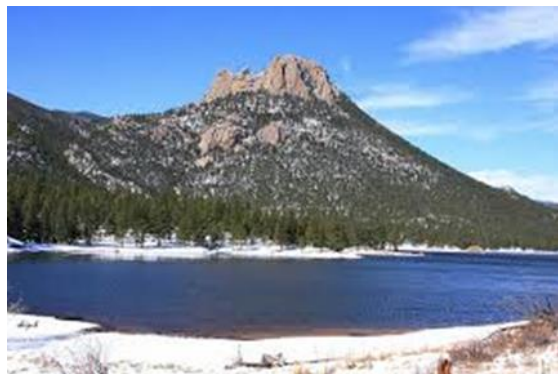
Rural Plains Submarket

Map and Overview of Submarket

Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Rural Plains: Demographic Overview

Demographic Highlights

- Median housing values are quite strong in this area, estimated at \$304,819 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the age 65 to 74 group, with a projected 32% growth just in the 5 years between 2015 to 2020, from 7,260 to 9,616.
- Incomes are high in this area as well. While the median income of all-age households is high at \$73,519, the median income for age 75+ households is \$41,931; though lower than the all-ages median, this median is higher than the Colorado median for age 75+ households. Median income is still quite high among the age 65 to 74 group, at \$62,178, and the highest median incomes are found in the age 45 to 64 group, at \$83,123.
- There are 660 households age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 23% by 2020, to 810.
- In the age 65 to 74 group, 62% of the 4,324 households (2,684) have incomes of \$50,000 or higher. In the age 75+ group, about 57% of households (1,286 of the total 2,245 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Rural Plains Submarket			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	72,927	79,716	9.3%
Total households	27,017	29,500	9.2%
Median household income	\$73,519	\$78,343	6.6%
Median owner housing value	\$304,819	\$350,787	15.1%
Targeted Households:			
Age 45-64	12,312	12,420	0.9%
Number of Individuals	22,297	22,817	2.3%
\$75,000+ household income	6,770	7,434	9.8%
Median household income	\$83,123	\$91,315	9.9%
Age 65-74	4,324	5,648	30.6%
Number of Individuals	7,260	9,616	32.5%
\$50,000+ household income	2,684	3,654	36.1%
Median household income	\$62,178	\$65,850	5.9%
Age 75+	2,245	2,896	29.0%
Number of Individuals	3,688	4,811	30.5%
Medicaid-qualified - (less than \$25,956)	660	810	22.6%
\$25,000+ household income	1,613	2,123	31.6%
\$35,000+ household income	1,286	1,708	32.8%
\$50,000+ household income	937	1,261	34.6%
Median household income	\$41,931	\$43,578	3.9%

Source: The Nielsen Company

Rural Plains: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Rural Plains		
Age 65+ Total	10,948	10,948
Age 65+ Non-Institutionalized (NI)	10,649	10,649
Age 65+ Institutionalized	299	299
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	529	1,076

Source: The Nielsen Company and U.S. Census American Community Survey

Disability – In this area, an estimated 529 non-institutionalized people age 65+ have self-care difficulties and 1,076 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Rural Plains Submarket	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	66,827	72,014	7.8%
Age 65 and Over	10,607	13,877	30.8%
Black or African American Alone	620	972	56.7%
Age 65 and Over	34	63	85.8%
American Indian and Alaska Native Alone	484	560	15.7%
Age 65 and Over	36	55	53.1%
Asian Alone	1,447	1,836	26.9%
Age 65 and Over	127	206	62.3%
Native Hawaiian/Other Pacific Islander Alone	69	98	42.2%
Age 65 and Over	4	8	105.3%
Some Other Race Alone	1,666	1,962	17.8%
Age 65 and Over	75	103	37.5%
Two or More Races	1,813	2,273	25.4%
Age 65 and Over	66	116	75.8%
Population by Hispanic or Latino			
Hispanic or Latino	6,283	7,639	21.6%
Age 65 and Over	377	583	54.6%
Not Hispanic or Latino	66,644	72,077	8.2%

In this area, about 8.6% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 21.6% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 8.2%. Of the 6,283 reporting they are “Hispanic or Latino”, 377 are age 65+, projected to grow to 583 by 2020.

Of age 65+ people only, most report they are “White Alone” The largest other representation is from “Asian Alone”, with 127 people age 65+.

Rural Plains: Demographics -

Age 75+ Owners/Renters by Income and Household Size

2015 Rural Plains Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person	2-Person	3-Person	4-Person	5+-Person			1-Person	2-Person	3-Person	4-Person	5+-Person		
Household	Household	Household	Household	Household	Household	Total	Household	Household	Household	Household	Household	Household	Total
\$0-10,000	9	3	1	2	1	16	\$0-10,000	52	40	6	3	1	102
\$10,000-20,000	61	5	3	0	1	70	\$10,000-20,000	157	51	16	9	5	238
\$20,000-30,000	42	18	3	0	1	64	\$20,000-30,000	96	94	16	8	36	251
\$30,000-40,000	12	8	2	0	1	23	\$30,000-40,000	100	178	29	41	6	354
\$40,000-50,000	6	4	2	1	1	14	\$40,000-50,000	29	122	5	13	1	171
\$50,000-60,000	1	6	4	1	2	13	\$50,000-60,000	31	111	7	3	0	152
\$60,000-75,000	12	2	4	2	1	21	\$60,000-75,000	54	142	30	4	3	234
\$75,000-100,000	23	7	2	1	2	36	\$75,000-100,000	63	141	24	4	0	232
\$100,000-125,000	6	4	4	1	1	15	\$100,000-125,000	26	55	5	2	0	88
\$125,000-150,000	5	2	1	2	2	11	\$125,000-150,000	19	25	6	1	3	54
\$150,000-200,000	1	1	1	0	2	4	\$150,000-200,000	14	12	1	2	3	33
\$200,000+	3	0	1	1	1	6	\$200,000+	18	21	2	0	2	44
Total	181	59	29	11	14	294	Total	658	993	150	90	61	1,952

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

The majority of those age 75+ in Rural Plains are in owner households, with 1,952 total owner households and 294 renter households.

Owners - The largest number (993) live in 2-person households. Most other 75+ owners live alone (658), while 301 live with at least 3 people. Some of these age 75+ owners do live in an age-qualified mobile home community.

Renters - The great majority of renters age 75+ (181 of 294) are 1-person households; only 59 are 2-person households and 54 live with at least 3 people. Some of these renters live in senior apartments.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 31.4% of 1-person renter households and 38.6% of 1-person owner households with annual incomes over \$40,000, compared to 44% of 2-person renter households and 63.3% of 2-person owner households with incomes over \$40,000.

Rural Plains: Properties - For-Sale and Affordable Apartments

For-Sale

Property Information		Total Unit Count	Property Details
Name	Address	Total For-Sale Units*	Year Built
Sunflower	886 Pleasure Dr., Fort Collins, CO	190	Multiple
Total For-Sale Age-Qualified Units		190	

**Counts estimated from Google Earth or property contact.*

The next pages provide tables displaying all of the senior housing and care properties in this submarket. Only properties that are believed to be legally age-restricted to 55+ are included.

The tables display property name, address, total unit counts, and (where known), year/s built and low and high base rents, as published in late 2014 or early 2015.

The property types include any of the following that are present in the submarket:

- **For-Sale Housing** - patio homes, townhomes, condominiums, mobile home communities
- **Rental Apartments** - affordable or income-restricted
- **Assisted Living** - licensed, both private pay and those that accept Medicaid
- **Skilled Nursing Communities** - licensed as skilled nursing facilities, accepting Medicare, Medicaid, and private pay

Rental Apartments - Affordable or Income-Restricted

Property Information				Total Unit Count	Property Details		
Name	Address	Tax Credit	Section 8 / Other Subsidy	Affordable/ Restricted Units	Year Built	Low Base Rent	High Base Rent
Hamilton Park Apartments I & II	140 N. 4th, Berthoud, CO	FALSE	TRUE	48	1979	\$0	\$783
Total Adjusted Income or Rent-Restricted Age-Qualified Rental Units				48			

Rural Plains: Properties - Assisted Living and Skilled Nursing

Assisted Living

Property Information		Total Unit Count		Property Details		
Property Name	Address	Market-Rate Units	Medicaid Units	Year Built	Low Base Rent	High Base Rent
Appleleaf Assisted Living	1328 1st St., Berthoud, CO	4	8	1974	Medicaid	\$2,650
Eagles Nest Assisted Living, LLC	1026 Salmon Run, Fort Collins, CO	8	0	unavailable	\$2,900	\$5,400
Terry Lake Assisted Living	3629 Woodridge Rd., Fort Collins, CO	8	0	1969	\$2,200	\$5,600
Turnberry Place Assisted Living	2401 Turnberry Rd., Fort Collins, CO	8	0	1981	\$2,500	\$5,500
Wellington Assisted Living	8126 5th St., Wellington, CO	2	8	1994	Medicaid	\$3,900
Total Assisted Living Units		30	16			

This table does not include any units that are secured for memory care.

For assisted living properties that offer both Medicaid and market-rate, the unit count split for assisted living is as reported as typical by individual properties. Also, our counts generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

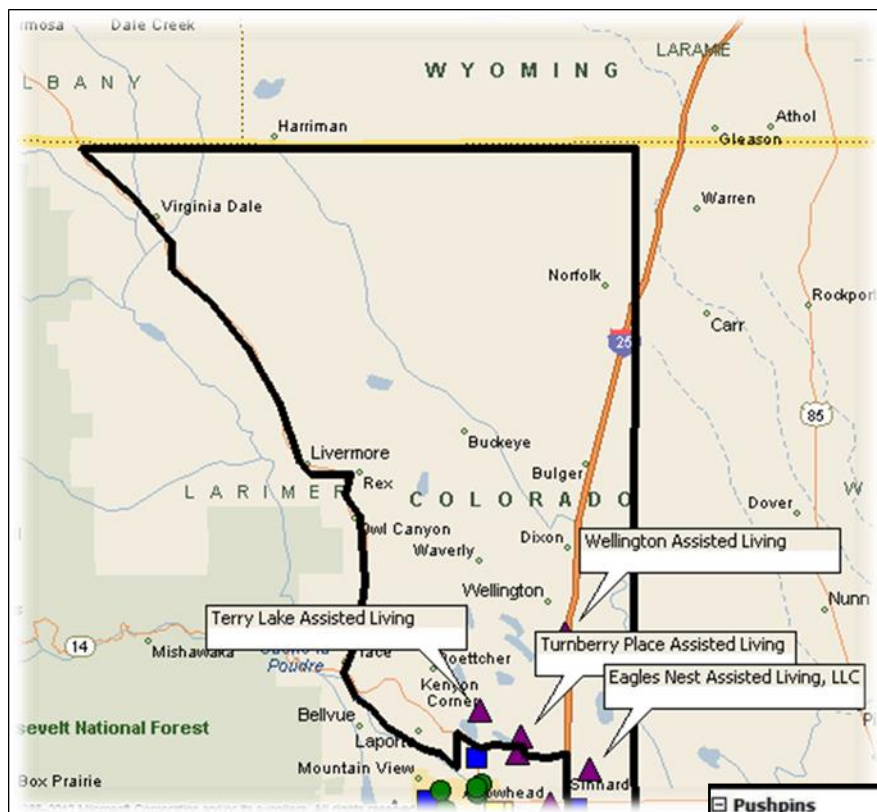
Skilled Nursing

Property Information		Skilled Nursing Capacity	Skilled Nursing Occupancy (as of 12/31/14)					Property Details		
Name	Address	Total Licensed Beds	Regular Medicare Census	HMO Medicare Census	Medicaid Census	Private Pay Census	Total Census	Year Built	Low Daily Rate	High Daily Rate
Berthoud Living Center	855 Franklin Ave., Berthoud, CO	76	6	2	44	16	68	1960	\$235	\$361
Total Skilled Nursing Beds		76	6	2	44	16	68			

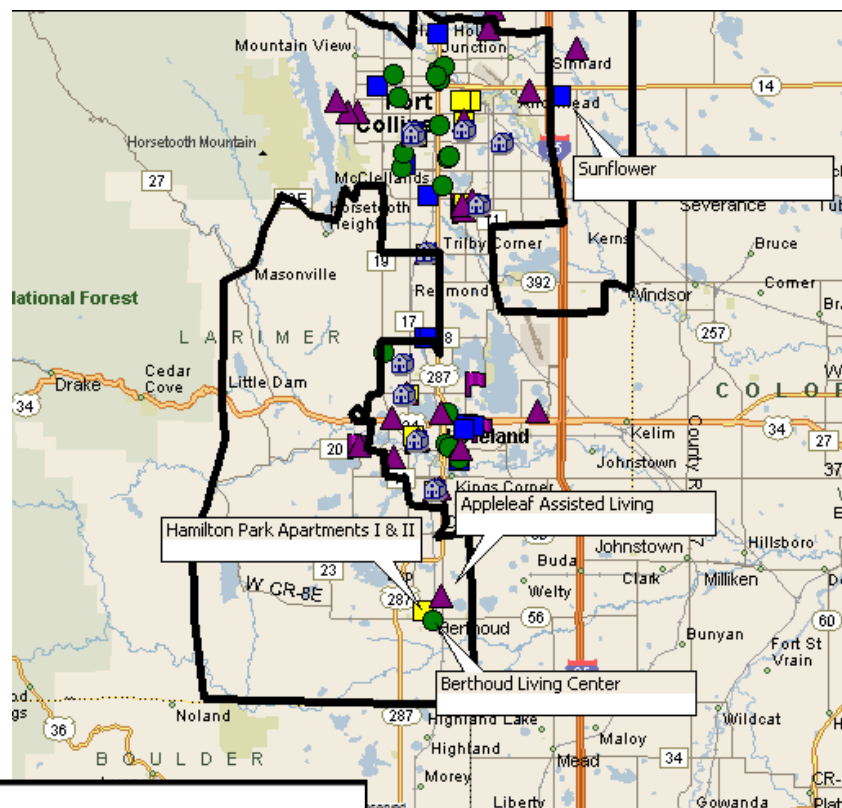
All skilled facilities are required to report quarterly resident/patient census by payer type to the Colorado Department of Health and Environment. The census numbers displayed in this table are from the most recent quarterly census, as provided by CDHE (census as of December 31, 2014).

Rural Plains: Properties - Map of Existing

Northern Portion of Submarket



Southern Portion of Submarket



Rural Plains: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Rural Plains: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

The great majority of people age 65+ in this submarket live in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties that are actually age-restricted, or that serve people who need assisted living or skilled care, is 360 units, compared to a total age 65+ population of 10,948 individuals and 6,569 households. Age-qualified housing and care community capacity equals 3.3% of age 65+ individuals.

AGE-QUALIFIED HOUSING AND CARE

The Rural Plains submarket contains two sections: the northeastern portion of Larimer County, and a portion of the county south and west of Loveland. Although these areas were studied together, market dynamics are different in the two areas.

Combining the relatively large and affluent population age 65+ in the Rural Plains submarket with a lack of housing and care options, the demand calculations in this report indicate significant demand for all types of housing and care. However; this apparent demand must be considered in light of the strong supply and some apparent oversupply in neighboring Loveland and Fort Collins. We believe the calculations are largely reflective of the fact that significant service options are rarely located in rural areas and people living in rural areas routinely go into the nearest town or city for services.

That said, there is demand for additional affordable apartments and Medicaid assisted living, either of which could be developed in a scale that is appropriate to the rural nature of this submarket. Also, it is likely that there is a market for for-sale patio homes or townhomes in the Berthoud area, although further study should be undertaken.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

The northern portion of the Rural Plains submarket offers four small assisted living group homes, three located just north of Fort Collins, and one in Wellington. It is likely that most residents of this northern portion in need of senior housing and care utilize properties located in Fort Collins. The home in Wellington accepts Medicaid residents.

The southern portion of this submarket centers around the Town of Berthoud, a community large enough to offer limited, but affordable long-term care services - a skilled nursing facility (with mostly Medicaid residents) and a 12-room assisted living home that accepts Medicaid. These two properties appear to serve primarily those living in and near Berthoud.

HOUSING BY AFFORDABILITY (BROAD RANGE OF 60 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

The northern portion of the Rural Plains submarket has no age-qualified affordable housing options. Hamilton Park Apartments I and II offer 48 units of affordable senior apartments in Berthoud.

HOUSING BY CHOICE (AGE 55 TO 75, NOT CARE BASED, CAN PAY MARKET-PRICING)

This northern portion of this submarket offers the Sunflower mobile home community, just east of I-25 from Fort Collins. There are no other age-qualified for-sale housing options in this submarket, though there is likely demand for for-sale townhomes or patio homes in the Berthoud area.

Generally, we believe the countywide demand calculations provide a more representative picture of the scope of current and future demand for such market-driven options as independent living, assisted living, and memory care in both the Rural Plains and Rural Mountains submarkets.

Rural Plains: Supply and Demand – Estimates and Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living Medicaid

Memory Care Assisted Living

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

RURAL PLAINS - SUPPLY AND DEMAND PROJECTIONS	2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)		
Nursing home utilization - all payer sources ⁽¹⁾	5.96%	5.36%
Total expected demand	222	275
Existing and planned supply (total licensed beds + under construction or pending)	76	76
Net Demand or (Oversupply)	146	199
ASSISTED LIVING: MARKET-RATE		
Assisted living utilization by market-rate households ⁽²⁾	12.99%	12.99%
Assisted living market-rate demand	169	237
Existing and planned supply (total units + under construction or pending)	30	30
Net Demand or (Oversupply)	139	207
ASSISTED LIVING: MEDICAID		
Assisted living utilization by Medicaid households ⁽²⁾	17.79%	17.79%
Assisted living Medicaid demand	119	154
Existing and planned supply (total units + under construction or pending)	16	16
Net Demand or (Oversupply)	103	138
MEMORY CARE ASSISTED LIVING		
Memory care assisted living utilization by market-rate households ⁽³⁾	1.60%	1.60%
Memory care assisted living demand	98	129
Existing and planned supply (total units + under construction or pending)	0	0
Net Demand or (Oversupply)	98	129

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.

⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.

⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.

Rural Plains: Supply and Demand – Estimates and Projections

Independent Living

RURAL PLAINS - SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent living utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		205	263
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		205	263

Market-Rate Rentals

AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		184	262
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		184	262

Affordable Rentals

AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-Qualified Apartments and Cottages (Income-Restricted) Expected Utilization ⁽⁶⁾		20%	20%
Age-qualified apartments and cottages (income-restricted) demand (Age 62+ 1 and 2-person HHs)		252	311
Existing and planned supply (total units + under construction or pending)		48	48
Net Demand or (Oversupply)		204	263

For-Sale Housing

FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent age 55+ households in age-qualified, for-sale housing, all incomes ⁽⁷⁾		3.00%	3.00%
Age-qualified for-sale housing demand (age 55+ households (total, all incomes)		396	463
Existing and planned supply (total units + under construction or pending)		190	190
Net Demand or (Oversupply)		206	273

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.



Estes Park Submarket

Map and Overview of Submarket

Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Estes Park: Demographic Overview

Demographic Highlights

- Total population in this area is relatively small, with 10,096 total population estimated in 2015, expected to grow to 11,089 by 2020.
- Median housing values are very high in this area, estimated at \$360,962 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the age 65 to 74 group, with a projected 28% growth just in the 5 years between 2015 to 2020, from 1,751 to 2,232.
- While the median income of all-age households is \$57,603, the median income for age 75+ households is still relatively strong at \$41,540. Median income is even higher than the overall median among the age 65 to 74 group, at \$58,045, most likely reflecting the presence of retirement in-migrants, many of whom may have been second homeowners in the area prior to retirement. The highest median incomes are found in the age 45 to 64 group, at \$62,718.
- There are about 200 households age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 6% by 2020, to 214.
- In the age 65 to 74 group, about 57% of the 1,090 households (620) have incomes of \$50,000 or higher. In the age 75+ group, about 60% of households (492 of the total 822 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Estes Park Submarket			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	10,096	11,089	9.8%
Total households	4,673	5,113	9.4%
Median household income	\$57,603	\$61,327	6.5%
Median owner housing value	\$360,962	\$389,228	7.8%
Targeted Households:			
Age 45-64	1,783	1,676	-6.0%
Number of Individuals	3,125	2,963	-5.2%
\$75,000+ household income	674	724	7.4%
Median household income	\$62,718	\$67,073	6.9%
Age 65-74	1,090	1,374	26.1%
Number of Individuals	1,751	2,232	27.5%
\$50,000+ household income	620	833	34.4%
Median household income	\$58,045	\$63,325	9.1%
Age 75+	822	943	14.7%
Number of Individuals	1,229	1,418	15.4%
Medicaid-qualified - (less than \$25,956)	202	214	6.2%
\$25,000+ household income	635	745	17.3%
\$35,000+ household income	492	587	19.3%
\$50,000+ household income	313	383	22.4%
Median household income	\$41,540	\$43,293	4.2%
Caregiver Ratio: (age 75+ individuals divided by age 45-64 individuals)	0.393	0.479	21.7%

Source: The Nielsen Company

Estes Park: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Estes Park		
Age 65+ Total	2,980	2,980
Age 65+ Non-Institutionalized (NI)	2,899	2,899
Age 65+ Institutionalized	81	81
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	144	293

Source: The Nielsen Company and U.S. Census American Community Survey

Disability - In this area, an estimated 144 non-institutionalized people age 65+ have self-care difficulties and 293 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Estes Park Submarket	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	9,027	9,614	6.5%
Age 65 and Over	2,944	3,579	21.6%
Black or African American Alone	88	137	55.8%
Age 65 and Over	4	12	222.2%
American Indian and Alaska Native Alone	56	70	25.1%
Age 65 and Over	3	6	115.4%
Asian Alone	127	150	18.2%
Age 65 and Over	8	13	62.5%
Native Hawaiian/Other Pacific Islander Alone	8	11	39.5%
Age 65 and Over	0	0	0.0%
Some Other Race Alone	586	829	41.5%
Age 65 and Over	6	12	96.8%
Two or More Races	208	282	35.6%
Age 65 and Over	17	30	78.3%
Population by Hispanic or Latino			
Hispanic or Latino	1,407	1,900	35.0%
Age 65 and Over	35	64	83.3%
Not Hispanic or Latino	8,692	9,192	5.8%

In this area, about 14.5% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 35% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 5.8%. Of the 1,407 reporting they are “Hispanic or Latino”, only 35 are age 65+, projected to grow to 64 people by 2020.

Nearly all the 65+ population in this submarket reports it is “White Alone”.

Estes Park: Demographics -

Age 75+ Owners/Renters by Income and Household Size

2015 Estes Park Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household		Total	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ Person Household	Total	
\$0-10,000	10	1	0	0	0	11	\$0-10,000	2	1	0	2	0	6
\$10,000-20,000	42	1	0	0	0	42	\$10,000-20,000	24	7	1	0	1	33
\$20,000-30,000	26	17	0	0	0	43	\$20,000-30,000	43	29	3	1	0	76
\$30,000-40,000	2	1	1	1	0	4	\$30,000-40,000	112	44	16	1	2	175
\$40,000-50,000	33	0	0	1	0	33	\$40,000-50,000	43	34	0	0	1	78
\$50,000-60,000	8	1	0	0	0	9	\$50,000-60,000	2	27	3	0	1	34
\$60,000-75,000	19	0	0	0	0	19	\$60,000-75,000	73	11	4	1	1	91
\$75,000-100,000	3	9	0	0	1	13	\$75,000-100,000	5	42	32	1	2	82
\$100,000-125,000	11	1	1	0	0	13	\$100,000-125,000	6	8	2	0	0	16
\$125,000-150,000	1	0	0	0	0	1	\$125,000-150,000	0	7	1	0	2	10
\$150,000-200,000	1	0	0	1	0	2	\$150,000-200,000	3	2	0	0	1	7
\$200,000+	8	1	0	1	0	9	\$200,000+	2	12	0	0	0	14
Total	162	31	2	3	1	199	Total	316	223	63	7	12	621

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

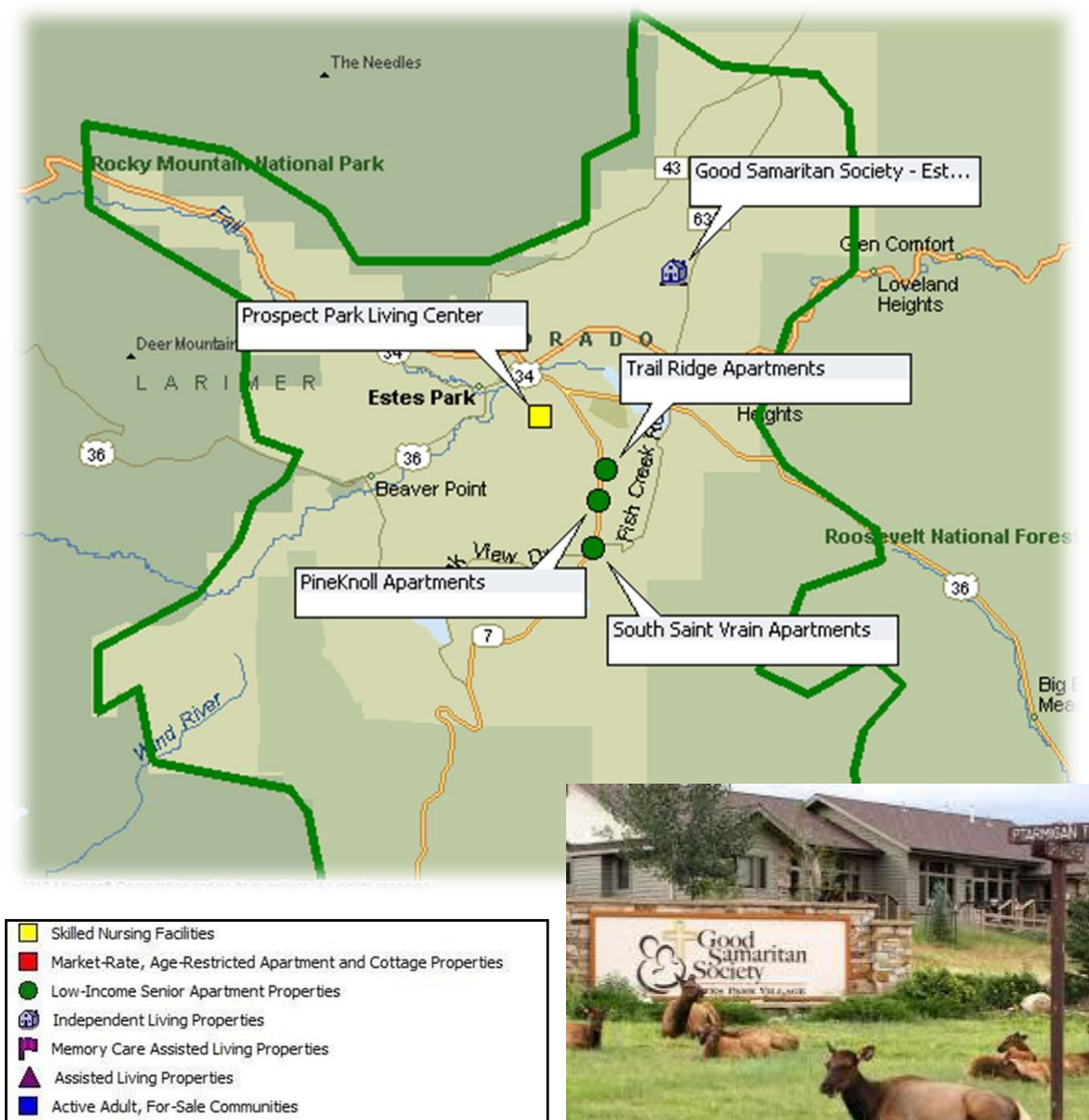
The majority of those age 75+ in Estes Park are in owner households, with 621 total owner households and 199 renter households.

Owners - The largest number (316) live in 1-person households. Most other owners live in 2-person households (223), while 82 age 75+ homeowners live with at least 3 people. None of these age 75+ owners live in age-qualified homes, mobile home communities, or condominiums.

Renters - The great majority of renters age 75+ (162 of 199) are 1-person households; only 31 are 2-person households and 6 live with at least 3 people. Many of these renters live in senior apartments or retirement communities.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 51.8% of 1-person renter households and 42.4% of 1-person owner households with annual incomes over \$40,000, compared to 38.7% of 2-person renter households and 64.1% of 2-person owner households with incomes over \$40,000.

Estes Park: Existing Properties and Map



The next pages provide tables displaying all of the senior housing and care properties in this submarket. Only properties that are believed to be legally age-restricted to 55+ are included.

The tables display property name, address, total unit counts, and (where known), year/s built and low and high base rents, as published in late 2014 or early 2015.

The property types include any of the following that are present in the submarket:

- **For-Sale Housing** - patio homes, townhomes, condominiums, mobile home communities
- **Independent Living** - apartments or patio homes that include high levels of service and/or are on continuing care campuses
- **Rental Apartments and Patio Homes** - both market-rate and affordable or income-restricted
- **Assisted Living** - licensed, both private pay and those that accept Medicaid
- **Memory Care Assisted Living** - secured assisted living units for dementia care
- **Skilled Nursing Communities** - licensed as skilled nursing facilities, accepting Medicare, Medicaid, and private pay

Estes Park: Properties - Independent Living and Rental Apartments

Independent Living

Property Information		Total Unit Count	Property Details		
Name	Address	Market Rate	Year Built	Low Base Rent	High Base Rent
Good Samaritan Estes Park - Apartments and Twinhomes	1901 Ptarmigan Trail, Estes Park, CO	80	2002-2003	\$2,140	\$3,210
Total Independent Living Units		80			

Rental Apartments – Income-Restricted/Affordable

Property Information				Total Unit Count	Property Details		
Name	Address	Tax Credit	Section 8 / Other Subsidy	Affordable/ Restricted Units	Year Built	Low Base Rent	High Base Rent
Pine Knoll Apartments	1155 S. St. Vrain Ave., Estes Park, CO	FALSE	TRUE	48	1983	\$365	\$615
South Saint Vrain Apartments	1631 Avalon Dr., Estes Park, CO	FALSE	TRUE	12	1980	\$0	\$783
Trail Ridge Apartments	1250 Community Dr., Estes Park, CO	TRUE	FALSE	24	1992	\$0	\$783
Total Adjusted Income or Rent-Restricted Age-Qualified Rental Units				84			

Estes Park: Properties - Assisted Living and Skilled Nursing

Assisted Living

Property Information		Total Unit Count		Property Details		
Property Name	Address	Market-Rate Units	Medicaid Units	Year Built	Low Base Rent	High Base Rent
Good Samaritan Society - Estes Park	1901 Ptarmigan Trail, Estes Park, CO	24	0	2002-2003	\$4,390	\$6,340
Total Assisted Living Units		24	0			

This table does not include any units that are secured for memory care.

For assisted living properties that offer both Medicaid and market-rate, the unit count split for assisted living is as reported as typical by individual properties. Also, our counts generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".

Skilled Nursing

Property Information		Skilled Nursing Capacity	Skilled Nursing Occupancy (as of 12/31/14)					Property Details		
Name	Address	Total Licensed Beds	Regular Medicare Census	HMO Medicare Census	Medicaid Census	Private Pay Census	Total Census	Year Built	Low Daily Rate	High Daily Rate
Prospect Park Living Center	555 Prospect Ave., Estes Park, CO	60	0	0	19	16	35	1970 1999	\$270	\$290
Total Skilled Nursing Beds		60	0	0	19	16	35			

All skilled facilities are required to report quarterly resident/patient census by payer type to the Colorado Department of Health and Environment. The census numbers displayed in this table are from the most recent quarterly census, as provided by CDHE (census as of December 31, 2014).

Estes Park: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Estes Park: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

The great majority of people age 65+ in this submarket live in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, the total capacity of housing and care properties that are actually age-restricted, or that serve people who need assisted living or skilled care, is 248 units, compared to a total age 65+ population of 2,980 individuals and 1,912 households. Age-qualified housing and care community capacity equals 8.3% of age 65+ individuals.

AGE-QUALIFIED HOUSING AND CARE

Although the Estes Park submarket has about the same population as the Rural Plains submarket and only one-third of its age 65+ households, the Estes Park submarket's population is concentrated in and around the Town of Estes Park, with no neighboring larger communities. That has made it a large enough market to offer its at least limited senior housing and care options, including a market-rate retirement community, Good Samaritan Society – Estes Park Village.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

Skilled Nursing beds appear to be in balance with demand, based on average statewide utilization. However, on its most recent census report, we note that Prospect Park Living Center had only 35 residents of its 60-bed capacity; of those, 19 were Medicaid and 16 private pay.

There is estimated additional demand both for market-rate (68) and Medicaid **Assisted Living** (38). There is estimated demand for 25 to 30 **Memory Care Assisted Living** units, as there is currently no memory care available in Estes Park.

HOUSING BY AFFORDABILITY (BROAD RANGE OF AGE 60 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

There are three **Income-Restricted, Age-Qualified Rental** properties in Estes Park, offering 84 units. We have calculated that, based on the population age 62+ with incomes of \$25,000 or less, demand and supply are relatively in balance for 2015-2020, although waitlists in Estes Park would be a more reliable estimate of need, particularly given high housing costs in Estes Park.

HOUSING BY CHOICE (AGE 55 TO 75, NOT CARE BASED, CAN PAY MARKET-PRICING)

There are no **For-Sale Housing** communities in the Estes Park submarket, nor any market-rate **Age-Qualified Rental Apartments**. We have calculated potential demand for about 100 for-sale homes, condominiums, or townhomes, at all pricing levels. We have also calculated potential demand for about 50 age-qualified rental apartments or cottages for 2015-2020. Given the choice nature of these housing options, further study should be undertaken to determine the strength of these markets.

We want to note that demand calculations in this report have been made based on expected rates of utilization of these different housing and care types by those in different age and income groups, based on industry benchmarks and experience in other markets in Colorado. These estimates provide only an indication of potential demand. Deeper study of the local market should be completed prior to initiating any development, including detailed review of existing properties, particularly occupancy trends, waitlists, pricing, quality, home-sale statistics, etc.

Estes Park: Supply and Demand - Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living - Medicaid

Memory Care Assisted Living

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

ESTES PARK SUPPLY AND DEMAND PROJECTIONS		2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)			
Nursing home utilization - all payer sources ⁽¹⁾		5.96%	5.36%
Total expected demand		74	81
Existing and planned Supply (total licensed beds + under construction or pending)		60	60
Net Demand or (Oversupply)		14	21
ASSISTED LIVING: MARKET-RATE			
Assisted living utilization by market-rate households ⁽²⁾		18.57%	18.57%
Assisted living market-rate demand		92	116
Existing and planned supply (total units + under construction or pending)		24	24
Net Demand or (Oversupply)		68	92
ASSISTED LIVING: MEDICAID			
Assisted living utilization by Medicaid households ⁽²⁾		18.85%	18.85%
Assisted living Medicaid demand		38	43
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		38	43
MEMORY CARE ASSISTED LIVING			
Memory care assisted living utilization by market-rate households ⁽³⁾		1.89%	1.89%
Memory care assisted living demand		28	34
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		28	34
Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.			
⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.			
⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.			
⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.			

Estes Park: Supply and Demand - Projections

Independent Living

Market-Rate Rentals

Affordable Rentals

For-Sale Housing

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

ESTES PARK SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent Living Utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		75	85
Existing and planned supply (total units + under construction or pending)		80	80
Net Demand or (Oversupply)		(5)	5
AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		44	59
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		44	59
AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-Qualified Apartments and Cottages (Income-Restricted) Expected Utilization ⁽⁶⁾		20%	20%
Age-qualified apts./cottages (income-restricted) demand (62+ 1 and 2-person HHs)		64	79
Existing and planned supply (total units + under construction or pending)		84	84
Net Demand or (Oversupply)		(20)	(5)
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent households in age 55+ for-sale housing, all incomes ⁽⁷⁾		3%	3%
Age-qualified for-sale housing demand (age 55+ households (all incomes)		94	104
Existing and Planned Supply (Total Units + Under Construction or Pending)		0	0
Net Demand or (Oversupply)		94	104

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.



Rural Mountains Submarket

Map and Overview of Submarket

Demographics: 2015 and 2020

Inventory: Existing and Planned

Demand: 2015 and 2020



Rural Mountains: Demographic Overview

Demographic Highlights

- Total population in this area is relatively small, with 12,186 total population estimated in 2015, expected to grow to 13,035 by 2020.
- Median housing values are strong in this area, estimated at \$311,131 in 2015 (including condominiums, townhomes, and single-family homes).
- The highest percentage and numeric growth in the three age groups 45+ is in the 75+ group, with a projected 34% growth just in the 5 years between 2015 to 2020, from 742 to 995.
- While the median income of all-age households is \$65,274, the median income for age 75+ households is just \$39,953. Median income is still high among the age 65 to 74 group, at \$59,471, and the highest median incomes are found in the age 45 to 64 group, at \$71,951.
- There are 159 households age 75+ with incomes of less than \$26,000, the threshold of income eligibility for Medicaid long-term care. This number is projected to grow by 24% by 2020, to 197.
- In the age 65 to 74 group, 60% of the 1,082 households (652) have incomes of \$50,000 or higher. In the age 75+ group, about 55% of households (258 of the total 472 households) have incomes of \$35,000 or higher, a threshold generally considered reasonable to afford market-rate retirement communities (assuming that most are homeowners who will supplement their income with assets).

Rural Mountains Submarket			
	2015	2020	Percent Change 2015 to 2020
General Demographics:			
Total population	12,186	13,035	7.0%
Total households	5,546	6,024	8.6%
Median household income	\$65,274	\$68,944	5.6%
Median owner housing value	\$311,131	\$350,164	12.5%
Targeted Households:			
Age 45-64	2,762	2,749	-0.5%
Number of Individuals	4,836	4,830	-0.1%
\$75,000+ household income	1,300	1,433	10.2%
Median household income	\$71,951	\$78,235	8.7%
Age 65-74	1,082	1,395	28.9%
Number of Individuals	1,735	2,251	29.7%
\$50,000+ household income	652	887	36.0%
Median household income	\$59,471	\$63,302	6.4%
Age 75+	472	627	32.8%
Number of Individuals	742	995	34.1%
Medicaid-qualified - (less than \$25,956)	159	197	24.3%
\$25,000+ household income	317	435	37.2%
\$35,000+ household income	258	360	39.5%
\$50,000+ household income	189	270	42.9%
Median household income	\$39,953	\$43,006	7.6%

Source: The Nielsen Company

Rural Mountains: Demographics - Disability, Race and Ethnicity

Disabilities in Age 65+ Population

Disability: Self Care and Independent Living, 2015		
Rural Mountain		
Age 65+ Total	2,477	2,477
Age 65+ Non-Institutionalized (NI)	2,409	2,409
Age 65+ Institutionalized	68	68
	Self-Care Difficulty	Independent Living Difficulty
Age 65+ Disability % of Age 65+ (NI)	5.0%	10.1%
Age 65+ With Disability (NI)	120	244

Source: The Nielsen Company and U.S. Census American Community Survey

Disability – In this area, an estimated 120 non-institutionalized people age 65+ have self-care difficulties and 244 have independent living difficulties. (American Community Survey estimates that in Larimer County, about 5% of those age 65+ not in nursing homes or otherwise institutionalized have self-care disabilities, and about 10% have independent living difficulties.)

Race and Ethnicity – It is important to understand the racial and ethnic composition of any community in planning housing and service options for age 60+ households. Housing and service offerings must be culturally appropriate to the population mix. This may be even more important going forward, as each submarket considers encouraging the development of smaller, more residential housing and care models, and models intended to foster or support care and assistance from family, friends, and local community.

The table on the right displays the numbers of people in this area of all ages, and for age 65+ only, by race classification.

Race and Ethnicity - All Ages and 65+

Population by Single Race Classification and Hispanic or Latino			
Rural Mountains Submarket	2015	2020	Percent Five-Year Growth
Population by Single Race Classification			
White Alone	11,432	12,058	5.5%
Age 65 and Over	2,397	3,114	29.9%
Black or African American Alone	67	116	73.4%
Age 65 and Over	8	18	125.0%
American Indian and Alaska Native Alone	71	73	2.8%
Age 65 and Over	13	14	7.6%
Asian Alone	168	219	30.3%
Age 65 and Over	15	23	54.8%
Native Hawaiian/Other Pacific Islander Alone	7	8	13.9%
Age 65 and Over	0	-	-
Some Other Race Alone	147	185	25.9%
Age 65 and Over	9	16	74.5%
Two or More Races	293	375	27.9%
Age 65 and Over	35	60	71.4%
Population by Hispanic or Latino			
Hispanic or Latino	622	753	21.1%
Age 65 and Over	65	98	51.1%
Not Hispanic or Latino	11,564	12,282	6.2%

In this area, only 5.1% of the population report they are “Hispanic or Latino”. The total population “Hispanic or Latino” is expected to grow by 21.1% by 2020, while the population “Not Hispanic or Latino” is projected to grow by 6.2%. Of the 622 reporting they are “Hispanic or Latino”, only 65 are age 65+, projected to grow to 98 by 2020.

Nearly all the 65+ population in this submarket reports it is “White Alone”.

Rural Mountains: Demographics -

Age 75+ Owners/Renters by Income and Household Size

2015 Rural Mountains Estimates													
Renter Households							Owner Households						
Aged 75+							Aged 75+						
1-Person	2-Person	3-Person	4-Person	5+-Person			1-Person	2-Person	3-Person	4-Person	5+-Person		
Household	Household	Household	Household	Household	Total		Household	Household	Household	Household	Household	Total	
\$0-10,000	3	1	1	0	0	6	\$0-10,000	26	1	0	1	0	28
\$10,000-20,000	12	2	0	0	1	16	\$10,000-20,000	59	14	1	0	0	74
\$20,000-30,000	1	2	1	0	0	4	\$20,000-30,000	23	20	0	2	2	46
\$30,000-40,000	6	1	1	1	0	9	\$30,000-40,000	36	14	0	3	0	53
\$40,000-50,000	1	2	1	0	1	5	\$40,000-50,000	15	26	0	2	0	42
\$50,000-60,000	1	1	0	0	1	3	\$50,000-60,000	9	8	1	2	0	20
\$60,000-75,000	3	2	2	1	0	9	\$60,000-75,000	35	23	3	2	0	63
\$75,000-100,000	1	1	2	0	1	6	\$75,000-100,000	16	15	0	6	1	37
\$100,000-125,000	0	3	1	0	0	4	\$100,000-125,000	10	5	1	1	0	17
\$125,000-150,000	0	0	1	0	0	1	\$125,000-150,000	6	3	0	0	0	9
\$150,000-200,000	1	0	1	0	0	2	\$150,000-200,000	1	2	1	0	0	4
\$200,000+	0	1	0	0	1	2	\$200,000+	4	8	0	0	1	13
Total	30	18	12	2	6	68	Total	239	137	7	19	4	405

This table displays the estimated income distribution and household size for both owner and renter households in the area in 2015 for age 75+ only. This age group was selected because age 75+ households are often beginning to have a greater need for services, and have a larger proportion of 1-person than their younger peers. It is important to understand home ownership and household composition for several reasons. First, home equity and other assets are commonly available at a later age to pay for care in assisted living or skilled nursing. Second, the presence of large numbers of 1-person owner households may imply potential need for in-home services, transportation, and social/recreational opportunities. On the other hand, many (though certainly not all) of the reported 1-person renter households already live in senior apartments or retirement communities where more support and companionship is available.

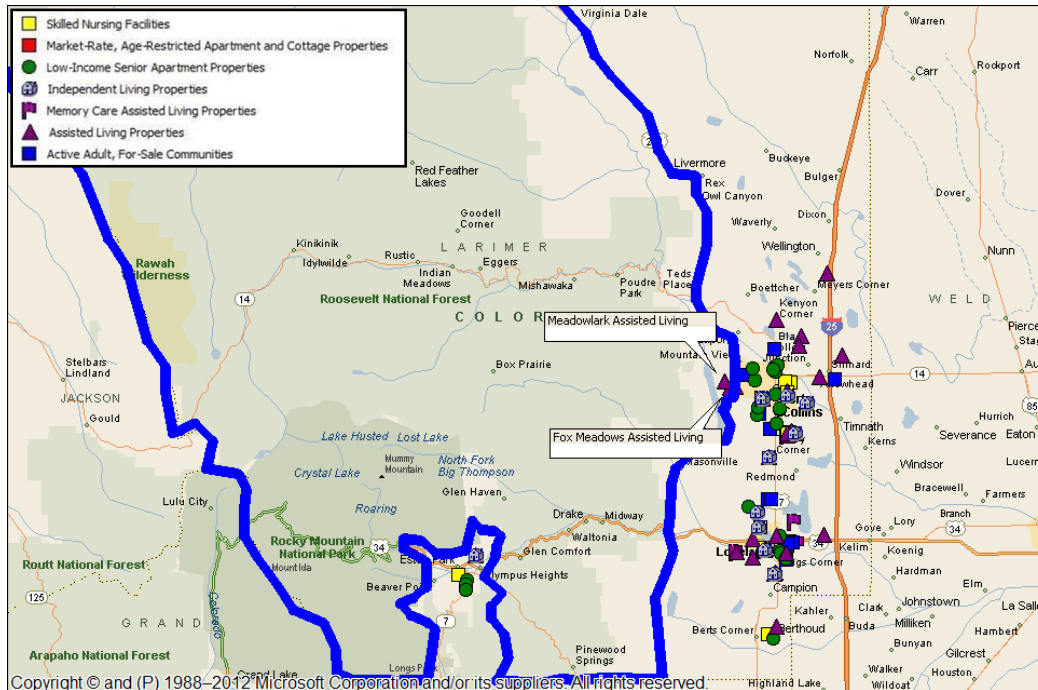
The majority of those age 75+ in Rural Mountains are in owner households, with 405 total owner households and 68 renter households.

Owners - The largest number (239) live in 1-person households. Most other owners live in 2-person households (137), while 30 age 75+ homeowners live with at least 3 people. None of these age 75+ owners live in age-qualified homes, mobile home communities, or condominiums.

Renters - The great majority of renters age 75+ (30 of 68) are 1-person households; only 18 are 2-person households and 20 live with at least 3 people. None of these renters live in senior apartments or retirement communities.

Income Differences - This table also demonstrates the disparity in income between renters and owners, and between 1- and 2-person households, with 23.3% of 1-person renter households and 40.1% of 1-person owner households with annual incomes over \$40,000, compared to 55.5% of 2-person renter households and 65.7% of 2-person owner households with incomes over \$40,000.

Rural Mountains: Existing Properties and Map



There are only two known senior housing or care properties that are located within the census tracts that comprise the Rural Mountains submarket, Both are located immediately west of Fort Collins, in the foothills between the City and Horsetooth Reservoir.

Except for the properties in Estes Park, considered a different submarket for purposes of this report, there are no other known senior properties serving the western/mountain portion of Larimer County.

The two properties in this submarket are small, assisted living group homes, as displayed in this table.

Property Information		Total Unit Count		Property Details		
Property Name	Address	Market-Rate Units	Medicaid Units	Year Built	Low Base Rent	High Base Rent
Fox Meadows Assisted Living	4021 Spruce Dr., Fort Collins, CO	8	0	1989	\$2,500	\$5,500
Meadowlark Assisted Living	1214 Catulpa Pl., Fort Collins, CO	8	0	unavailable	\$2,200	\$5,600
Total Assisted Living Units		16	0			

This table does not include any units that are secured for memory care.

For assisted living properties that offer both Medicaid and market-rate, the unit count split for assisted living is as reported as typical by individual properties. Also, our counts generally show "units", rather than "licensed beds" for assisted living, as "units" generally reflects more accurately the actual capacity than does "beds".



Rural Mountains: Demand Estimates and Projections

Conclusions

Demand Tables, 2015 and 2020

Rural Mountains: Age-Qualified Supply and Demand - Conclusions

MIXED-AGE HOUSING

Nearly everyone age 65+ in this submarket (2,477 individuals and 1,554 households) lives in mixed-age owned or rental single-family homes, condos, townhomes, mobile homes, and apartments. At this time, there are only two age-qualified senior properties in this area - two assisted living homes just west of Fort Collins, housing 16 residents. The great majority of the population in this submarket lives in the foothills and canyons just west of Fort Collins and Loveland, beyond which lies primarily public land.

AGE-QUALIFIED HOUSING AND CARE

As there are virtually no existing units available inside this market area, the demand calculations for this submarket indicate at least a moderate level of unmet demand in every different age-qualified housing and care property type considered. However; this apparent demand must be considered in light of the strong supply and some apparent oversupply in neighboring Loveland and Fort Collins. We believe these calculations are largely reflective of the fact that significant service options are rarely located in rural areas and people living in rural areas routinely go into the nearest town or city for services.

HOUSING BY CARE AND SERVICE NEED (GENERALLY AGE 80+, OR AGE 70+ WITH ALZHEIMER'S)

Residents of this submarket would be expected to need about 45 to 50 **Skilled Nursing** beds in 2015-2020.

Demand for market-rate **Assisted Living** is estimated at 29 units, even after the existing 16 units at Fox Meadows and Meadowlark are considered. Demand for affordable Medicaid assisted Living units is estimated at 31.

Demand for market-rate **Memory Care Assisted Living** is estimated at 20 units.

HOUSING BY AFFORDABILITY (BROAD RANGE OF 60 TO 90+, CAN'T AFFORD MARKET PRICING, NOT IN NEED OF CARE-BASED OPTION)

Demand from age 62+ residents in this submarket for **Affordable Age-Qualified Rental** apartments or cottages is estimated at about 70 to 80 units in 2015-2020.

HOUSING BY CHOICE (AGE 55 TO 75, NOT CARE BASED, CAN PAY MARKET-PRICING)

There are no **Age-Qualified For-Sale Housing** communities in the Rural Mountains submarket, nor any market-rate **Age-Qualified Rental Apartments or Cottages**. We have calculated potential demand for about 100 for-sale homes, condominiums, or townhomes, at all pricing levels. We have also calculated potential demand from this submarket for about 40 to 50 age-qualified rental apartments or cottages for 2015-2020. Given the choice nature of these housing options, further study should be undertaken to determine the strength of these markets.

Generally, we believe the countywide demand calculations provide a more representative picture of the scope of current and future demand for such market-driven options as independent living, assisted living, and memory care in both the Rural Plains and Rural Mountains submarkets.

We want to note that demand calculations in this report have been made based on expected rates of utilization of these different housing and care types by those in different age and income groups, based on industry benchmarks and experience in other markets in Colorado. These estimates provide only an indication of potential demand. Deeper study of the local market should be completed prior to initiating any development, including detailed review of existing properties, particularly occupancy trends, waitlists, pricing, quality, home-sale statistics, etc.

Rural Mountains: Supply and Demand Estimates and Projections

Skilled Nursing

Assisted Living (Market-Rate)

Assisted Living Medicaid

Memory Care Assisted Living

RURAL MOUNTAINS - SUPPLY AND DEMAND PROJECTIONS		2015	2020
SKILLED NURSING - SHORT AND LONG-TERM STAYS (PRIVATE-PAY / MEDICARE / MEDICAID)			
Nursing home utilization - all payer sources ⁽¹⁾		5.96%	5.36%
Total expected demand		45	57
Existing and planned supply (total licensed beds + under construction or pending)		0	0
Net Demand or (Oversupply)		45	57
ASSISTED LIVING: MARKET-RATE			
Assisted living utilization by market-rate households ⁽²⁾		17.12%	17.12%
Assisted living market-rate demand		45	66
Existing and planned supply (total units + under construction or pending)		16	16
Net Demand or (Oversupply)		29	50
ASSISTED LIVING: MEDICAID			
Assisted living utilization by Medicaid households ⁽²⁾		19.43%	19.43%
Assisted living Medicaid demand		31	41
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		31	41
MEMORY CARE ASSISTED LIVING			
Memory care assisted living utilization by market-rate households ⁽³⁾		1.45%	1.45%
Memory care assisted living demand		20	26
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		20	26

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽¹⁾ Based on actual SN utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports, 2000-2014.

⁽²⁾ Based on actual utilization in the Colorado Front Range and assuming level of need remains stable next 5 years.

⁽³⁾ Based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

Rural Mountains: Supply and Demand – Estimates and Projections

Independent Living

Market-Rate Rentals

Affordable Rentals

For-Sale Housing

RURAL MOUNTAINS - SUPPLY AND DEMAND PROJECTIONS		2015	2020
INDEPENDENT LIVING: MARKET-RATE			
Independent living utilization ⁽⁴⁾		9.00%	8.50%
Independent living demand (market-rate)		43	57
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		43	57
AGE-QUALIFIED RENTAL APARTMENTS AND COTTAGES (MARKET-RATE)			
Age-qualified apartments and cottages (market-rate) expected utilization ⁽⁵⁾		3.00%	3.25%
Age-qualified apartments and cottages (market-rate) demand (\$50,000 + age 65+)		41	58
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		41	58
AGE-QUALIFIED APARTMENTS AND COTTAGES (INCOME-RESTRICTED)			
Age-qualified apartments and cottages (income-restricted) expected utilization ⁽⁶⁾		20%	20%
Age-qualified apartments and cottages (income-restricted) demand (age 62+ 1 and 2-person HHs)		72	89
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		72	89
FOR-SALE HOMES: HOUSES, TOWNHOMES, CONDOMINIUMS, MOBILE HOMES			
Expected percent age 55+ households in age-qualified, for-sale housing, all incomes ⁽⁷⁾		3.00%	3.00%
Age-qualified for-sale housing demand (age 55+ households (total, all incomes)		101	117
Existing and planned supply (total units + under construction or pending)		0	0
Net Demand or (Oversupply)		101	117

Demographics: Colorado Department of Local Affairs, Demography Section, The Nielsen Company, Ribbon Demographics LLC, U.S. Census.

⁽⁴⁾ Based on actual penetration rates for independent living, Colorado Front Range; assumes slight decline in 5-year span.

⁽⁵⁾ Projection of demand for market-rate apartments increasing over next 5 years, based on generational trend preferences.

⁽⁶⁾ Based on actual penetration rates and waitlists for income-restricted apartments; remains stable next 5 years.

⁽⁷⁾ Based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; remains stable next 5 years.

A table of demographic variables specifically related to the demand calculations for this area may be found in the appendix.

Appendices

Contents:

Demand Assumptions: Income, Age, and Need-Qualification and Utilization Rates by Housing/Care Facility Type

Key Demographics Impacting Demand: Larimer County and Submarkets

Classifications of Seniors Housing Types

Qualifications of Report Preparer

Attached as Electronic Files: Demographics Spreadsheets by Submarket

Larimer County: Demand Assumptions, 2015 to 2040

This table displays the key income, age, and need qualification and utilization assumptions made in calculating current and future demand for the different housing and care facility types within this report, for both Larimer County as a whole and the five submarkets.

The **“Age, Need and/or Income-Qualified Population”** column lists the qualification of age, income, and, for some property types, need.

The **“Projected Utilization Rate”** for each year shown displays the percentage of the qualified population expected to live in that type of housing or care property. The 2015 utilization rates are generally based on the current and typical utilization of these property types by the qualified populations shown in the prior column.

The **“Expected Change in Utilization Rate over Time”** column displays the general direction of change in our projected rate of utilization of each property/care type over time.

The rationale for the assumptions is described in the table on the following page.

Housing/Care Types	Age, Need and/or Income-Qualified Population	Projected Utilization Rate						Expected Change in Utilization Rate Over Time
		2015	2020	2025	2030	2035	2040	
For-sale/age 55+ (all price levels)	All age 55+ households	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	=
Independent living (market)	Age 75+ households with \$35,000+ income	9.00%	8.50%	8.00%	7.50%	7.00%	6.50%	↓
Market rental apartments/cottages	Age 65+ households with \$50,000+ income	3.00%	3.25%	3.50%	3.75%	4.75%	5.00%	↑
Subsidized rental apartments/cottages	Age 62+ 1 & 2-person households with incomes <\$25,000	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	=
Assisted living (market)	Age 75+ households with \$35,000+ income	14.91%	14.91%	14.91%	14.91%	14.91%	14.91%	=
Assisted (Medicaid)	Age 75+ households with less than \$26,000 income	17.98%	17.98%	17.98%	17.98%	17.98%	17.98%	=
Memory care (market)	Age 65+ individuals in \$50,000+ households	1.87%	1.87%	1.87%	1.87%	1.87%	1.87%	=
Skilled nursing (All payers)	All age 75+ individuals	5.96%	5.36%	4.83%	4.34%	3.91%	3.52%	↓

Short and Long-Range Assumptions for Demand Calculations

Income-Qualification and Utilization Rates

Income-Qualification Assumptions, Including Long-Range Trends	
Projected percentage 75+ households that can afford market-rate independent living or assisted living	Percentage based on minimum income of \$35,000 in current year and 5 years, combined with expected use of assets; then percentage declining 5% every 5 years, assuming decreases in income/assets of older households.
Projected percentage of Medicaid-qualified age 75+ households	Percentage based on maximum income of \$25,596 in current year and 5 years, increasing percentage 5% every 5 years in lower-income, assuming decreases in income/assets of older households.
Projected percentage of 65+ households that can afford market-rate memory care assisted living	Percentage based on minimum income of \$50,000 in current year and 5 years, combined with use of assets; then percentage declining 5% every 5 years, assuming decreases in income/assets of older households.
Projected number of 62+, 1 and 2-person households eligible for income-restricted units under 50% Median Income	Percentage based on maximum income of \$25,000 in current year and 5 years, increasing percentage in lower-income category over time, assuming decreases in income/assets of older households.
Utilization Rate Assumptions, Including Long-Range Trends	
Skilled Nursing	Percentage based on actual skilled nursing utilization trend per 1,000 individuals age 75+ per Colorado Dept. of Health census reports since 2000.
Assisted Living (Market-Rate and Medicaid)	Percentage based on actual assisted living utilization in the Colorado Front Range and assuming level of <u>need</u> remains stable over this period of time.
Memory Care Assisted Living Utilization Rate	Percentage based on incidence of dementias by age group and rate of out-of-home placement appropriate for assisted living; assumes rate of incidence and need remains stable over time.
Independent Living	Percentage based on actual utilization rates for independent living, Colorado Front Range; assumes declining utilization over time.
Rental Housing, Age-Qualified, Market-Rate	Percentage estimated for current demand, as no utilization data yet exists; rate of demand for market-rate apartments is projected to increase over time, based on generational trend preferences.
Rental Housing, Age-Qualified, Income-Restricted	Percentage based on actual utilization rates and waitlists for income-restricted apartments; rate of need for affordable rental unit assumed to remain stable over time.
For-Sale, Age-Qualified Housing	Percentage based on percent 55+ households in age-qualified, for-sale housing, 2005 - 2009 trend per American Housing Survey; assumed to remain stable over time.

Larimer County: Key Demographics Impacting Demand

LARIMER COUNTY - KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020	2025	2030	2035	2040
Projected number of total 75+ individuals	18,332	22,849	30,365	39,042	46,926	51,082
Projected percent 75+ households relative to individuals	66.7%	66.0%	62.0%	58.3%	54.8%	51.5%
Projected number of total 75+ households	12,219	15,073	18,829	22,757	25,711	26,309
Projected percentage 75+ households that can afford market-rate *	46.9%	46.9%	44.5%	42.3%	40.2%	38.2%
Projected number of market-rate 75+ households *	5,729	7,238	8,387	9,629	10,335	10,047
Projected number of Medicaid age 75+ households **	4,780	5,734	7,734	9,815	11,643	12,510
Projected percentage of 75+ households Medicaid **	39.1%	39.1%	41.1%	43.1%	45.3%	47.5%
Projected number of total 65+ individuals	46,280	58,307	70,832	80,515	86,391	92,015
Projected growth rate of age 65+ individuals (for County)		26.0%	21.5%	13.7%	7.3%	6.5%
Projected number of total 65+ households	29,632	36,878	44,799	50,924	54,640	58,197
Projected number of age 65+ households that can afford market-rate	12,727	16,652	18,279	19,739	20,121	20,359
Projected percent of 65+ individuals in market-rate households ***	42.9%	42.9%	40.8%	38.8%	36.8%	35.0%
Projected number of 65+ individuals in market-rate households ***	19,877	25,043	28,901	31,209	31,812	32,189
Projected growth rate of age 62+ individuals (for County)		23.5%	17.1%	9.7%	8.5%	7.1%
Projected number of all 62+, 1 and 2-person households under 50% Median Income****	8,499	10,496	12,296	13,485	14,628	15,666
Projected growth rate of age 55+ individuals (for County)		14.5%	10.1%	10.0%	9.5%	7.5%
Projected number of age 55+ households	55,330	63,359	69,729	76,670	83,941	90,229

Fort Collins: Key Demographics Impacting Demand

FORT COLLINS KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020
Projected number of total 75+ individuals	7,139	8,480
Projected percent 75+ households relative to individuals	68.9%	67.8%
Projected number of total 75+ households	4,917	5,750
Projected percentage 75+ households that can afford market-rate (\$35,000 in 2015/2020)	43.9%	43.9%
Projected number of market-rate 75+ households (\$35,000 in 2015/2020)	2,159	2,521
Projected number of Medicaid age 75+ households (< \$26,000 in 2015/2020)	2,032	2,374
Projected percentage of 75+ households Medicaid (< \$26,000 in 2015/2020)	41.3%	41.3%
Projected number of total 65+ Individuals	16,990	21,188
Projected growth rate of age 65+ individuals (for County)		24.7%
Projected number of total 65+ households	11,202	13,712
Projected number of age 65+ households (\$50,000+ in 2015/2020)	4,377	5,548
Projected percent of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	39.1%	39.1%
Projected number of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	6,639	8,279
Projected growth rate of age 62+ individuals (for County)		23.5%
Projected number of low-income 62+, 1 and 2-person households (<\$25,000 2015)	3,651	4,509
Projected growth rate of age 55+ individuals (for County)		14.5%
Projected number of age 55+ households	21,276	23,672

Loveland: Key Demographics Impacting Demand

LOVELAND KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020
Projected number of total 75+ individuals	5,464	6,664
Projected percent 75+ households relative to individuals	68.1%	68.4%
Projected number of total 75+ households	3,719	4,559
Projected percentage 75+ households that can afford market-rate (\$35,000 in 2015/2020)	40.4%	40.4%
Projected number of market-rate 75+ households (\$35,000 in 2015/2020)	1,502	1,878
Projected number of Medicaid age 75+ households (< \$26,000 in 2015/2020)	1,715	2,059
Projected percentage of 75+ households Medicaid (< \$26,000 in 2015/2020)	46.1%	46.1%
Projected number of total 65+ Individuals	12,585	15,508
Projected growth rate of age 65+ individuals (for County)		23.2%
Projected number of total 65+ households	8,213	10,110
Projected number of age 65+ households (\$50,000+ in 2015/2020)	2,849	3,710
Projected percent of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	34.7%	34.7%
Projected number of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	4,365	5,379
Projected growth rate of age 62+ individuals (for County)		23.5%
Projected number of low-income 62+, 1 and 2-person households (<\$25,000 2015)	2,911	3,595
Projected growth rate of age 55+ individuals (for County)		14.5%
Projected number of age 55+ households	14,392	16,240

Rural Plains: Key Demographics Impacting Demand

RURAL PLAINS - KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020
Projected number of total 75+ individuals	3,733	5,131
Projected percent 75+ households relative to individuals	60.9%	60.2%
Projected number of total 75+ households	2,272	3,088
Projected percentage 75+ households that can afford market-rate (\$35,000 in 2015/2020)	57.3%	57.3%
Projected number of market-rate 75+ households (\$35,000 in 2015/2020)	1,302	1,821
Projected number of Medicaid age 75+ households (< \$26,000 in 2015/2020)	668	863
Projected percentage of 75+ households Medicaid (< \$26,000 in 2015/2020)	29.4%	29.4%
Projected number of total 65+ Individuals	11,147	14,620
Projected growth rate of age 65+ individuals (for County)		31.2%
Projected number of total 65+ households	6,688	8,658
Projected number of age 65+ households (\$50,000+ in 2015/2020)	3,687	4,981
Projected percent of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	55.1%	55.1%
Projected number of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	6,144	8,059
Projected growth rate of age 62+ individuals (for County)		23.5%
Projected number of low-income 62+, 1 and 2-person households (<\$25,000 2015)	1,259	1,554
Projected growth rate of age 55+ individuals (for County)		14.5%
Projected number of age 55+ households	13,188	15,435

Estes Park: Key Demographics Impacting Demand

KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020
Projected number of total 75+ individuals	1,244	1,512
Projected percent 75+ households relative to individuals	66.9%	66.5%
Projected number of total 75+ households	832	1,006
Projected percentage 75+ households that can afford market-rate (\$35,000 in 2015/2020)	59.9%	59.9%
Projected number of market-rate 75+ households (\$35,000 in 2015/2020)	498	626
Projected number of Medicaid age 75+ households (< \$26,000 in 2015/2020)	204	228
Projected percentage of 75+ households Medicaid (< \$26,000 in 2015/2020)	24.5%	24.5%
Projected number of total 65+ Individuals	3,034	3,699
Projected growth rate of age 65+ individuals (for County)		21.9%
Projected number of total 65+ households	1,947	2,348
Projected number of age 65+ households (\$50,000+ in 2015/2020)	950	1,232
Projected percent of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	48.8%	48.8%
Projected number of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	1,481	1,805
Projected growth rate of age 62+ individuals (for County)		23.5%
Projected number of low-income 62+, 1 and 2-person households (<\$25,000 2015)	320	395
Projected growth rate of age 55+ individuals (for County)		14.5%
Projected number of age 55+ households	3,123	3,477

Rural Mountains: Key Demographics Impacting Demand

RURAL MOUNTAINS - KEY DEMOGRAPHICS RELATIVE TO DEMAND	2015	2020
Projected number of total 75+ individuals	751	1,061
Projected percent 75+ households relative to individuals	63.6%	63.0%
Projected number of total 75+ households	478	669
Projected percentage 75+ households that can afford market-rate (\$35,000 in 2015/2020)	54.7%	54.7%
Projected number of market-rate 75+ households (\$35,000 in 2015/2020)	261	384
Projected number of Medicaid age 75+ households (< \$26,000 in 2015/2020)	161	210
Projected percentage of 75+ households Medicaid (< \$26,000 in 2015/2020)	33.6%	33.6%
Projected number of total 65+ Individuals	2,522	3,289
Projected growth rate of age 65+ individuals (for County)		30.4%
Projected number of total 65+ households	1,582	2,049
Projected number of age 65+ households (\$50,000+ in 2015/2020)	856	1,173
Projected percent of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	54.1%	54.1%
Projected number of 65+ individuals in market-rate households (\$50,000+ in 2015/2020)	1,365	1,780
Projected growth rate of age 62+ individuals (for County)		23.5%
Projected number of low-income 62+, 1 and 2-person households (<\$25,000 2015)	361	446
Projected growth rate of age 55+ individuals (for County)		14.5%
Projected number of age 55+ households	3,351	3,886

Sources and Limitations

Sources

All demographics in this report were obtained either from one of two commercial sources (The Nielsen Company and Ribbon Demographics, LLC), or from two public sources (the Demography Section of the Colorado Department of Local Affairs, and the U.S. Census Bureau's American Community Survey). Some estimates and projections from The Nielsen Company were adjusted based on estimates and projections from the Demography Section. Also, because demographic estimates and projections were obtained from different sources, there are some minor discrepancies between these data from table to table.

Property Data/Housing and Care Supply

Property data was primarily obtained from The Highland Group's database of Colorado properties. We cross-checked and supplemented our property data with the Larimer County Office on Aging's senior housing lists posted on its website, last updated January 2015. For licensed facilities - skilled nursing and assisted living - the property data herein was also cross-checked with the Colorado Department of Public Health and Environment's facility directories and skilled nursing quarterly census reports.

The Highland Group tracks detailed data on an ongoing basis for traditional senior housing and care communities: independent living, assisted living, memory care assisted living, age-qualified rental properties, and age-qualified for-sale home communities. We consider our data for those properties to be generally reliable and current. As we do not track data for small assisted living group homes (under 15 units), nor for mobile home parks, we have relied on the Larimer County Office on Aging's lists for those property types. We also note that there are often some discrepancies in unit counts, years built, and base rents for many reasons, often as a result of changes in the properties, property sales, rent increases or reductions, and inconsistent or intentionally misleading reporting by the properties or third-party sources.

Development Pipeline

Planned properties listed are those known to us as of the time frame during which property data were collected for this report, generally March and April 2015. This is a point-in-time study, and therefore will should not be expected to reflect changes in pipeline activity after April 1, 2015.

We also note that our information about properties under development comes from many sources. Because of the confidential nature of much development, there are usually some properties under development of which we are unaware, particularly those in an early stage of development. Thus, it is probable that there are other properties under development that are not listed here. Also, some that are listed herein may not move forward to development.

Limitations of Demand Estimates and Projections

The demand estimates and projections provided throughout this report provide only a general indication of current and future demand, and are intended for planning and discussion purposes. This report in no way constitutes a "market study" and should not and may not be referred to as such.

The demand calculations in this report have been made based on expected rates of utilization of these different housing and care types by those in different age and income groups, based on industry benchmarks and experience locally and in other markets in Colorado.

Much deeper study of the local market should be completed prior to initiating any development, including detailed review of existing properties, particularly occupancy trends, waitlists, rents and rent trends, quality and reputation, home-sale statistics, etc.



THE HIGHLAND GROUP

Qualifications Statement

The Highland Group, Inc., based in Boulder, Colorado, is a firm offering strategic research, development planning, and marketing consulting relative to seniors housing and care communities. Founded in 2000 by Principal Elisabeth Borden, Highland's clients include lenders, for-profit developers and owners, not-for-profit organizations, and housing authorities. Highland's clients include both market-rate and affordable housing, and span the range of senior product types from independent living to skilled nursing.

The Highland Group works almost exclusively in Colorado and specializes in its deep knowledge of local communities and senior properties located in Colorado's Front Range, mountains, and plains. Our clients benefit from our extensive proprietary database of senior housing and care properties in Colorado, as well as from our use of numerous sources of public and private population and socioeconomic data. Our market and feasibility analysis is also informed by our direct consumer research, including focus groups, on-line surveys, and prospect surveys.

The Highland Group is qualified to complete third-party market and feasibility studies for the following entities:

- **U.S. Department of Housing and Urban Development (HUD)** market studies, including HUD 232, HUD 202, HUD 221(d)(4) and HUD 231 for senior apartments, assisted living, and skilled nursing
- **Colorado Housing and Finance Authority (CHFA)** market studies for Low Income Housing Tax Credits
- **Colorado Division of Housing** Community Development Block Grant and HOME funds
- **U.S. Department of Agriculture (USDA) Rural Development** feasibility studies for Community Facilities and Business and Industry Loans
- **Commercial banks and other lenders and investors**

Elisabeth Borden founded The Highland Group following a successful career in operations, marketing, and development of seniors housing and care communities. Her knowledge and skill have grown from hands-on experience such as: developer and manager of senior communities; regional operations director; corporate marketing consultant; developer of home-based services; and as a market researcher and marketing consultant for over 200 projects. Elisabeth is an avid student of national and regional consumer trends and preferences and is a frequent conference presenter on consumer trends and senior housing.

The Highland Group's scope of services includes the following:

Services for Developers and Lenders	Services for Operators and Lenders
Preliminary Demand Analysis	Strategic planning
Site Suitability Review and Site Identification	Pricing analysis
Market Studies and Feasibility Studies	Environmental assessment
Direct Consumer Research - Online and Mail Surveys	Marketing plans
Direct Consumer Research - Focus Groups	Marketing audits
Operating Pro Formas	Competitive analysis
Pricing Recommendations	Inside sales and leasing training
Marketing Campaigns	Marketing consulting
Lease-Up Troubleshooting	Organizational assessment

The Highland Group has received recognition and awards for its assistance to non-profit developers, local government, property owners, and senior housing and care associations. In 2010, The Highland Group was the winner of the Quality First Award in the Business Partner category at the Colorado Association of Homes and Services for the Aging's (now LeadingAge Colorado) annual conference and exposition.

THE MISSION OF THE HIGHLAND GROUP IS TO HELP CLIENTS:

Develop and operate exceptional senior housing and care communities.

Be competitive and well positioned for the present and future.

Meet their financial goals.

Operate in correspondence with the mission, vision, and values of their respective organizations.

THE HIGHLAND GROUP, INC.

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