

NCREIF White Paper

Investing in Senior Housing

March 2026

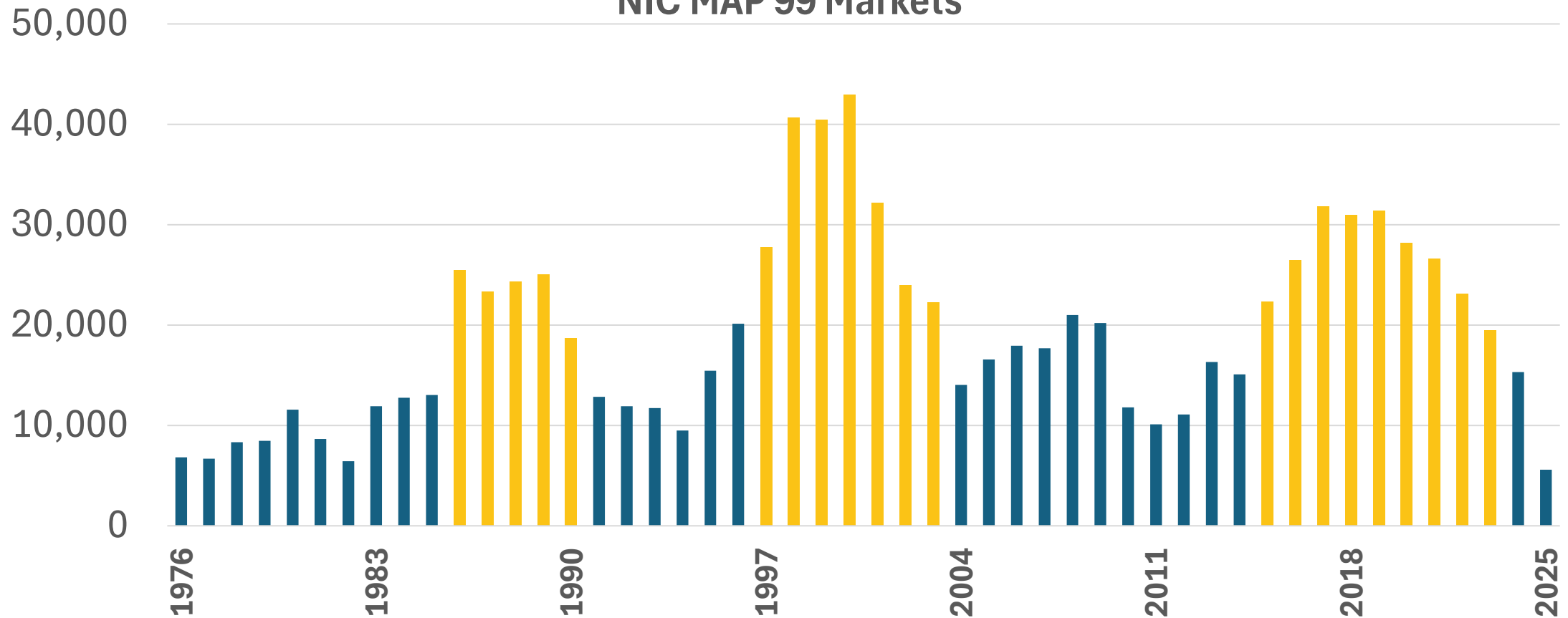
Topics

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

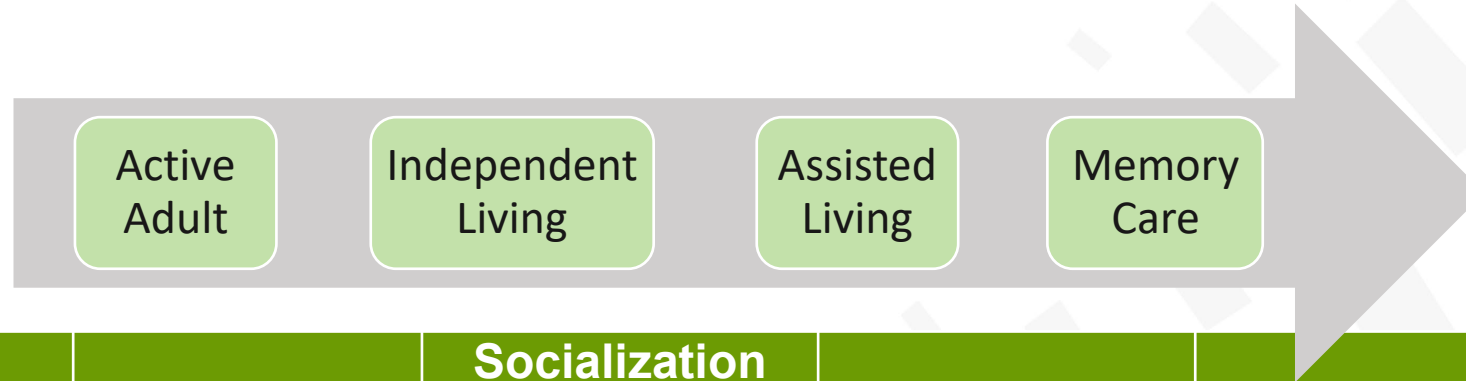
The Senior Housing Industry: A Brief History & Overview

Senior Housing Historical Growth Cycle

Inventory (Units) by Year Opened
NIC MAP 99 Markets



Continuum of Senior Housing Properties and Services



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



Avenida Carrollton
Active Adult Hybrid of Villas and Flats

Active Adult (AA)

- Resident Profile: Singles and couples age upper 60s to early 70s seeking lifestyle, amenities, and maintenance-free convenience from downsizing
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Average Tenure in AA: 6-9 years





Broadview Purchase College
Independent Living Unit

Independent Living (IL)

- Resident Profile: Relatively healthy 83-year-old widowed female seeking lifestyle and convenience
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Average Tenure in IL: 2.5 years

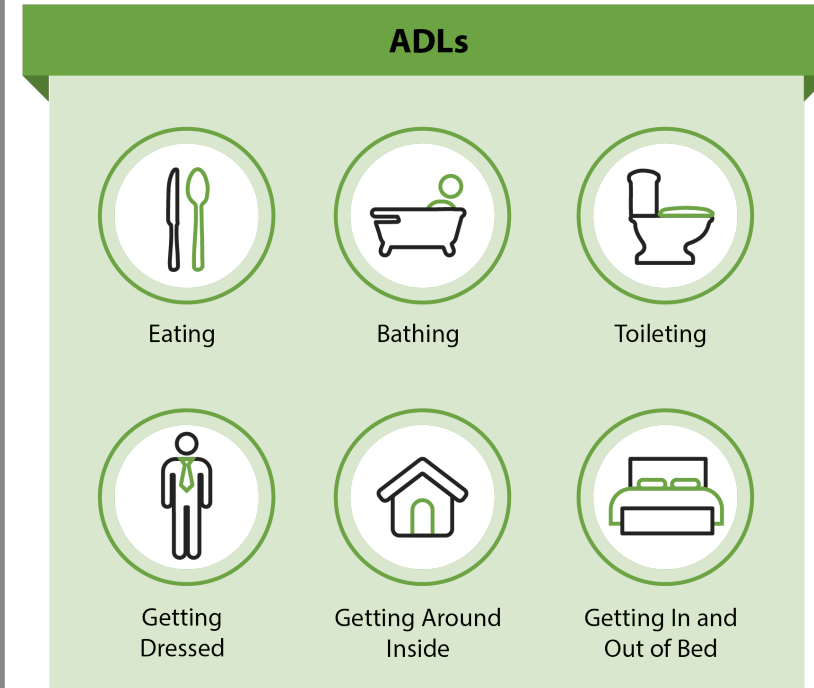




Atria Senior Living
Assisted Living Dining

Assisted Living (AL)

- Resident Profile: 85-year-old widowed female requiring assistance with two ADLs
- Decision to Move: Made by residents and their adult children and often need-driven or event-driven
- Primary Payment: Resident income and monetized assets and may include financial assistance from adult children
- Average Tenure in AL: 2.0 years

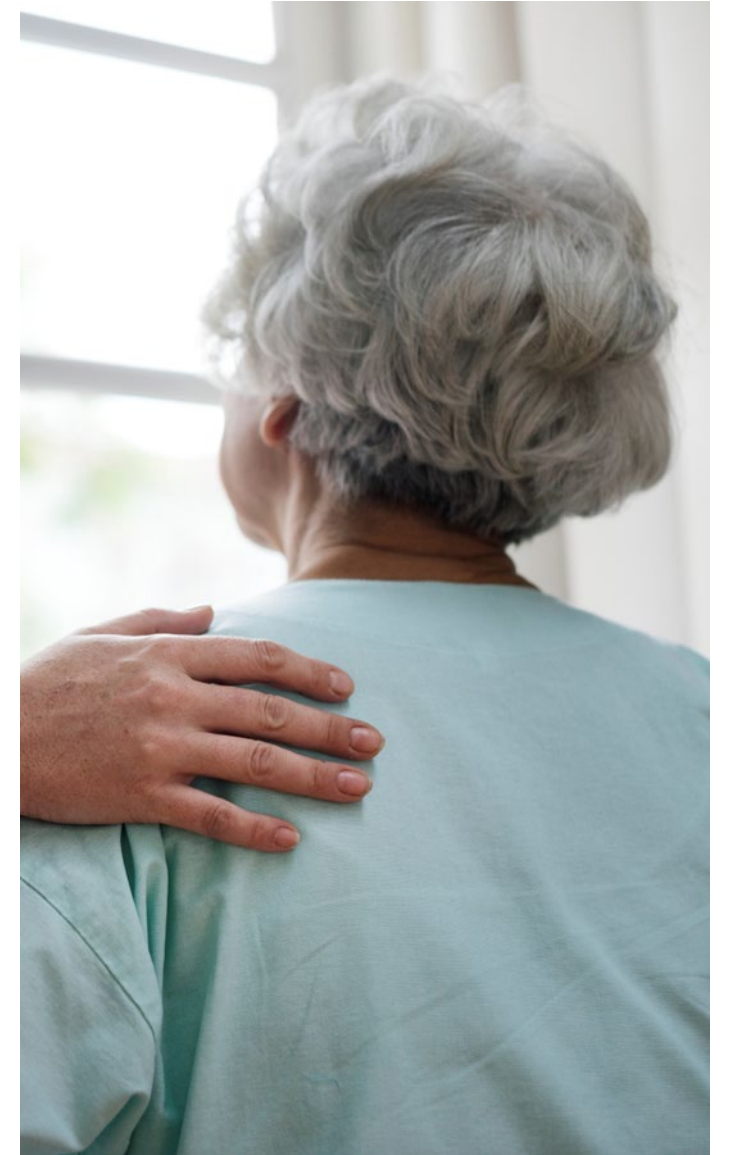




Chelsea Anthem
Memory Care

Memory Care (MC)

- Resident Profile: Age 75 and older and require two or more ADLs and beginning to suffer from episodes of memory loss or severe confusion that threatens safety
- Decision to Move: Made by family members and staff to maintain resident safety and care
- Primary Payment: Resident income and monetized assets and may include financial assistance from adult children
- Average Tenure in MC: 1.4 years





Mather Tysons
Life Plan Community

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

- Resident Profile: IL customer seeking hospitality-style amenities and services with eye toward future care needs
- Decision to Move: Made by resident
- Primary Payment: Resident income and monetized assets
- Average Tenure in CCRC/LPC (excluding skilled nursing beds): 6.4 years



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

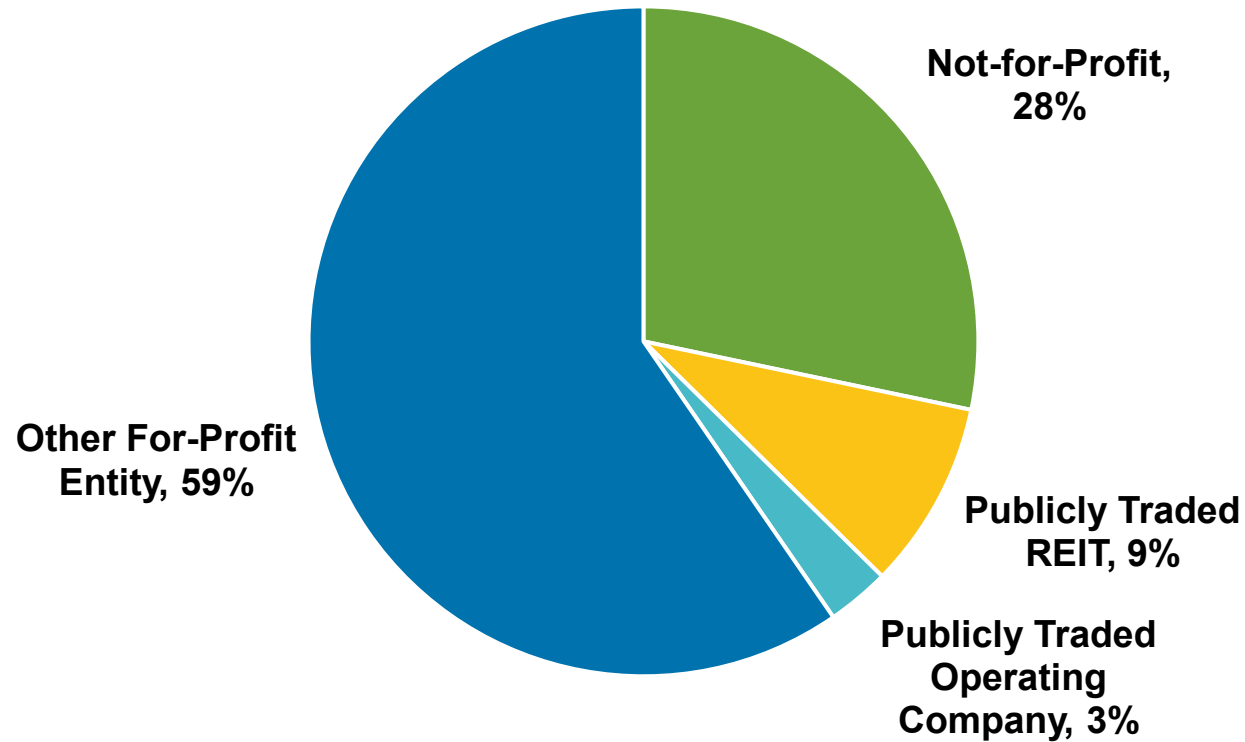
Community Type	# Properties	#Units
Independent Living	3,450	556,700
Assisted Living	8,150	723,600
Memory Care	1,600	84,800
CCRC/Life Plan Community	1,900	620,000
Active Adult Rental	860	128,000
TOTAL	15,960	2,113,100

Source: NIC MAP Data, powered by NIC MAP; National estimates as of 4Q 2024
Representative of properties with at least 25 units/beds *Active Adult data is from 4Q 2025

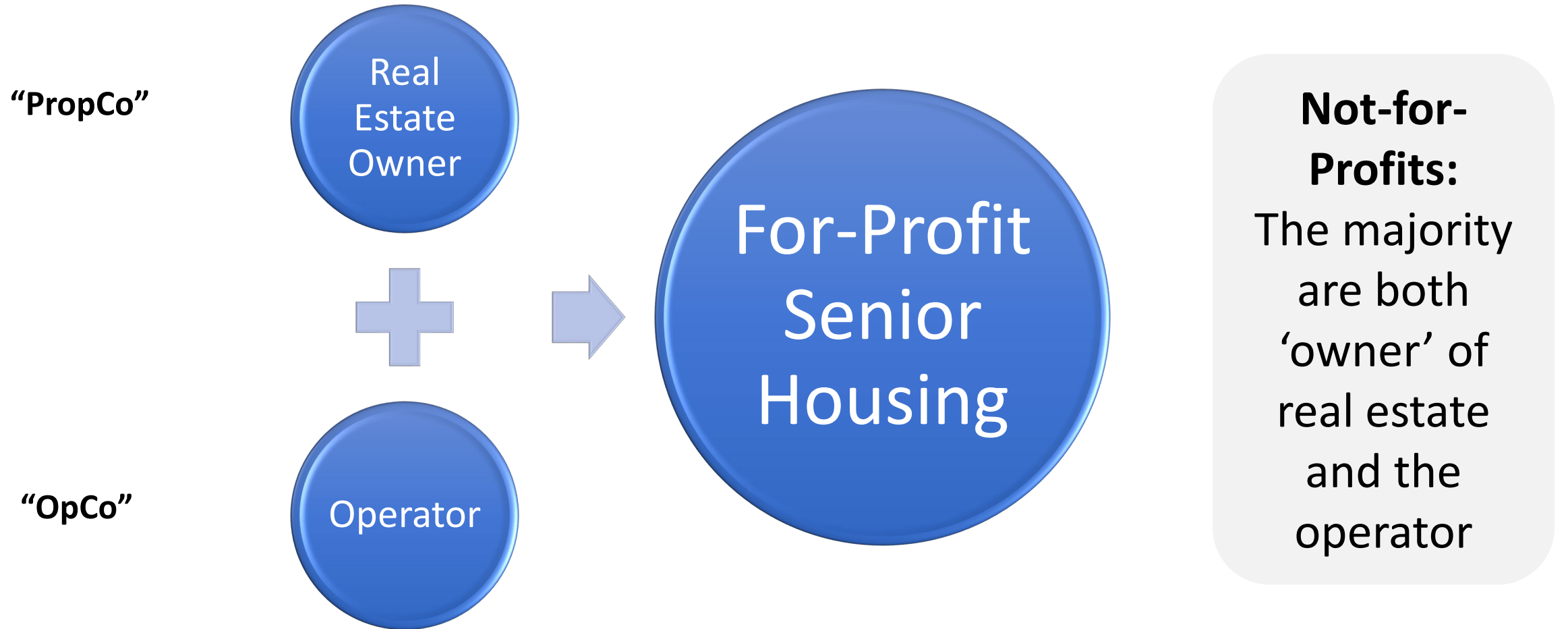
Sector Ownership/Sponsorship

Excludes Majority Skilled Nursing

Senior Housing Ownership



Common Owner/Operator Structure

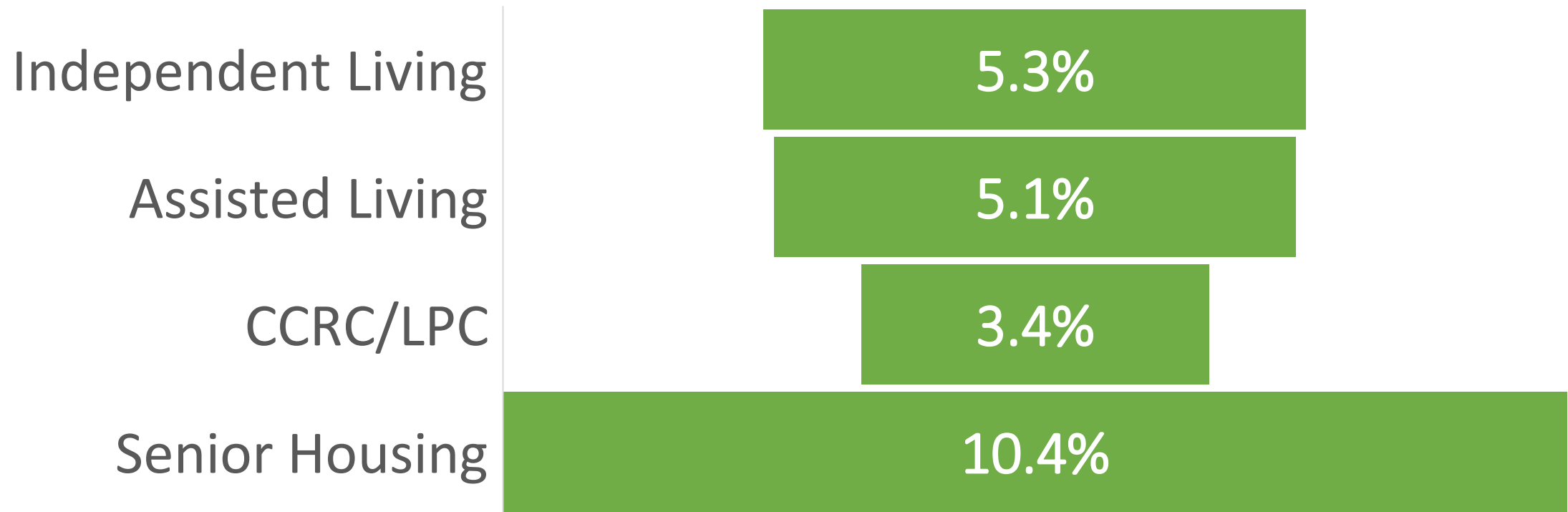


Market Penetration and Demand Drivers

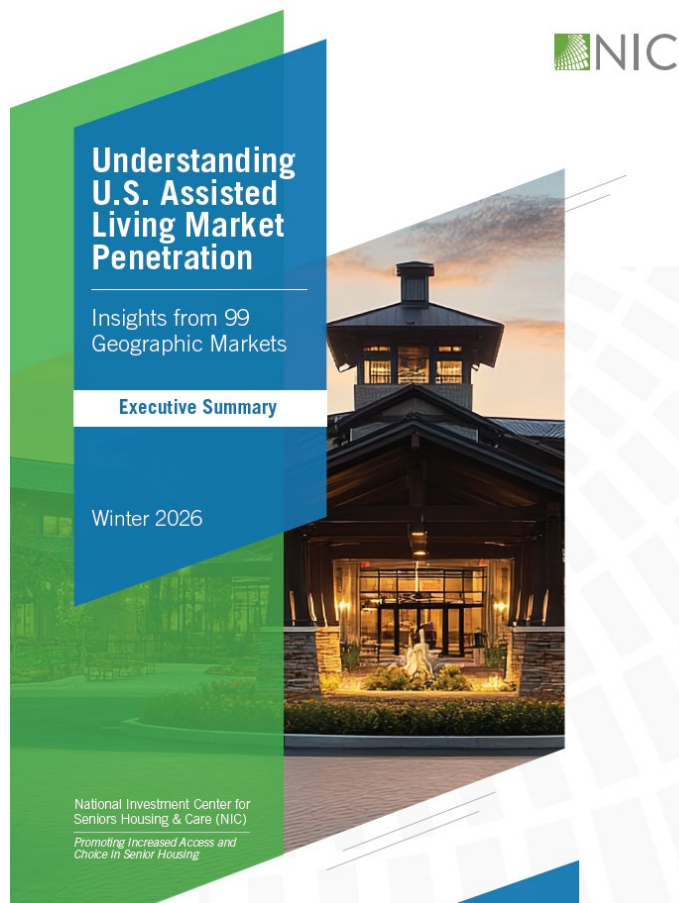


Senior Housing is Available for 10% of Older Adult Households...

Market Penetration Rates for HHs Age 75+



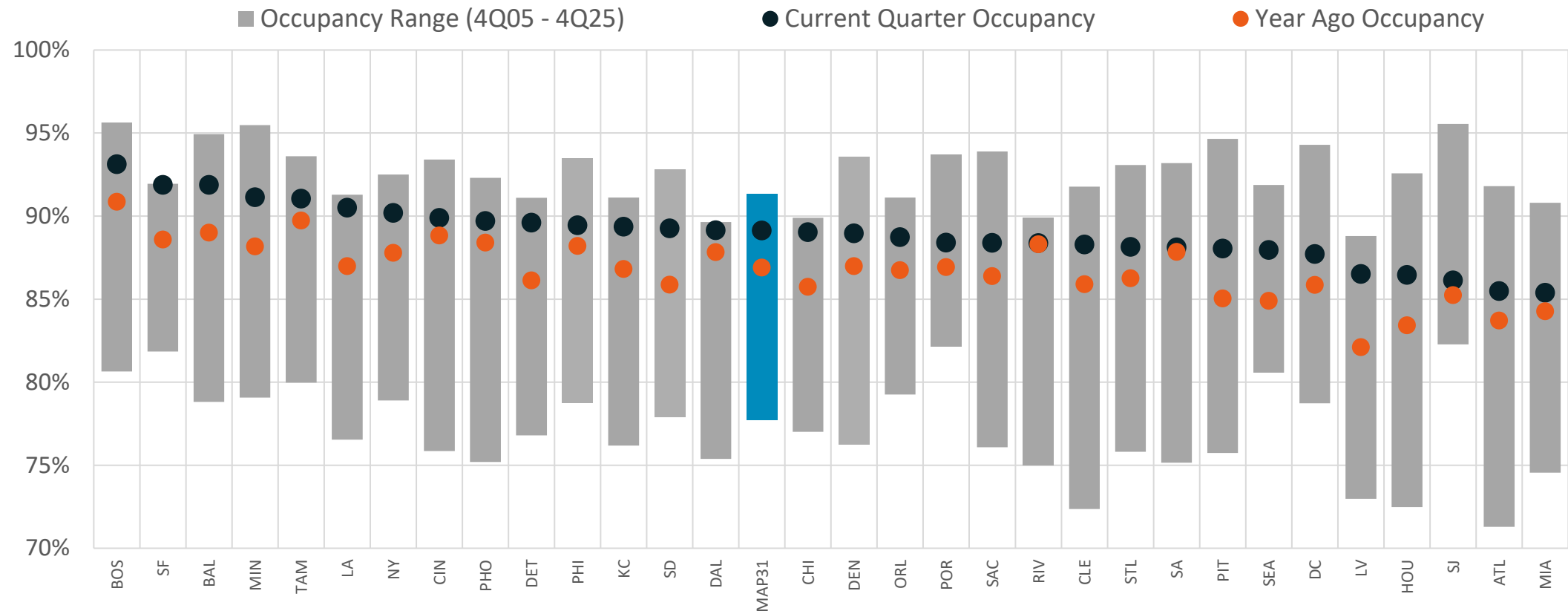
...but Market Potential May Be Greater



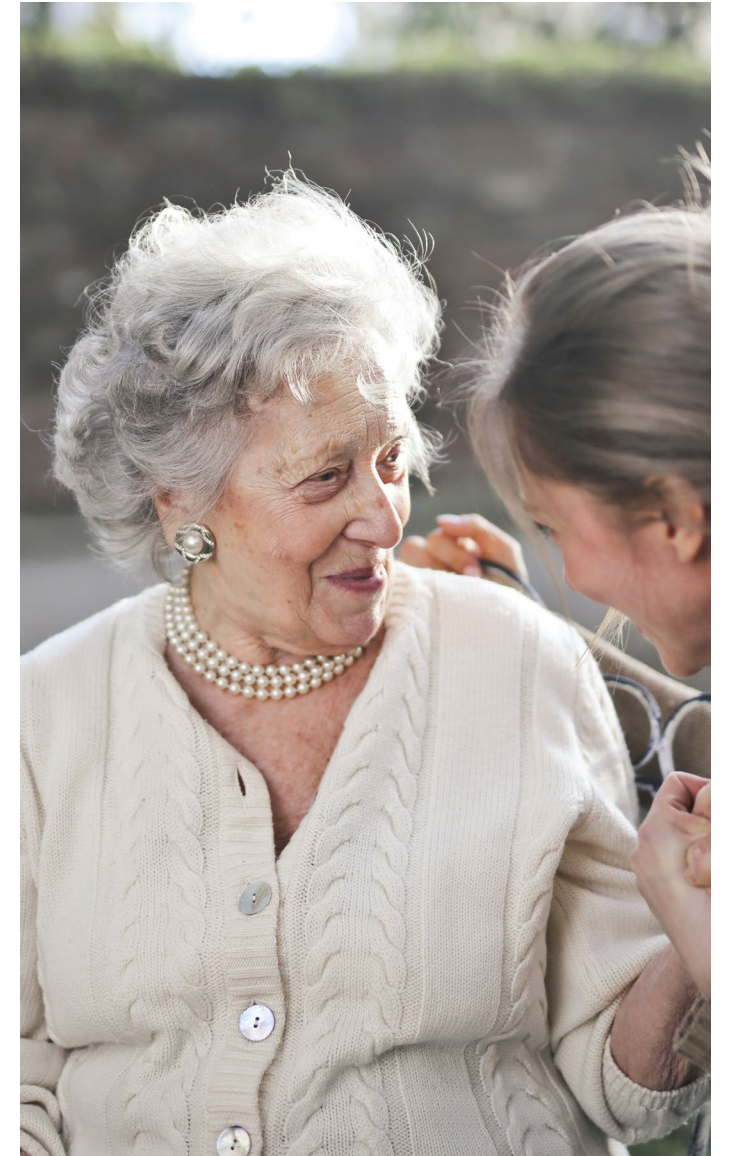
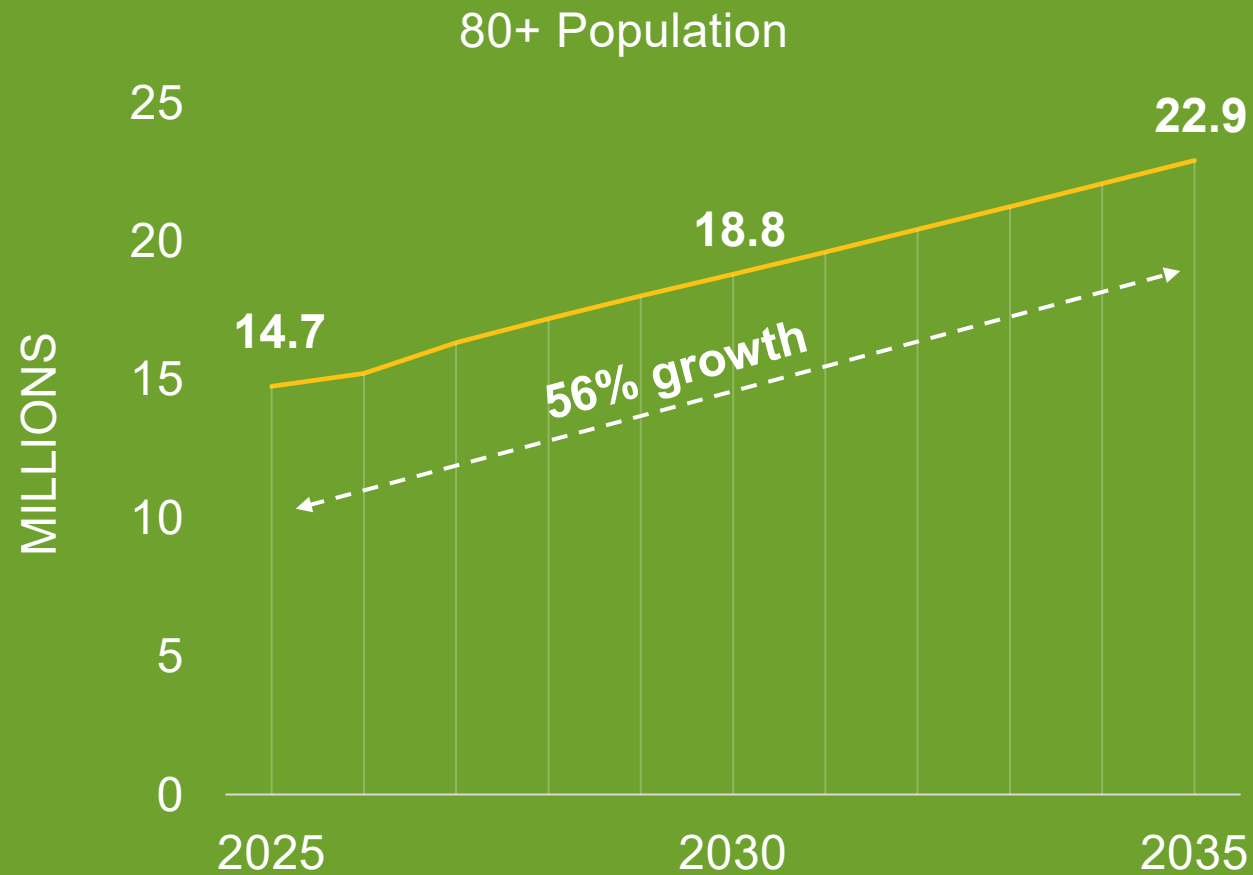
- NIC Research found that improving market penetration requires coordination across:
 - Operators
 - Investors
 - Policymakers
 - Educators
 - Advocates

Senior Housing More Widely Accepted and Used in Certain Markets

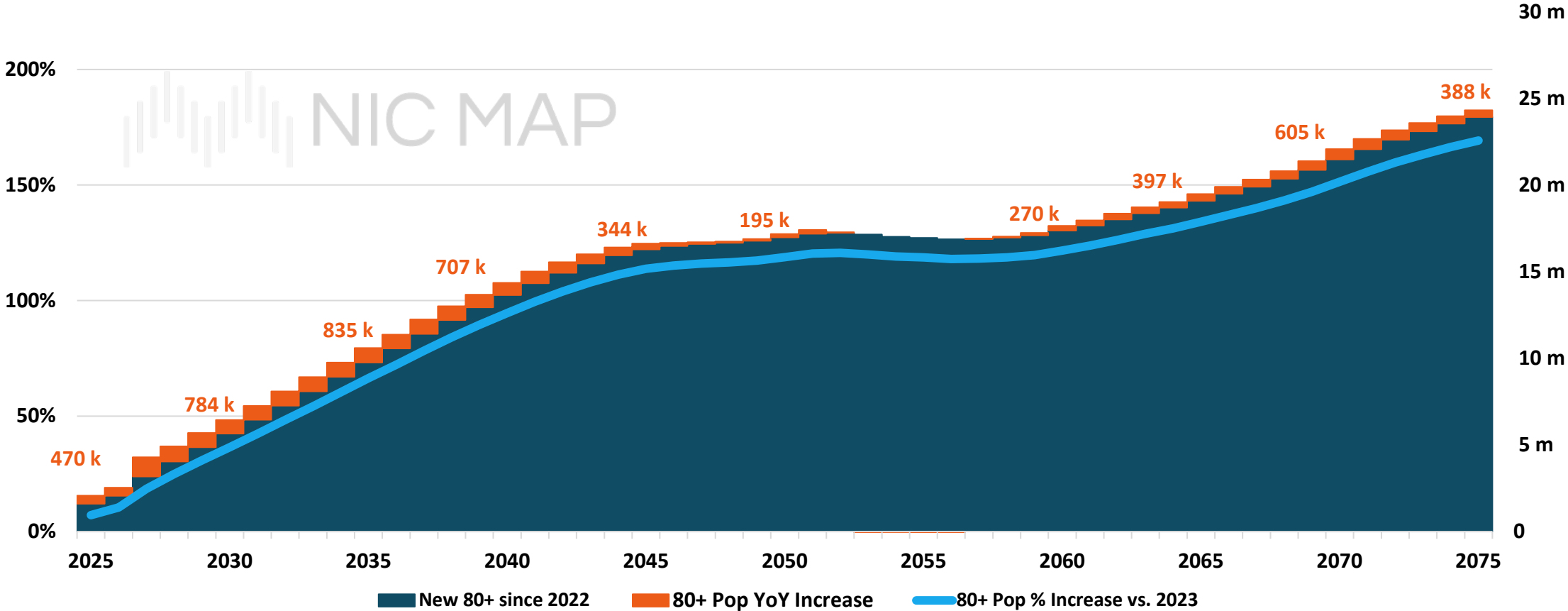
Senior Housing Occupancy by Metro Market | Primary Markets | As of 4Q25



Population Age 80+ Growing Rapidly

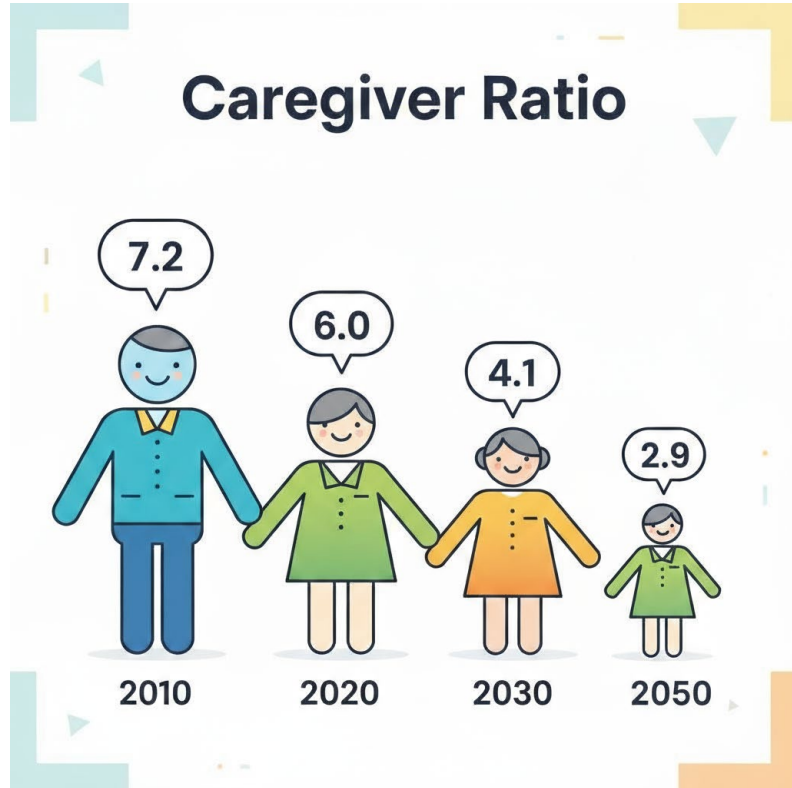


Sustained Aging Population

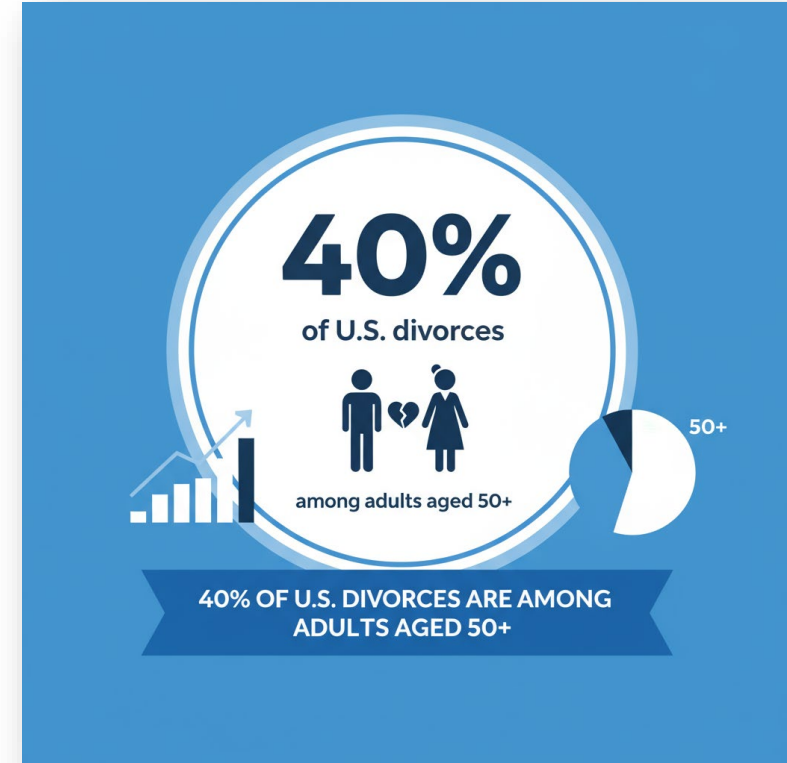


Boomers Have Fewer Caregiver Safety Nets

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

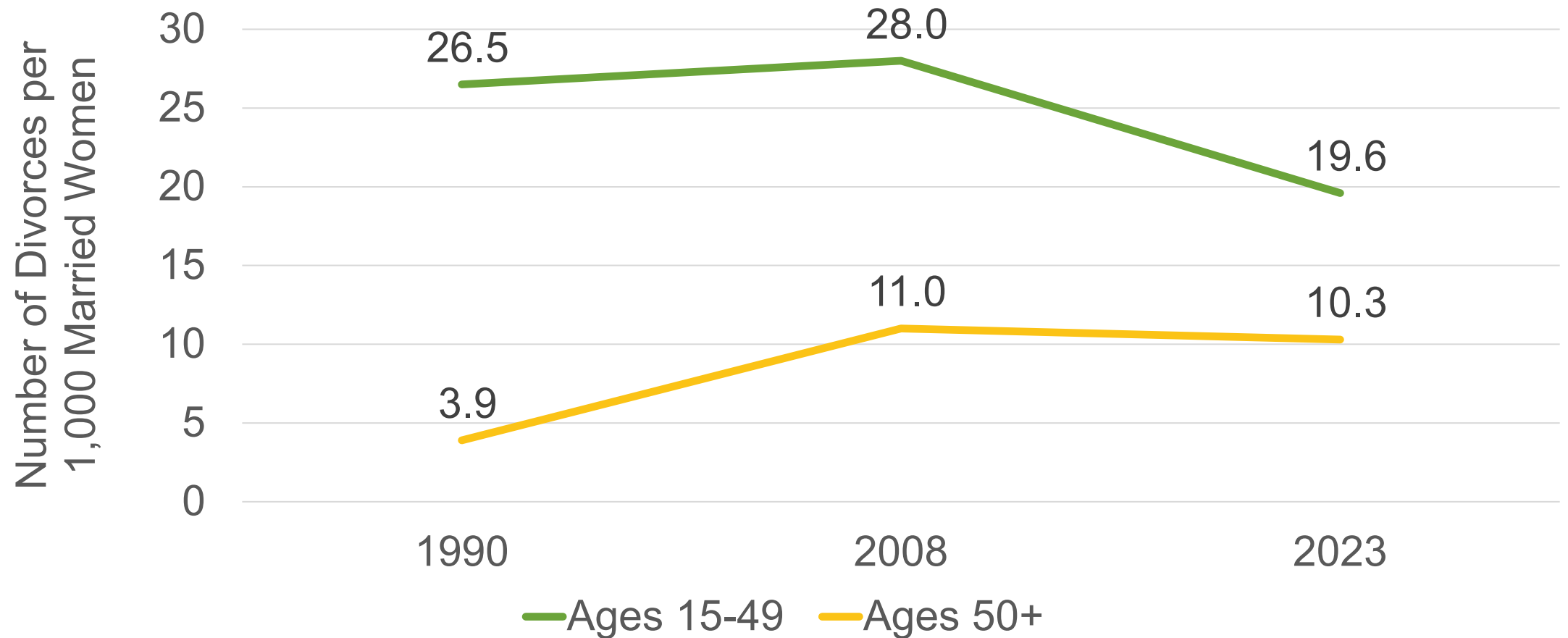


Data source: AARP Public Policy Institute
Reflects number of working-age adults for every one individual 80+ in the U.S.

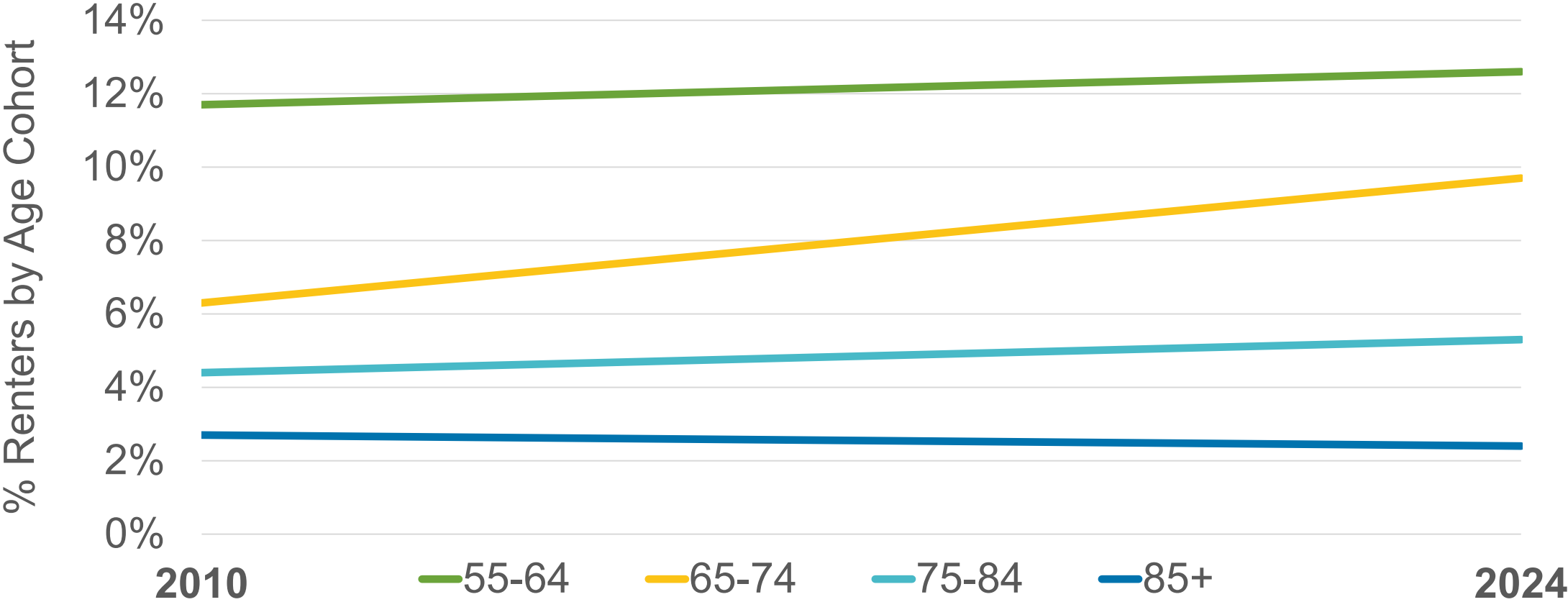


Source: National Center for Family and Marriage Research, Bowling Green University; 2022

Divorce Rate Age 50+ Jumped and Remained Elevated



Age 65-74 Fastest Growing Renters of All Age Cohorts



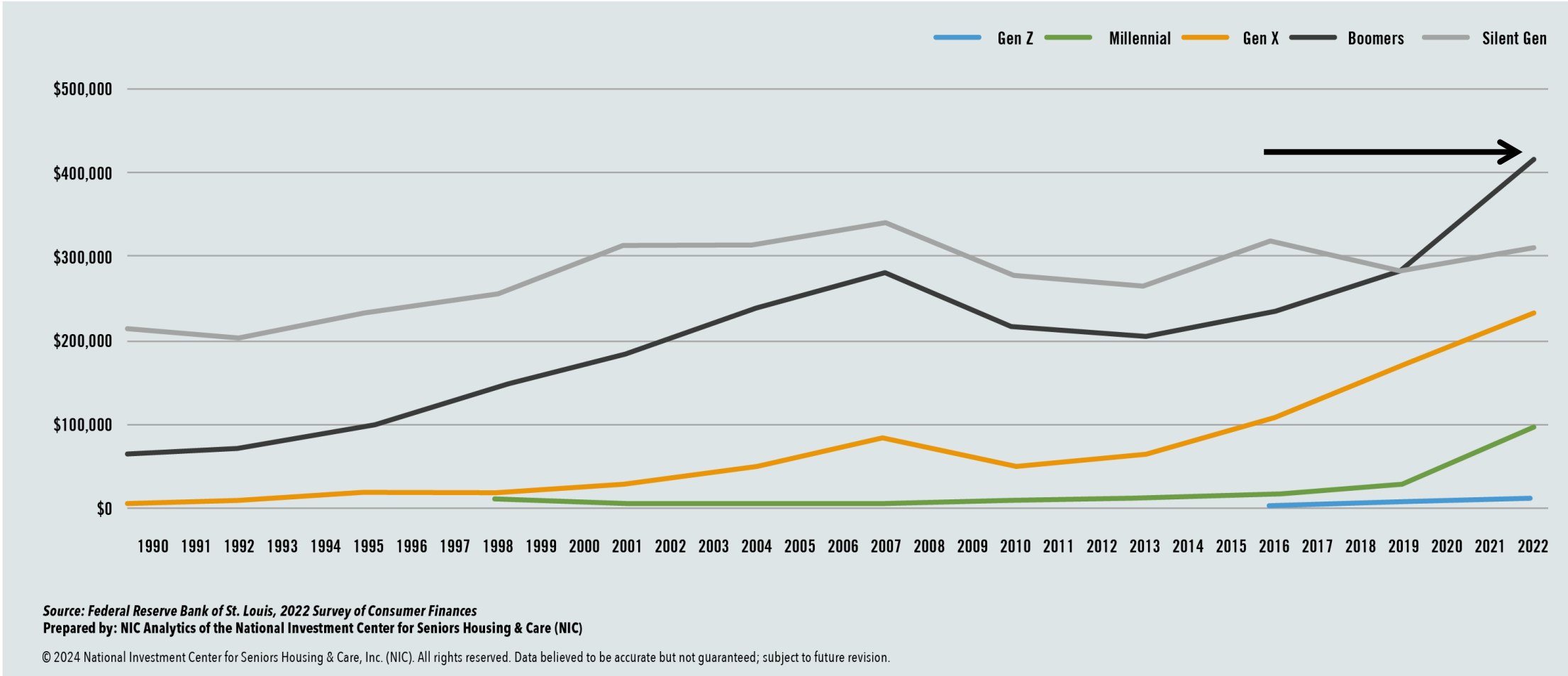
Source: Census Bureau American Community Surveys 2010 and 2024



Boomers Have Greatest Net Worth

Median Net Worth by Generation

1990-2022



Boomer Net Worth Greater Than Prior Generations

Generation

(U.S. households age 58-76)

Median Household Wealth

(inflation-adjusted to 2024 dollars)

Baby Boomers



\$432,200

Silent Generation



\$335,900

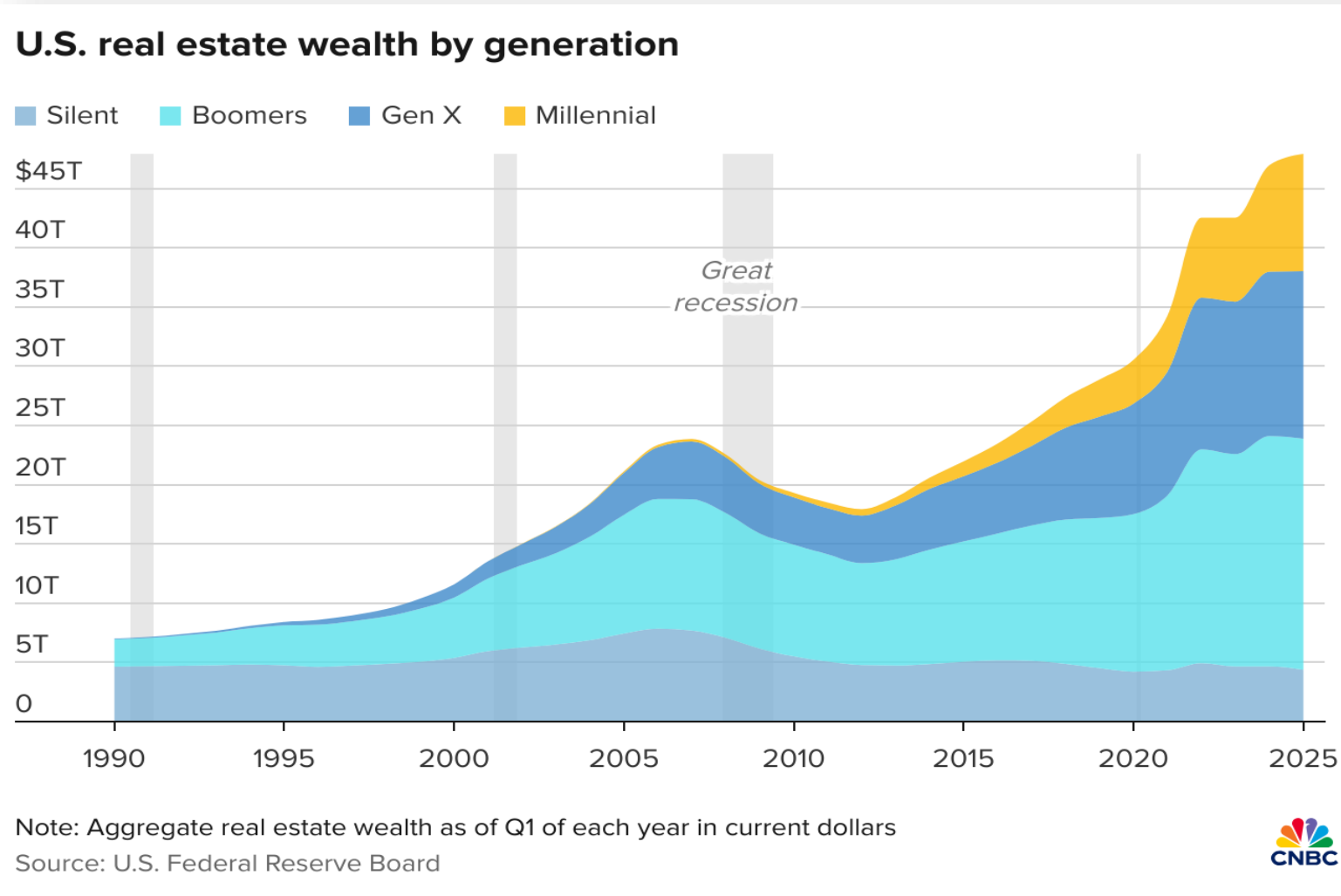
Greatest Generation



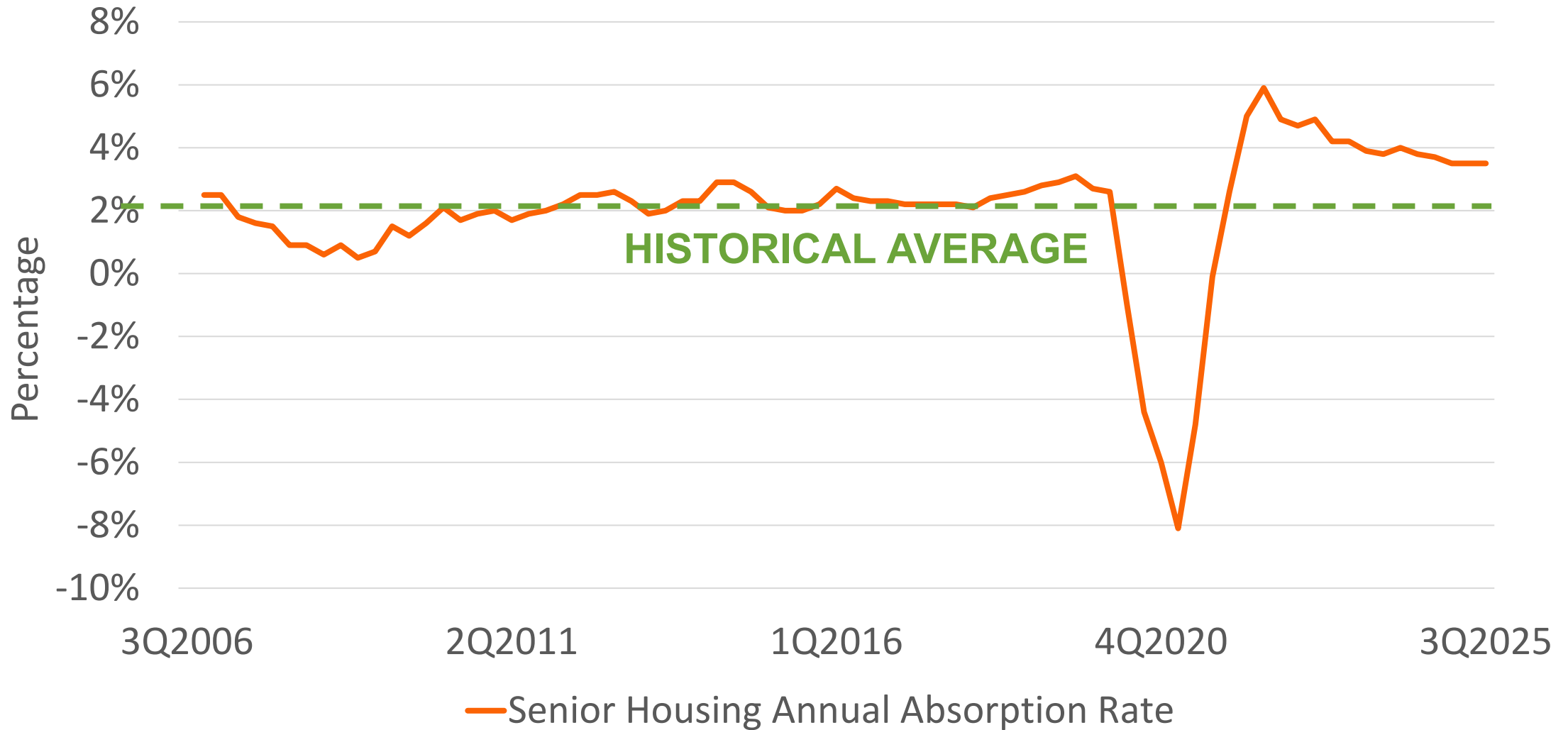
\$185,300



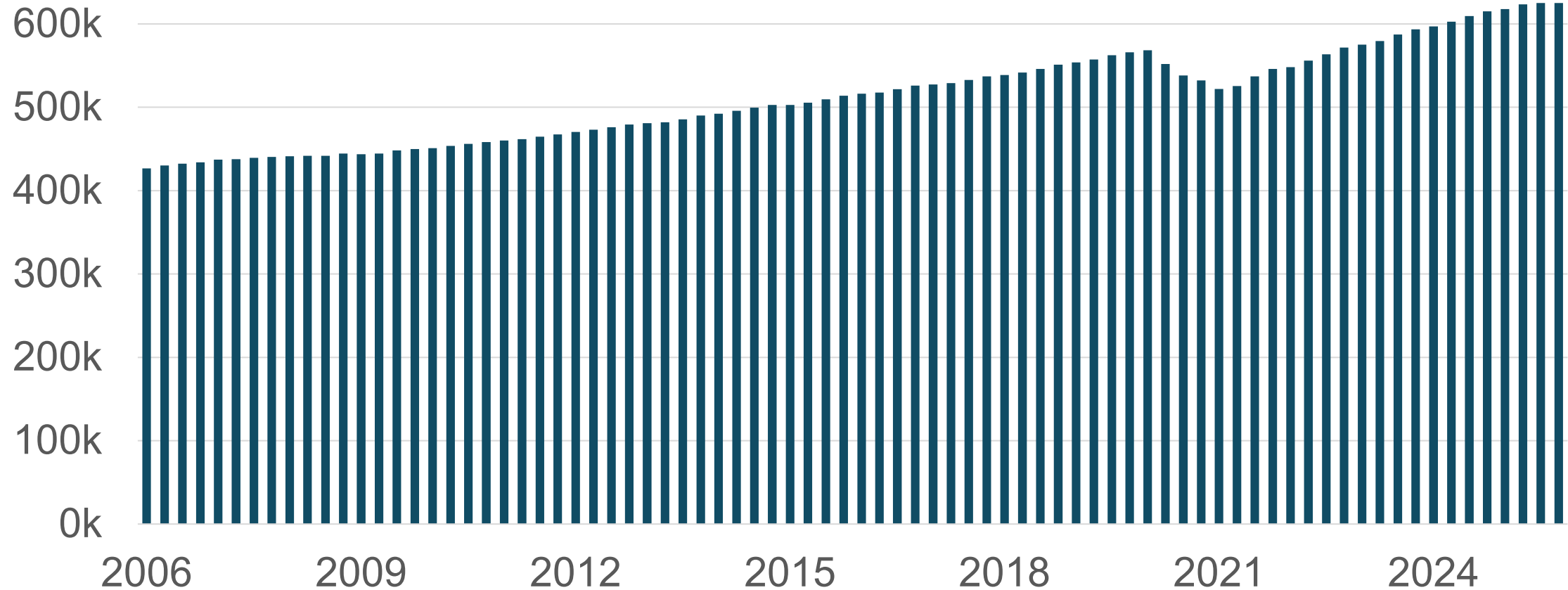
Boomers Have Greatest Home Equity



A New Period of Demand



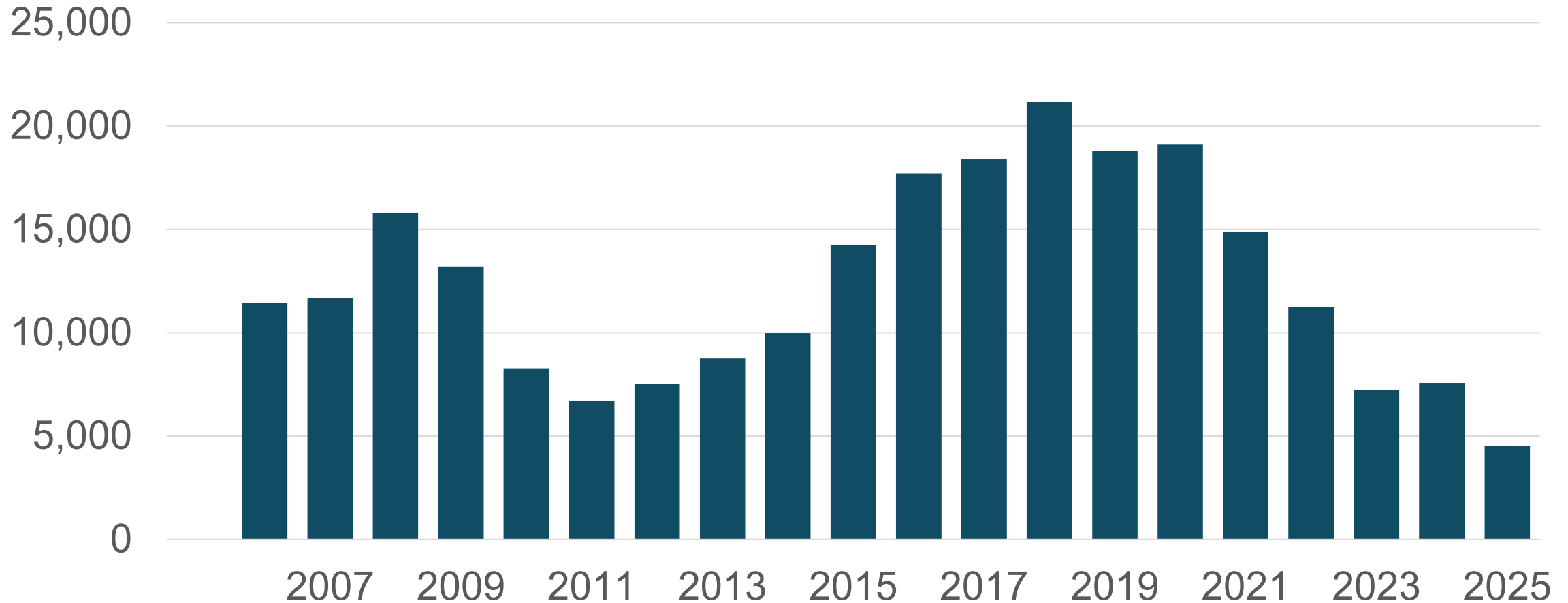
Occupied Units Setting Record Highs



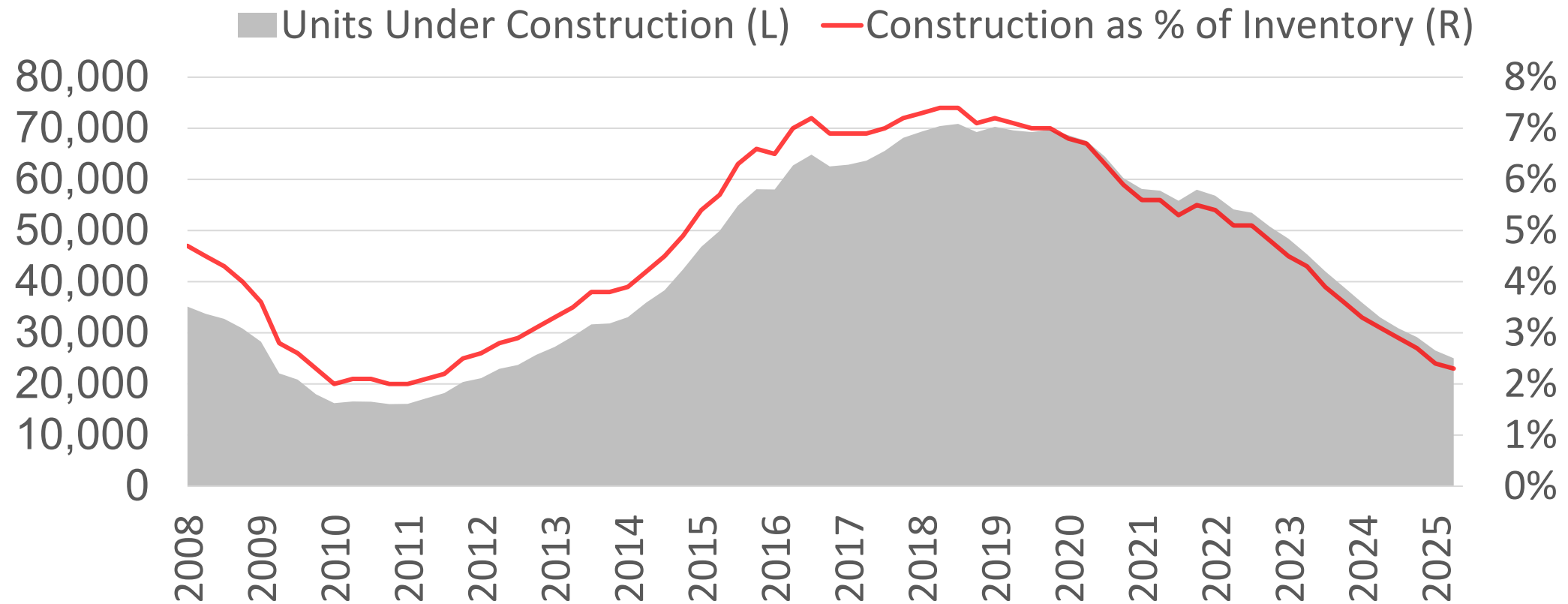
Inventory and Construction



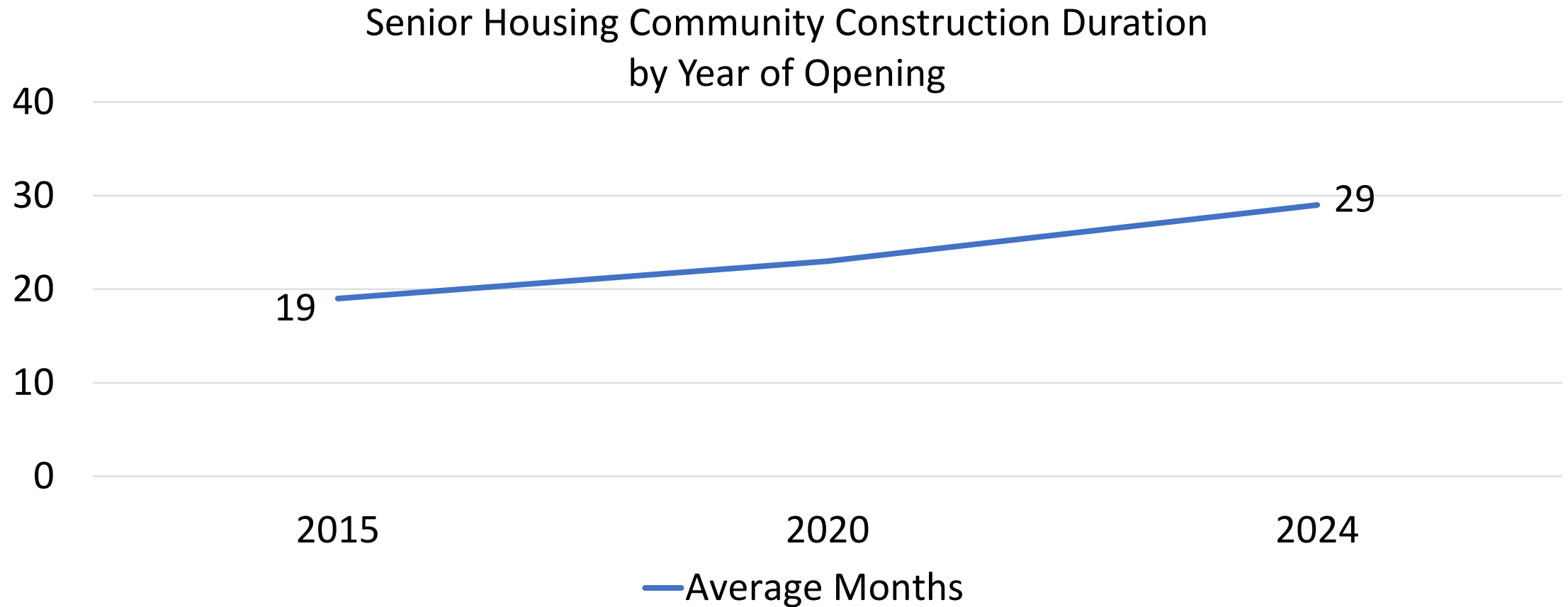
Inventory Growth Setting New Record Lows



Pace of Construction Has Slowed Sharply

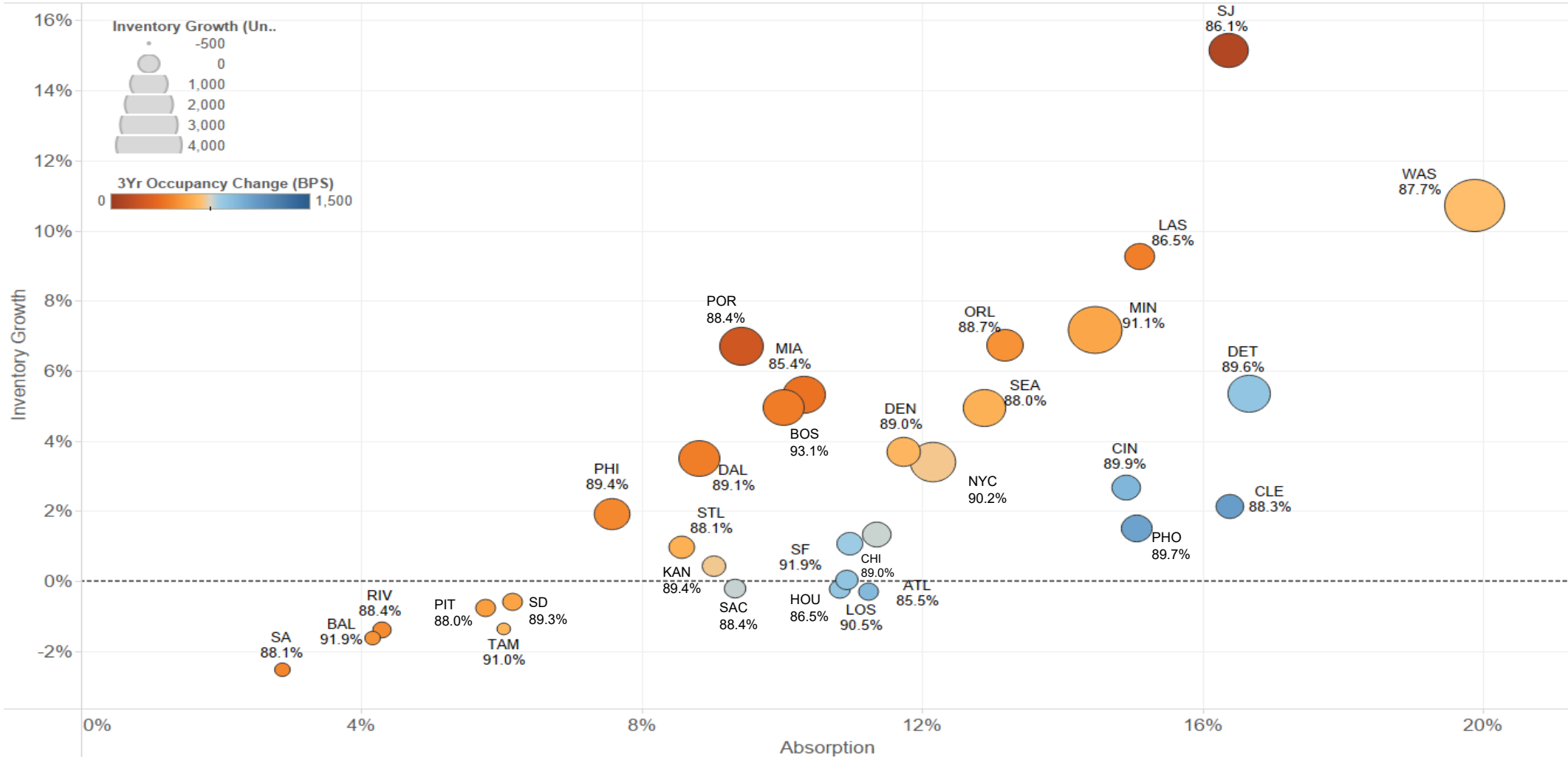


Construction Cycle Lengthening



Shrinking Inventory in 29% of Markets

Seniors Housing Supply-Demand | Primary Markets | 4Q22 – 4Q25



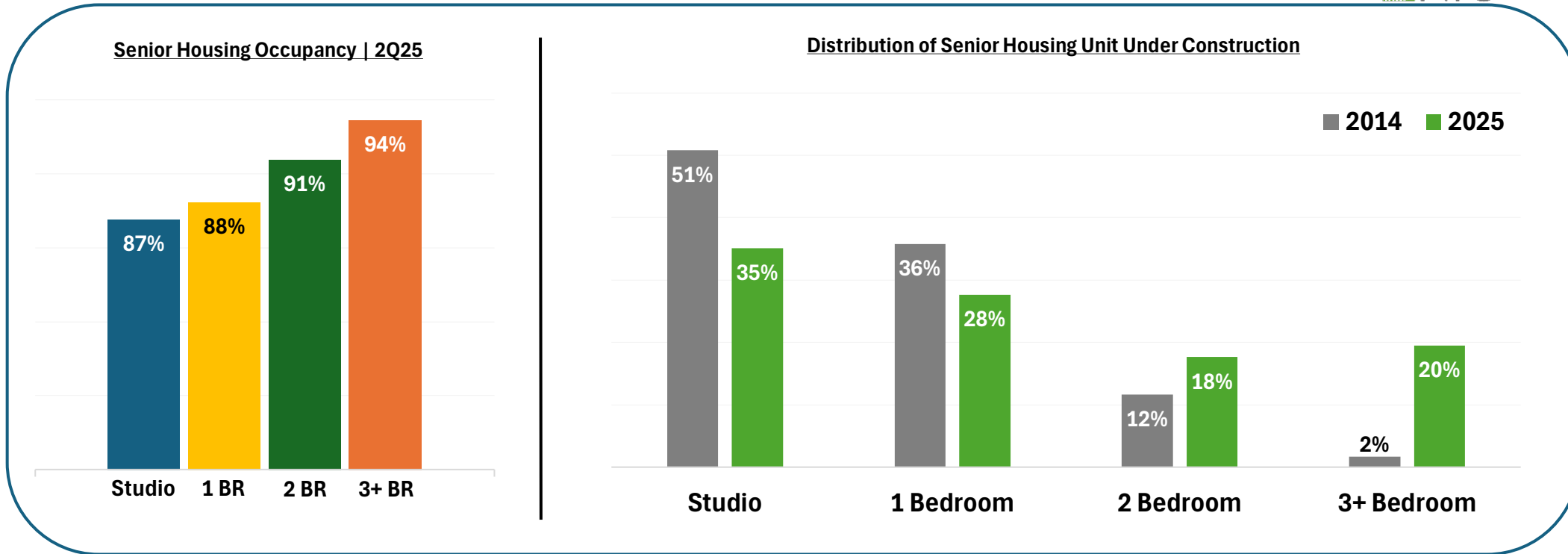
Aging Inventory May Pose a Growing Supply Challenge

~50%

Senior Housing
Inventory 25 Years
or Older

Larger Units Are Filling Faster, Developers Are Pivoting

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



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



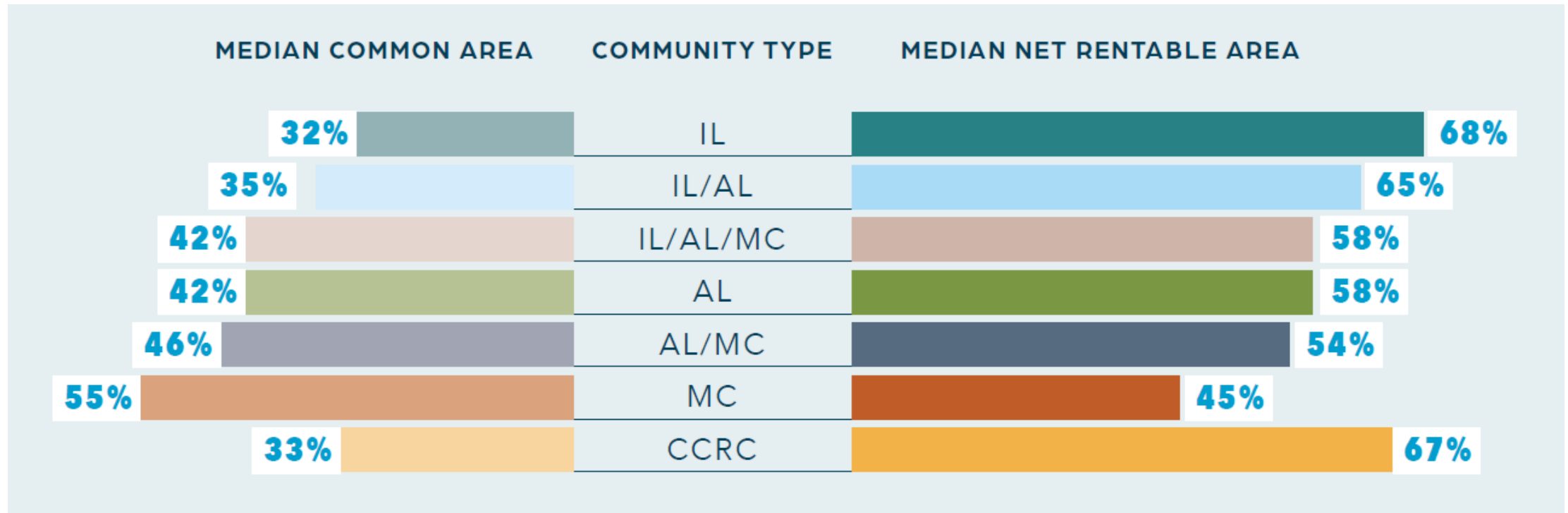
Operating Economics



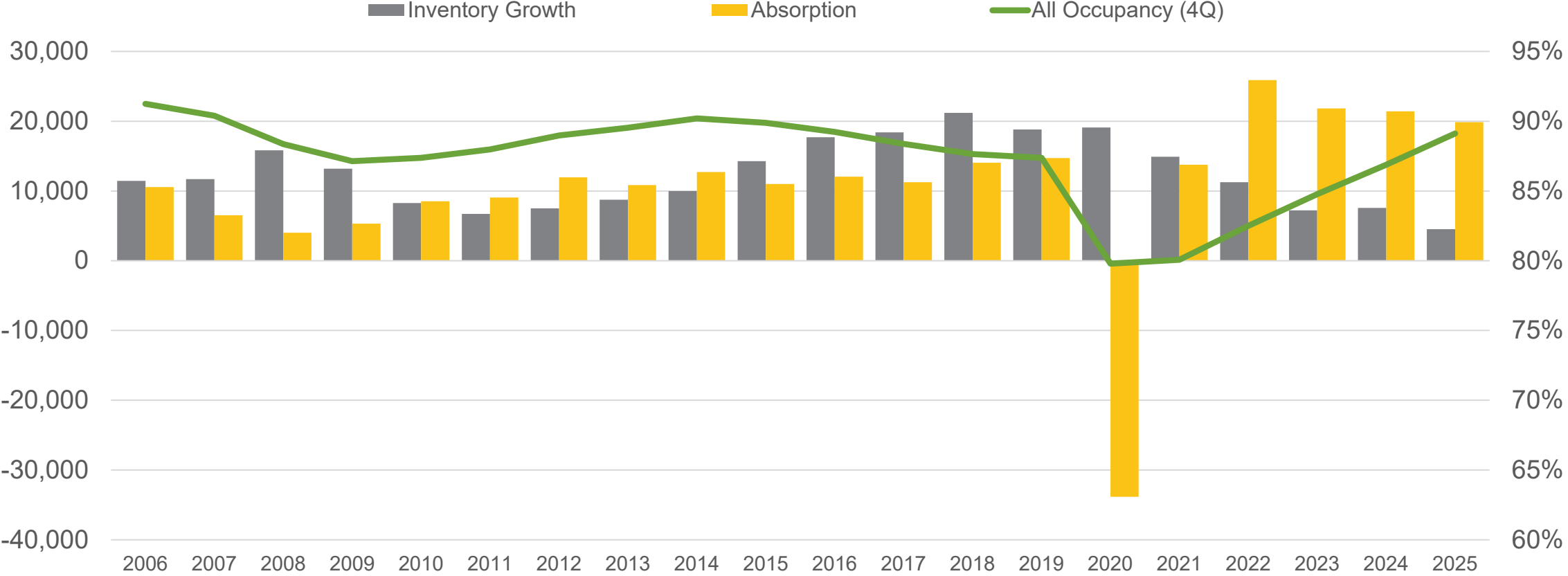
Asking Rent, Staffing, and Margins Vary by Property Type

	IL	AL	MC	CCRC / LPC
Average Monthly Asking Rent	\$4,328	\$6,775	\$8,618	\$4,391
Median NOI Margin	32%	29%	25%*	30%
Average FTEs per Resident	0.19	0.48	0.82	0.54

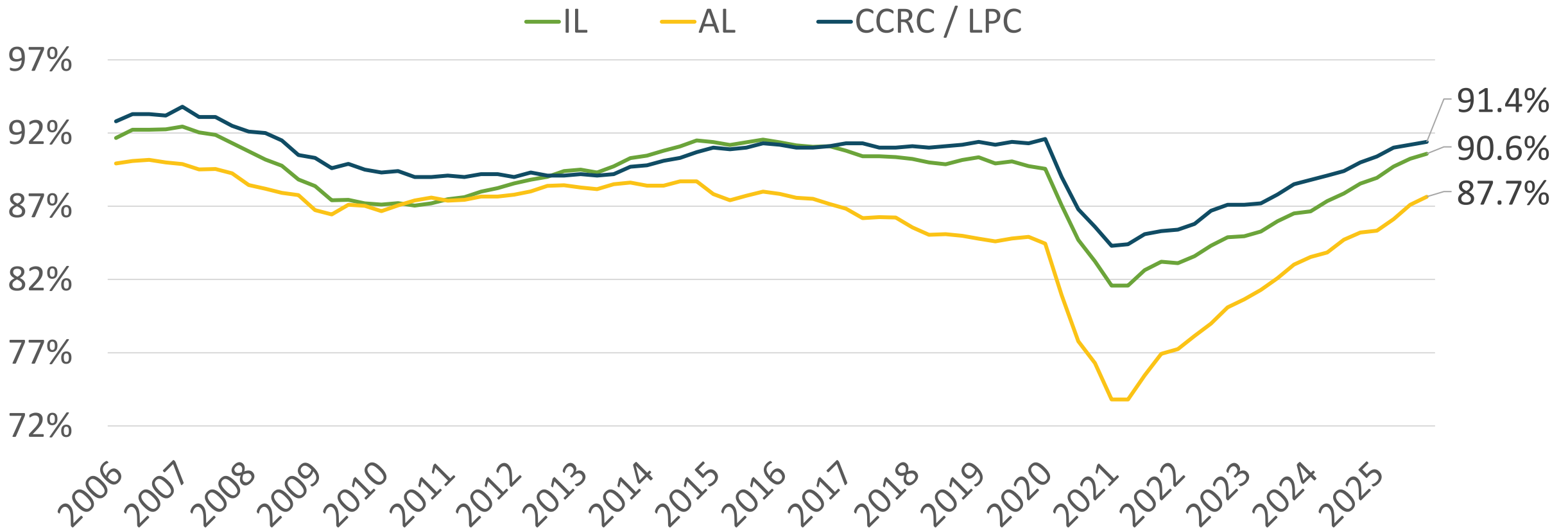
Common Area Ratios Vary by Community Type



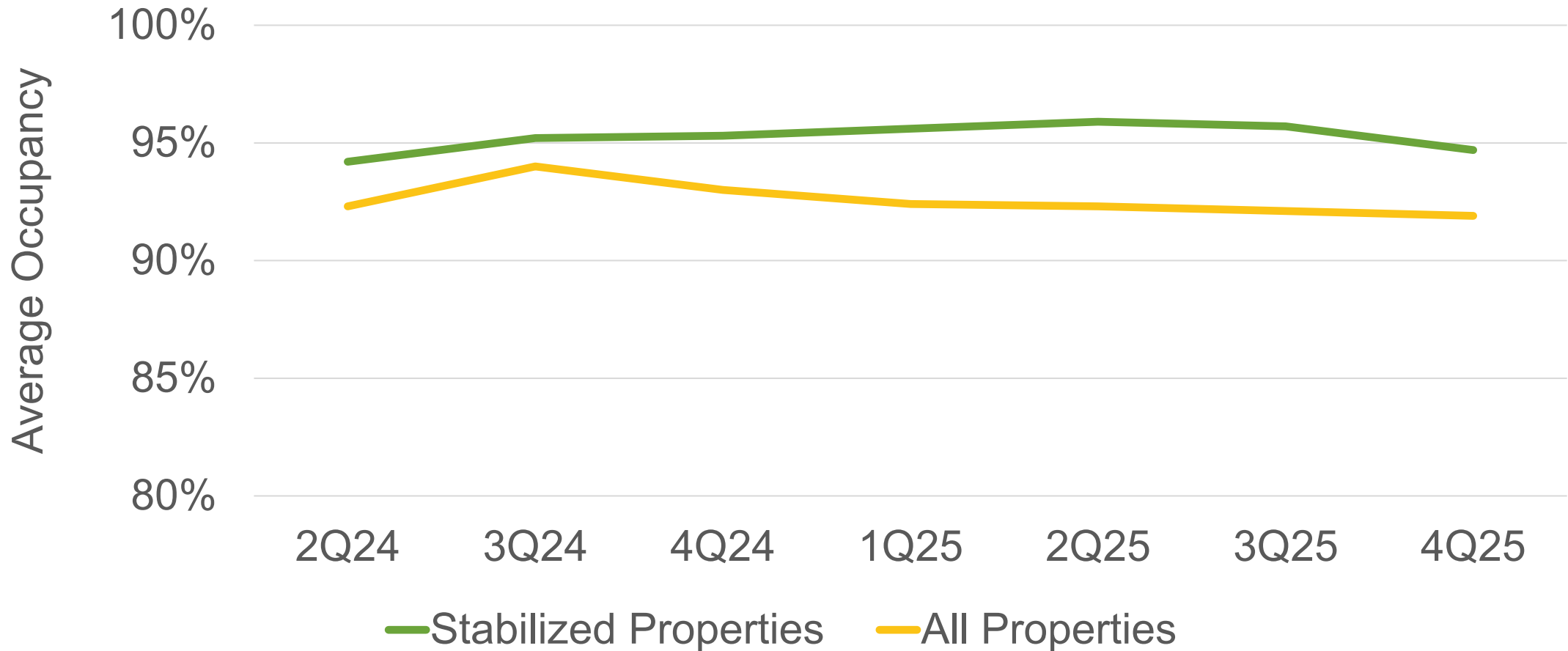
Occupancy Rate Continues Climb Toward 90%



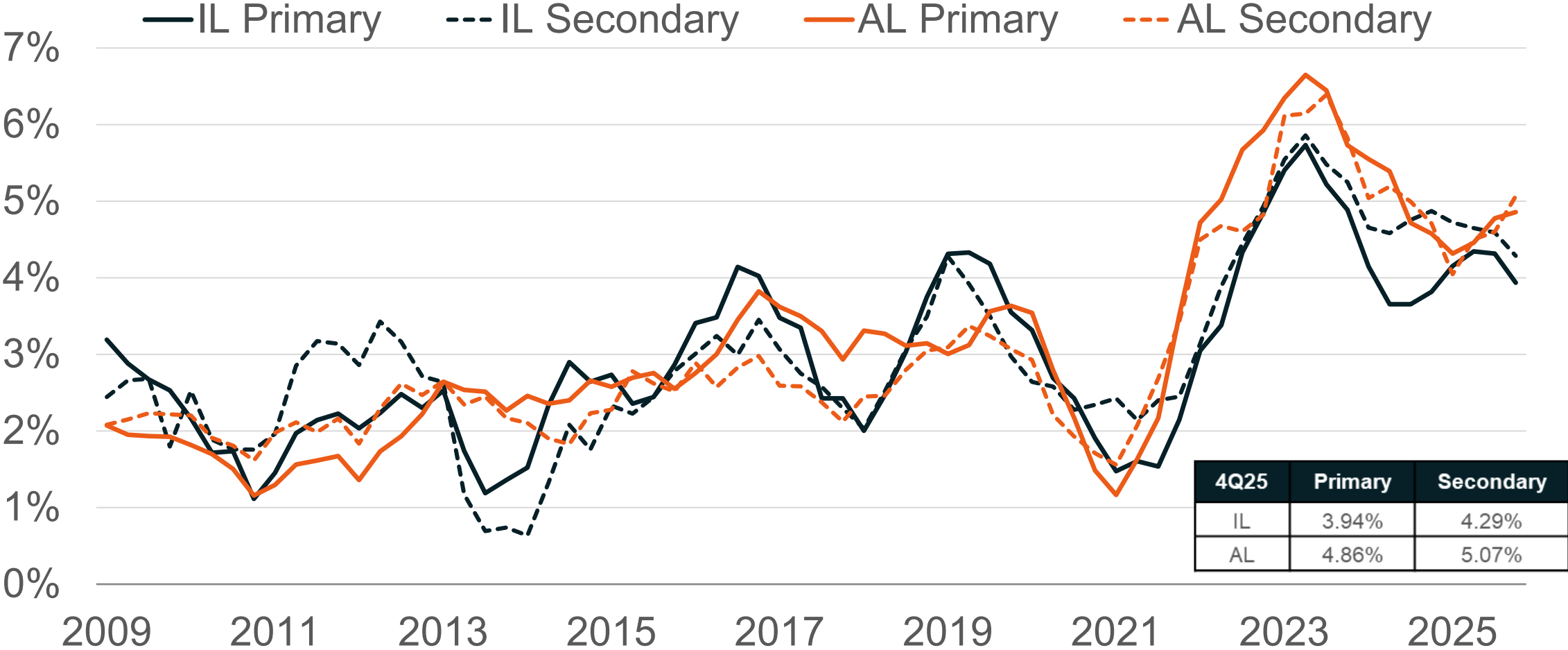
Occupancy Rates Are Near or Above Most Recent Highs



Active Adult Occupancy Rate at 92%, Stabilized Properties at 95%



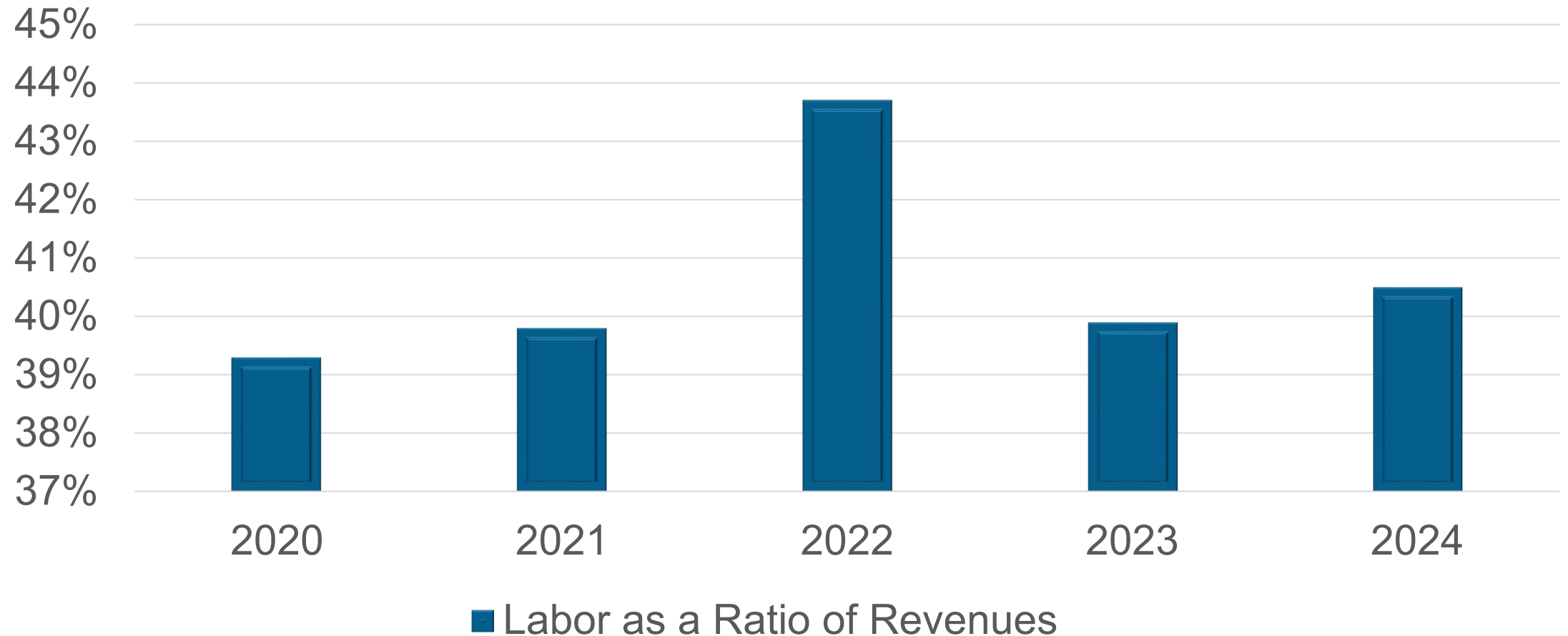
Annual Asking Rent Growth Above Historical Averages



Source: NIC MAP®, Primary and Secondary Markets, 4Q25

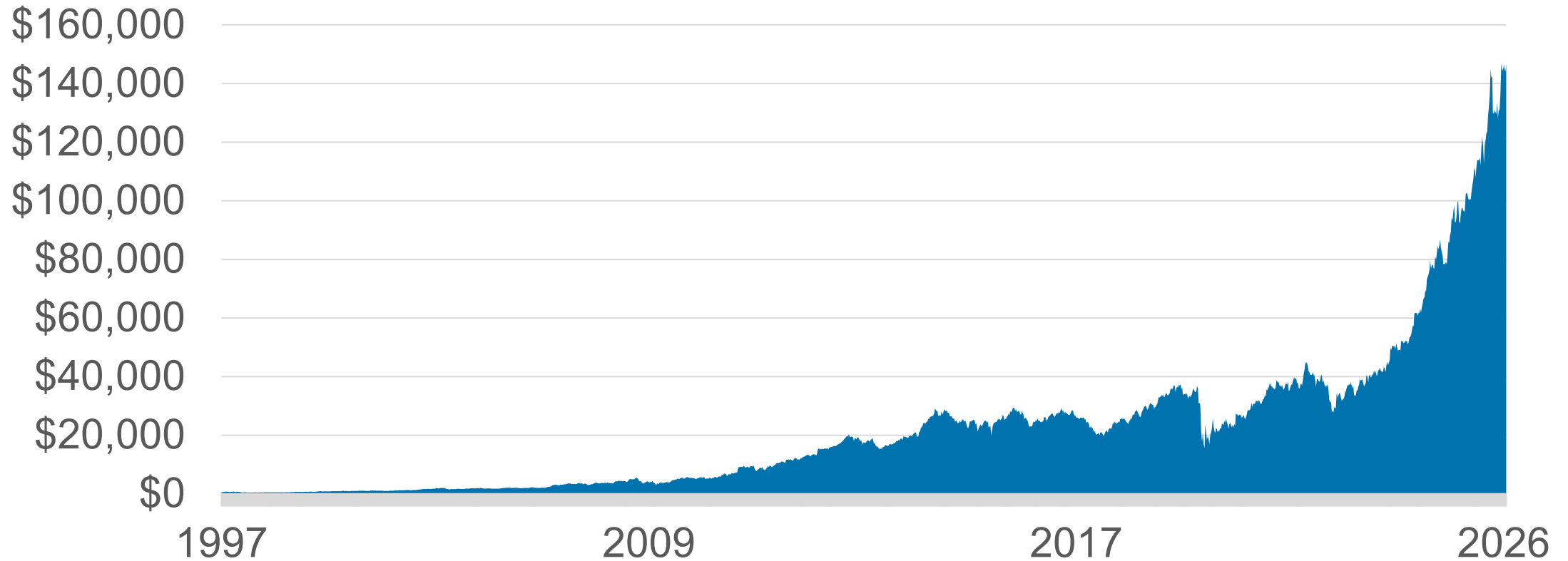


Labor Expenses Remain Significant Portion of Total Revenue



Welltower Illustrates Benefits of Scale

WELL Market Capitalization



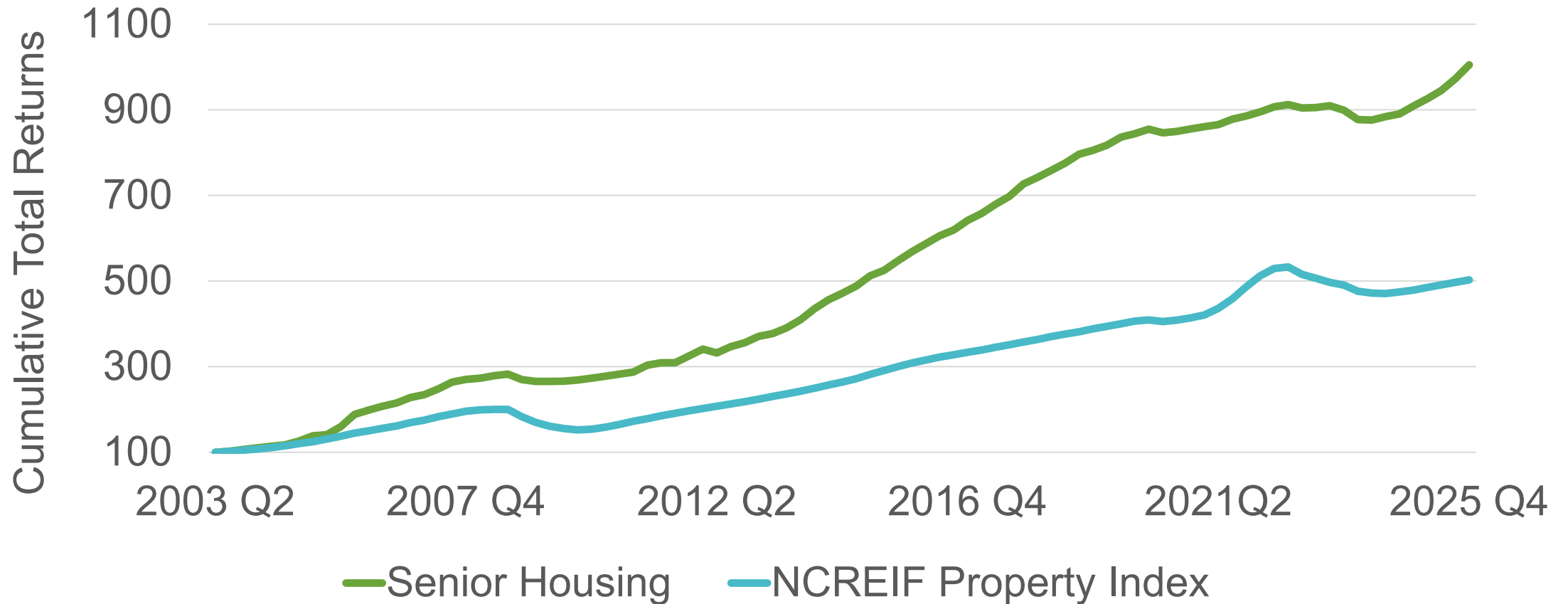
Investment & Financing Characteristics



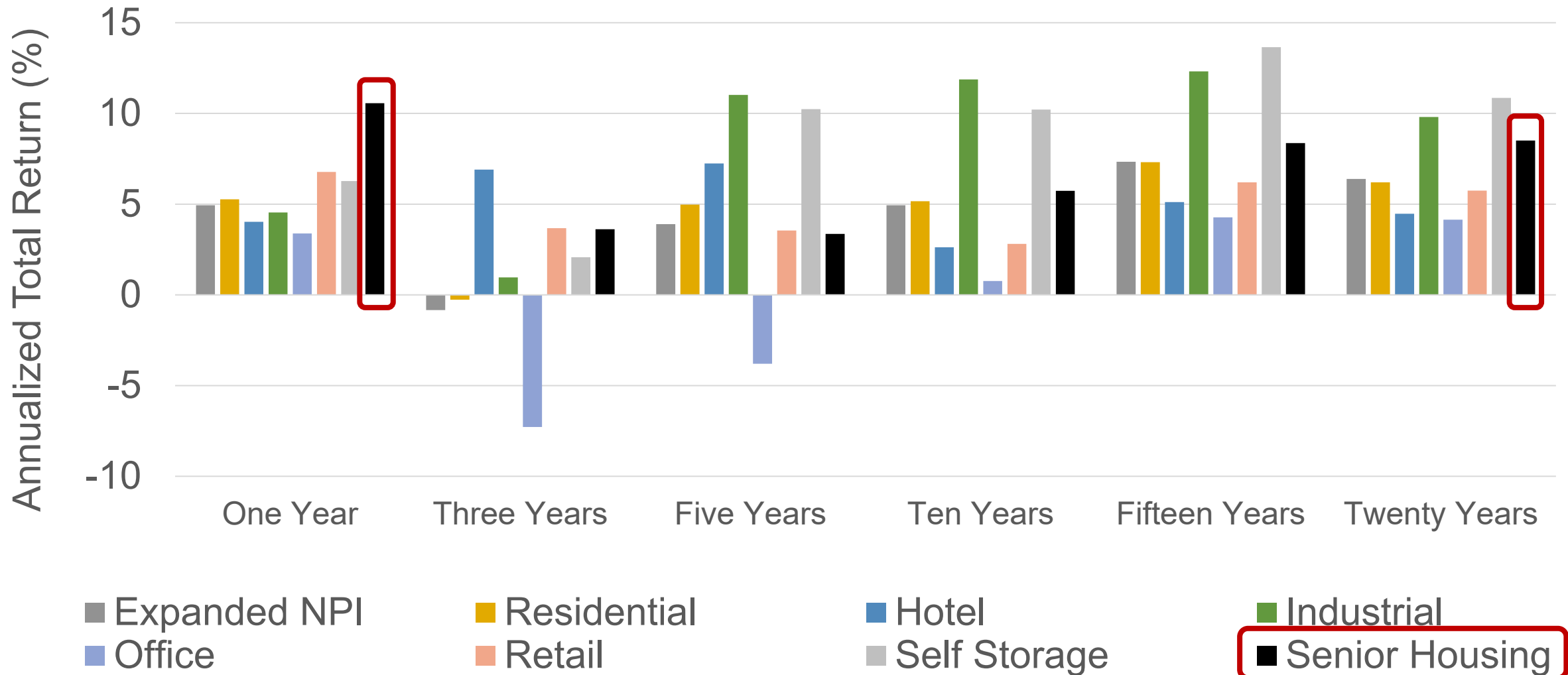
Expanded NCREIF Property Index Raises Senior Housing Visibility

<ul style="list-style-type: none">1. Residential<ul style="list-style-type: none">a. Apartmentb. Studentc. Manufactured Housingd. Single Family2. Hotel<ul style="list-style-type: none">a. Full Serviceb. Limited Service3. Industrial<ul style="list-style-type: none">a. Manufacturingb. Flexc. Warehoused. Specializede. Life Science4. Office<ul style="list-style-type: none">a. Medicalb. Life Sciencec. CBDd. Urbane. Secondary Business Districtf. Suburban	<ul style="list-style-type: none">5. Retail<ul style="list-style-type: none">a. Streetb. Stripc. Mall6. Seniors Housing<ul style="list-style-type: none">a. Independent livingb. Assisted Livingc. Continuing Cared. Skilled Nursing7. Self-storage<ul style="list-style-type: none">a. No subtypes8. Other<ul style="list-style-type: none">a. Data Centerb. Operating Landc. Entertainmentd. Parkinge. Other
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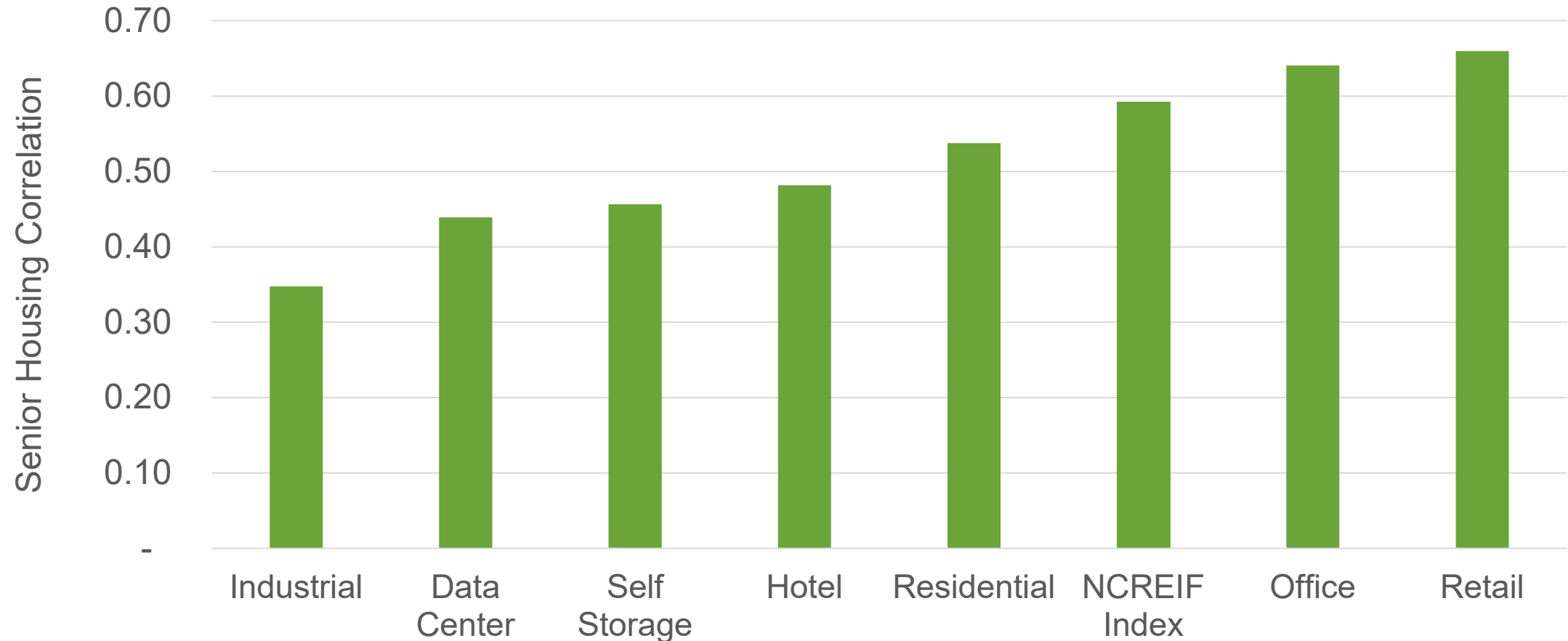
Senior Housing Has Outperformed Broader Real Estate Index...



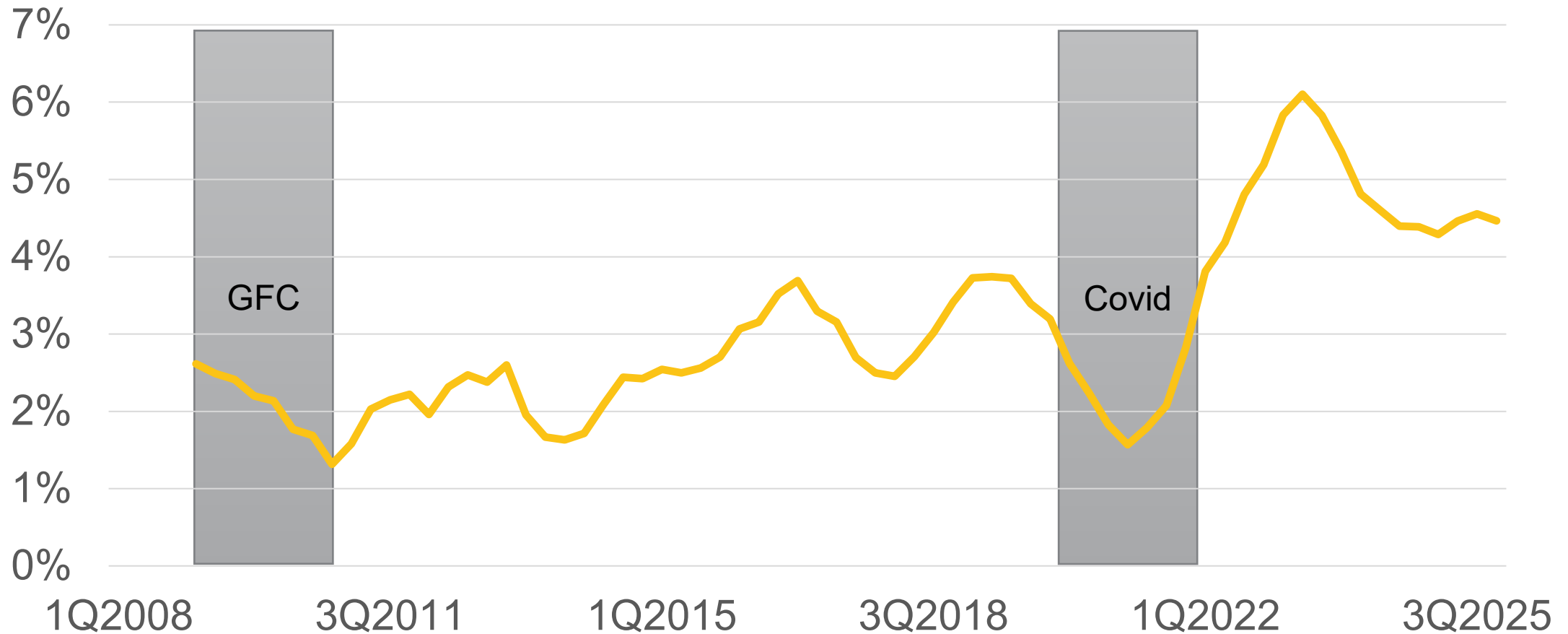
...and Posted Total Returns Competitive with Other NCREIF Property Types...



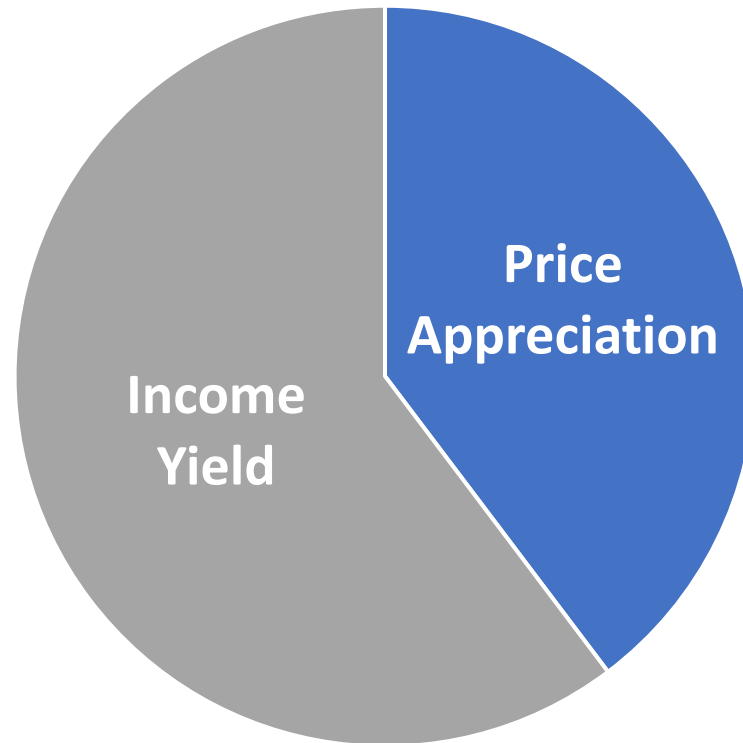
...While Offering Low Correlations With Other NCREIF Property Types...



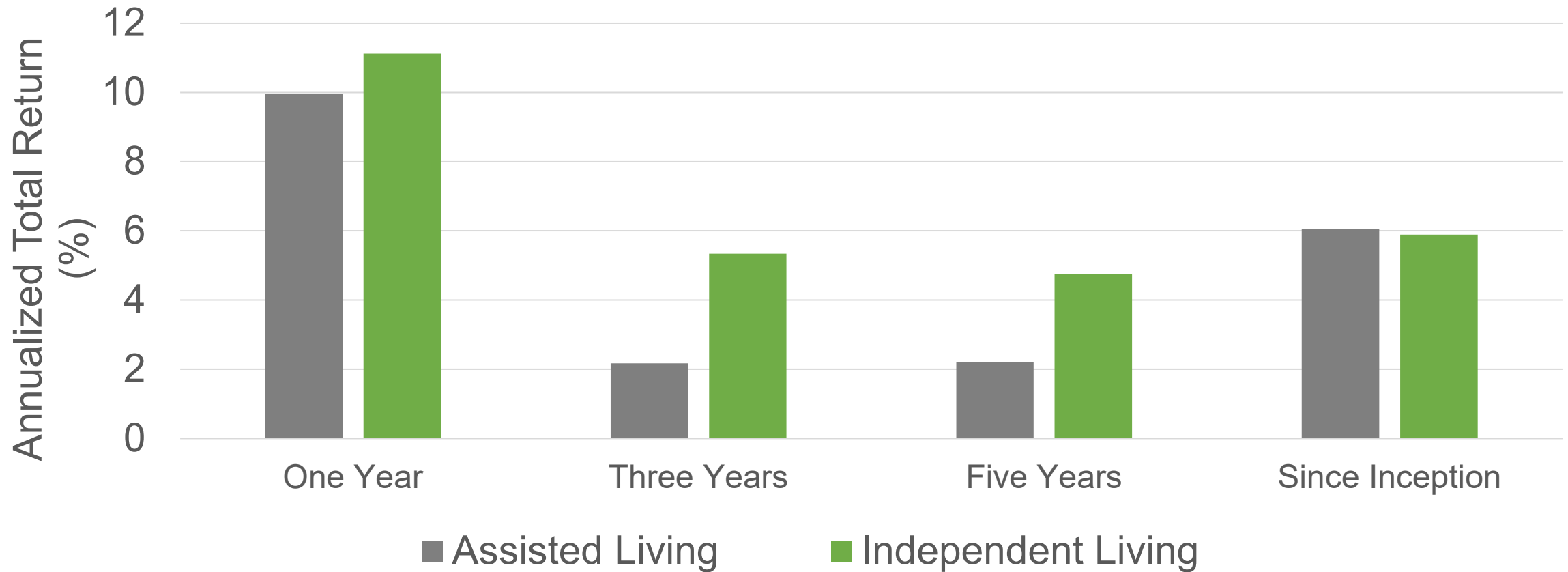
...and Positive Rent Growth Throughout Economic Cycles



Yield Drives 60% of Senior Housing Investment Returns Over Time



Independent Living Has Outperformed Assisted Living in Recent Years



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

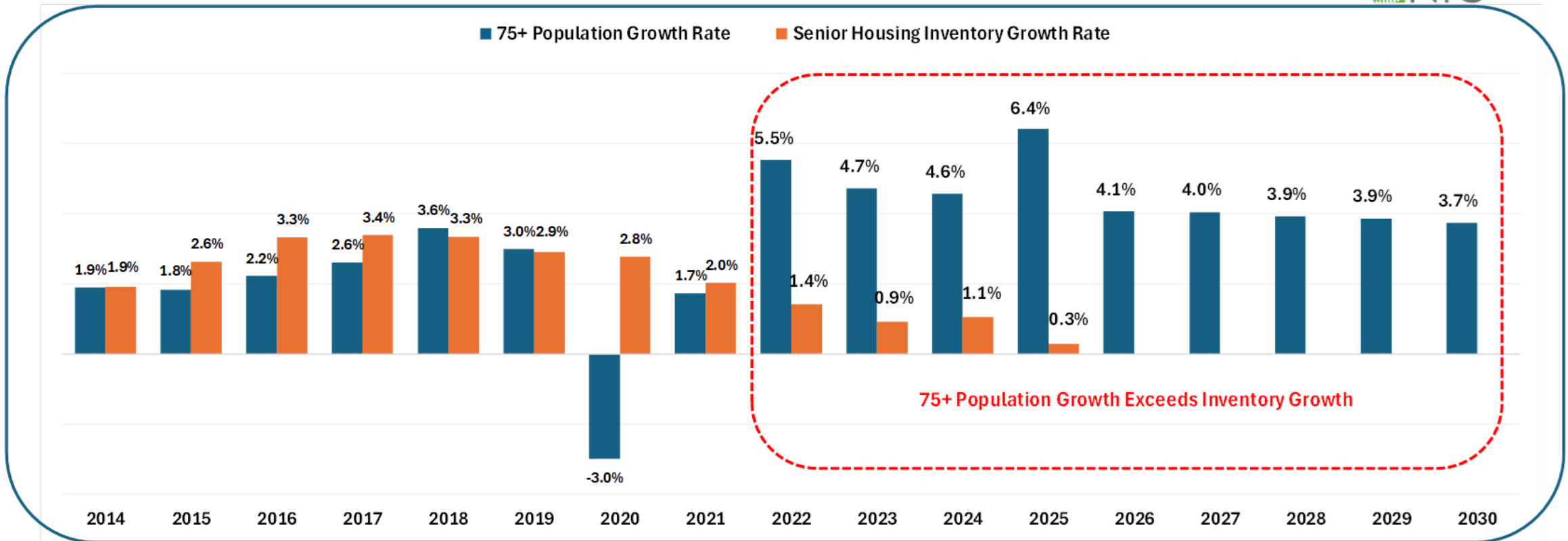
Source: NCREIF, 4Q 2025, Unlevered Annualized Total Returns



Current Valuation Survey Results

Primary Markets Capitalization Rates (%)	Investment Class A (Average)
Active Adult	5.1
Independent Living	6.1
Assisted Living	6.6
Memory Care	8.2
CCRC / LPC	7.2

Forecasted Supply-Demand Imbalances



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



Positive Outlook for the Sector

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



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