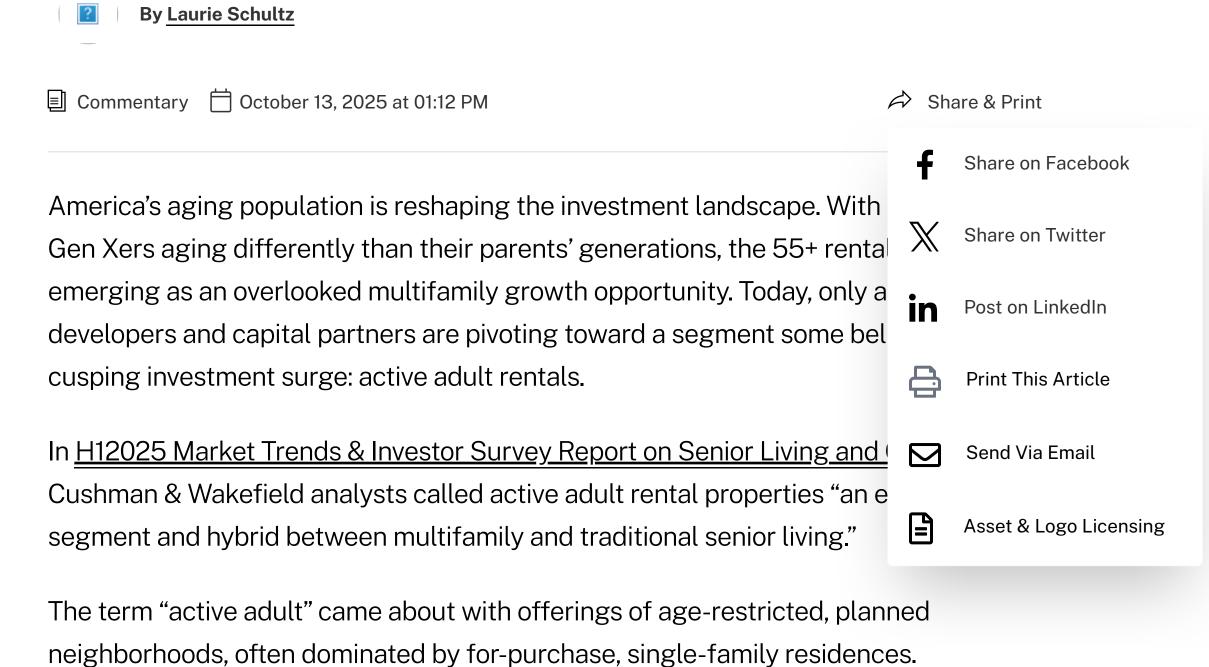
മ

NOV. 3-4 | COLUMBUS, OHIO

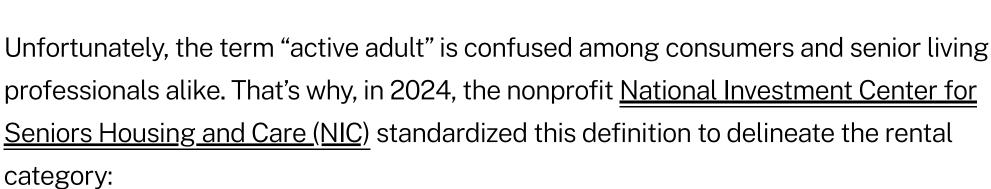
Investors Pivot as Active Adult Rentals Gain Momentum in a Graying Nation



assessments. I.CON Central puts industrial REGISTER front and center. NOV. 3-4 | COLUMBUS, OHIO

Developers promoted (and continue to promote) amenity-rich "luxury" lifestyles.

Monthly fees typically cover maintenance, shared space costs, taxes and/or



"Active adult rental properties are age-eligible, market-rate, multifamily properties

that are lifestyle-focused; general operations do not provide meals."

Today, NIC tracks about 800 active adult rental properties with approximately 118,000 units. Demand is increasing as people seek community and convenience without added costs to cover meals, transportation and other daily living services tied to

attainability, especially to the groundswell of middle incomers. A Demographic Imperative Continuing care retirement communities (CCRCs) are a popular option. According to NIC, costs average of \$3,353 per month. For front-end buy-in models, <u>U.S. News and</u> World Report cites fees averaging \$410,000. For most, this is unattainable.

<u>U.S Census Bureau</u> data projects that by 2034, for the first time in history, Americans

aged 65+ will outnumber those under 18. Landmark "Forgotten Middle" research from

to afford private-pay senior housing without selling their homes, and 39% will be

The Emerging "Renter By Choice" Cohort

traditional senior living The proposition becomes even more attractive when priced for

the University of Chicago's NORC cites that, by 2040, this age cohort will reach 80 million. Nearly a quarter of these will be middle-income. Of these, 75% won't be able

unable to afford it even with home equity.

GlobeSt.

averaged 87.4%.

consistent NOI growth.

2024.

costs.

Standard

WOMEN OF INFLUENCE SERIES

Aging adults increasingly seek rentals. According to NIC, the number of 65+ renters will increase by 2.2 million in the next decade, up from 6.5% of renters in 2013 to more than 9% today.

Keynote Speaker:



Mid-market priced active adult rentals differ from senior living environments offering assisted living or what some call "pseudo independent living." The latter price-bundles meals, transportation and other services. A growing number of 55+ individuals don't want these deliverables –or associated costs. Other than non-age-restricted apartments, however, few options exist. An exception is subsidized housing for which many exceed income thresholds.

For investors, active adult rentals offer compelling return profiles. In June 2025, NIC

reported that for three consecutive quarters these properties maintained occupancy

Residents also tend to stay. Active adults stay an average of six to nine years, reports

rates above 95%. This outperforms both independent and assisted living which

NIC, compared to recent trending of three years for non-age-restricted apartments. NIC also finds 80% year-over-year retention in active adult, outperforming standard multifamily's 50% average. These dynamics reduce turnover costs and support

Strong Occupancy With Stickiness

Multifamily Economics Among Active Adults An estimated two and a half million more units of Boomer housing are needed in the next decade. Capital is flowing in the senior living and care sector. Cushman & Wakefield analysts wrote "With a year-over-year increase of nearly 70%, senior living

transaction volume reached the highest post-pandemic levels in the second half of

Some investors have avoided "senior living." For these, active adult rentals provide an

opportunity to enter the aging demographic market without assuming assisted living

multifamily – with market-rate leases, streamlined staffing and lower operating costs

than traditional senior living. On the revenue side, rent growth patterns are consistent

and skilled nursing risk profiles. These properties behave operationally like

with traditional senior living -but without this sector's regulatory burdens, intensive staffing models or healthcare oversight. **Building Wellness Communities, Integrating Healthcare** Boomers and Gen Xers increasingly seek housing that support healthy lifestyles. Active adult properties provide offerings to enhance physical, mental and social dimensions of wellness. NIC cites fitness centers and pools as the most common amenities. Most communities offer wellness-focused classes, social activities and educational opportunities.

Innovators are exploring ways to enhance the active adult experience. One model incorporates primary care, chronic care management and care navigation services into active adult rental settings. Directly billable to insurance, these services are made optional to residents. Many choose to engage based on convenience. For investors, risk is reduced by engaging a third-party medical partner to manage healthcare operations. In active adult rentals that bundle preventive healthcare, people remain healthier for

longer in the comfort of their homes. The integration of healthcare services not only

based care, where preventive health management leads to better outcomes and lower

enhances resident well-being but also aligns with the nation's shift toward value-

A Window of Opportunity for the New Aging-In-Place

affordability, community and wellness will soon move from niche offering to

competition remains low and unmet demand is high.

necessity. With strong fundamentals, a widening demand gap and demographic momentum on their side, these properties present an unmatched opportunity for investors looking to diversify portfolios, generate stable yield and build resilience. Those who act now will have first-mover advantage, particularly in markets where

Laurie Schultz is principal and co-founder of real estate development, construction

Active adult rental properties serving the fast-growing cohort of older adults seeking

and investment firm Avenue and its Viva Bene, an age-restricted multifamily community combining preventive concierge healthcare with housing. Senior Housing Related Topics... National Southeast **NOT FOR REPRINT**

© Touchpoint Markets, All Rights Reserved. Request academic re-use from www.copyright.com. All other

uses, submit a request to asset-and-logo-licensing@alm.com. For more inforrmation visit Asset & Logo

CRE Warily Watches Rising Concerns in Private Credit O Partners Commit \$1.8B To Debut New Firm Focused on CRE Credit

or send an email to GlobeSt@omeda.com.

ThinkAdvisor

Webcasts

Podcasts

PropertyCasualty360

Markets

Sectors

Related Stories

Licensing.

IPA's Andrew Leahy Says New Opportunities are Emerging in Multifamily Sector

Multifamily Capital Starting To Pour Back Into Key California Regions

Clarion Partners Makes Its First Move into Senior Housing

o CRE Index Bounces Back With Surge in Listings, Appraisals

For questions about GlobeSt.com, please call 800-458-1734 (9:00am-5:30pm ET, Monday through Friday, except holidays),

Sales in Q3

Apartment

Supply in

Markets

Some

Still to

Peak

Hotel

Investment

Topics Your Account Support Legal Resources Sign In

About Us

Advertise With Us

Forgot Password **CRE Tech Center** Resource Center **Privacy Policy Asset & Logo Licensing** My Newsletters **Best Practices** Contact Us Events Thought Leaders Sitemap Special Reports **Nominations**

Touchpoint Markets Network of Sites

Copyright © 2025 Touchpoint Markets. All Rights Reserved. / Terms of Service / Privacy Policy

Cookie Policy

Terms of Service

Create Account

Bookstore