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Summary of Best-of-Class Independent Living Projects

Introduction

Senior Consulting, LLC (SC) is serving in various development capacities for Best-of-Class Senior Living, Independent Living, and Active Adult, including sites/potential projects in multiple metros in Florida, metro KC, metro Dallas, and elsewhere. As such, SC's principal has conducted physical mystery shopping and mystery shopping via phone calls for Best-of-Class Independent Living projects, some of which also have Assisted Living and Memory Care. Florida. Several Best-of-Class comparables in South Florida are included herein, as well as recent Best-of-Class projects that have been mystery-shopped in other markets.

Best-of-Class features include but are not limited to the following:

- Parking garages and/or valet parking
- Concierge services
- Expanded dining options and menus that would assume open dining and a myriad of choices for dinner in particular that includes at least three daily specials and eight to ten or more entrée choices in addition to an "everyday menu."
- Larger-than-average apartments with limited 1BR and many 2BR with den/office. Apartments feature premium finishes from marble countertops to cabinetry and lighting.

Florida Projects

The Palace at Weston

The Palace at Weston – The Diamond – Independent Living 16025 Emerald Estates Drive, Weston, FL 33331; (754) 236-8117 <https://www.thepalaceatweston.com/>





- Tour: Conducted by Amanda Mink on August 20, 2024.
- Comments: (1) The Palace Group of facilities includes multiple Best-of-Class Senior Living projects in Miami and Coral Gables as well as AL/MC and SNF in Homestead. (2) The Palace at Weston is their newest project completed three years ago. (3) The founders are Helen and Jacob Shaham who have grown the company with their sons, Zack and Haim. One of the sons is the executive director of the Palace at Weston. (4) Tipping is not encouraged although the valet and staff are “rewarded” around the holiday season.
- Room rates and sizes: Units range from two studios at 631 and 643 sq. ft. at \$6,450 to \$6,525 per month, to studio with dens at 712 and 714 sq. ft at \$6,650 to \$6,750 per month. There are six 1BR/1.5BA with den models ranging from 751 sq. ft. with a 117 sq. ft balcony at \$7,500 up to 867 sq. ft. with 100 sq. ft. balcony at \$7,850 and a 833 sq. ft. with a 180 sq. ft. balcony at \$8,050. There is one 2BR/2BA model at 1,050 sq. ft. with a 69 sq. ft. balcony at \$9,000, plus five 2BR/2BA with den models ranging from 1155 to 1172 sq. ft. with balconies from 42 to 300 sq. ft. and prices from \$9,550 to \$10,250. Lastly, their Orchid is a grand 2BR/2BA with den at 1335 sq. ft. with a huge 570 sq. ft. patio at \$12,700.
- Comments on Room Rates: A second occupant fee of \$1,750 per month. Furnished apartments cost an additional \$500 to \$950 per month depending on the apartment size.
- Building: The project consists of a four-story building with a lower-level parking deck and valet parking. The entry to the IL is a two-story entry with a curved staircase with a substantial amount of marble and dark wood trim. The large common area that includes a bar and an entertainment area has upscale finishes and expensive relatively ornate furnishings. The cost of finishes and furniture in the Palace may be triple the cost of similar furnishings as compared to the two Best-of-Class projects to follow. The AL building does not connect to the IL but is built back-to-back with separate entrances. Both are four stories with an interior courtyard and pool with the AL having similar-sized apartments without a stove, but with a two-burner range and a full kitchen otherwise.
- Amenities and Services: Beer and wine as well as coffee, cappuccino and limited snacks are available all day long without extra charge. There is an upcharge for mixed drinks. There is nightly entertainment including live performances. Valet service, including access to vehicles and delivery of groceries and packages to resident units, is included in

the rent. The overwhelming majority of residents utilize the valet services and do not use the garage or the surface parking.

- Food Service: The menu for August 21st for dinner included three entrees of the day: Pork Loin, Chicken Cacciatore and Seafood Newburg with sides and two dessert options of the day as well as an Italian Wedding soup as the soup-of-the-day. This is in addition to the “alternative dinner menu” that includes seven full dinner options with two fishes, two chickens, a beef tenderloin and spaghetti with meatballs in addition to two burger options. Everyday menu has two salad options, wings, soup, and multiple sides. The lunch menu also has more options than typical facilities. Breakfast is full-service “eggs your way.”
- Capacity: IL, 130 units, 144 AL, 44 MC
- Vacancies: Of the 130 IL apartments, only smaller units were available, perhaps five available units.
- Website: <https://www.thepalaceatweston.com/>

Belmont Village at Fort Lauderdale

1031 Seminole Dr. Fort Lauderdale, FL 33304; (954) 524-8500



- Tour: Conducted by Molly Hayes, the Community Relations Director who had been with the three-year-old facility for approximately one year.
- Building: Belmont Village is a 12-story structure with floors one through four including parking decks. The lower level is the entry with limited other spaces. Residents are in effect co-mingled throughout the floors as IL or AL, with the exception of a singular floor that is MC. Apartments are a combination of one and two-story. The fifth floor has access to the exercise area, but also a deck with an infinity pool with views to the south. The apartments have full kitchens, but only a convection range top and not a stove since the building is Independent Living-licensed.
- Location: The facility is located within a mile of the ocean. Other than a marina to the immediate east, there is a state park to the east facing the ocean for unobstructed views.
- Amenities and services: Garage parking, no valet. The dining room is on the top floor (12th) looking at the ocean with windows that wrap around the east and north side to see up and down the coastline. It is rather dynamic, and as such they only have a very limited menu in their café that is also on that floor.

- Food Service: Three meals a day are included.
- Capacity: 120 units that are IL, AS, and MC. Notwithstanding the entire building is licensed for Assisted Living. According to the Marketing Director, approximately 50% of the apartments were IL and 50% were AL.
- Room rates and sizes: Information on rents were only limited to specific projects with the brochure referencing 1BR starting at \$6,100, while 2BR started at \$10,550 per month, not including Assisted Living services. Specific units were priced with a 700 sq. ft. 1BR at \$7,824 and an 840 sq. ft. 1BR at \$9,550. An 1120 sq. ft. 2BR/2BA was priced at \$11,765 with expectations that prices went up to close to \$13,000 or more for larger units with premium views.
- Vacancies: Hard to determine how many vacant units but based on the information provided, despite added prompting, an estimated 10 available units out of 120.
- Website: https://www.belmontvillage.com/locations/fort-lauderdale-florida/?utm_source=gmb&utm_medium=organic&utm_content=gmb-website

Coral Gables

Belmont Village at Coral Gables 4111 Salzedo St., Coral Gables, FL 33146; (305) 204-9803



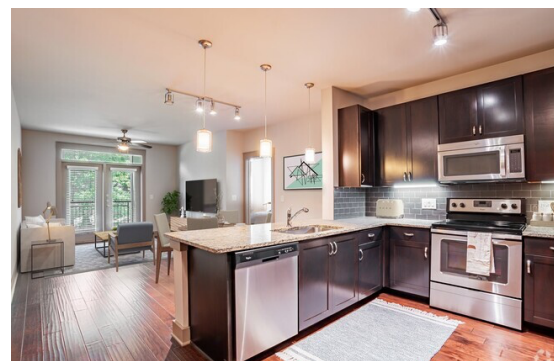
- Comments: Coral Gables overall is a very affluent community with other Best-of-Class Senior Living including one owned by the Palace as we mentioned above and a high-rise facility that is only several years old. Like the Belmont Village at Fort Lauderdale, the project was well-appointed but not nearly as lavish as the Palace.
- Location: The neighborhood of the facility is a series of mid-rise to high-rises and includes mall-type shopping and residential apartments and a neighboring building that had a Maserati dealership on the lower level and office above.
- Building: The Belmont facility is approximately two years old, with structured parking on the lower level with the exception of a Baptist Health Wellness Center. The residents are encouraged to utilize the Baptist Health Center on-site, which is open to the public. The apartments have full kitchens, but only a convection range top and not a stove since the building is Independent Living licensed.

- Capacity: 120 units including a Memory Care floor. Assumed it is similar to Fort Lauderdale although more of the residents may utilize assisted living services that are in addition to the rents for Independent Living that were provided.
- Room Rates and Sizes: Like the Fort Lauderdale project, information and pricing was only provided on a limited number of units, versus an overall price sheet. The Magnolia, a 2BR/2BA unit with 1057 sq. ft. was priced at \$11,800 per month. The Lantana, a 2BR/2BA residence at 1251 sq. ft. was not available as one of the larger units.
- Vacancies: Based on the limited availability for a mix of studio, 1BR, and 2BR, it is estimated that there were only four available apartments out of 120 units. It is anticipated that they may have limited availability even though they opened only January 2024.
- Amenities and services: Concierge, valet, and transportation services.
- Website: https://www.belmontvillage.com/locations/coral-gables-florida/?utm_source=gmb&utm_medium=organic&utm_content=gmb-website

Metro Charlotte, NC

The Village on Morehead

The Village on Morehead – 727 E Morehead Street, Charlotte, NC 28202;
704-831-8000; villageonmorehead.com/



- Tour: Conducted by Carla Loftis, Move-In Coordinator/Sales Coordinator

- **Project Details:** This establishment is considered a Best-of-Class addition. The project comprises 178 units, owned by Bridgewood and managed by their wholly-owned affiliate, Aspenwood. This was pointed out by the marketing representative as a distinguishing feature. There are challenges in obtaining the liquor license, so for now, they are offering free beer and wine. Once the license is obtained, they will provide additional drinks.
- **Neighborhood:** The extended neighborhood to the north has grown and continues to grow with mid-rise and high-rise construction in the Dilworth neighborhood and other adjoining areas facing downtown Charlotte.
- **Building Overview:** The building is U-shaped and directly faces a multifamily complex built concurrently so as the interior of the courtyard resembles one extended space, although there is a dividing fence between the two interior courtyards for the two buildings facing each other. The multifamily complex is called Hanover Dilworth. The building opened in February but had its grand opening in September. It was hard to assess occupancy but Carla mentioned it was about half full. When touring an apartment on the 4th floor (middle of building) it was clear that the substantial majority of the balconies were empty, indicating that many units were not occupied. The first floor features half visitor parking, handicapped parking, and valet, along with half common areas including a kitchen, casual dining, private dining, and a large dining room and other common areas (sales office, back office). The second and third floors are parking decks, while the 4th floor includes an indoor pool and a larger-than-typical fitness center for IL along with other related spaces and an office for HHA which schedules appointments with residents.
- **Concierge Services:** Tim asked three different times about concierge services, but the only service provided is the delivery of packages to apartments. There is no trash valet or other optional concierge services.
- **Meals:** Meals are on points billed at \$675, although the specific details are not clearly outlined on the menu. Full meals are priced at \$20 but not clear. Full-service breakfast, including Sunday brunch, are included. No dinners are provided. Drink limits are capped at \$100 of the \$275, which cannot be increased even if residents purchase more meal credits as part of their resident care. Both the everyday menu (five appetizers, six salads, five handhelds, six dinners, and ten options for sides) and the daily special, which as of October 4th, had 3 more entre choices and several vegetarian options.
- **Activities:** The materials mentioned over 200 activities offered each month, including a handout of 11 fitness classes and another with approximately 25 special events for September. It's unclear how they reach the 200-count, possibly by counting multiple fitness classes, but not clear.
- **Floor Plans and Pricing:** There are 19 different floor plans for the 178 units:
 - One-bedroom, one-bath apartments (800 SF) range from \$5,850 to \$6,030.
 - One-bedroom, one-and-a-half-bath units are slightly higher for the same square SF
 - One-bedroom, one-bath with den units range from 1,025 SF-1,162 SF, priced from \$6,550 to \$7,125.
 - Two-bedroom, two-bath apartments range from 1,162 to 1,472 SF, with prices from \$6,850 to \$8,230.
 - Penthouse options for two and three bedrooms range from 1,600 SF- 2,176 SF, with prices from \$11,575 to \$14,000.

Apartments are very well appointed, featuring substantial marble, premium finishes, full-size washers and dryers, unusually large balconies, and nine to ten-foot ceilings.

- Membership and Fees: Membership includes lunch as part of the meal program, a chauffeured private car, over 200 monthly life enrichment programs, moderate theater, fitness, salon, and weekly housekeeping and laundry. The one-time membership fee is currently being offered at a flat rate of \$10,000, with promotional fees ranging from \$10,000 to \$25,000. Reserved garage parking is an additional \$100, with a one-time pet fee of \$750 and a second-person fee of \$1,250 per month.
- Unit Pricing Examples:
 - Two-bedroom, two-bath (1,162 SF) Providence unit with split bedroom at \$6,895.
 - One-bedroom, one-bath with den (1,159 SF) at \$6,945. (Woodlawn Deluxe unit)
 - Two-bedroom, two-bath (1,305 SF) at \$7,585. (Biltmore unit).

Metro Dallas, TX

Touchmark at Emerald Lake [IL/AL/MC]

350 S. Hardin Boulevard, McKinney, TX 75072 | 469-343-1947

www.touchmark.com/senior-living/tx/mckinney/emerald-lake/site-map



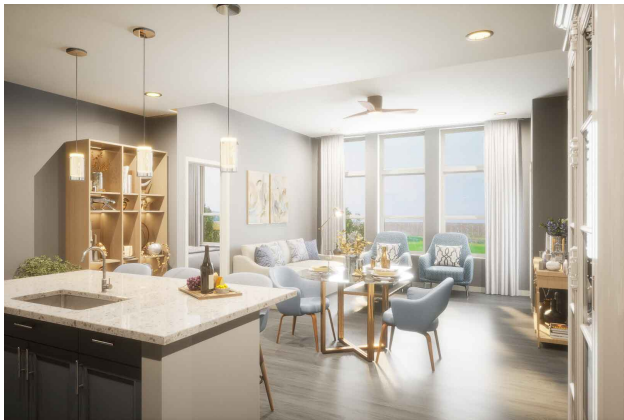
- Opened in late 2023 with mystery shopping prior to opening and in the spring of 2024.

- Unit count: 149 IL/87 AL/32 MC with two separate units and two levels of care.
- Tour was conducted by Tiffany Holly, Retirement Counselor, on June 22, 2023, who also conducted the tour in March of 2024.
- While Tiffany was assembling a package on the initial tour, the executive Director (Adam Z, who relocated from their Prescott, AZ, community) was a compelling salesperson.
- When reviewing the floor plans, discussed the IL units with an initial focus on the Lakehouse model (#110D), 1,484SF, 2BR, 2BA and a fairly large patio. The monthly rental is \$8,425 and includes weekly housekeeping and laundry, as well as \$575/month meal credit. However, the Executive Director indicated they do not have any of those units left for rentals, only on a deposit plan basis that was provided. (See PDF for detailed information.)
- TC mentioned to Tiffany early on that Uncle Jack's older brother, "Don," is in a CCRC in Orlando and also mentioned the same to the Executive Director. Compared that with the floor plan and price sheet on unit #110D. The "residency deposit" is \$758,000. The deposit plan credit rate is 6% with an annual deposit credit of \$45,480 (or \$3,790/month) that will reduce the rent to \$4,635. Second resident fee of \$875/month.
- When TC pushed back, the Executive Director indicated that Lake House plan #212D, (1,077SF, 1BR, 1BA + Den) rental unit was available for \$6,955/month. If a residency deposit was applied, it would be \$626,000 and monthly rent would be reduced to \$3,825.
- Note that when asking several individuals who know the perceptions of Frisco and McKinney, there are little, if no difference in issues for a Frisco resident to move to the western part of McKinney closer to Frisco versus having Frisco's "curb appeal."
- Discussed AL units. The Terrace, #518, is a 708SF, one bedroom, one bathroom at \$7,879/month. The Terrace, #208, is an 870SF one bedroom, one bathroom plus den at \$8,661/month. Levels of care are additional. A rate sheet was not provided though requested several times.
- A meal credit of \$575/month is included in the rent. The video presentation and menu shown had approximately twice the number of entrée options as the menu on their website. The menu on the video presentation showed entrees ranging from \$16 for a ½ rotisserie chicken and up to \$28 for other entrees. There is the expectation that menu prices would be increased post-opening. Tiffany indicated that most residents will be able to receive one or more meals per day. Seeing that most menu options were in the \$20+ range, TC indicated that the average entree was \$24 and would cost a resident \$720/month (without an occasional appetizer or dessert). Residents have the option to purchase additional meal credits.
- Dining venue options were extremely impressive (and reminiscent of a project in North Raleigh, NC):
 - Charley's, a casual bistro serving dine-in or to-go breakfast and lunch.
 - The Boathouse, a full-service bar and restaurant.
 - The Lakeside Room, a formal dining restaurant.
- On the follow-up visit, less than six months from opening, the units in the rear of the building with premium pricing as facing the lake, were fully committed or not available on a rental-only basis. They were only available based on the entry-fee program that is very atypically for a for-profit community.

The Outlook at Windhaven

4017 Preston Rd Suite 520, Plano, TX 75024 | 972-996-3887

<https://theoutlookatwindhaven.org/>



- The project was mystery-shopped approximately 15 months ago, and the tour was conducted by Charlotte Slaver, Senior Living Coordinator at Forefront Living: www.Forefrontliving.org and her phone number is 972-996-3887. The community is located at 5555 Windhaven Pkwy Plano, TX 75024.
- The project includes 90 Independent Living Units, 60 Assisted Living, and 10 Memory Care units with IL villas and SNF to follow.
- The project has 90% structured parking with parking decks under the primary building. It was difficult to get information, including details about the meal program. After several requests, a sample meal program from one of Forefront's two other communities in Metro Dallas was forwarded, with three meal choices per day. While the menu was somewhat limited and was not very substantial for daily options.
- Apartment information was also difficult to obtain without specific asks, including a list of all apartments. I received an info sheet for two units: one 1,100 SF and another 1,500 SF, with info on those units below. Important to note there were also larger units with entry fees of \$1M or more.
- These units were priced by size, type, and location: The Dove #5108, is a 2BR, 2Bath, 1,100 SF unit, with a 90% refundable entrance fee of \$619,250, as well as a monthly

service fee/rent of \$4,695 and a reservation deposit of \$61,925. The second unit, The Mockingbird #3100, is a 2BR, 2Bath, 1,500 SF unit with an entry fee of \$806,495, a monthly service fee/rent of \$5,695, and a reservation deposit of \$5,695.

- While the project was not yet built and it was not possible to see the finishes, upgrades, and amenities typical of a Best-of-Class project, the structured parking and rents clearly suggest that this is a Best-of-Class project.

Conclusion

Clearly, whether Best-of-Class or a step down from Best-of-Class projects in Senior Housing, including Independent Living, it is clear that Baby Boomers have substantially different expectations than their parents. This includes a desire for more choices including amenities, dining, and lifestyle options. SC's principal has mystery-shopped many other Best-of-Class projects, including truly Best-of-Class CCRCs that lead with their Independent Living that includes The Cardinal in North Raleigh, which recently built a 14-story additional Independent Living building adjoining the existing community that offers a myriad of upscale choices for dining and primarily structured parking.

In the North Dallas market, there was substantial density and income in Frisco and neighboring communities such as Plano, particularly Legacy Plano, and the western portion of McKinney, bordering Frisco. The Touchmark at Emerald Lake project clearly demonstrates the pent-up demand for Best-of-Class projects and the willingness of North Dallas residents to pay a premium for quality.

The Outlook at Windhaven, a Senior Housing Community in Plano, TX opened its Independent Living portion of the project approximately a year ago with Assisted Living, Memory Care, and standalone flats/apartments opening soon. The amenities are substantial in a project that is clearly Best-of-Class, with virtually 100% underground parking and entry fees that can top \$1 million or more.

As Senior Housing projects evolve to meet the needs and expectations of Baby Boomers, the investment and transactional communities, including industry appraisers, increasingly understand that market studies for Best-of-Class projects do not include typical Independent Living projects. Hence, demand studies for and appropriate conclusions on projects and offerings require an extra close look at only the Best-of-Class projects in a Primary Market Area, and to a lesser degree other projects SC will continue to update this document as additional Best-of-Class projects are mystery-shopped.

It is clear that there is not one formula for Best-of-Class. It is also true that there is plenty of room for different Best-of-Class models in a high-income, high-home-value, and high-density Primary Market Area.