



Market Snapshot

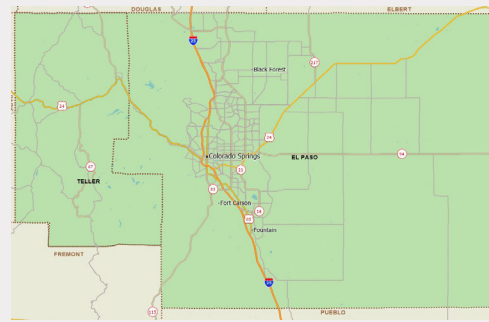
Q4 2018 | Colorado Springs, Colorado

Senior living trends can have a huge impact on your organization, especially as you plan for your future.

In this report, Plante Moran Living Forward™ offers an overview and analysis of a target market, benchmarked against comparable markets and its region.

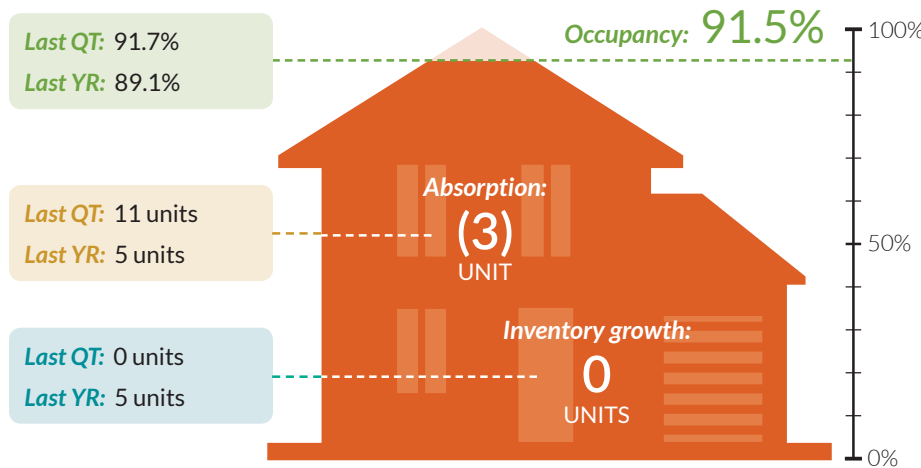
This quarter we are highlighting the **Colorado Springs Metropolitan Statistical Area (MSA)**.

The Colorado Springs MSA is made up of 2 counties surrounding the city of Colorado Springs, Colorado.



El Paso County, CO
Teller County, CO

Absorption, occupancy, & inventory growth



Independent living

Compared to last quarter, IL occupancy and inventory growth have remained nearly the same and absorption has turned negative. Occupancy is the only figure that is higher this quarter than it was this same quarter last year.

Mountain: This quarter, the Colorado Springs MSA's occupancy is higher than the Mountain region's average (87.9%). The Mountain region absorbed 274 units.

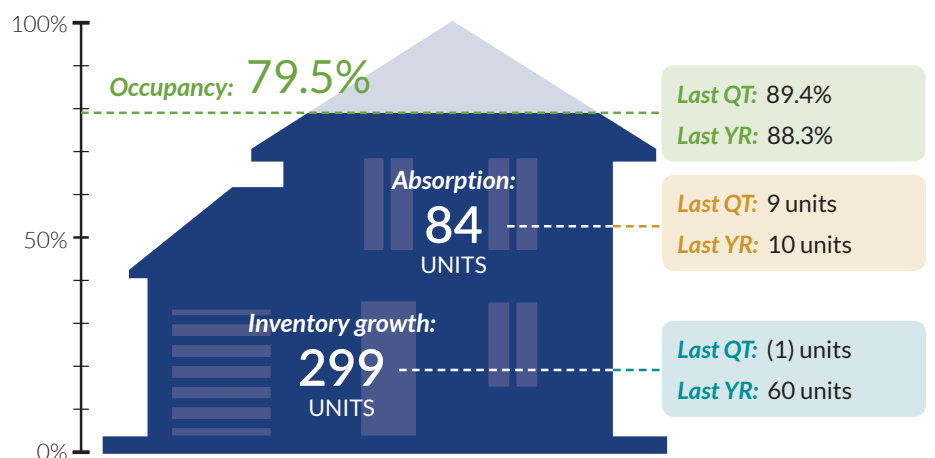
Secondary markets: This quarter, the Colorado Springs MSA has higher occupancy than the secondary markets' average (90.2%). The secondary markets absorbed 833 units.

Assisted living

AL occupancy is lower than it was last quarter and this same quarter last year. Compared to last quarter and last year, absorption and inventory growth figures are much higher.

Mountain: This quarter, the Colorado Springs MSA's occupancy is below the Mountain region's average (82.7%). The Mountain region absorbed 530 units.

Secondary markets: The Colorado Springs MSA has lower occupancy than the secondary markets' average (85.4%). The secondary markets absorbed 1,712 units.



Inventory growth | Net total number of units that came online (and offline) since last quarter. **Occupancy** | This number reflects stabilized occupancy, which accounts for occupied units at facilities ≥2 years old or, if <2 years old, at ≥95% occupancy. **Absorption** | Net total number of units that became occupied (or vacated) since last quarter.



Construction

Units under construction

	IL	AL	NC
Current quarter	128	0	23
Last quarter	128	300	23
Last year	0	300	23

The Colorado Springs MSA shows no inventory growth for IL units and growth of 299 AL units this quarter; 128 IL units are still under construction. Under construction totals for nursing care (NC) beds come in at 23 units this quarter.

AL has seen a dip in occupancy in response to a large growth in inventory, but if there is demand in the market, we should see this figure rise as the new units attempt to stabilize. IL may follow the same trend when the 128 units under construction enter the market.

For IL, the top three Mountain cities under construction are **Phoenix, AZ; Denver, CO; and Tucson, AZ.**

For AL, the top three Mountain cities under construction are **Phoenix, AZ; Denver, CO; and Boise, ID.**

Units under construction | Number of units that have broken ground, but are not online, as measured at the end of the quarter.

Top construction projects

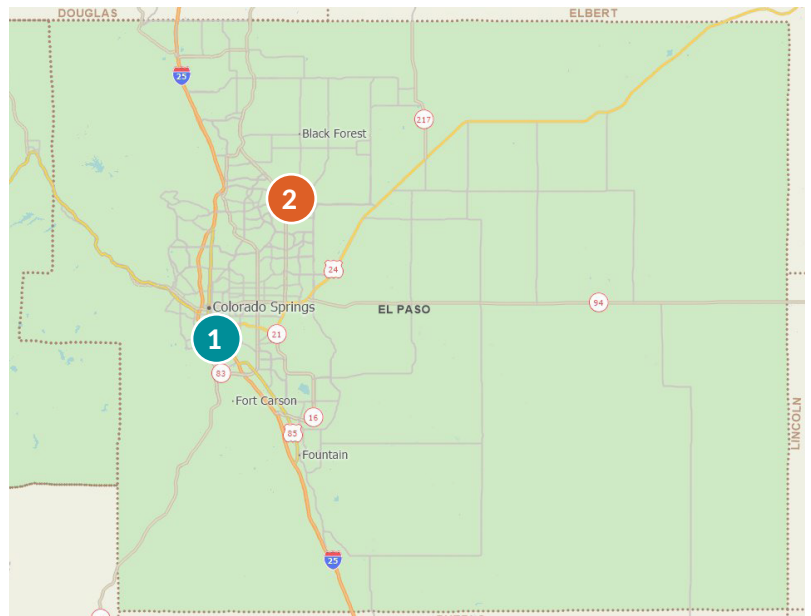
The 2 largest construction projects in the Colorado Springs MSA are:

2 Cheyenne Place Retirement
CCRC - 23 UNITS

IL	0
AL	23
NC	0

1 Aspen Trail
FREESTANDING - 128 UNITS

IL	128
AL	0
NC	0



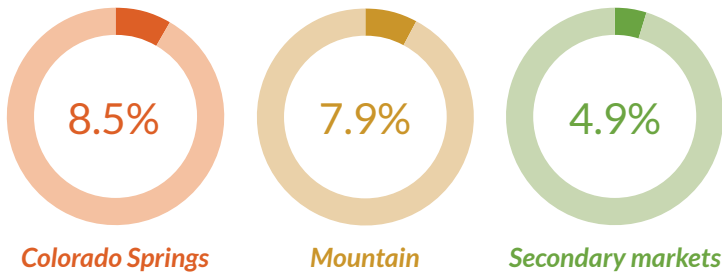


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Construction as a percent of inventory

The Colorado Springs MSA's IL construction as a percent of inventory figure is higher than the averages for the Mountain region and secondary markets this quarter. There are no AL units under construction. The Colorado Springs MSA's construction as a percent of inventory figures are significantly below that of the cities in the secondary markets with the highest figures, which rest at **17.5%** and **27.2%**, respectively.

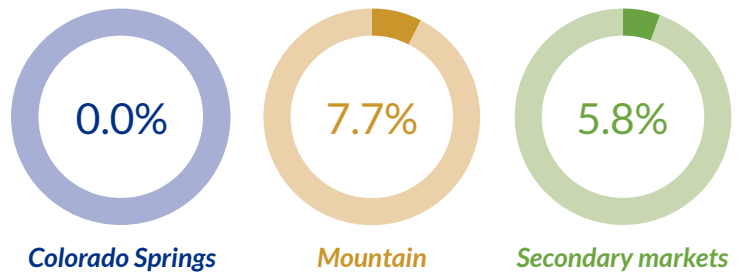
Independent living



Last QT: 8.5%
Last YR: 0.0%

HIGHEST IL:
Raleigh, NC
17.5%

Assisted living



Last QT: 19.3%
Last YR: 19.0%

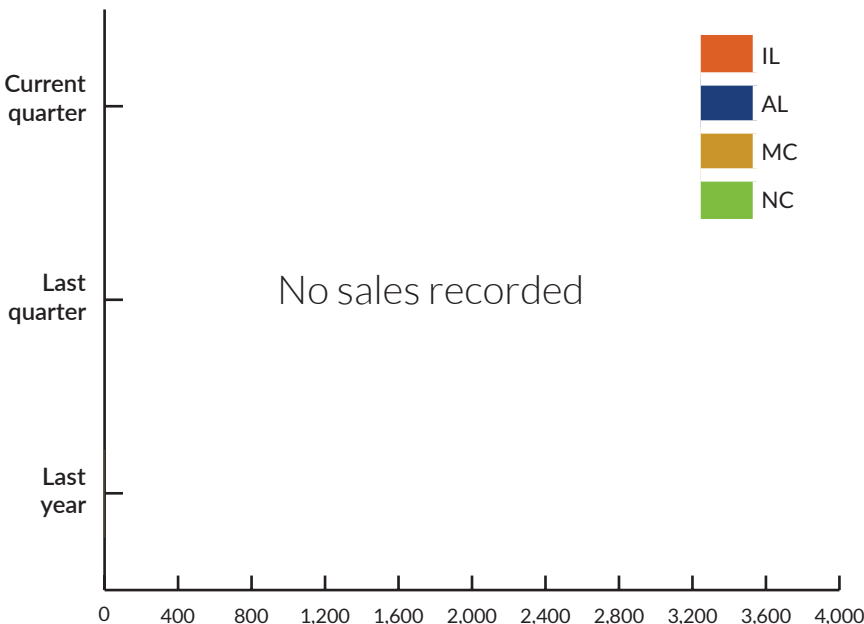
HIGHEST AL:
Fort Myers, FL
27.2%

Construction as a percent of inventory | Percentage of the total inventory of units that are still under construction.

Sales transactions

Colorado Springs MSA transactions by unit/bed type

No sales were recorded for the Colorado Springs MSA.



	TOTAL # OF UNITS SOLD	# OF TRANSACTIONS
Current quarter	0	0
Last quarter	0	0
Last year	0	0



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Labor & employment

The average hourly wage for Nursing and Residential Care Facilities in the Colorado Springs MSA is \$15.70. This is significantly below the average of the Education and Health Services industry, which was reported at \$18.58 for the Colorado Springs MSA.

Low unemployment rates combined with low wage rates in the Colorado Springs MSA's senior living sector may make it challenging to attract future employees for a new project.

Most recent data for unemployment rates:

Colorado Springs MSA:

3.8%



Colorado:

3.4%



United States:

3.7%



	Education & Health Services		Nursing & Residential Care Facilities*	
	HOURLY WAGES	YEARLY WAGES	HOURLY WAGES	YEARLY WAGES
Colorado Springs MSA	\$18.58	\$38,636.00	\$15.70	\$32,656.00
Colorado	\$23.40	\$48,672.00	\$16.38	\$34,060.00
United States	\$23.78	\$49,452.00	\$15.33	\$31,876.00

*included in Education & Health Services

About Plante Moran Living Forward™



Feasibility

Our full range of market and feasibility services gives you a clearer view of your options, and the risks vs. rewards of those options.



Site selection

Completely unbiased, independent analysis and counsel that will identify the perfect space for your senior living facility and ensure your long-term success.



Development

Decades of experience acting as owner's representatives will safeguard your projects and keep them managed efficiently and effectively.

Unbiased, value-driven senior living consulting

From concept to completion to operation, we provide strategic vision that helps you see the big picture more clearly. Learn more at pmlivingforward.com.

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