

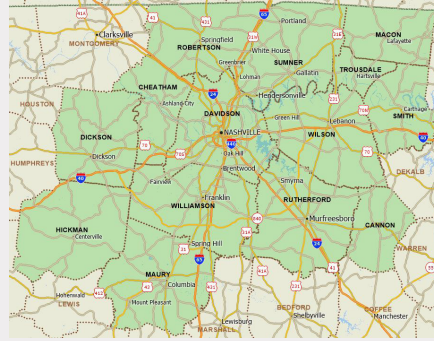
# Market Snapshot

Q4 2018 | Nashville, Tennessee

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.

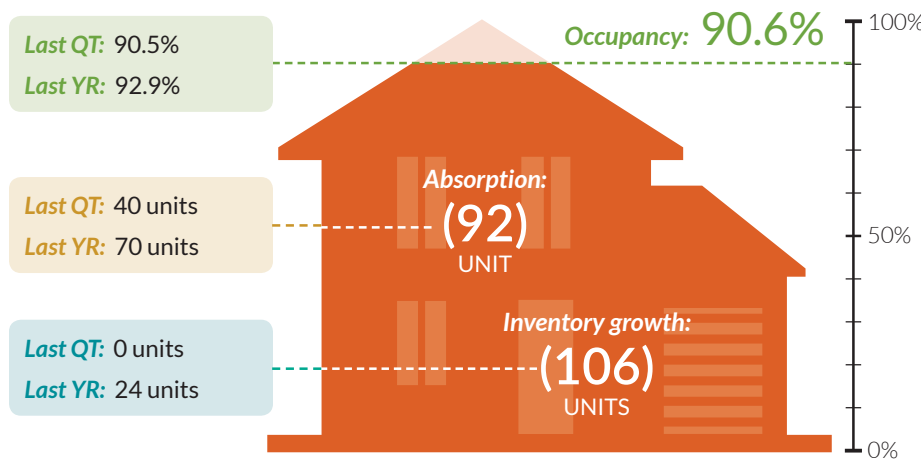
This quarter we are highlighting the **Nashville Metropolitan Statistical Area (MSA)**.



The Nashville MSA is made up of 14 counties surrounding the city of Nashville, Tennessee.

- |                     |                       |
|---------------------|-----------------------|
| Cannon County, TN   | Robertson County, TN  |
| Cheatham County, TN | Rutherford County, TN |
| Davidson County, TN | Smith County, TN      |
| Dickson County, TN  | Sumner County, TN     |
| Hickman County, TN  | Trousdale County, TN  |
| Macon County, TN    | Williamson County, TN |
| Maury County, TN    | Wilson County, TN     |

## Absorption, occupancy, & inventory growth



## Independent living

IL occupancy this quarter is about the same as last quarter, while absorption and inventory growth turned negative. All IL figures are down compared to this same quarter last year.

**Southeast:** This quarter, the Nashville MSA's IL occupancy is higher than the southeast's average (**87.7%**). The southeast region absorbed **372 units**.

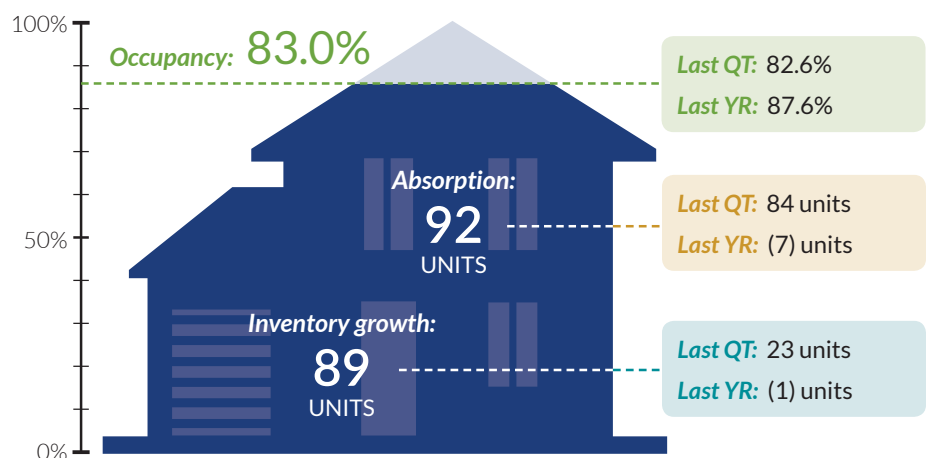
**Secondary markets:** This quarter, the Nashville MSA has higher IL occupancy than the secondary markets' average (**90.2%**). The secondary markets absorbed **833 units**.

## Assisted living

All AL figures are higher than last quarter. Compared to this same quarter last year, occupancy is lower while absorption and inventory growth figures are significantly higher.

**Southeast:** This quarter, the Nashville MSA's AL occupancy is about the same as the Southeast's average (**83.5%**). The Southeast absorbed **1,036 units**.

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





**Construction**

Units under construction

	IL	AL	NC
Current quarter	195	635	0
Last quarter	195	636	0
Last year	194	928	98

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

The Nashville MSA shows an inventory loss of 106 IL units and growth of 89 AL units this quarter; 195 IL units and 635 AL units are still under construction. No nursing care (NC) beds are under construction this quarter.

As these units are delivered into the market over the next couple of cycles, we could see a decrease in occupancy over the short term while the new units attempt to stabilize.

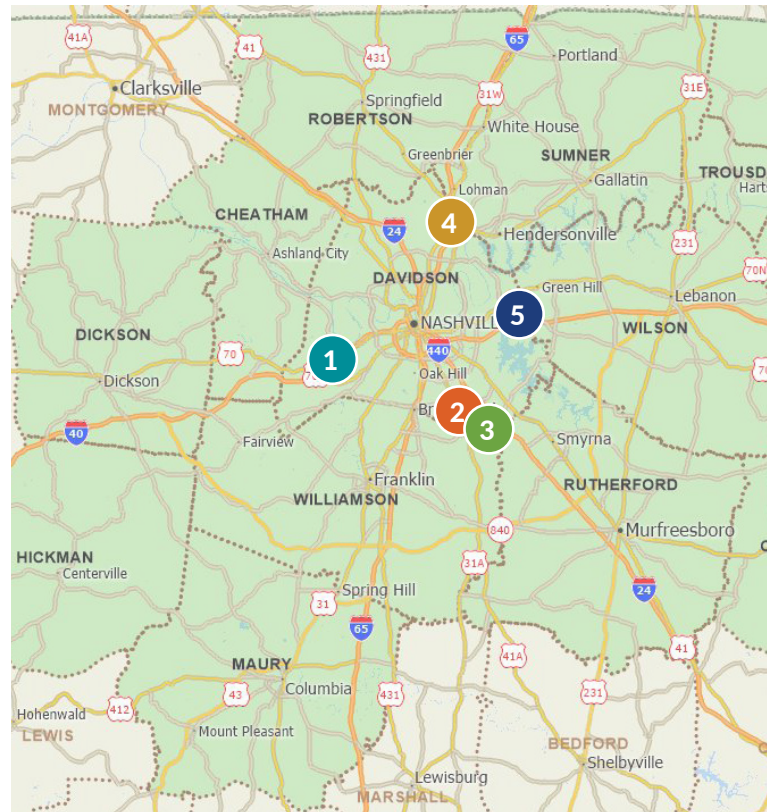
For IL, the top three Southeast cities under construction are **Atlanta, GA; Jacksonville, FL; and Memphis, TN.**

For AL, the top three Southeast cities under construction are **Atlanta, GA; Miami, FL; and Tampa, FL.**

Top construction projects

The 5 largest construction projects in the Nashville MSA are:

5	Health Center of Hermitage FREESTANDING - 90 UNITS	IL	0
		AL	90
		NC	0
4	Jubilee Hills Goodlettsville AL/IL COMBINED - 100 UNITS	IL	0
		AL	100
		NC	0
3	Traditions of Mill Creek AL/IL COMBINED - 147 UNITS	IL	60
		AL	87
		NC	0
2	Crossings at Brentwood AL/IL COMBINED - 191 UNITS	IL	84
		AL	107
		NC	0
1	Clarendale at Bellevue Place AL/IL COMBINED - 195 UNITS	IL	113
		AL	82
		NC	0

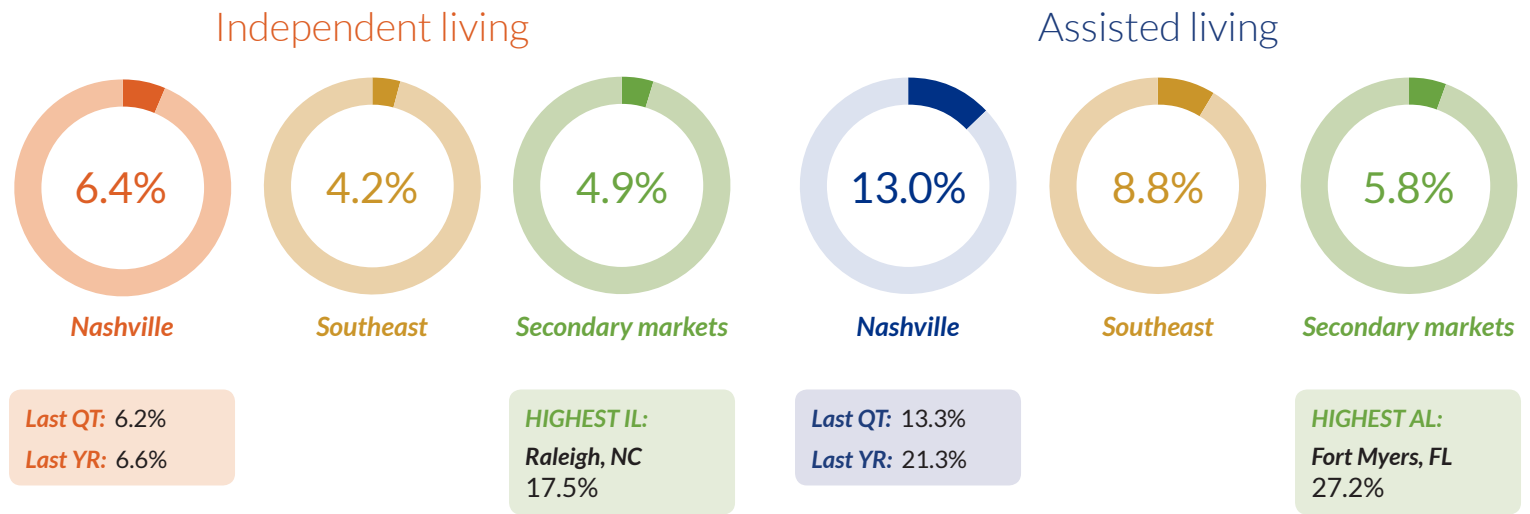




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**Construction as a percent of inventory**

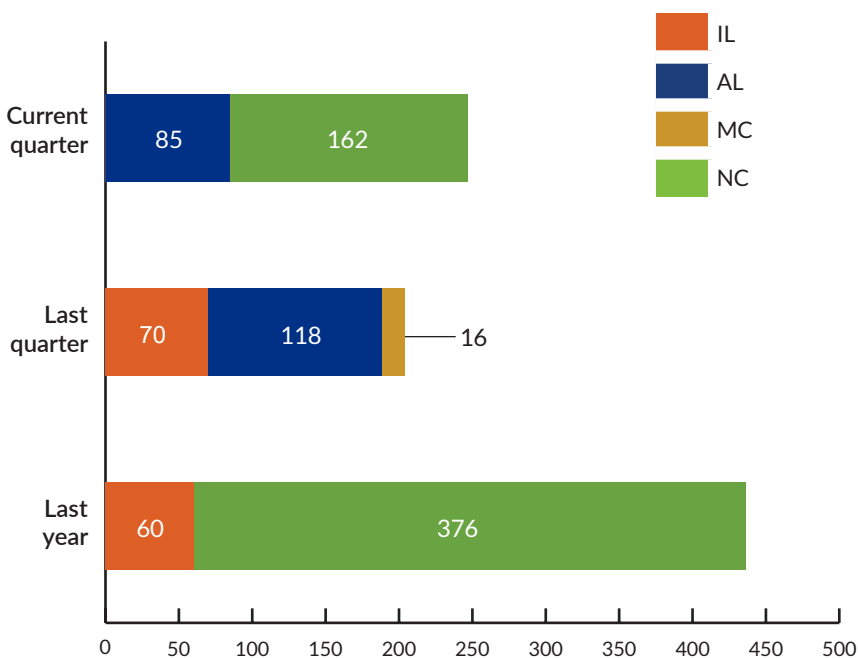
The Nashville MSA's IL and AL construction as a percent of inventory figures are higher than the averages for the Southeast and secondary markets this quarter. The Nashville MSA's construction as a percent of inventory figures are significantly below that of the cities in the secondary markets with the highest figures, which rest at **17.5%** and **27.2%**, respectively.



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

**Sales transactions**

Nashville MSA transactions by unit/bed type



This quarter's 2 transactions consisted of 85 AL units and 162 NC beds. More units were sold this quarter compared to last quarter, which sold 204 units in 2 transactions.

Fewer units were sold this quarter than the same quarter last year, whose 6 transactions accounted for 436 units.

	TOTAL # OF UNITS SOLD	# OF TRANSACTIONS
Current quarter	247	2
Last quarter	204	2
Last year	436	6



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**Labor & employment**

The average hourly wage for Nursing and Residential Care Facilities in the Nashville MSA is \$15.53. This is significantly below the average of the Education and Health Services industry, which was reported at \$19.90 for the Nashville MSA.

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

Most recent data for unemployment rates:

**Nashville MSA:**

**2.8%**



**Tennessee:**

**3.3%**



**United States:**

**3.7%**



	Education & Health Services		Nursing & Residential Care Facilities*	
	HOURLY WAGES	YEARLY WAGES	HOURLY WAGES	YEARLY WAGES
<b>Nashville MSA</b>	\$19.90	\$41,399.43	\$15.53	\$32,301.45
<b>Tennessee</b>	\$24.55	\$51,064.00	\$15.10	\$31,408.00
<b>United States</b>	\$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**

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