

*In the April issue of <Chancery Monthly>, we would like to share with you an article from Seniorhousingnews.com, which showed some interesting statistics with regard to the US seniors housing market. In 2017, Chancery and its business partner Avenir started a behavioral hospital development project in Surprise, Arizona. The project has been progressing as scheduled and we expect to complete construction by Q4 2018. In the foreseeable future, Chancery, together with its partners, expects to conduct more seniors housing development projects in the US. We hope this article would be helpful to you getting familiar with the US market.*

## Top 5 Markets for CCRC Construction

March 29, 2018 by [Mary Kate Nelson](#)

More than 33% of continuing care retirement community (CCRC) construction in the fourth quarter of 2017 took place in just five U.S. markets, according to data publicly released Thursday by the National Investment Center for Seniors Housing & Care (NIC).

Specifically, the markets with the highest number of CCRC units under construction during the quarter were:

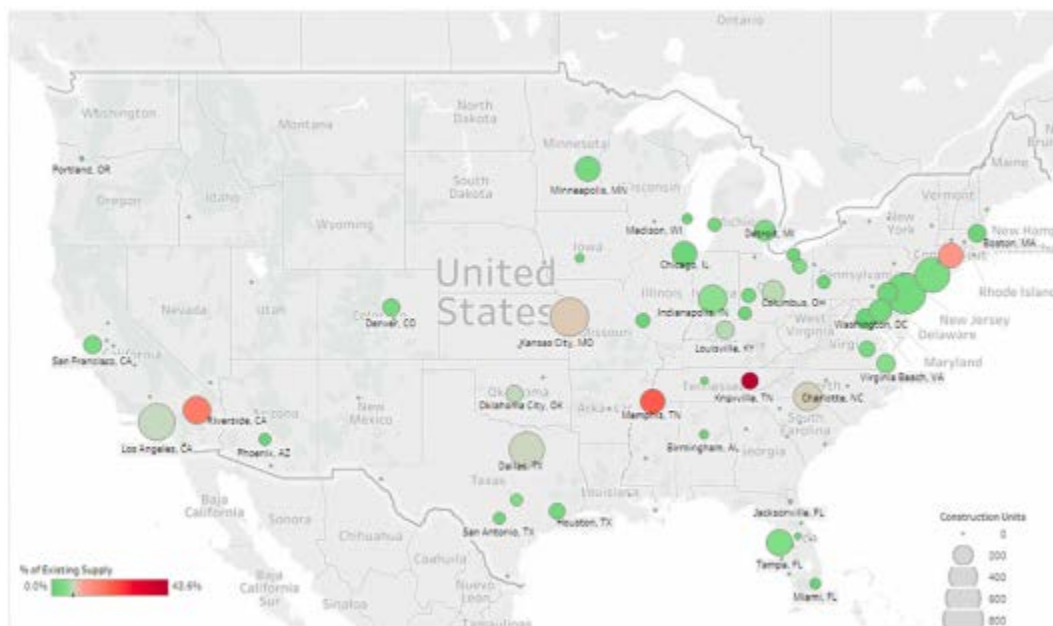
Philadelphia – 785 units

Kansas City – 706 units

Los Angeles – 633 units

Dallas – 587 units

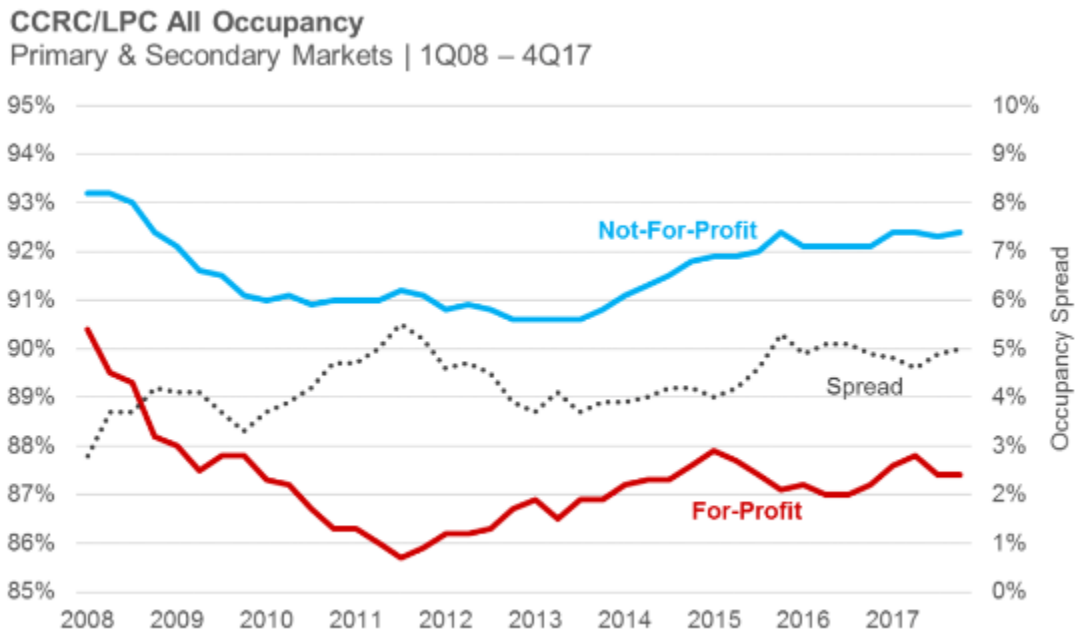
New York City – 566 units



At the same time, more than half of the primary and secondary markets covered by NIC had zero CCRC units under construction during the last three months of 2017.

Meanwhile, Knoxville, Tennessee; Memphis, Tennessee; Riverside, California; and Hartford, Connecticut reported the greatest percentage of CCRC units under construction as a share of inventory in the fourth quarter, according to NIC.

Overall, CCRC occupancy was flat in 2017. At the end of the year, occupancy stood at 91.1%, though occupancy at not-for-profit CCRCs (92.4%) beat occupancy at for-profit CCRCs (87.4%).



Not-for-profit CCRCs are expected to perform well in 2018, according to a December 2017 report from Fitch Ratings. Specifically, capital spending among not-for-profit CCRCs is predicted to remain strong due to high demand for units, the need to update antiquated health centers, and the expansion into or reconfiguration of assisted living and memory care programs.

Entrance-fee CCRCs also enjoyed higher occupancies, on average, than their rental counterparts in the fourth quarter of 2017. Entrance fee CCRC occupancy stood at 92%, while rental CCRC occupancy clocked in at 89.4%.