



NIC MAP

Senior Housing Market Outlook

A multi-decade capital
deployment opportunity

REPORT

SECOND EDITION

Roadmap for Discussion

01 Surging Fundamentals

Surging Fundamentals:

The steepest 80+ growth on record is arriving in a market that is filling rapidly. Occupancy and absorption sit at the top of their historical range, new construction has slowed under the same economics that slowed development across real estate, and operating results show demand converting into durable cash flow.

02 Investment Activity

Investment Activity:

Capital has taken notice. Public equities repriced the sector while interest rates stayed high, transaction volume set a record in 2025, and senior housing leads the major property types on institutional return benchmarks.

03 Bright Prospects

Bright Prospects:

The long-run story is growth. Income-qualified households are expanding faster than the senior population overall, demand runs ahead of inventory for the foreseeable future, and the capital required to build for it is one of the largest deployment opportunities in commercial real estate.

Executive Summary

01

The demand curve is fixed, and it is steepening.

The U.S. 80+ population is entering its steepest stretch of growth on record, on a timetable set by census counts rather than economic assumptions. That growth sits beneath every occupancy, absorption, and unit-requirement figure that follows. Boards and investment committees should plan for growing demand, because shifts in timing move inventory, staffing, and capital requirements in large steps.

03

Capital markets and households point the same direction.

Public equities repriced the sector as policy rates stabilized, transaction volume reached a record in 2025, and NCREIF data show senior housing leading the major property types on total return, with income and appreciation both contributing. On the household side, independent measures of income, wealth, and qualified-household growth line up with operator revenue and mix durability.

02

Operating performance is already delivering.

Occupancy is pressing past prior highs across NIC MAP's survey history, and net absorption has set records on both quarterly and annual views. Stabilized and median occupancy confirm the strength is broad-based, and operators have converted sustained occupancy gains into strong operational performance

04

The next decade's work is building capacity at scale.

Meeting the demographic curve at today's occupancy requires annual deliveries well above anything the industry has produced, and each slow year adds to the build-out ahead. Translated into dollars at credible per-door costs, that construction is a generational opportunity for developers, lenders, and institutional capital — and the surest sign of a sector with decades of growth in front of it.

01

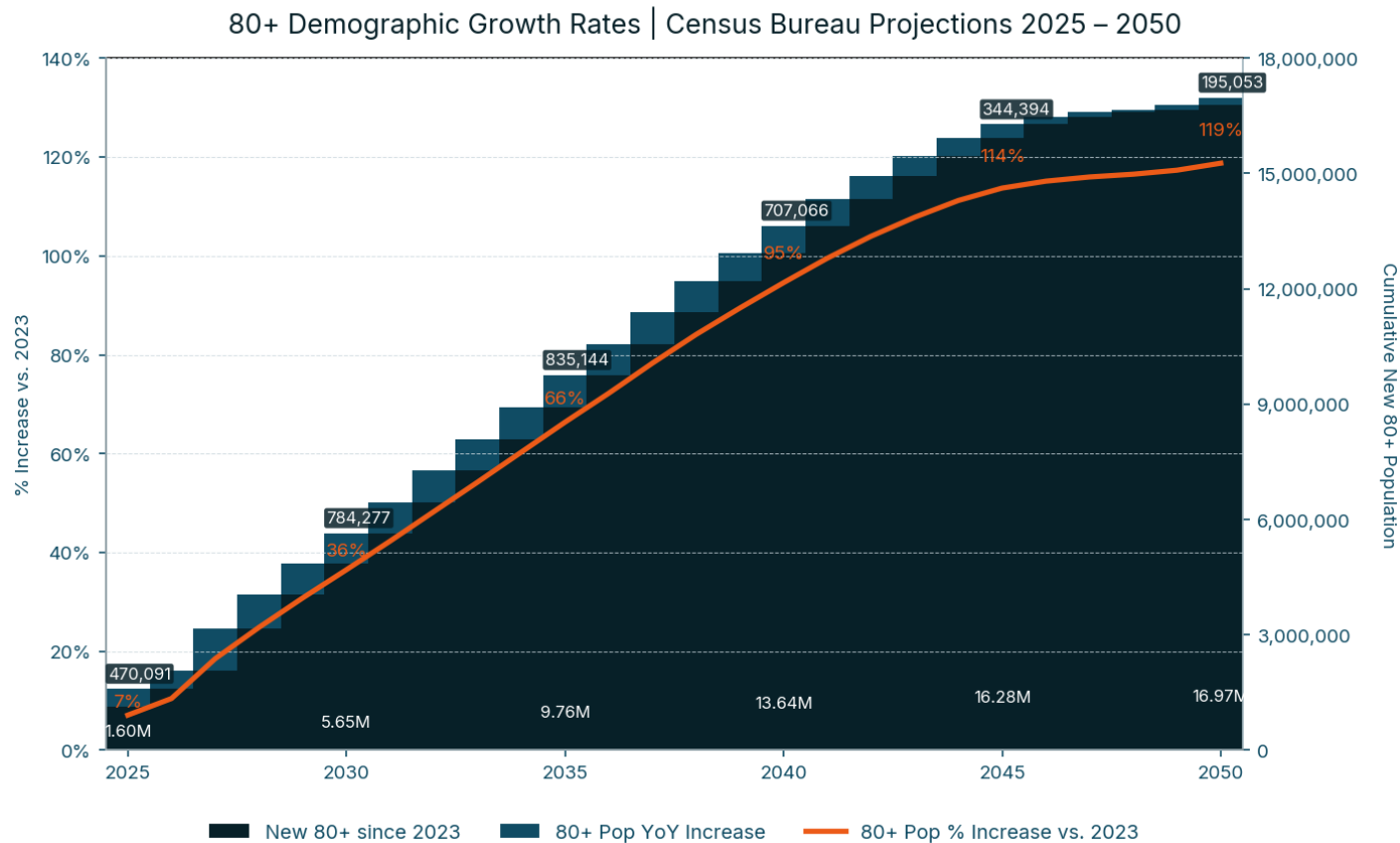
ROADMAP FOR DISCUSSION

Surging Fundamentals

The demand wave has arrived: occupancy and absorption sit at the top of their historical range, and construction has slowed for the same reasons development slowed everywhere.

The Steepest 80+ Growth in U.S. History Is Now Underway

The 80+ population grows by a third by 2030 and nearly doubles by 2040



Source: U.S. Census Bureau

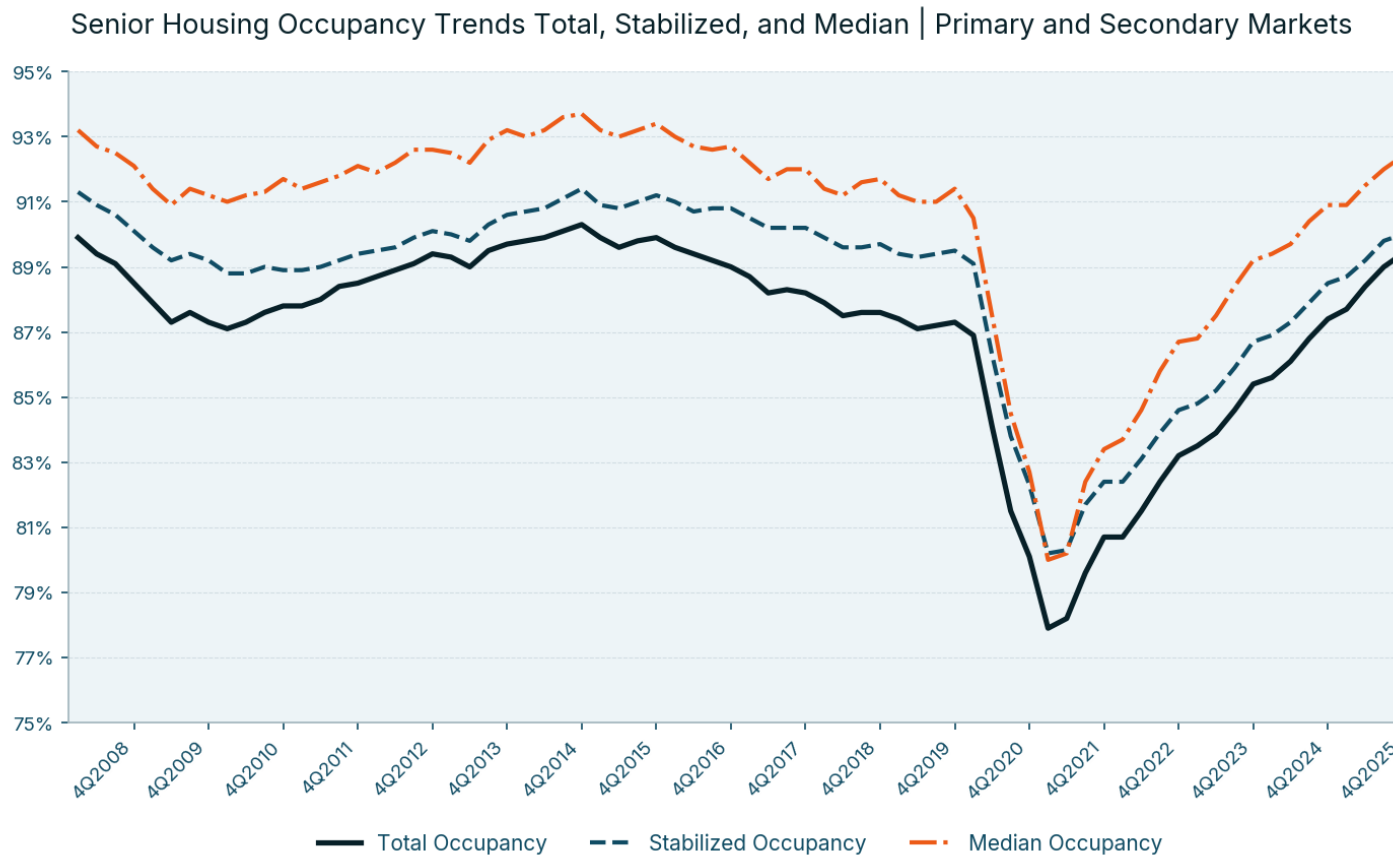
The first Baby Boomers turned 80 in 2026, marking the start of the steepest stretch of 80+ population growth on record. Census projections show the cohort expanding by one-third by 2030, two-thirds by 2035, and nearly doubling by 2040 — an incremental 5 million people over 80 within five years, and 13 million within fifteen.

What distinguishes this projection from most long-range forecasts is its certainty. The inputs are census counts of today's 65- and 70-year-olds, not assumptions about the economy. Timing and slope are largely fixed.

That certainty has direct planning consequences. Each year of accelerating 80+ growth brings more move-ins, more staffed units, and more care capacity simply to maintain today's service levels — before any increase in the share of seniors who choose senior housing. Underwriting and capital planning should stress-test toward faster aging, not slower. Health systems, payers, and local communities are planning around the same curve, which broadens the demand for senior housing capacity well beyond the industry itself.

Occupancy Is Rising by Every Measure

Median occupancy is approaching 93% across Primary and Secondary Markets



Source: NIC MAP®

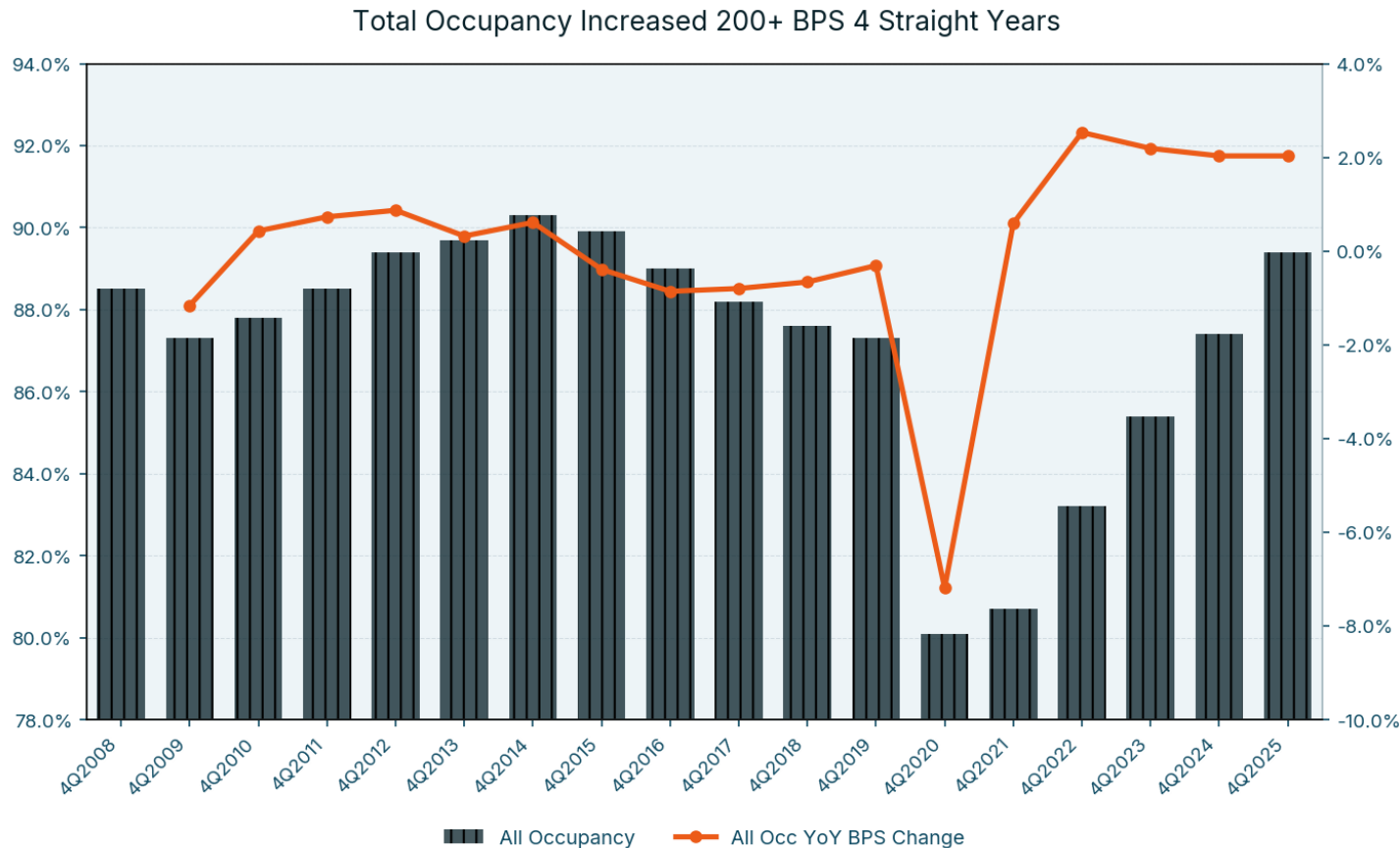
Senior housing occupancy is climbing on all three of the measures NIC MAP tracks. Stabilized occupancy has passed 90%, median occupancy is near 93%, and total occupancy — which includes properties still in lease-up — is on pace to cross 90% by the end of 2026.

Agreement across the three series matters because a single average can be flattered by a handful of strong markets. When total, stabilized, and median occupancy rise together, the strength is broad-based. The gap between the median and the total carries its own information: the typical community runs fuller than the industry average suggests, because lease-ups and a tail of lagging properties pull the total down.

Broad strength is not uniform strength. Softer pockets remain, and lease-up opportunity remains with them. With existing communities filling, each year of demand growth depends more on reinvestment and new development.

Four Straight Years of 200+ Basis-Point Occupancy Gains

No other major property type has compounded gains like this over the same window



Source: NIC MAP®

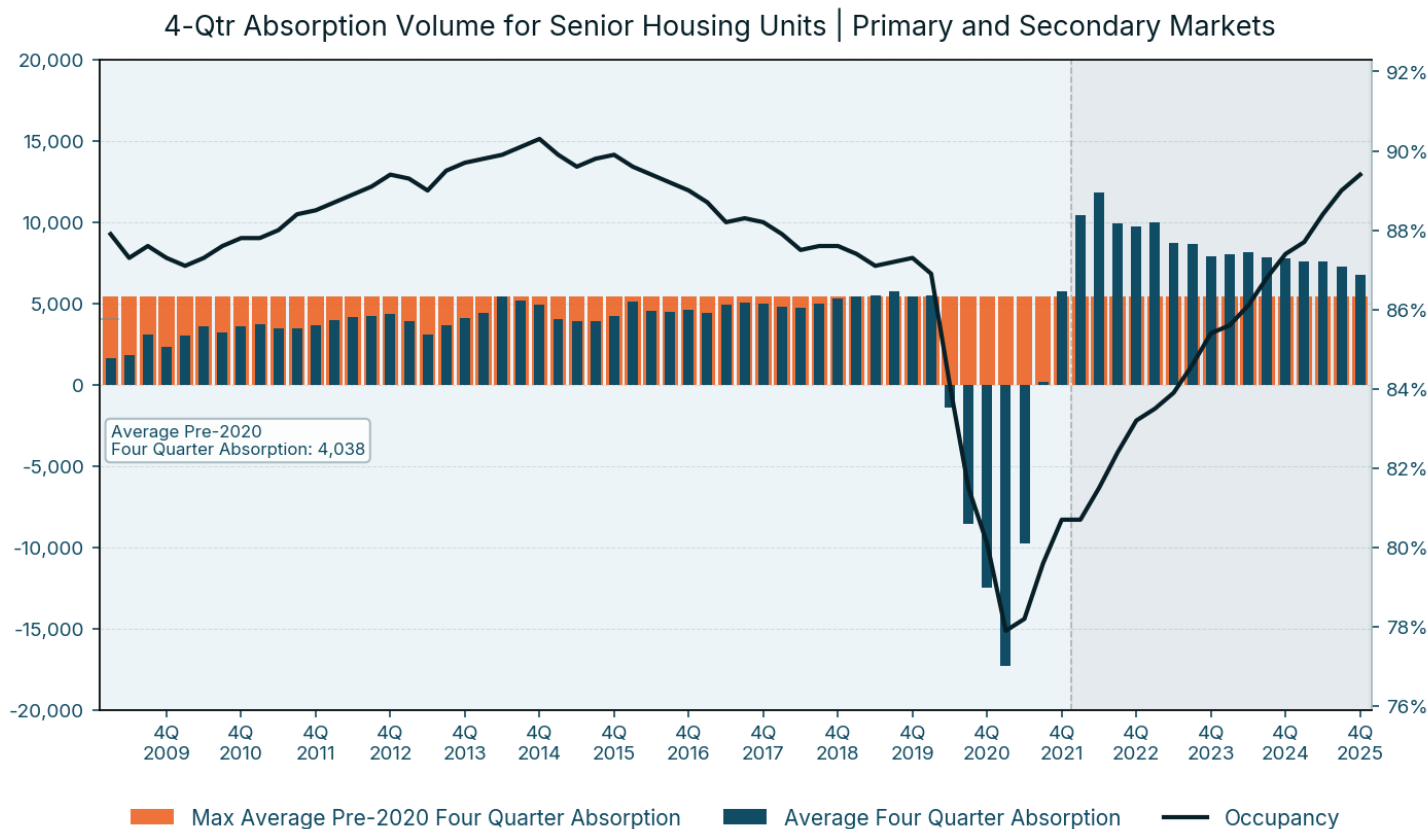


Before the pandemic, total occupancy drifted lower each year as that development cycle ran ahead of demand. The 2020 shock then dropped occupancy sharply. Since the recovery began, industry-wide occupancy has risen more than 200 basis points in each of four consecutive years.

The streak stands out beyond senior housing's own history. Across commercial real estate, no other major property type posted utilization gains of this size year after year over the same period. The result is a durable step-up: households moved into inventory at a historic pace, and occupancy now sits above its pre-pandemic baseline.

Every Quarter Since 2022 Has Beaten the Pre-2020 Absorption Record

Net move-ins have run above the prior peak for four straight years



Source: NIC MAP®



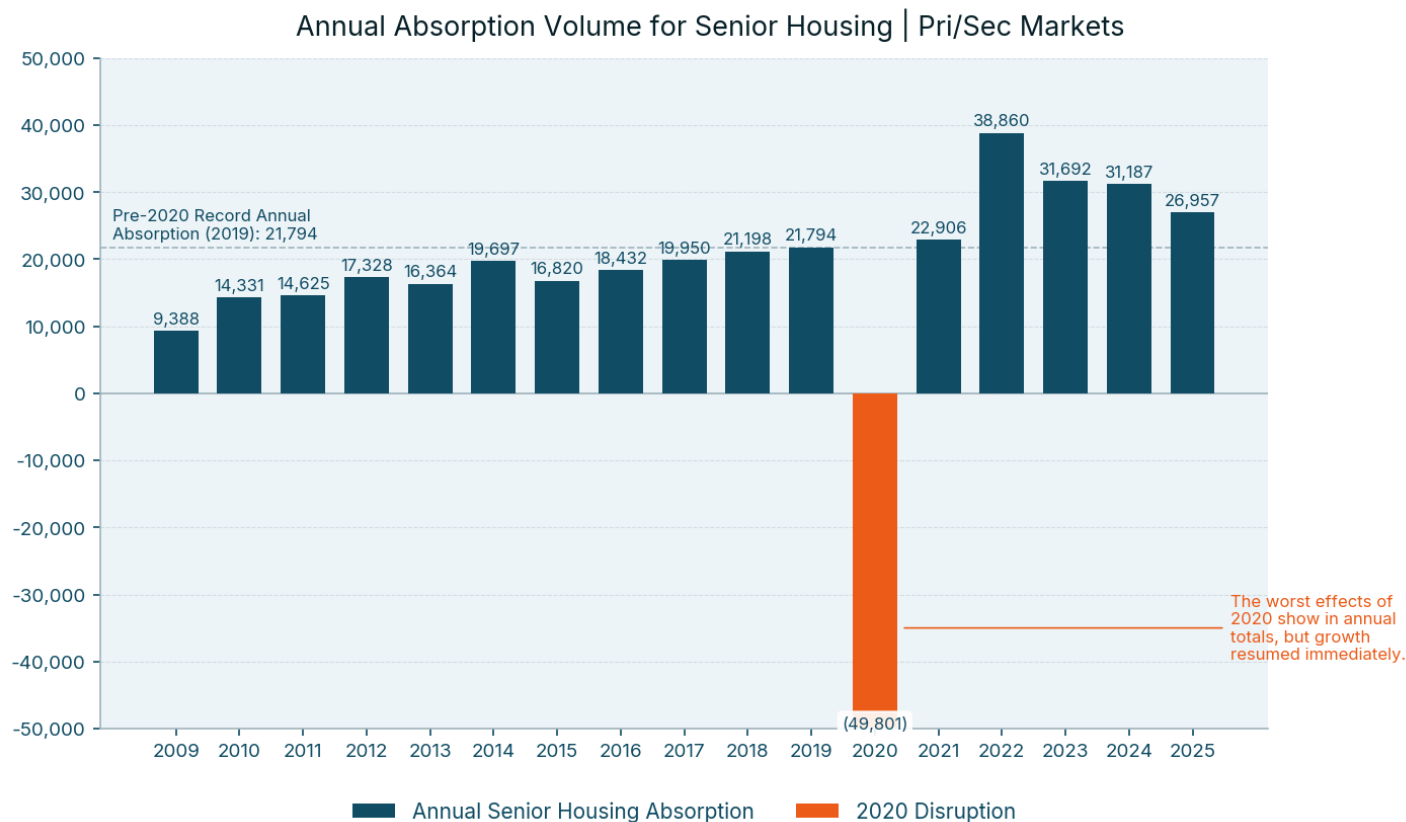
Before 2020, four-quarter net absorption across NIC MAP Primary and Secondary Markets averaged about 4,000 units. Since 2022, every quarter has run above the maximum recorded in the pre-2020 period.

Absorption is the harder of the two demand measures. It counts move-ins that actually happened, at industry scale, rather than describing favorable demographics on paper. A sustained run at these levels indicates that demographic growth is converting to new senior housing move ins.

For owners and lenders, repeated strong absorption is what supports revenue durability, cash flow, and better refinancing conditions. It is also the clearest evidence that the demographic story is converting into households served.

Annual Absorption Is Running 50% Above the Pre-2020 Record

32,000 units a year since 2022, against a prior record under 22,000



Source: NIC MAP®

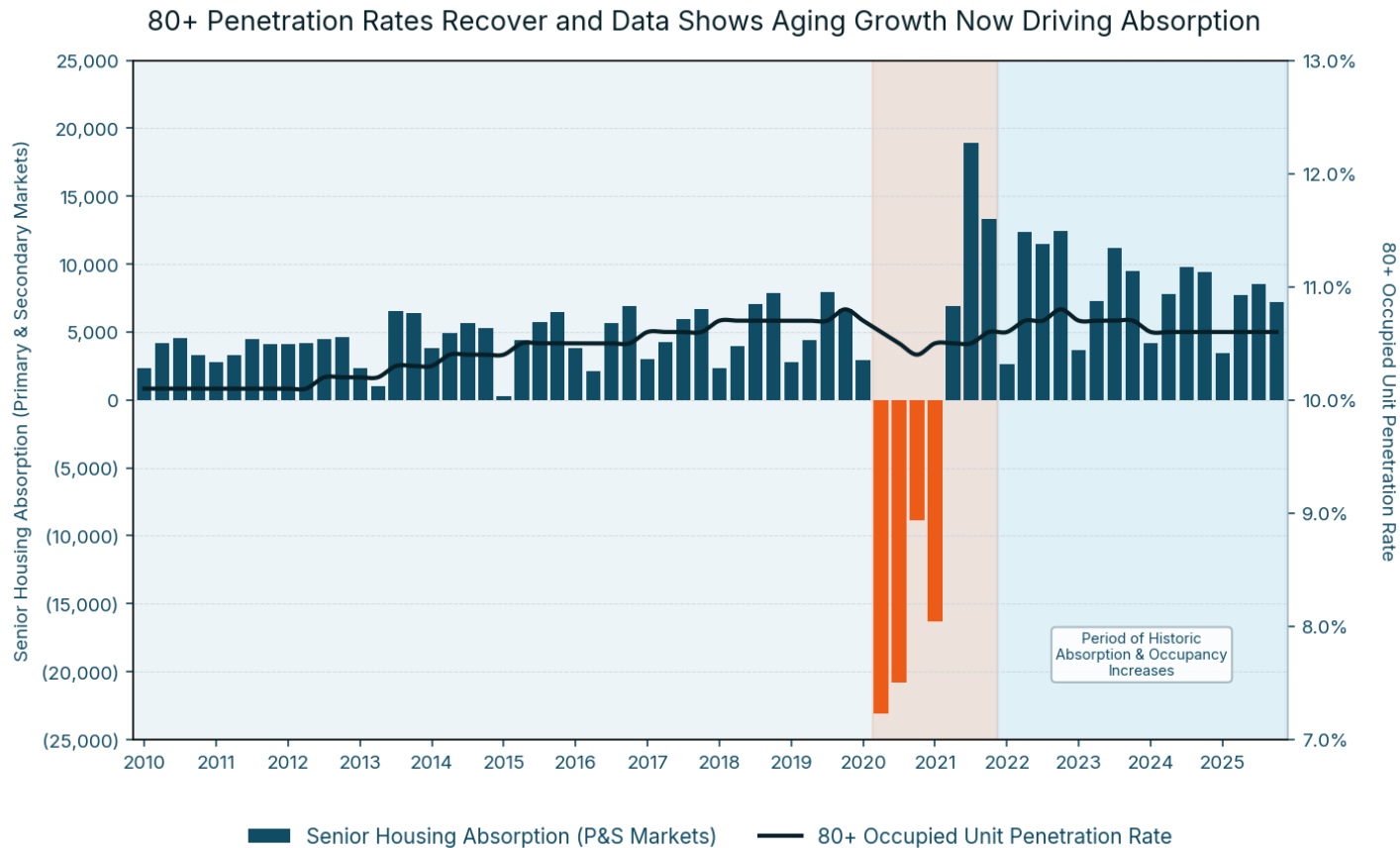
Across NIC MAP Primary and Secondary Markets, the pre-2020 record for annual absorption was under 22,000 units. The last four years have averaged 32,000 units per year, and the last five years together are the strongest five-year stretch in the seventeen years of the data. As a share of inventory, absorption is running at 3% to 3.5% a year, a new benchmark for consumer demand.

A single strong quarter can reflect timing. Four consecutive record years cannot. Annual totals are also the unit in which institutions plan — cash flow models, refinancing windows, portfolio strategy, and sustained capital expenditure all assume demand has duration, and four record years supply the evidence.

That persistence matters beyond the balance sheet. Demand this durable is structural, and it strengthens the case for land positions and development partnerships that can deliver as conditions allow.

Stable Penetration on a Fast-Growing Base

A steady share of a growing 80+ population means more seniors served every year



Source: NIC MAP®

The 80+ penetration rate rose steadily before the pandemic, fell sharply in 2020, and recovered past pre-2020 levels by 2023. It has since held between 10.6% and 10.8% for four years — a stretch in which 80+ population growth accelerated while inventory growth slowed.

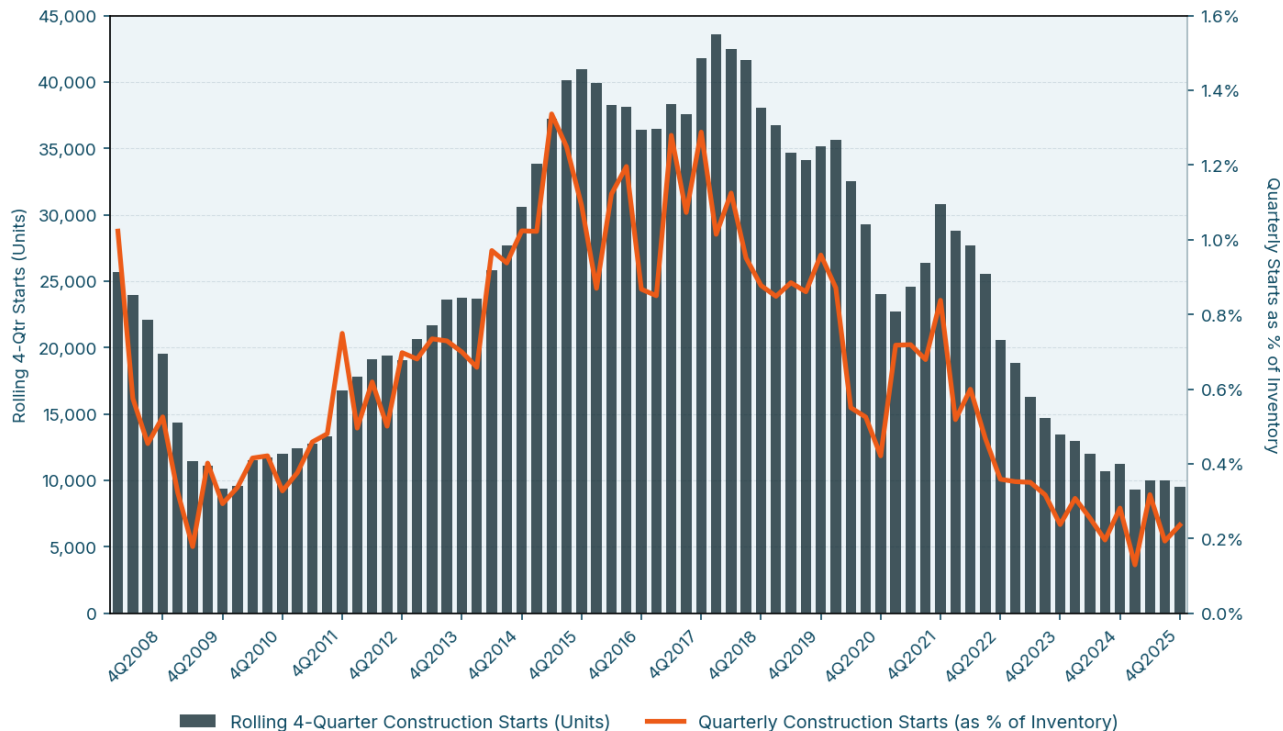
Penetration and absorption answer different questions. Penetration measures senior housing's place among the housing choices of older Americans; absorption measures how quickly the industry adds occupied units. A flat rate on a fast-growing base still compounds: the industry is serving more households every year at the same share of the population.

The upside runs one way. If penetration merely holds, occupied units grow with the 80+ curve; every point of adoption above that adds demand for new communities. Either path supports development — the difference is how much.

Construction Has Slowed in Senior Housing as It Has Across Real Estate

Development economics stopped penciling economy-wide, and senior housing was no exception

Construction Starts Remain Near Historic Lows



Source: NIC MAP®

67% Decrease

In senior housing construction starts since 2021

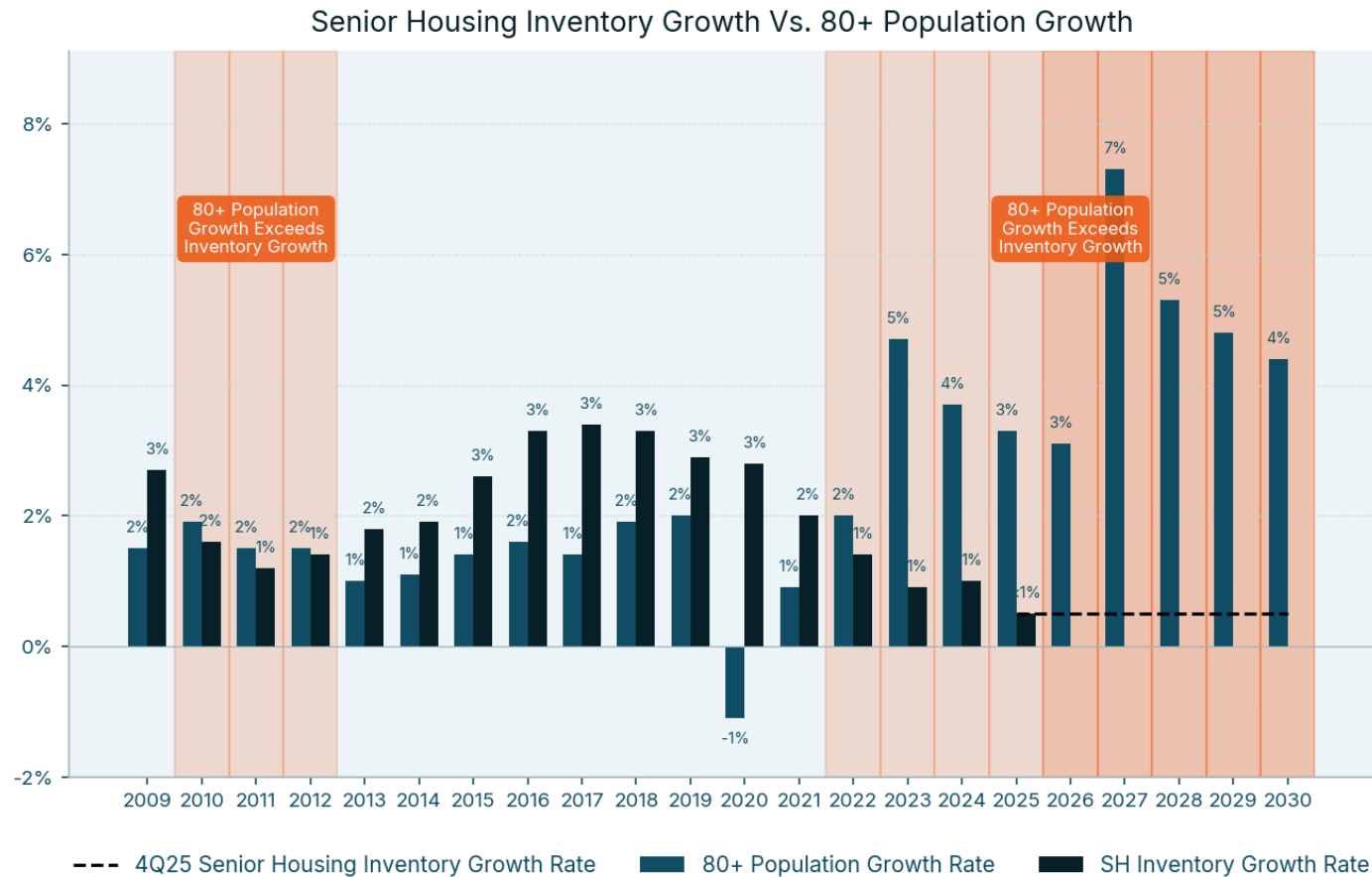
Senior housing construction starts within Primary and Secondary markets have declined every year since 2021, when more than 30,000 units broke ground. 2025 closed near 10,000 units started, a 67% decrease and a level last seen after the GFC.

The slowdown is not specific to senior housing. Multifamily starts fell roughly 35% from their 2022 peak — 547,000 units then, 355,000 in 2024 — and spending on new nonresidential buildings was nearly flat in 2025. The causes are the same across property types: elevated interest rates, construction costs that repriced sharply after 2020, and persistent labor constraints. Senior housing carries one additional factor — operating margins remain below their pre-2020 levels, so projects that penciled in 2019 often do not pencil today.

Starts are a leading indicator with a lag. A project typically takes about two years from start to opening, so today's thin pipeline is already set through 2027. As development economics normalize — margins recovering, costs stabilizing — the pipeline can rebuild, and the demand evidence on the surrounding pages is the reason to expect it will.

The 80+ Population is Now Growing Faster Than Inventory

The lines crossed in 2022, and the gap widens through the decade



Source: NIC MAP®

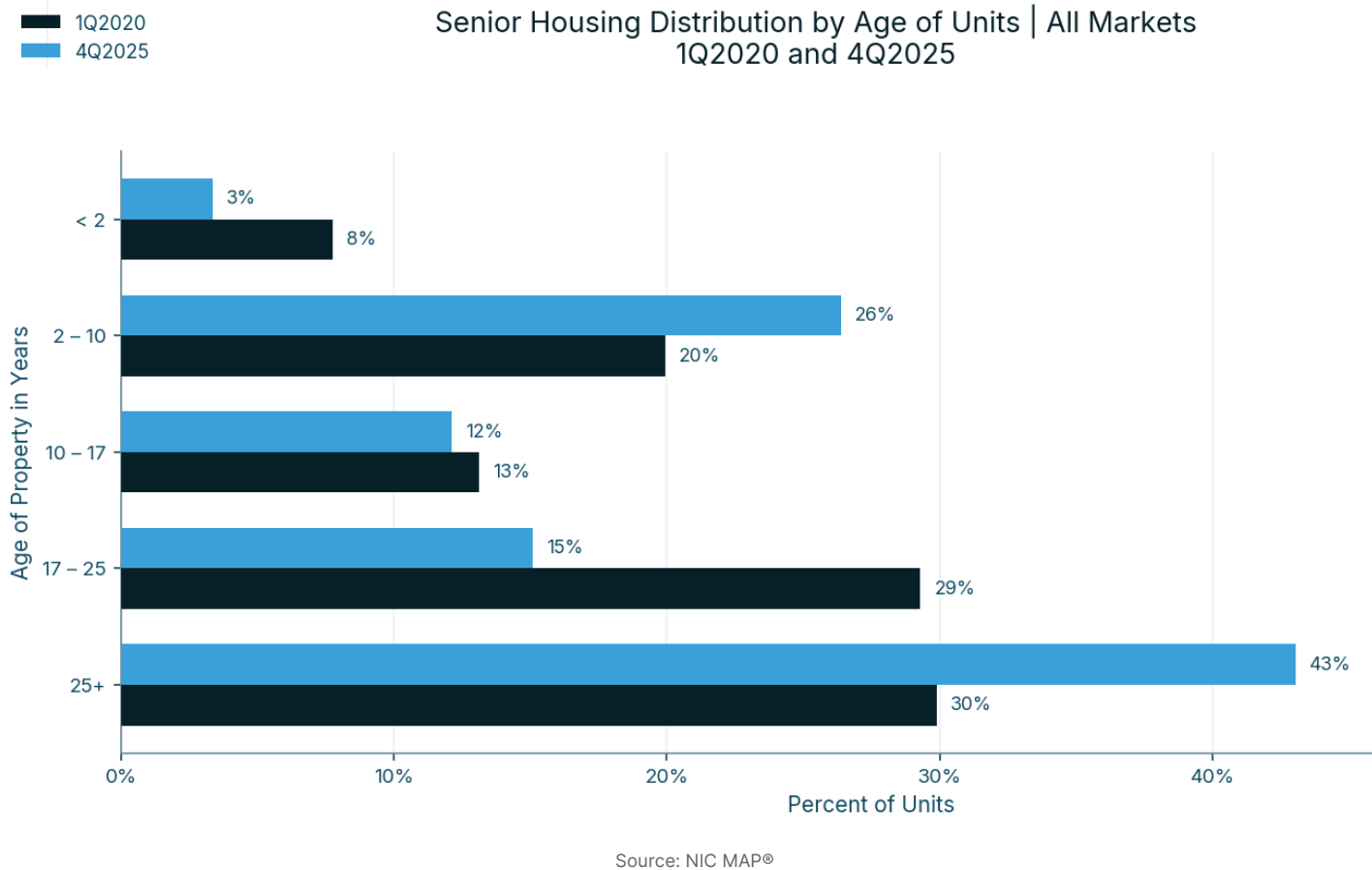
Through most of the 2010s, inventory grew faster than the 80+ population, and occupancy drifted slowly down. In 2022 the lines crossed. The 80+ population now grows faster than inventory, and with starts at their lows, the chart shows the gap widening through the rest of the decade — population growth approaching 7% a year against inventory growth near 1%.

The gap compounds. Each year the two growth rates stay separated, the difference between people and units accumulates, and the eventual build-out gets larger. For capital, that shifts underwriting emphasis away from the old fear of lease-up in a crowded market and toward delivery certainty, timelines, and operator quality.

The same arithmetic is why demand strength can persist for years: the base widens annually, and each year's construction adds capacity into a larger market than the year before.

An Aging Stock Is a Reinvestment Opportunity

Properties less than two years old have fallen to 3% of the stock, from 8% in 2020



More than two out of every five senior housing units are more than 25 years old, while communities open less than two years have fallen from 8% of the stock in 2020 to 3% today. Past development waves and a historically slow construction period have aged the inventory from both directions.

A mature stock concentrates reinvestment demand. Older campuses carry deferred systems work, reconfiguration needs, and layouts designed for consumer preferences of a bygone era. Renovated, well-capitalized assets pull ahead of under-invested stock, and the difference shapes consumer choice.

The comparison that matters at move-in is a modern residential baseline. After two decades of upgraded apartments and renovated homes, expectations for privacy, daylight, in-unit bathrooms, and technology have moved. For owners, that gap is addressable: reinvestment and repositioning earn their place alongside new development as ways to grow capacity that meets today's expectations.

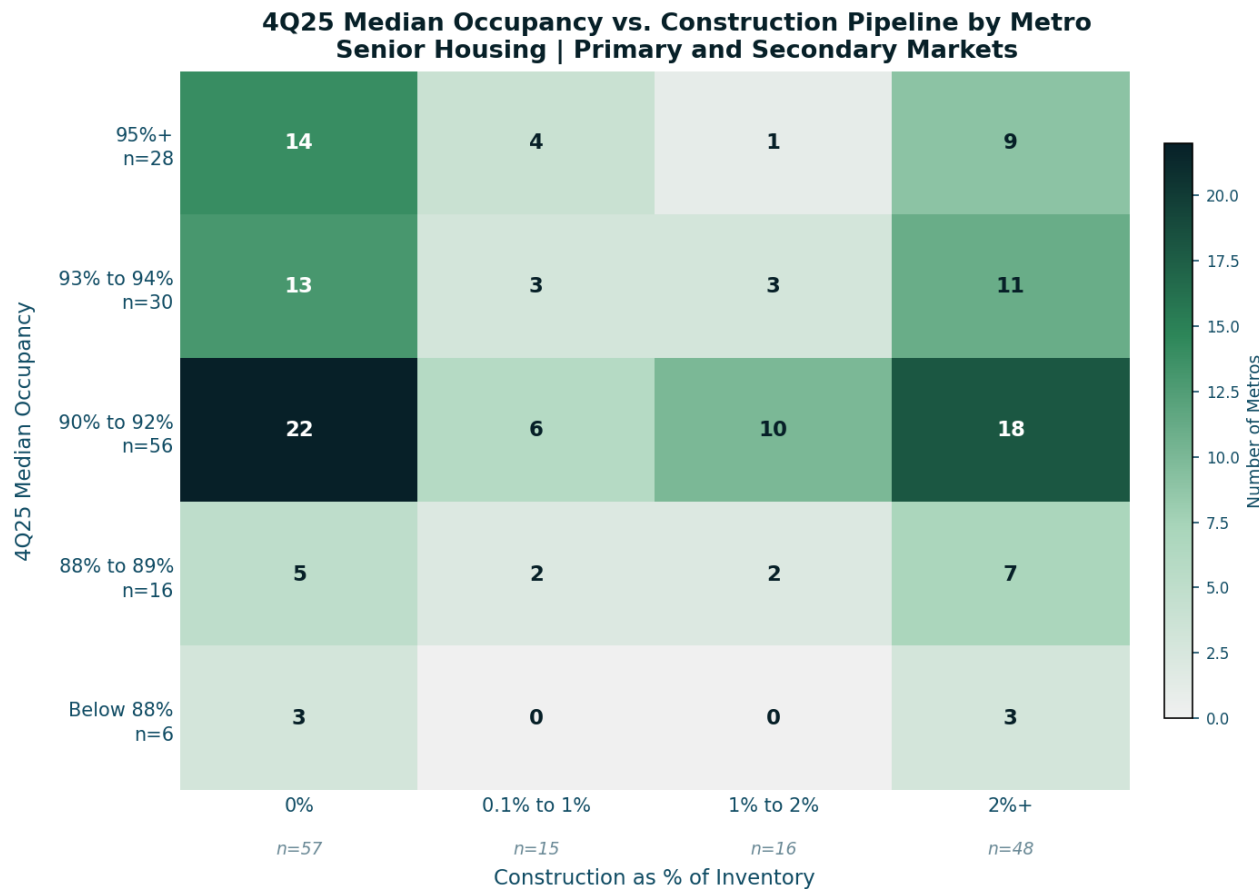
Conditions Vary Widely Across the Top 99 Metros

Occupancy, pipelines, and competitive set all differ market by market

Across NIC MAP Primary and Secondary Markets — the top 99 nationwide — metro conditions span the full range. Twenty-eight metros have median occupancy of 95% or higher, half of them with no construction in the ground, while other markets are still absorbing visible pipelines. Even where construction reaches 2% of inventory, outside the largest 10 to 20 markets that often means one or two active projects.

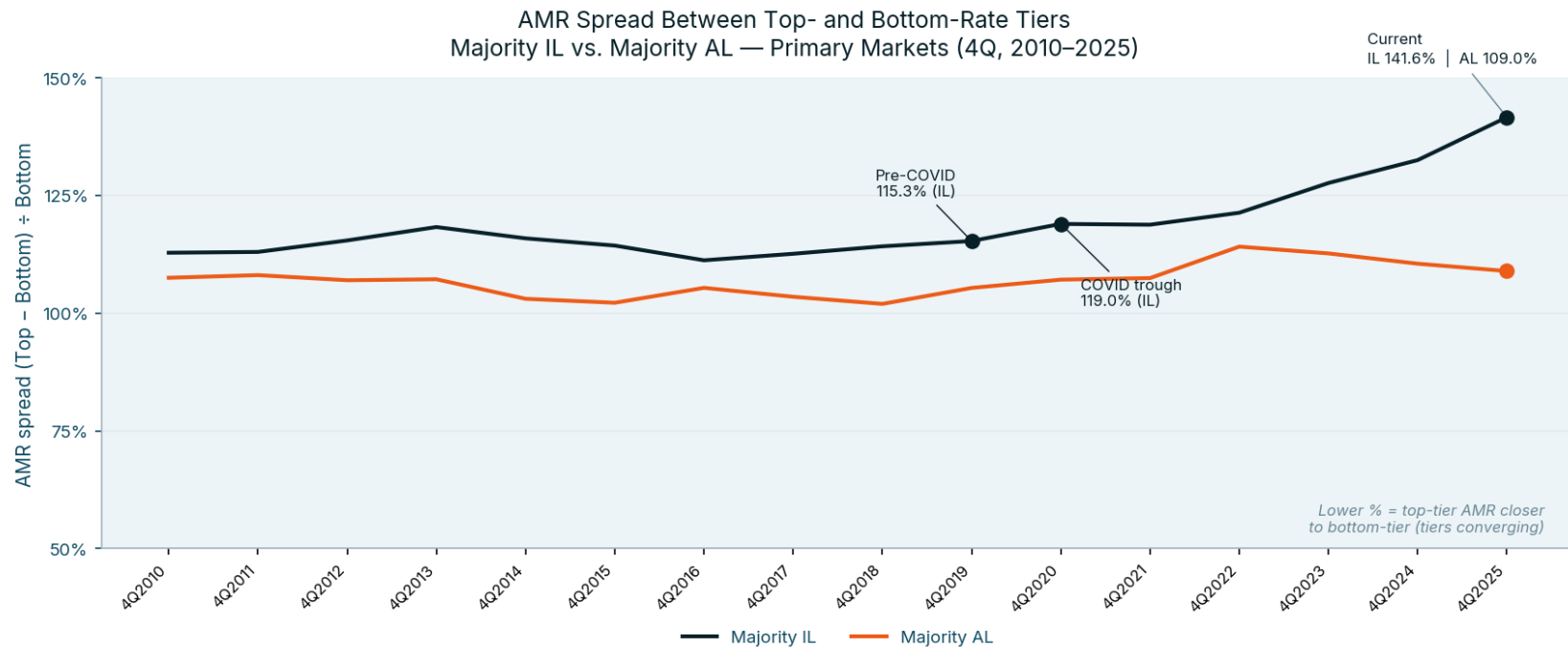
That is the texture of a highly fragmented industry: more than a thousand operators own and run communities market by market, so supply, demand, and capacity balance locally rather than nationally. The competitive set changes with the map — the operators a community competes with in one metro are largely a different group in the next — so the operating environment itself varies from market to market.

The metro view is where decisions get made. It frames where reinvestment earns the most, where a modest pipeline is enough to test lease-up, and where development and local partnerships with health systems and municipalities have the clearest runway.



Source: NIC MAP®

Rate Dispersion Is Widening Across the Quality Spectrum



Source: NIC MAP®. Primary Markets — Majority IL & Majority AL. 4Q each year, 2010–2025. AMR spread: (Top tier - Bottom tier) ÷ Bottom tier, %.

The chart measures the AMR spread between the highest- and lowest-rate tiers in NIC MAP Primary Markets, taken each fourth quarter for majority IL and majority AL. A higher percentage means more distance across the rate ladder. By 4Q2025, the IL spread had widened to near 141.6%, while AL held near 109%, close to where it sat for most of the period.

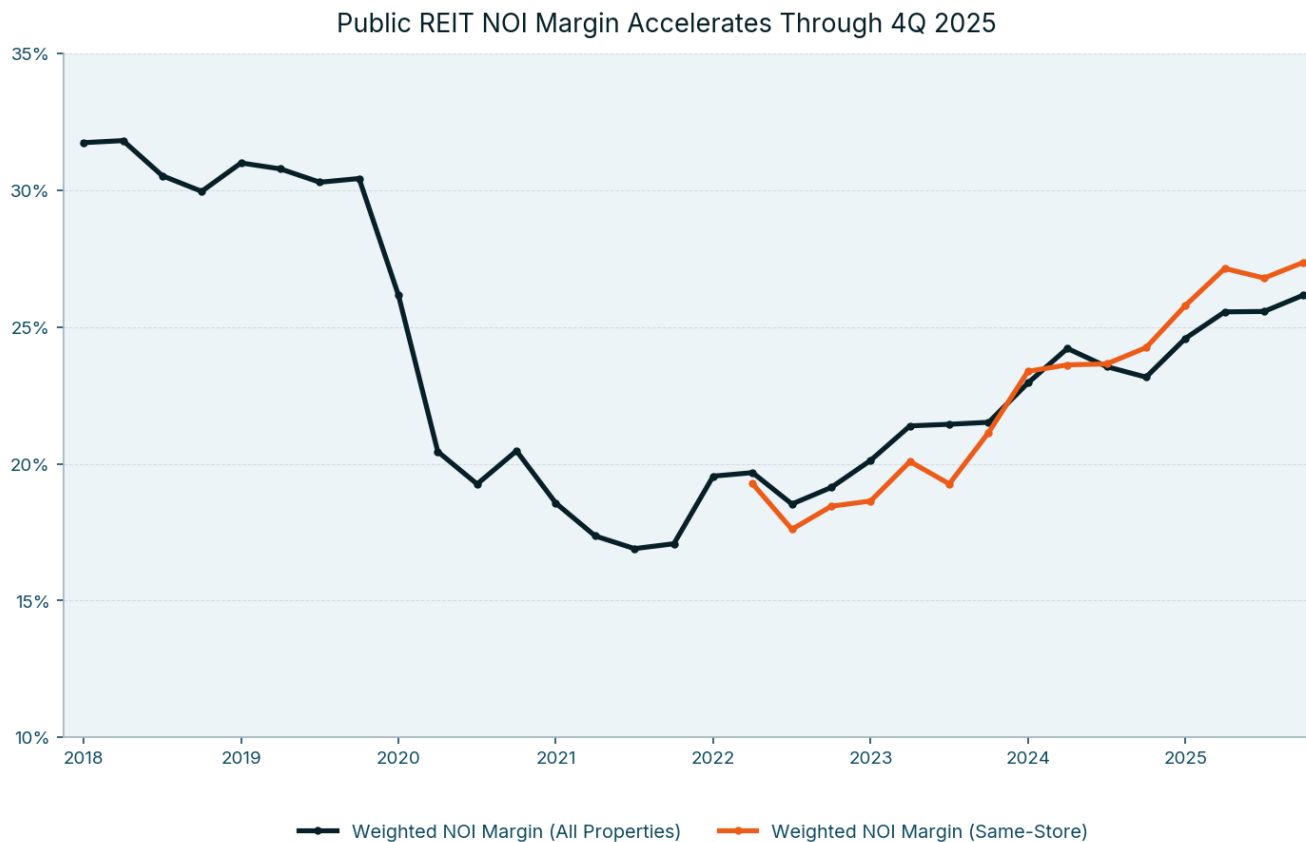
Movement like this is what a highly fragmented, competitive market produces: with more than a thousand operators and none holding more than a low-single-

digit share of national inventory, each band finds its own level at its own pace. The tiers are statistical groupings of thousands of independently operated communities, re-sorted every quarter — not fixed sets of properties or companies — and the variation within each tier is as wide as the variation across them.

For capital and product strategy, the widened IL spread shows quality investment earning a premium over commodity product, and it marks where repositioning, value-add, and mid-market product can aim.

The Margin Recovery Is Occupancy-Led — and Still Below Pre-2020

NOI margin is the cash-flow measure allocators watch after occupancy improves



Source: Collected by NIC MAP® | Public REIT quarterly supplemental disclosures
Participating REITs: WELL (Welltower), VTR (Ventas), DOC (Healthpeak), SBRA (Sabra), AHR (American Healthcare), DHC, NHI

Public REITs ran above 30% NOI margin on their Senior Housing Operating Portfolios before 2020. At the 2021 trough, that margin had nearly been cut in half. The climb back has been consistent, and the weighted margin exceeded 26% by the end of 2025 — still below the 30%-plus level that prevailed before 2020.

The recovery is overwhelmingly an occupancy story. The inflation shock of 2022-2023 occurred while the industry's occupancy was deflated from COVID and properties were unable to increase prices in line with exploding expenses, further suppressing margins. In the time since, the cost environment stabilized as occupancy has grown, repairing margins from the census up. Occupancy describes how full the sector is, and NOI margin describes whether that utilization becomes profit after payroll, food, utilities, insurance, and the rest of the cost stack. **Even after four years of repair, margins remain below pre-2020 levels:** a return toward, not past, the prior baseline.

Margins below the prior norm also explain the thin construction pipeline. Development gets underwritten against operating economics, and until margins finish recovering, many projects that pencil on demographics still do not pencil on returns.

02

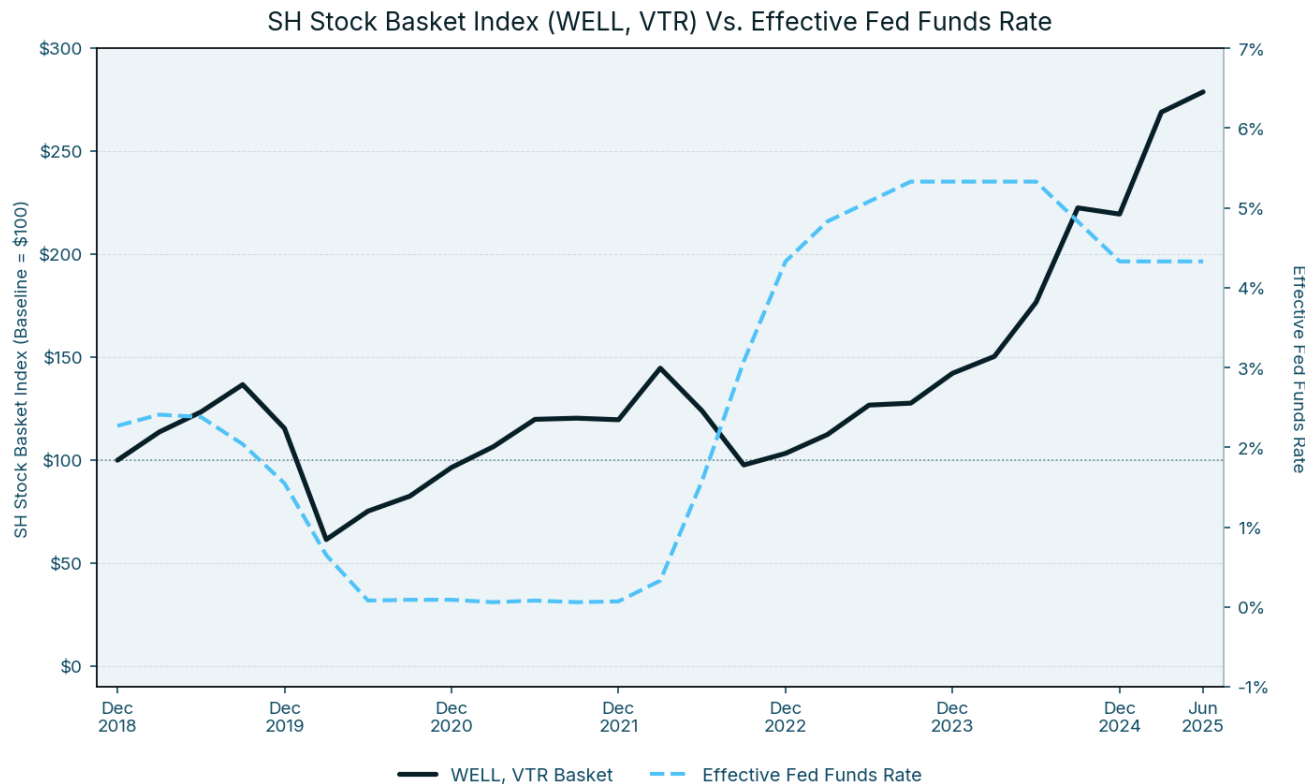
ROADMAP FOR DISCUSSION

Investment Activity

Public markets, transaction volume, and institutional benchmarks point the same direction: capital has validated the operating story.

Public Markets Repriced Senior Housing While Interest Rates Stayed High

The WELL–VTR basket rose sharply from late 2023 into 2025, with policy rates well above the pandemic floor



Source: NYSE (WELL, VTR) and the Federal Reserve Bank of New York (EFFR).

5%+ Interest Rates

Yet senior housing REIT valuations continue to rise

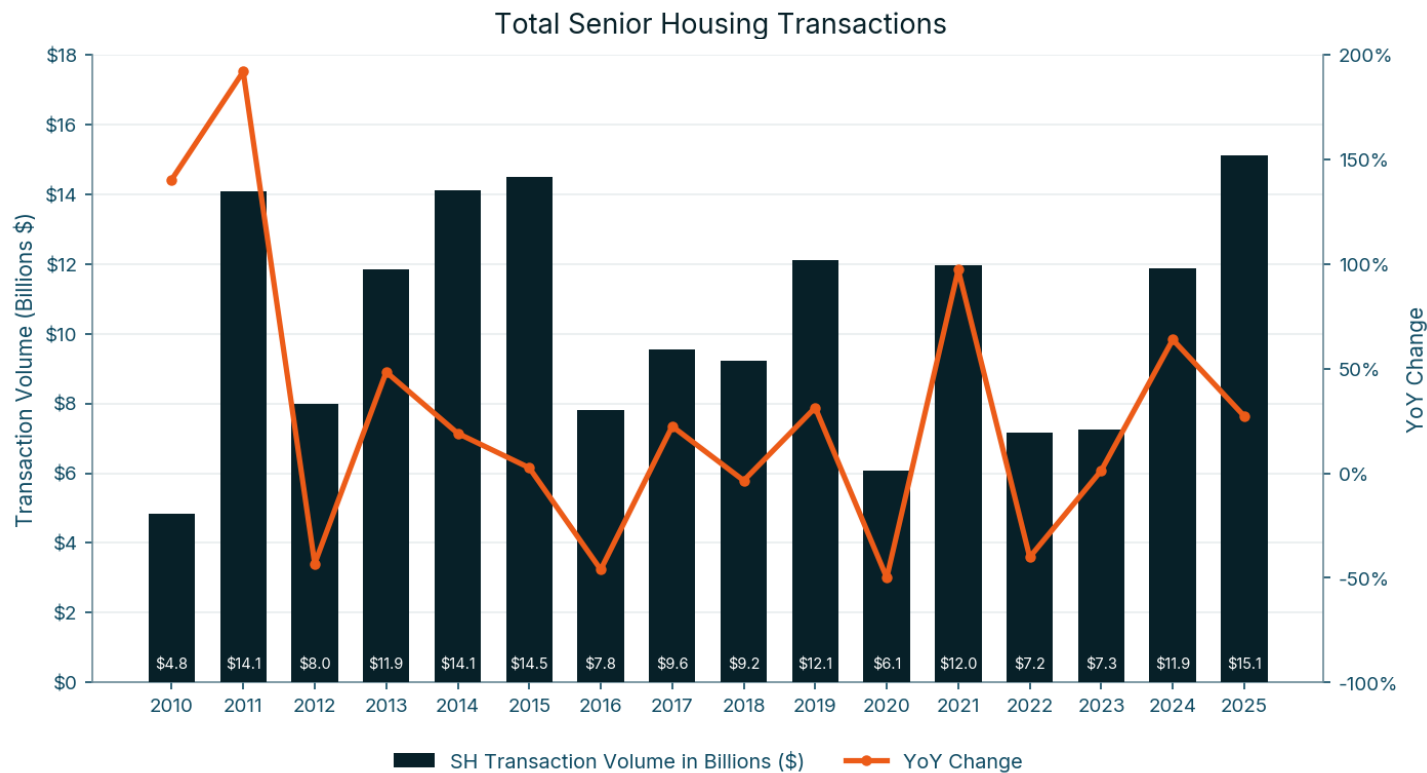
The Welltower–Ventas stock basket fell at the onset of the pandemic as the Fed slashed rates, climbed while money stayed cheap, then dropped again when the Fed raised rates sharply in 2022–2023. From late 2023 into 2025, the basket rose sharply while short-term policy rates peaked around 5% and remained above 4%.

Investors are paying more for senior housing REITs even though money is not cheap. That is a re-rating on operating fundamentals (occupancy and absorption) and on interest-rate expectations — the market putting more weight on sector performance than on the cost of borrowing.

Public repricing tends to lead the slower-moving private market, shaping how sponsors and boards frame entry pricing and hurdle rates before private marks catch up. Read alongside the margin repair, the move is the equity market's vote that tight utilization and the operating recovery are showing up in reported earnings.

Transaction Volume Topped \$15 Billion in 2025, an Industry High

2025 alone exceeded 2022 and 2023 combined — and property counts set records too



Source: NIC MAP®

Senior housing transaction dollars exceeded \$15 billion in 2025, an industry high, after substantial increases in each of the past two years. The 2025 total alone exceeded 2022 and 2023 combined. The number of properties sold also reached record highs — buyers and sellers agreeing on terms across the market, not only in a handful of large deals.

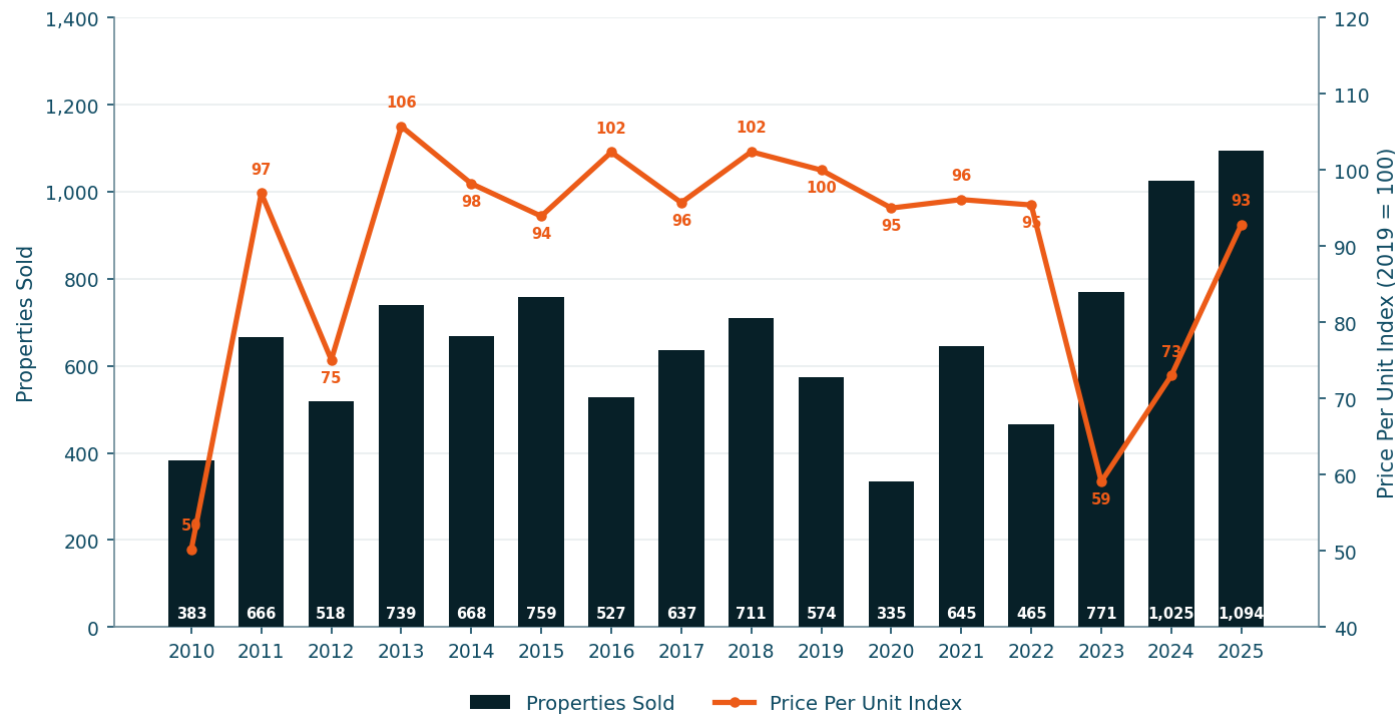
Volume at this level does practical work. It narrows the bid-ask spread, sharpens price discovery, and gives lenders and investment committees confidence that senior housing can be underwritten and transacted at scale. Even at record volume, ownership remains widely dispersed: the largest owner owns only a single-digit share of national inventory, so transaction activity is moving assets across a highly fragmented industry.

Liquidity of this depth also lowers the cost of moving capital into the sector, for both acquisitions and, increasingly, development.

Deal Values Are Back in Their Pre-Downturn Range

Indexed pricing has recovered its 2022–2023 decline, led by newer, higher-quality trades

Senior Housing Properties Sold & Price Per Unit



Source: NIC MAP® | PPU reflects confirmed sale prices only

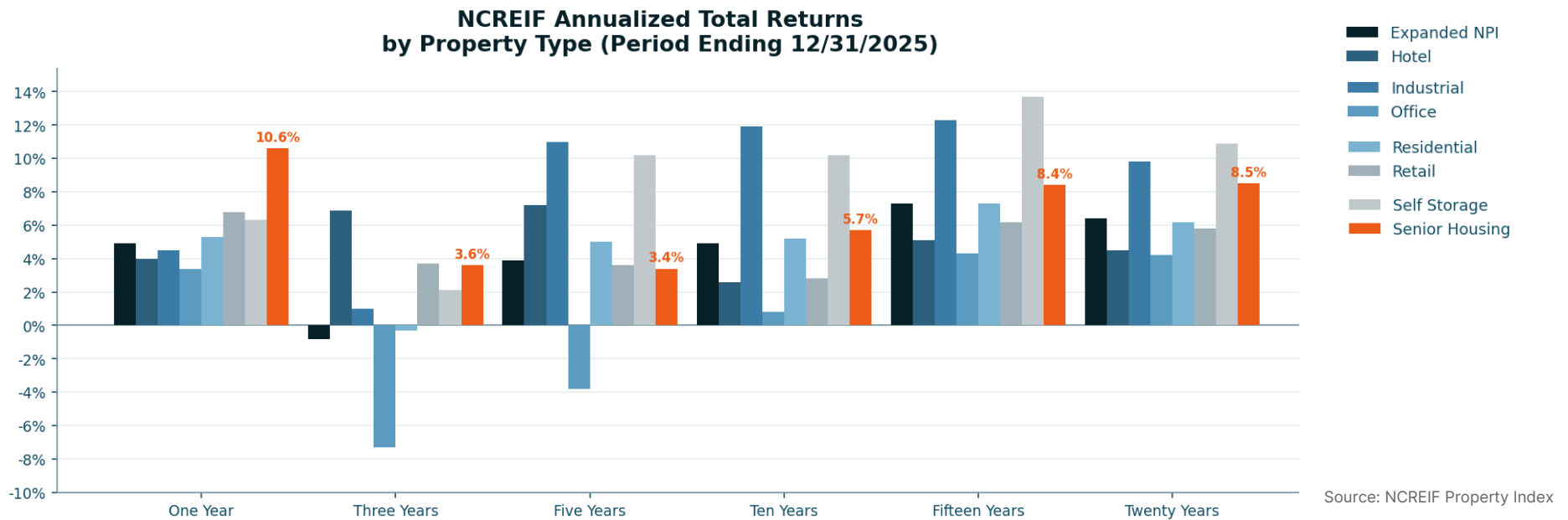
Indexed to its pre-2019 level, deal pricing held steady for years, fell roughly 40% through the pandemic-distress and rate-shock window, and recovered to its prior range in 2025. The past two years also produced the highest property counts in fifteen years, so the recovery in values rests on a deep sample.

A national index can recover even when the market is not repricing uniformly. Newer, higher-quality communities are leading — easier to underwrite, with capital willing to pay up — while older cohorts improve more slowly. Buyer composition is part of the story, since large healthcare REITs are frequent buyers in the higher-clearing segments.

Mix explains part of the level; normalization explains the rest. The move from deep-discount clearing back to the longer-run range means lenders and sponsors are again pricing cash flows, capex, and exits with conviction.

Senior Housing Led All Property Types in NCREIF Returns

+10.6% one-year total return vs. 4.9% for the NPI — more than 400 basis points ahead of the next category



NCREIF results through year-end 2025 put senior housing at a +10.6% one-year total return, against 4.9% for the NPI and more than 400 basis points ahead of the next-best property type.

The venue matters as much as the number. NCREIF is the scoreboard institutions use to compare property types, so senior housing is competing directly with apartments, industrial, office, retail, and hotels — and winning the latest window.

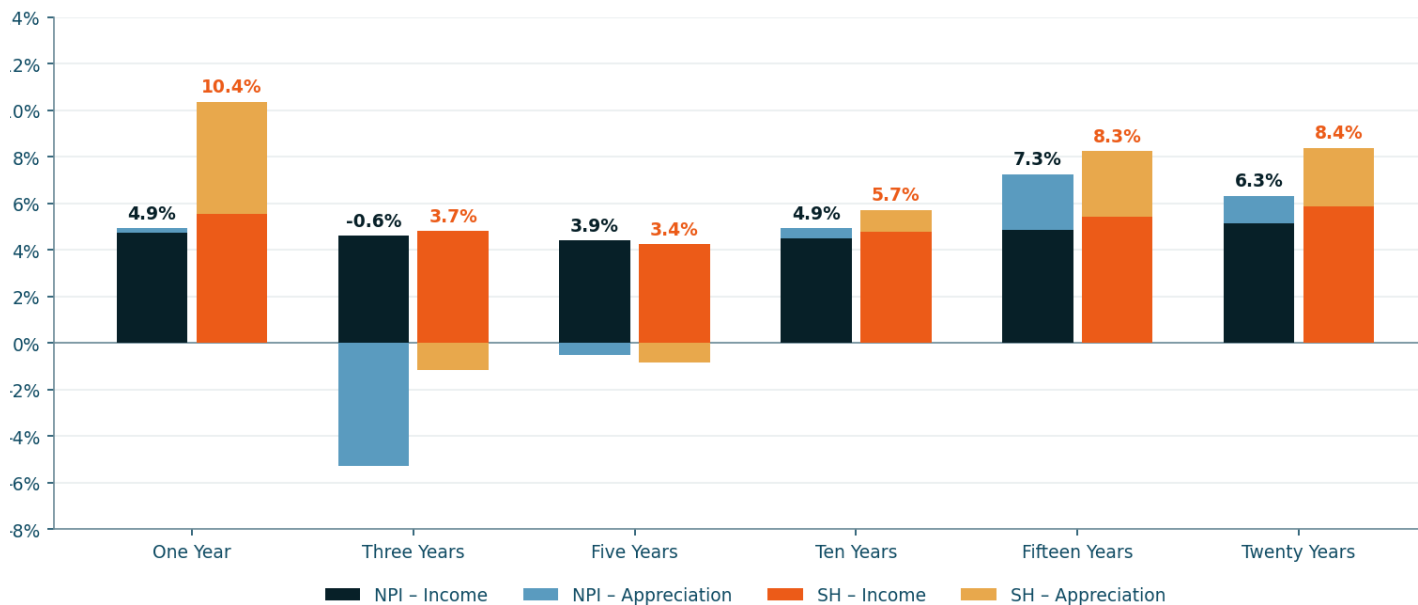
Institutional capital allocates in relative terms, and a leading position on that index reaches is likely to drive a continued rotation of capital into the space.

NCREIF is not a mirror of every private portfolio. Composition, appraisal timing, and reporting populations all move the line, so small differences in the numbers matter less than the ranking — and on the ranking, senior housing sits at the top.

The Returns Stand on Two Legs: Income and Appreciation

Each component runs ahead of the NPI, across 1-, 3-, 10-, and 20-year horizons

**NCREIF Return Decomposition: Senior Housing vs. NPI
(Period Ending 12/31/2025)**



Source: NCREIF Property Index

The NPI is NCREIF's pooled benchmark of the major private-market property types. Decomposed against it, senior housing runs ahead on both components: one-year income and one-year appreciation each come in at more than double the index, and the advantage holds at the 3-, 10-, and 20-year horizons.

Two-legged performance reads differently from performance led by either leg alone. Yield without appreciation suggests a sector being harvested; appreciation without yield leans on appraisal marks. Senior housing is producing both, over horizons long enough to cover full cycles.

That balance addresses both audiences of institutional capital: income-driven investors who want durable cash flow, and total-return investors who want capital growth. Appraisal lag and index composition apply here too, but a pattern this consistent across horizons does not depend on any single mark.

03

ROADMAP FOR DISCUSSION

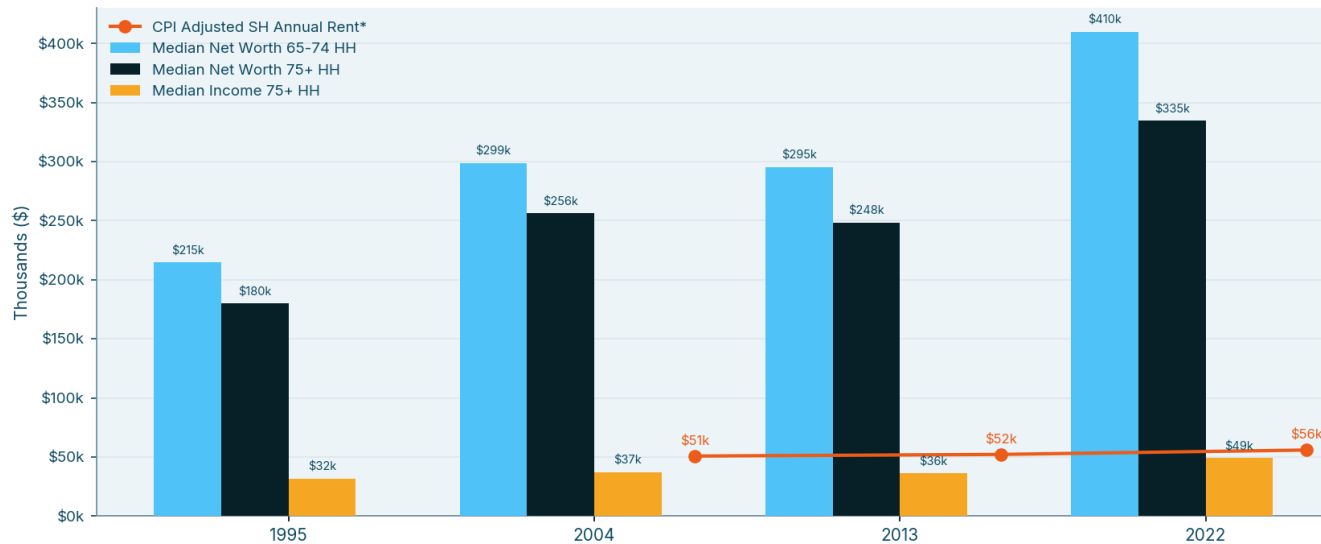
Bright Prospects

Growth in income-qualified households supports demand today, and the build-out ahead is one of the largest capital deployment opportunities in commercial real estate.

Affordability Is a Balance-Sheet Question, Not an Income Question Alone

Median 75+ income sits near the annual rent line — net worth and housing equity close the gap

Consumer Finances: Median Income & Net Worth vs. Senior Housing Rent



Source: Federal Reserve Survey of Consumer Finances (Median); NIC MAP®; FRED CPI-U (CPIAUCSL) *CPI Adjusted SH Annual Rent in July 2022 dollars. 2004 uses 4Q2005 Primary Markets (earliest available).

Survey of Consumer Finances Data: Latest Federal Reserve release is 2022; the 2025 wave is expected late 2026.

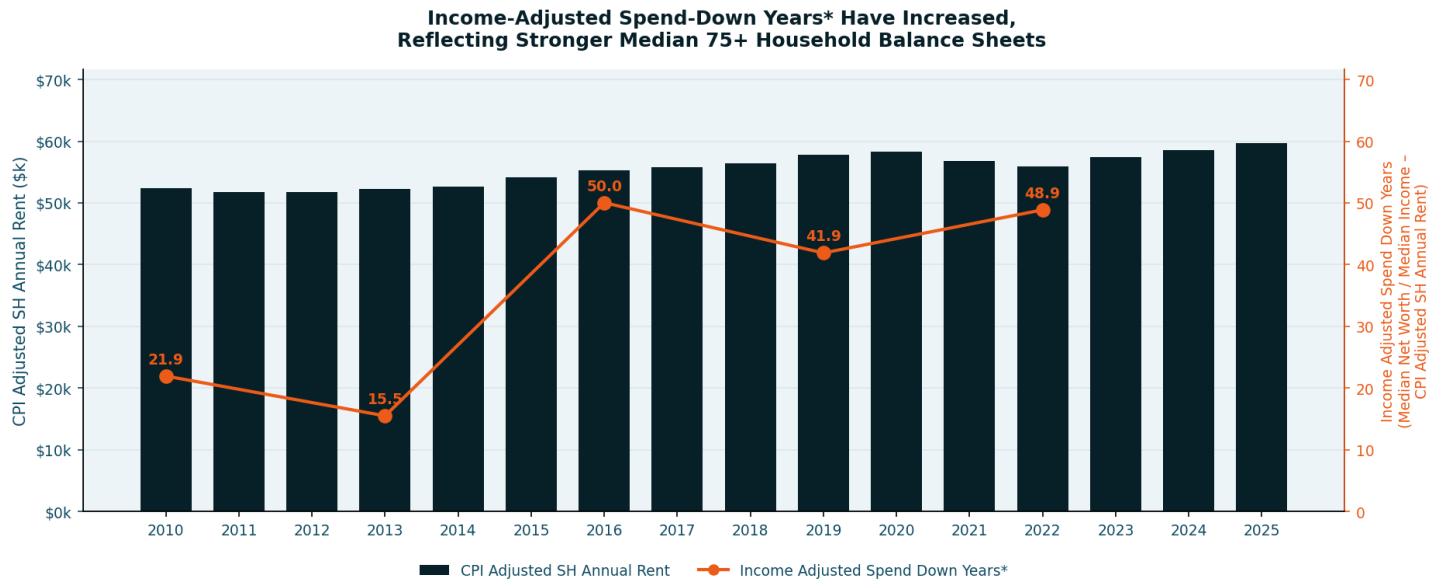
The chart pairs median income and median net worth for older households, from the Federal Reserve's Survey of Consumer Finances, with senior housing annual rent in the same inflation-adjusted dollars. Median income for 75+ households sits slightly below the rent line in the latest snapshot. **The net worth bars resolve the apparent paradox:** for many families, a move is financed from wealth and cash flow together, with assets and housing equity bridging the gap when sticker rent exceeds annual income.

The history matters too. Across the survey snapshots, median income and net worth for older households rose meaningfully, with some of the largest balance-sheet gains coming in this decade, while CPI-adjusted rent climbed more slowly than balance sheets grew. An affordability debate anchored only to monthly income against rent will vastly understate how many households can underwrite a move. **The median is not everyone:** lower-wealth households and Medicaid-dependent segments remain central to access, and national medians cannot capture them.

For operators and capital partners, move-in feasibility, deposits, and timing interact with a cohort whose resources have grown — which supports private-pay underwriting without treating home sales and other liquidity events as frictionless.

Household Resources Fund Longer Stays Than Income Alone Suggests

Net worth divided by the annual gap between rent and income — a runway that has expanded materially since 2010



Source: Federal Reserve Survey of Consumer Finances (Median); NIC MAP; FRED CPI-U (CPIAUCSL) *Spend Down Yrs = Net Worth / (Income - SH Rent). Rents: Primary and Secondary Markets, CPI adjusted to July 2022 dollars.

Survey of Consumer Finances Data: Latest Federal Reserve release is 2022; the 2025 wave is expected late 2026.

Spend-down years divide median net worth by the annual gap between senior housing rent and income — how long typical resources could cover the difference when rent exceeds income alone. The runway expanded materially over the survey period, because median balance sheets grew faster than the rent gap. Private-pay demand can remain credible even when sticker rent exceeds median income, since assets do more of the work in the median story.

The measure deserves a careful read. That spend-down funds housing, care, dining, and services that households would otherwise assemble separately at greater cost, so the runway measures purchasing power for a bundled product.

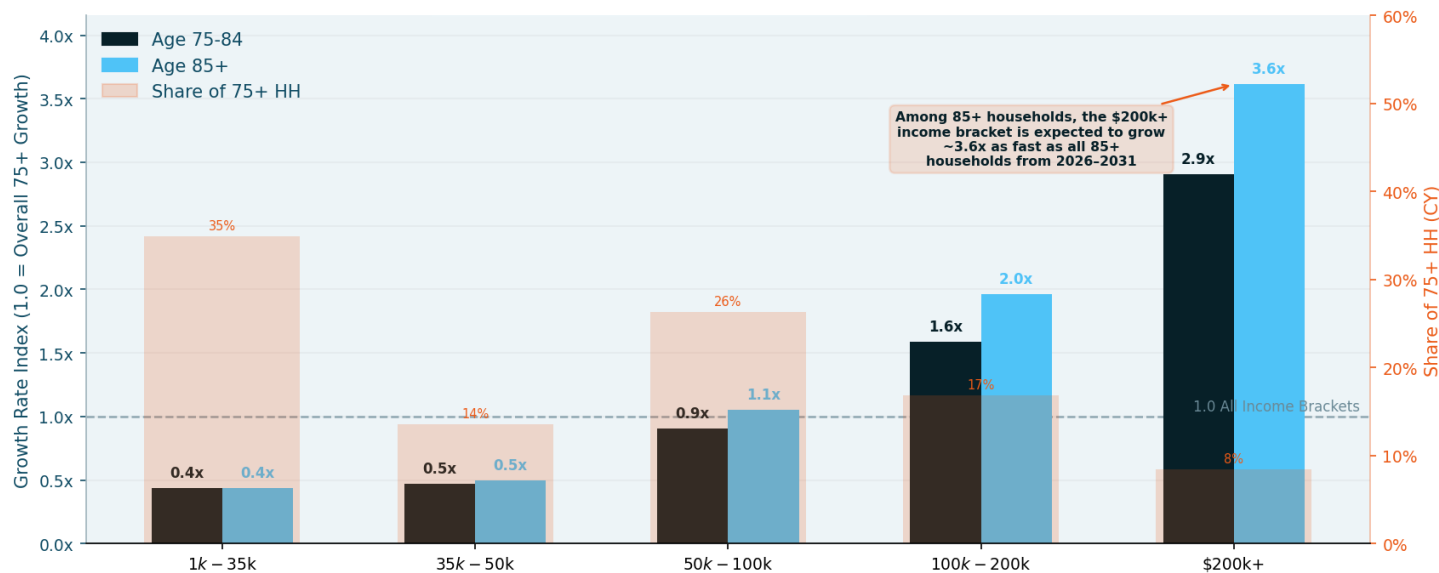
The median is not the whole market. Medicaid-dependent need and lower-wealth households remain first-order concerns for communities

and policymakers. But an affordability debate measured only as income versus rent mis-specifies the typical private-pay prospect, and the median runway supports defensible underwriting of occupancy and revenue in private-pay product, alongside the usual stress tests for labor, insurance, and operating volatility.

Household Growth Is Fastest in the Higher Income Brackets

At 85+, the highest-income households are projected to grow more than 3x faster than the overall 85+ population

**The Wealthiest Cohorts of 75+ Households
Are Set to Grow the Fastest**



Source: Claritas Pop-Facts®, March 2026. CY = 2026, FY = 2031

The chart indexes projected household growth by income bracket for the 75+ population from 2026 to 2031, set against each bracket's current share. Growth concentrates in the higher-income tiers, and the effect is sharpest at 85+, where the highest-income households are projected to grow more than three times faster than the overall 85+ population.

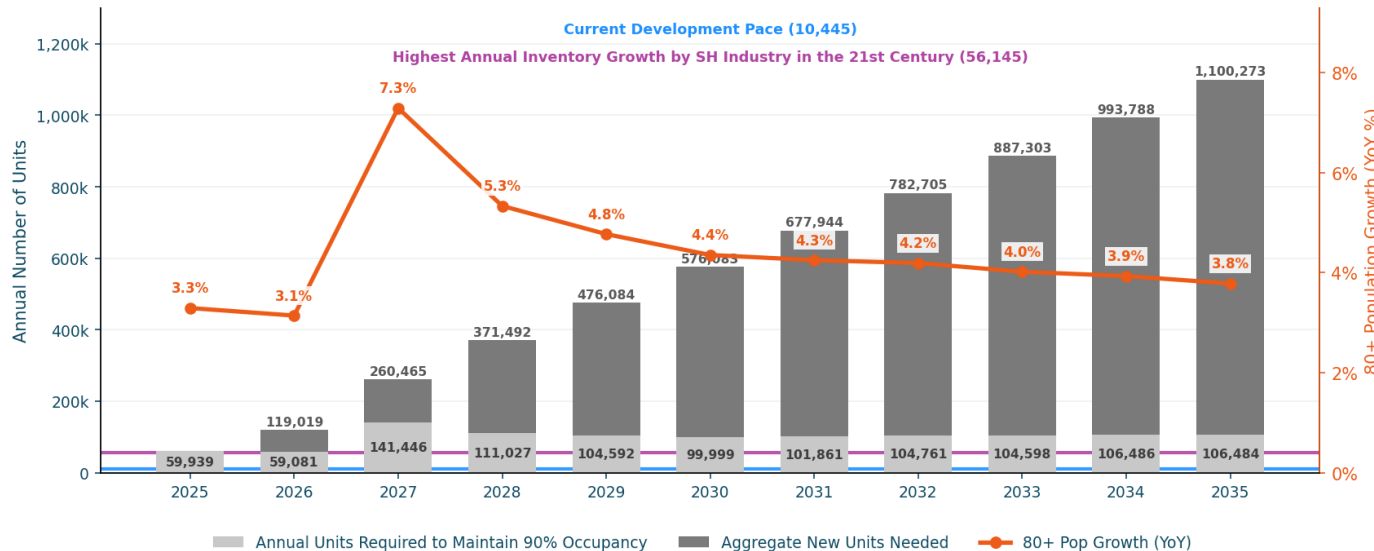
The same chart carries a second story with equal weight. Lower income brackets still represent a large share of today's 75+ households, and several are projected to grow more slowly than the aging baseline. Medicaid pathways and middle-market models matter as much as private-pay momentum, and both stories are true at once.

Together they define the shape of the build-out: private-pay demand growing fastest at the top, a broad middle that needs new models, and a public-pay base that policy will continue to carry.

Serving the Aging Wave Requires Dramatic Acceleration in the Construction Pace

Most years require more than 100,000 new units; current development pace is 10,445 a year

**Annual Units Required to Maintain 90% Occupancy
National Senior Housing | 2025-2035**



Source: NIC MAP®; U.S. Census Bureau

The model answers a basic planning

question: how many new units must open each year from 2025 through 2035 to hold national senior housing occupancy at 90% as the population ages, holding penetration rate constant. In most years the answer is more than 100,000 units. Current development pace is 10,445 units a year.

Two benchmarks anchor the bars. Today's pace covers a fraction of the annual requirement. The strongest single-year inventory growth this century, 56,145 units, covers about half. That best-ever pace is still about twice what most years require — the same relationship as in our first edition. What changed is today's pace: starts fell further, so the same requirement is now much higher than where we expected just two years ago.

The orange line explains the shape: 80+ population growth accelerates through the late 2020s and then eases, though on a larger base, so the requirement follows a demographic curve rather than a straight line.

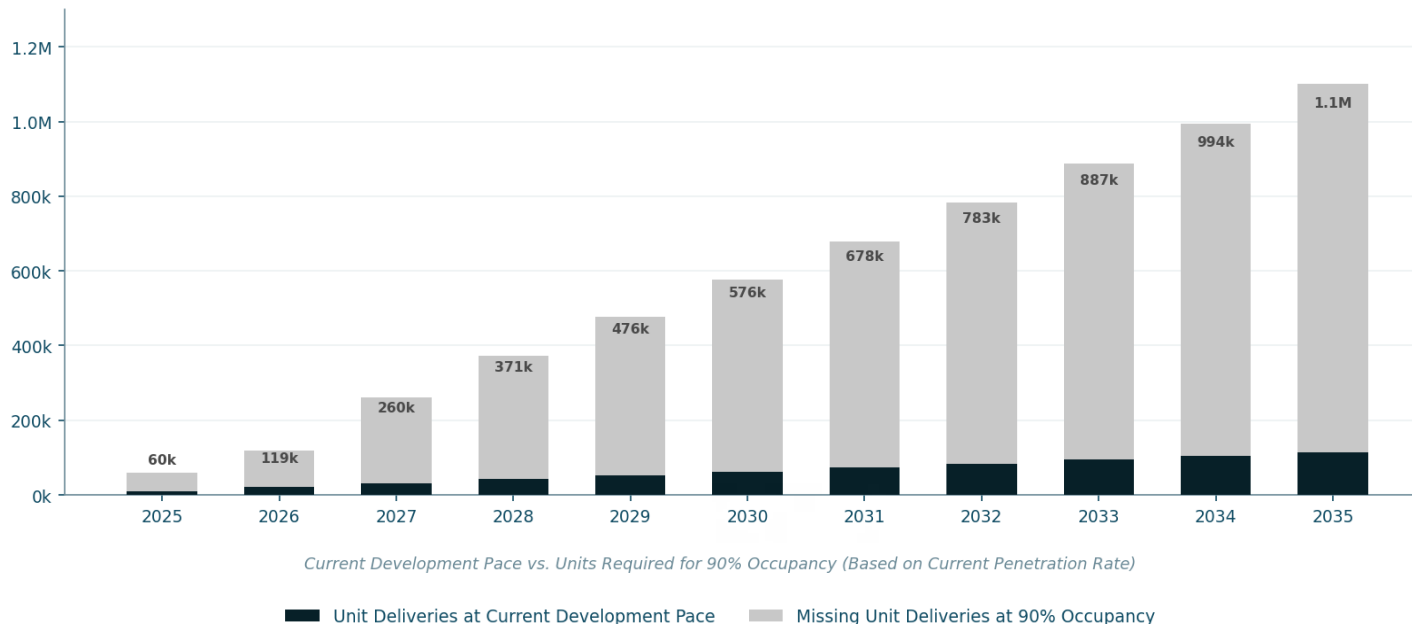
Building at that pace takes more than capital — entitlements, land, utilities, construction capacity, and staffing pipelines decide whether dollars become opened doors.

Until supply scales, the economics keep clearing through what already exists: occupancy, reinvestment, and conversions.

Each Slow Year Adds to the Build-Out Ahead

At today's pace, the cumulative build-out reaches 1 million units by 2035

**Senior Housing Development Falling Behind 80+ Growth
National | 2025-2035**



Source: NIC MAP®; U.S. Census Bureau

Each bar is the running total of net new units needed to hold senior housing occupancy at 90% while the 80+ population outruns construction. At today's development pace, that build-out reaches over 1 million units by 2035. The thin strip at the bottom of each bar is what the current pace delivers; the mass above it is the work still open.

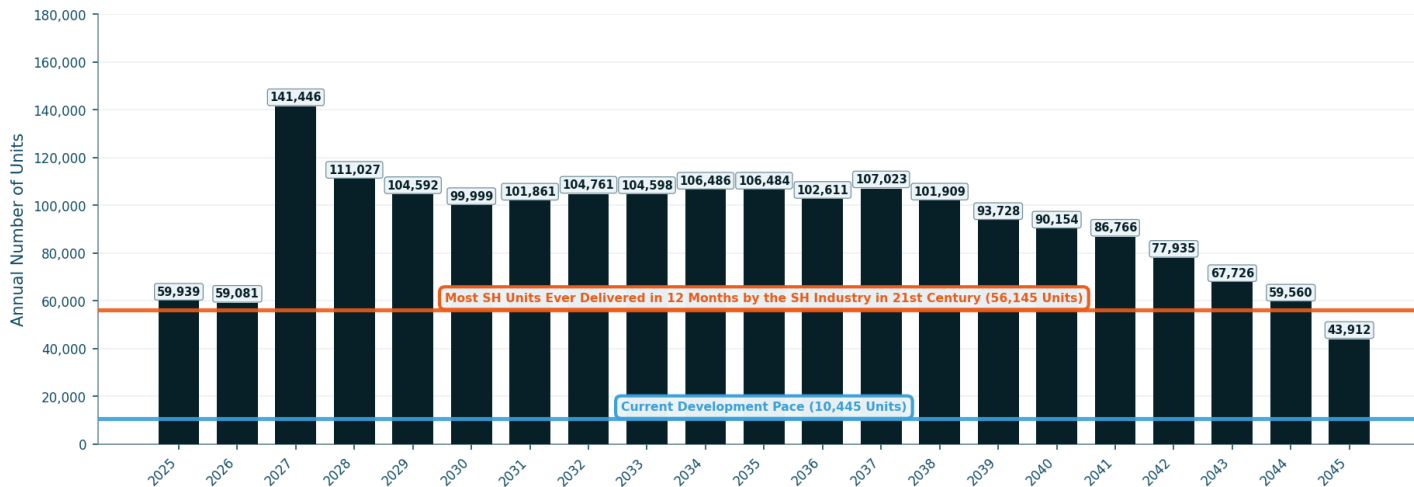
The mechanism is compounding. The gap is 60,000 in 2025 and 576,000 by 2030 and over 1 million by 2035. A slow year does not defer the work in proportion; it widens what every later year can address.

In the meantime, demand keeps clearing through the communities that exist, which is why operators and investors often see the best near-term economics on running cash-flow assets — and why the durable answer is new supply. The opportunity spans channels: ground-up development, campus expansion, adaptive reuse, and repositioning all add capacity, and all of them reward starting early.

Elevated Need Runs Through 2045

A spike above 141,000 units in 2027, then a plateau near 100,000 — a two-decade development runway

Units Needed to Maintain 90% Occupancy



Source: NIC MAP®; U.S. Census Bureau



Extend the model to 2045 and most years call for more units than the industry's best-ever twelve months — 56,145 delivered at that peak — while today's pace of 10,445 sits far below both reference lines.

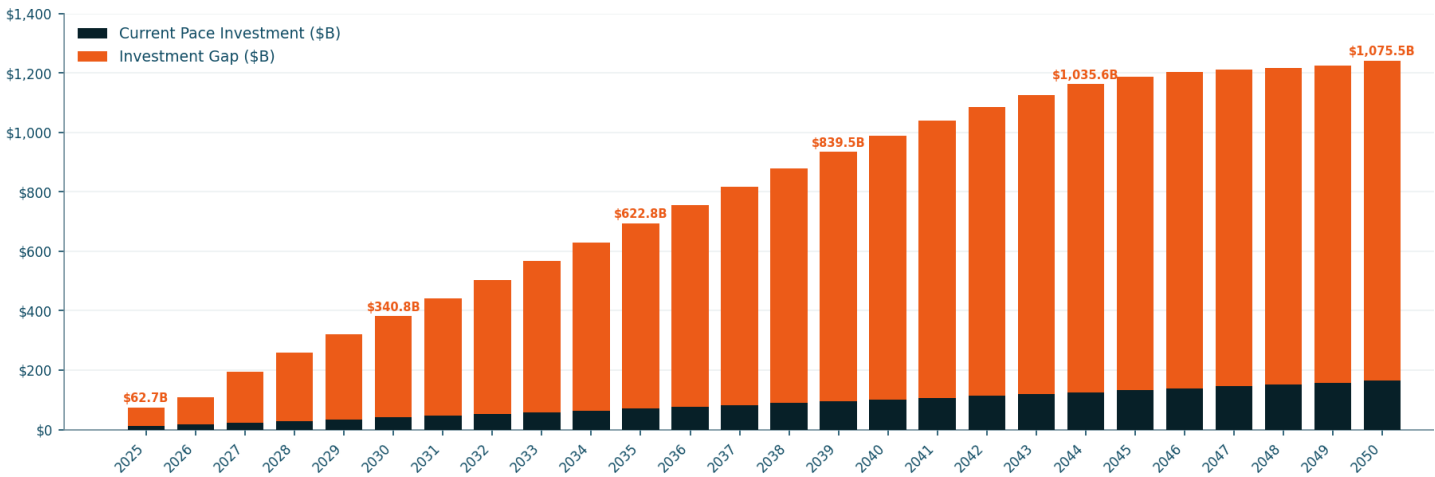
The curve has a shape worth planning around. Need spikes above 141,000 units in 2027, holds near or above 100,000 a year through the late 2030s, and steps down only in the 2040s. The steepest years arrive first.

A runway this long changes what gets rewarded. Delivery capacity — trades, caregivers, approvals, utilities — builds over years, not quarters, so the platforms that assemble it early will capture a disproportionate share of two decades of elevated need, with slower but continued growth through the 2050s and beyond.

A Trillion-Dollar Investment Opportunity by 2050

The capital required to serve the aging curve far exceeds what the sector deploys today

Investment Capital Needed to Maintain
Current 80+ Penetration Rate | 2025-2050



Source: NIC MAP®; U.S. Census Bureau

This chart translates the units into dollars: investment at roughly today's pace — the thin dark base of each bar — against the cumulative capital required to hold today's 80+ penetration rate through 2050. By 2050 the total passes \$1 trillion, and nearly all of it sits above what current deployment would supply.

Dollars are the language of capital budgets and debt capacity, which is why this page belongs in CFO and CIO conversations. Scale like this is not funded from any single source; it is raised — institutional equity, debt, development partners, and operators building together.

Demand has been demonstrated, and capital markets have re-engaged. What remains is deployment at the scale of the curve: the vehicles, partnerships, and platforms that turn a demographic certainty into capacity at massive scale.

Key Takeaways



01 Surging Fundamentals:

The 80+ population is entering its steepest growth decade, on a timetable already visible in the census. Occupancy and net absorption stand at multi-year highs while construction starts sit near historic lows — for the same reasons development slowed across real estate. That combination puts a premium on operational excellence and reinvestment in existing communities, and raises the urgency of new development.



02 Investment Activity:

Public markets have repriced the sector. REIT equities rose with borrowing costs still elevated, transaction volume reached a record \$15+ billion in 2025, and senior housing posted the highest one-year total return of any NCREIF property type, with income and appreciation both ahead of the benchmark.



03 Bright Prospects:

The path forward is defined by growth. Income-qualified household growth supports private-pay demand today, while the modeled build-out — millions of units and more than a trillion dollars by mid-century — is one of the largest capital deployment opportunities in commercial real estate.

Closing: For investors, the discipline is to stress-test toward faster demographic acceleration, not slower; small timing errors produce large misses in required capacity. For operators, a market this strong rewards execution: census, mix, cost discipline, and reinvestment. For everyone who builds — developers, lenders, and their partners — the surest lever is anything that makes building easier, because the demand each unit serves is already measurable in the census.



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