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## A new generation of senior housing is making 'elderly islands' obsolete

By Andrew Khouri  
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Pam Watkins and husband Craig stand near one of the seniors-only pools at Rancho Mission Viejo, a multi-generational community in South Orange County. (Allen J. Schaben / Los Angeles Times)

Recently retired, Pam Watkins wanted a new lifestyle.

The former school principal saw her Dana Point neighborhood “turning over,” increasingly populated with young families busy with kids or work. She wanted more people her own age to “play with,” but didn’t want to live in a “grave-yardish” retirement community.

So last year, Watkins and her husband moved into a \$770,000 house just down the road in Rancho Mission Viejo, a new, large, master-planned community with neighborhoods for seniors as well as those of all ages.

There are community spaces for everyone, but also a seniors-only clubhouse with lounge, fitness center and a resort-style saltwater pool and spa.

“We like seeing kids,” the 63-year-old said. “I don’t necessary want them in my pool jumping on me.”

Developers are increasingly building such “multi-generational” communities, lured by the massive baby boomer population aging into retirement. In doing so, they’re targeting people 55 and older, such as Watkins, who want to live near but not too close to families and kids.

Like senior developments around Palm Springs, the communities are built for “active adults” who get around just fine and might even still be working.

In Southern California, builders were selling homes in 28 active-adult neighborhoods at the end of the first quarter, compared with 15 two years earlier, according to research firm Metrostudy.

More than a third of those were in “multi-generational” developments, compared with just 20% in 2015.

The investments mirror a larger senior housing boom, as companies provide the demographic with a range of housing tailored to their needs — from those who require no help to those who need a significant amount.

In 2015, developers across the country started 37,000 age-restricted homes, a category that includes many assisted-living facilities that provide help with healthcare, transportation and meals, according to the latest analysis of census data from the National Assn. of Home Builders.

That's down from the previous two years but up sharply from 17,000 in 2009 when the Census Bureau first collected the data and the recession had decimated the housing industry.

Housing experts said they expect age-restricted housing to grow further, given the nation's demographics. By 2024, households age 55 and older will make up 44.5% of the U.S. population, compared with 42.8% this year, according to the National Assn. of Home Builders.

Developers are particularly bullish on multi-generational communities, which provide senior-only neighborhoods in an otherwise family-oriented master plan.

A relatively new way to provide senior housing, they are often located in metropolitan areas rather than far-flung resort towns, said Andrew Carle, founding director of the Program in Senior Housing Administration at George Mason University.

Historically, most 55-and-older communities have been "elderly islands," on a "golf course or on top the mountain somewhere," Carle said. Even in large metropolitan areas, senior apartment buildings or communities such as Laguna Woods Village (formerly Leisure World) tend to be segregated from the surrounding area, he said.

"When you place older adults in younger settings, they age slower, but put them all together, they all age faster," Carle said. "It's not healthy to separate yourself."

Aware of the latest housing trends, developers try to limit separation while providing some seclusion. In addition to community spaces for all ages, layout is taken into account.

At Rancho Mission Viejo, the 55-and-older neighborhoods in the village of Esencia have a single point of entry, but no gates.

The mini-neighborhoods consist of only around 50 to 150 homes and are connected by a system of trails to adjacent all-age neighborhoods, which have proved popular with young families.

Watkins said that means when her grandchildren visit, they arrive “excited,” ready to play with children nearby. She can also have a cocktail at a seniors-only pool, or meet people her own age at Taco Tuesday or Wine-Down Wednesday.

“It’s the best of both worlds,” she said.



A multi-generational housing development under construction in Temescal Valley. (Christian K. Lee / Los Angeles Times)

Developers — who typically get entitlements and then sell lots to individual home-builders — are eager to provide such experiences, because they fulfill an unmet need and diversify the buying pool.

Instead of finding 1,000 potential homeowners who want to live in a community open to all ages, they can find 500 such buyers and 500 older individuals looking to live with people their own age.

With many young couples struggling to afford a down payment, some developers see a benefit in creating homes restricted to those 55 and older, especially because that cohort is growing.

“The problem with the millennials is they don’t have [much] money,” said Steve Cameron, president of Foremost Companies, which is developing the multi-generational Terramor community in Temescal Valley, just outside Corona in western Riverside County.

Sales at the \$100-million-plus project kicked off in April.

When completed, it is expected to have around 400 homes for all ages and 1,000 for households where at least one person is 55 years or older. At the moment, only the age-55-plus homes are for sale and start in the mid-\$400,000s, around what typical new homes are fetching in the area.

Rancho Mission Viejo is even larger. About 6,000 of the eventual 14,000 homes will be reserved for people at least 55 years old. Prices for the senior homes start in the \$600,000s. The all-age homes sell from the low \$400,000s for a townhome to more than \$1 million for a large single-family house.

The Irvine Co. is also developing its first senior neighborhood as part of the larger all-age Cypress Village community. Sales of the 243 homes are expected to start by the end of the year.

Though the projects are geared toward “active adults,” the toll of aging must be taken into account.

At Terramor, street signs will have larger than normal lettering and the senior clubhouse will have no steps, but instead “graceful ramps” leading people from clubhouse to pool, Cameron said.

The idea? Make it easier for seniors to get around, without making the design tweaks noticeable.

The same idea applies to the age-55-plus homes, which are single story and often have wide doorways and few to no steps. There are also shower stalls, meaning residents don’t have to step over a tub to get into the shower.

Companies that build such houses say business is good.

Irvine’s CalAtlantic, for example, said it’s building 55-and-older homes in 10 states this year, including at multi-generational communities in San Diego and Santa Clarita, as well as at Rancho Mission Viejo, Terramor and the new Irvine Co. project.

“We continue to expand that market segment,” said Elliot Mann, the company’s Southern California president. “That says a lot about how well they have been working for us.”