

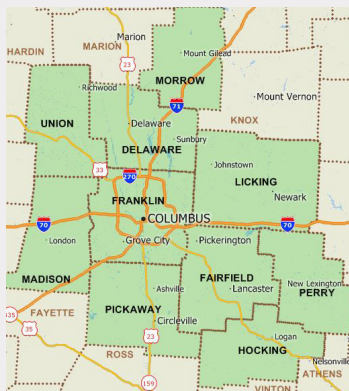
Market Snapshot

Q2 2017 | Columbus, Ohio

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.

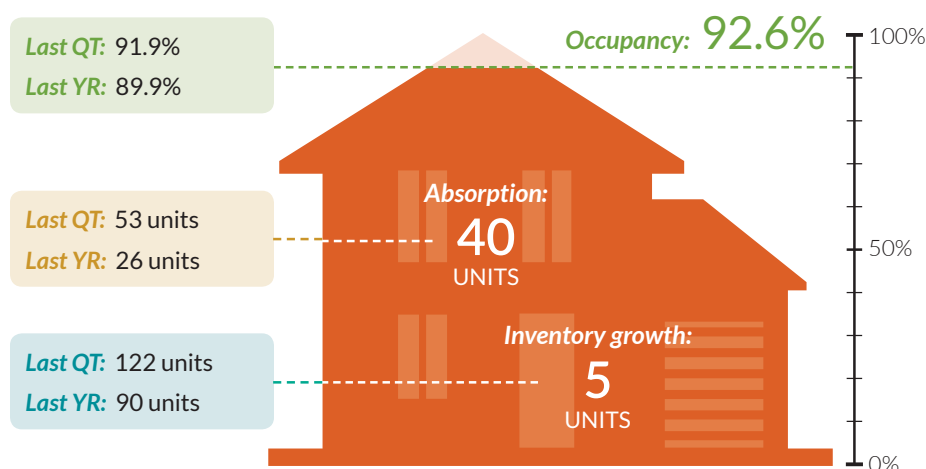
This quarter we are highlighting the **Columbus Metropolitan Statistical Area (MSA)**.



The Columbus MSA is made up of 10 counties surrounding the city of Columbus, Ohio.

| | |
|----------------------|---------------------|
| Delaware County, OH | Madison County, OH |
| Fairfield County, OH | Morrow County, OH |
| Franklin County, OH | Perry County, OH |
| Hocking County, OH | Pickaway County, OH |
| Licking County, OH | Union County, OH |

Absorption, occupancy, & inventory growth



Independent living

Compared to last quarter and last year, occupancy in the Columbus MSA has increased while inventory growth waned. Absorption comes in higher than last year but lower than last quarter.

Midwest: This quarter, the Columbus MSA's IL occupancy was above the Midwest's average (**91.1%**), and its absorption was on par (**46 units**).

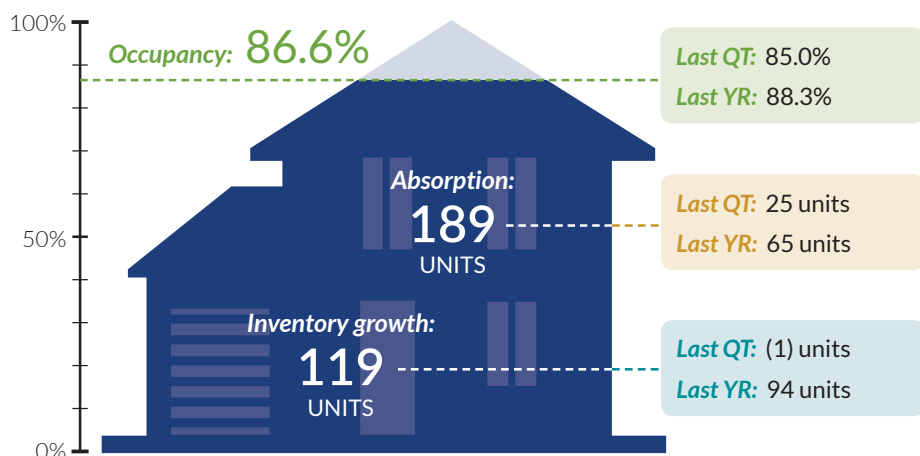
Secondary markets: The secondary markets' average IL occupancy (**91.3%**) was less than the Columbus MSA's this quarter and absorption was much higher (**757 units**).

Assisted living

Compared to last quarter, all AL figures have increased. Occupancy is down compared to last year, but absorption and inventory growth are up.

Midwest: The Midwest has a slightly higher occupancy (**88.4%**) than the Columbus MSA this quarter and had absorption of **539 units**.

Secondary markets: The Columbus MSA was only slightly behind the secondary markets in occupancy (**88.4%**), but the secondary markets saw significantly more absorption (**1,963 units**).





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Construction

Units under construction

| | IL | AL |
|-----------------|-------|-----|
| Current quarter | 1,010 | 350 |
| Last quarter | 1,010 | 454 |
| Last year | 1,004 | 628 |

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

The Columbus MSA showed an inventory growth of 5 IL units and 119 AL units this quarter; 1,010 IL units and 350 AL units are still under construction.

AL saw some of these units come to fruition this quarter, but IL's units are still in progress. We can expect, as these units hit the market over the next couple of cycles, to see a decrease in occupancy over the short term while the new units attempt to stabilize.

For IL, the top three secondary MSAs under construction are **Columbus, OH**; **Fort Myers, FL**; and **Austin, TX**.

For AL, the top three secondary MSAs under construction are **Fort Myers, FL**; **Jacksonville, FL**; and **Austin, TX**.

Top construction projects

The five largest construction projects in the Columbus MSA include:

5 Sycamore Creek Senior Living
FREESTANDING - 132 UNITS

| | |
|----|-----|
| IL | 132 |
| AL | 0 |
| NC | 0 |

4 Three Creeks Senior Living
AL/IL COMBINED - 167 UNITS

| | |
|----|----|
| IL | 89 |
| AL | 78 |
| NC | 0 |

3 Friendship Village of Dublin
CCRC - 191 UNITS

| | |
|----|----|
| IL | 79 |
| AL | 62 |
| NC | 50 |

2 Inniswood Village
AL/IL COMBINED - 192 UNITS

| | |
|----|-----|
| IL | 120 |
| AL | 72 |
| NC | 0 |

1 StoryPoint Grove City
AL/IL COMBINED - 199 UNITS

| | |
|----|-----|
| IL | 133 |
| AL | 66 |
| NC | 0 |



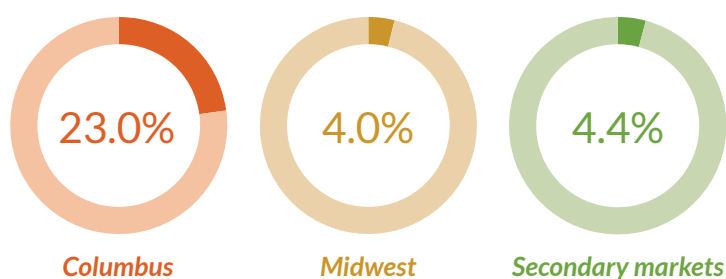


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Construction as a percent of inventory

The Columbus MSA's IL construction as a percent of inventory this quarter is significantly higher than the figures from last quarter and last year. It also comes in well over the averages for the Midwest and secondary markets. The Columbus MSA's AL construction as a percent of inventory dropped sharply compared to last quarter and last year, but is only slightly higher than the Midwest and secondary markets.

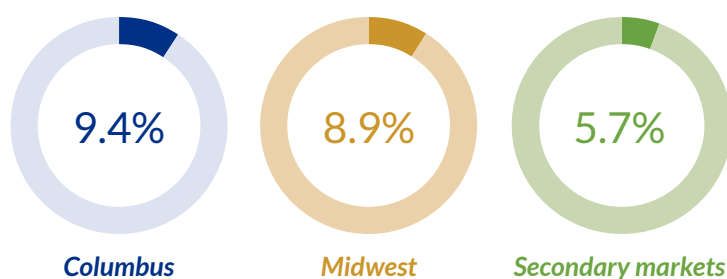
Independent living



Last QT: 4.1%
Last YR: 2.6%

HIGHEST IL:
Columbia, SC
32.8%

Assisted living



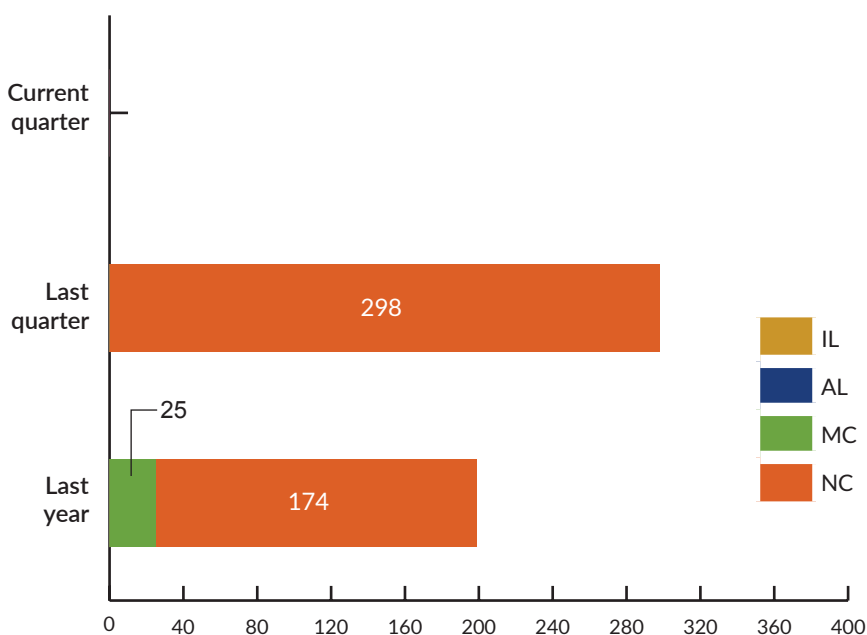
Last QT: 17.2%
Last YR: 21.8%

HIGHEST AL:
Fort Myers, FL
41.3%

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

Sales transactions

Columbus MSA transactions by unit/bed type



This quarter saw no transactions.

This compares to 2 transactions last quarter, which accounted for 298 nursing care (NC) beds, and 2 transactions last year, which accounted for 25 memory care (MC) units and 174 NC beds.

| | TOTAL # OF UNITS SOLD | # OF TRANSACTIONS |
|-----------------|-----------------------|-------------------|
| Current quarter | 0 | 0 |
| Last quarter | 298 | 2 |
| Last year | 199 | 2 |



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Labor & employment

The average hourly wage for Nursing and Residential Care Facilities in the Columbus MSA is \$12.99. This is below the average of the Education and Health Services industry, which was reported at \$19.51 for the Columbus MSA.

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

Most recent data for unemployment rates:

Columbus MSA:

3.9%



Ohio:

4.9%



United States:

4.4%



| | Education & Health Services | | Nursing & Residential Care Facilities* | |
|---------------|-----------------------------|--------------|--|--------------|
| | HOURLY WAGES | YEARLY WAGES | HOURLY WAGES | YEARLY WAGES |
| Columbus MSA | \$19.51 | \$40,575.60 | \$12.99 | \$27,011.11 |
| Ohio | \$22.28 | \$46,332.00 | \$13.30 | \$27,664.00 |
| United States | \$24.33 | \$50,596.00 | \$14.90 | \$30,992.00 |

*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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Midwest senior living data refers to an aggregate of the following MSAs: Akron, OH; Columbus, IL; Cincinnati, OH; Cleveland, OH; Columbus, OH; Dayton, OH; Detroit, MI; Grand Rapids, MI; Indianapolis, IN; Madison, WI; Milwaukee, WI; Toledo, OH; and Youngstown, OH. The data contained in this report is obtained from the most recent data stores of NIC MAP® Data and Analysis Service (www.nicmap.org) and the Bureau of Labor Statistics (www.bls.gov). Although the information was obtained from sources deemed reliable, no warranty or representation, expressed or implied, is made as to the accuracy of the information herein.