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Curriculum Vitae

1 Introduction

One of the most significant and momentous trends in the United States demography is its aging population. While the U.S. median age, i.e. that statistical age that divides a population into two equal parts, was 32,9 years in 1990, it was 36,4 years in 2006. This trend is supported by numerous data of the U.S. Census Bureau which projects amongst others that the U.S. population aged 65 and over will make up approximately 13 percent in 2010, increasing to more than 19 percent in 2030 and finally reaching a high of more than 20 percent in 2050.

This process of 'demographic aging'¹ has enormous consequences on various levels, be it cultural, social, economical or for regional planning. An aging population and especially the older part of society has different needs, wishes and habits in life than younger people, and this has to be taken into consideration. One of the most prominent differences is the way seniors live and the lifestyle they choose, since those factors need to be evaluated completely different in older age.

In the past decades, the United States have faced a trend towards a new, alternative way of living of the older population, which may be seen as a possible response to the increasing demographic aging. Senior housing does no longer only happen in the senior's home or in nursing homes, which care for their residents 24/7 and therefore do not enable an independent lifestyle, but in so-called 'retirement communities' as well. These retirement communities cause a segregation of the population, since most impose an age-restriction of 55 years or older. The most popular destinations of such facilities are the Sunbelt states (i.e. the states around Florida), but they are also found in other parts of the country, for example the San Francisco Bay Area in California.

This thesis will give an insight into the demographic situation of the United States as well as a more detailed account of the demographic patterns in California in order to understand which processes generate the development of age-segregated communities. It will explain the demographic impacts on senior markets as well as the generations which are currently involved in this

¹ Cf. Bähr 2004

development. In a second step, the various types of senior housing will be introduced with a focus on age-segregated living. One of the most outstanding and alternative ways of senior living are so-called 'Active Adult Retirement Communities', since they are the prime example for age-segregated communities. The active adult retirement community market will be discussed in detail, analyzing its history, location, size, target market of the community, etc.

Another interesting question in the discussion about age-segregated living is why retirees would move into a retirement community instead of staying in their home as long as possible. Therefore the question arises: What are senior's motives to move into a retirement community?

In addition to this, it needs to be found out what kind of lifestyle is offered in active adult retirement communities? What do 'active adults' look for? What kind of location or surrounding of the community do they expect? What services and amenities need to be offered by the operating authorities in order to attract seniors?

This rather theoretical approach is then going to be broadened by three case studies, all of which are located in the San Francisco Bay Area. These communities are going to be introduced by describing their location as well as their lifestyle, i.e. what particular services and amenities they offer, how residents live, how much it costs to live there, etc. Furthermore, it shall be found out whether or not those age-segregated communities fulfill seniors' lifestyle requirements.

As a last step, the San Francisco Bay Area retirement community market will be dealt with, i.e. the region and its demographic background will be introduced before finding out how many retirement communities exist in the region and where they are located. Questions, such as what costs retirement community residents face or who or what institutions run the San Francisco Bay Area retirement communities will be answered as well.

2 Initial Demographic Situation of the United States

The United States have experienced important shifts in their population age structures in recent years. These developments have been characterized by low levels of fertility, declining mortality levels at the older ages, and growth of the elderly population. Similarly to European countries or Canada, the United States are experiencing an aging of their population and may also have to deal with an expected population decline in the coming decades. (see United Nations ECE, iii)

The following table 'U.S. Population by Age and Sex 2006' shows that in 2006 22.6 percent of the U.S. population was aged 55 or older, which is more than 66 million people in numbers. A closer look at the younger elderly (aged 55 to 64), the so-called 'older', shows that they make up more than 10 percent of the U.S. population, 30 million people in numbers.

Age	Both sexes		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
All ages	293.834	100,0	144.188	100,0	149.647	100,0
Under 55 years	227.349	77,4	114.127	79,2	113.222	75,7
55 to 59 years	17.827	6,1	8.633	6,0	9.194	6,1
60 to 64 years	13.153	4,5	6.243	4,3	6.910	4,6
65 to 69 years	10.231	3,5	4.782	3,3	5.449	3,6
70 to 74 years	8.323	2,8	3.743	2,6	4.580	3,1
75 to 79 years	7.644	2,6	3.252	2,3	4.392	2,9
80 to 84 years	5.318	1,8	2.078	1,4	3.240	2,2
85 years and over	3.989	1,4	1.329	0,9	2.660	1,8
Under 55 years	227.349	77,4	114.127	79,2	113.222	75,7
55 years and over	66.485	22,6	30.061	20,8	36.424	24,3
Under 60 years	245.176	83,4	122.760	85,1	122.417	81,8
60 years and over	48.658	16,6	21.428	14,9	27.230	18,2
Under 62 years	250.646	85,3	125.358	86,9	125.289	83,7
62 years and over	43.188	14,7	18.830	13,1	24.358	16,3
Under 65 years	258.330	87,9	129.003	89,5	129.327	86,4
65 years and over	35.505	12,1	15.185	10,5	20.320	13,6

Under 75 years	276.883	94,2	137.529	95,4	139.355	93,1	
75 years and over	16.951	5,8	6.659	4,6	10.292	6,9	

Table 1: U.S. Population by Age and Sex 2006²

According to the next table, this development of an aging society will continue in the future: The percent distribution of the projected population for the United States shows that there is a continuous growth in the number of the 65-year-olds and over from 12.97 percent of the U.S. population in 2010 to 19.30 percent in 2030 and even 20.17 percent in 2050.

Sex and age in years	(Percent of total resident population as of July 1)								
	2010	2015	2020	2025	2030	2035	2040	2045	2050
BOTH SEXES	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
Under 18	24,25	23,99	23,93	23,74	23,51	23,29	23,17	23,14	23,14
Under 5	6,80	6,78	6,69	6,57	6,47	6,43	6,44	6,44	6,41
5 to 13	11,97	11,98	11,95	11,89	11,74	11,60	11,52	11,53	11,55
14 to 17	5,48	5,23	5,29	5,29	5,30	5,26	5,21	5,17	5,18
18 to 64	62,79	61,62	60,02	58,38	57,19	56,80	56,80	56,85	56,69
18 to 24	9,90	9,49	9,03	9,11	9,12	9,16	9,13	9,06	9,01
25 to 44	26,78	26,36	26,28	25,91	25,50	25,15	24,99	25,20	25,25
45 to 64	26,10	25,78	24,71	23,36	22,57	22,49	22,68	22,59	22,43
65 and over	12,97	14,39	16,05	17,88	19,30	19,91	20,03	20,01	20,17
85 and over	1,85	1,93	1,93	2,03	2,34	2,94	3,50	4,02	4,34
100 and over	0,03	0,03	0,04	0,05	0,06	0,06	0,07	0,10	0,14

Table 2: Percent Distribution of the Projected Population by Selected Age Groups and Sex for the United States: 2010 to 2050³

2.1 Demographic Patterns in California

According to the Administration on Aging, a subdivision of the U.S. Department of Health and Human Services,

The proportion of older persons in the population varies considerably by state with some states experiencing much greater growth in their older populations [...].⁴

² Cf. U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2006.

³ Population Division, U.S. Census Bureau: Release Date: August 14, 2008

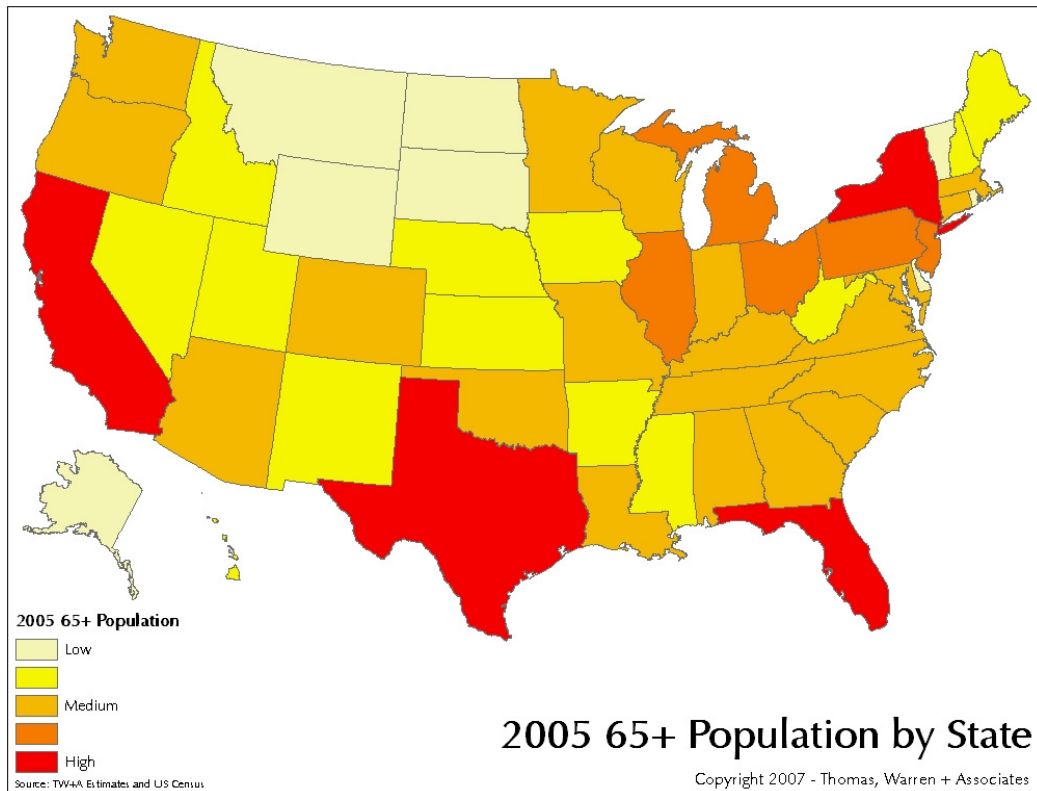
In 2007, more than 4 million people in California were 65 years or older, which equals 11,0 percent of the total State Population. In addition, California experienced one of the biggest percent increases in the 65+ population from 1997 to 2007 apart from Texas and Florida, namely 12,1 percent, and counts to those states with the highest number of persons aged 65 and older as the following table and map show.

State	Number of Persons 65 and older	Percent 65+ of the Total Population	Percent Increase in numbers from 1997 to 2007
US Total (50 States + DC)	37.887.958	12,6%	11,2%
California	4.003.593	11,0%	12,1%
Florida	3.098.364	17,0%	14,4%
New York	2.546.405	13,2%	4,9%
Texas	2.394.157	10,0%	22,2%

Table 3: The 65+ Population by selected States 2007⁵

⁴ Administration on Aging. 2009. "A Profile of Older Americans: 2008".
http://www.aoa.gov/AoARoot/Aging_Statistics/Profile/2008/8.aspx (7 May 2009)

⁵ Administration on Aging. 2009. "A Profile of Older Americans: 2008 – Figure 6". *(modified)*
http://www.aoa.gov/AoARoot/Aging_Statistics/Profile/2008/8.aspx (7 May 2009)



Map 1: 65+ Population by State 2005⁶

2.1.1 Future Demographic Trends in California

Having a closer look at the population projections for the older and elderly (55 and over) in California, the U.S. Census Bureau's data reveals that there has been a dramatic increase of these age cohorts from 2000 until now, showing additionally a continuing increase for the following two decades until 2030. The most significant increase is probably that of the 60 to 64-year-olds from 2000 to 2010, when in 2000 3,4% of California's population was 60 to 64 years old and in 2010 a percentage of 4,9% is projected. This development can be explained by the fact that the first 'Baby Boomers' (those age cohorts born between 1946 and 1964) will reach retirement then, as will be explained in the chapter 2.2.

⁶ American Association of Retirement Communities. 2007. "2005 65+ Population by State". http://www.twaconsulting.com/images/65+Pop_2005.jpg (7 May 2009)

Age	55-59	60-64	65-69	70-74	75-79	80-84	85+
Year							
2000	4.3%	3.4%	2.9%	2.7%	2.3%	1.5%	1.3%
2010	5.8%	4.9%	3.5%	2.6%	2.0%	1.6%	1.8%
2020	6.0%	5.6%	4.7%	3.8%	2.5%	1.7%	2.0%
2030	5.0%	5.0%	4.9%	4.4%	3.5%	2.5%	2.5%

Table 4: California State Population Projections for the Older and Elderly 2000 to 2030

2.1.2 Population Pyramids of California

The following population pyramids of California from the year 2000 and the projections for 2010, 2020 and 2030 underline the development of an increase in the older and elderly age cohorts of California: In 2000, the strongest age cohorts were those aged 5-9, and particularly those aged 35-39 and 40-44, while the older and the elderly (55+) did not make up more than 16,4 percent of California's total population. This will change significantly with percentages of 22,2 percent in 2010, 26,3 percent in 2020 and finally 27,8 percent in 2030. The demographic aging of California's population therefore seems to be confirmed.⁷

⁷ Cf. www.census.gov/population/www/projections/statepyramid.html

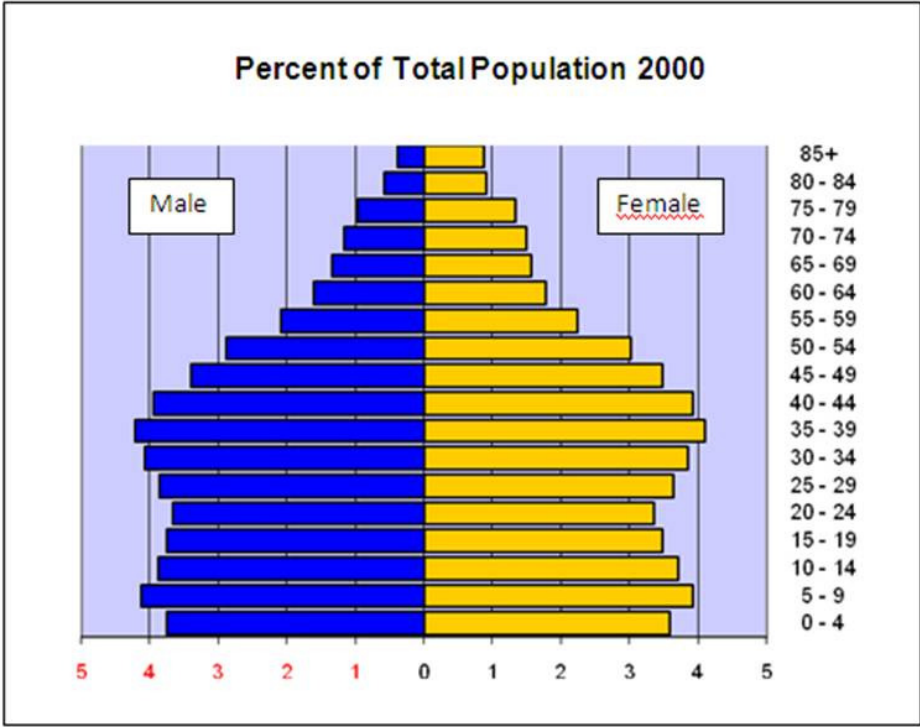


Figure 1: Population Pyramid of California 2000

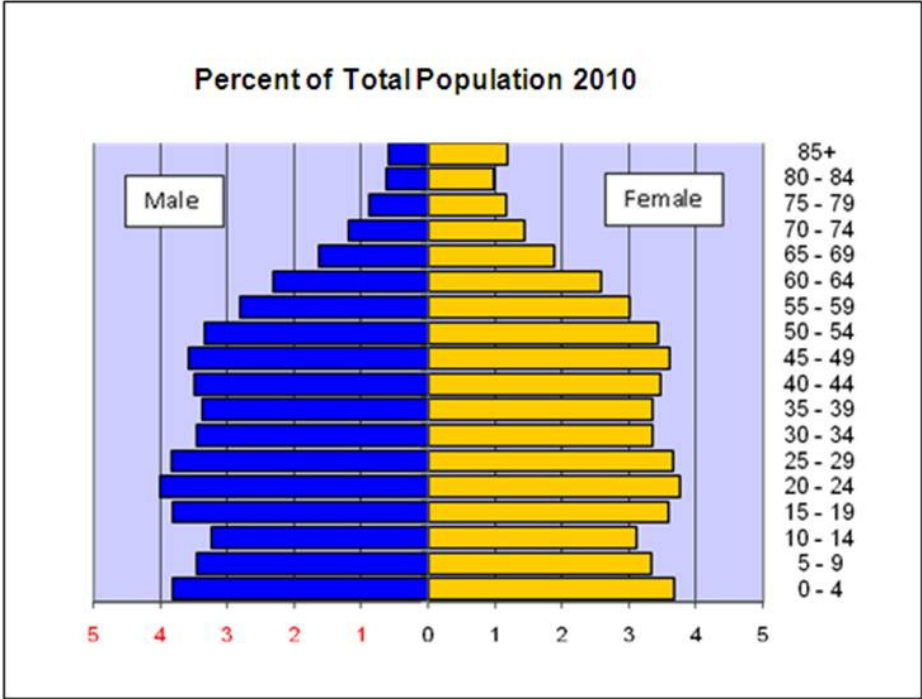


Figure 2: Population Pyramid of California 2010

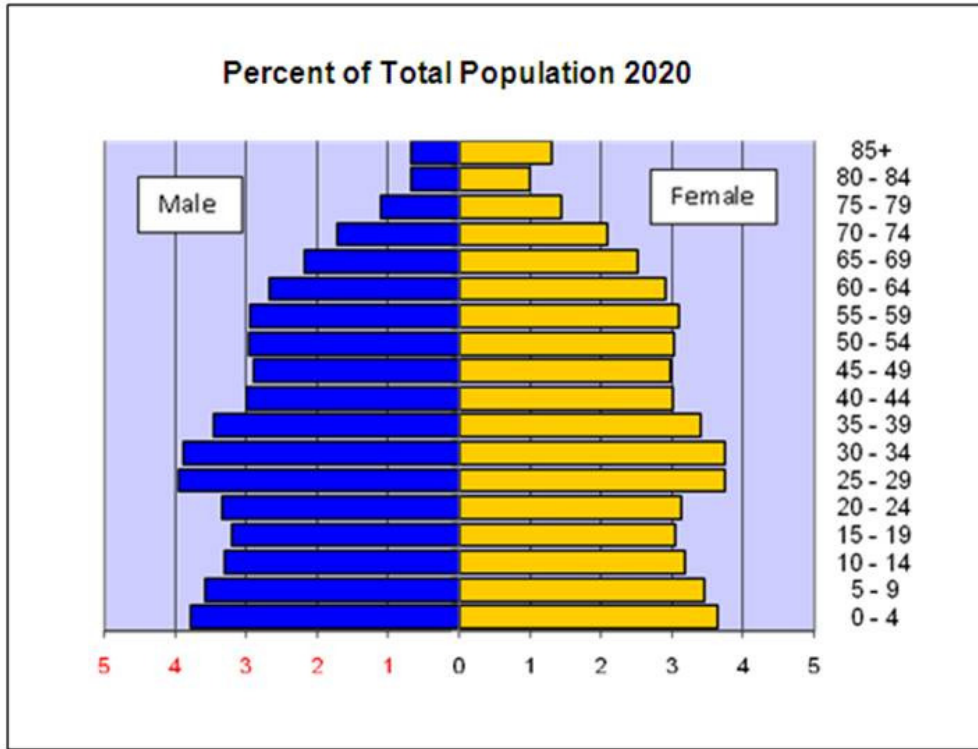


Figure 3: Population Pyramid of California 2020

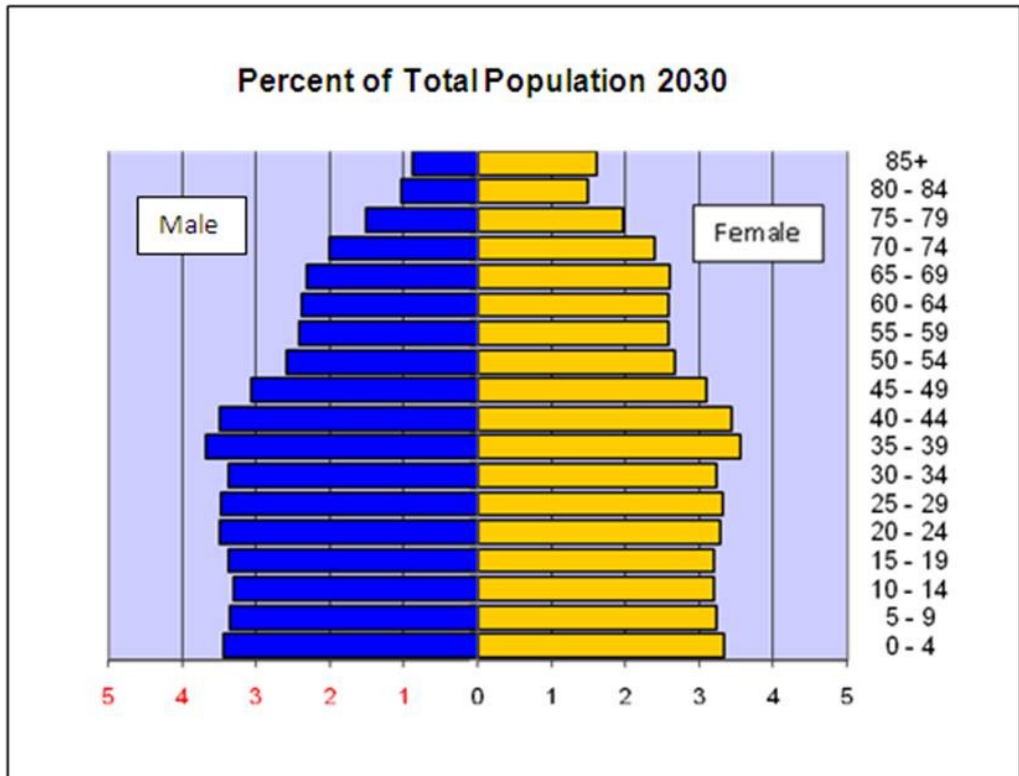


Figure 4: Population Pyramid of California 2030

2.2 Demographic Impacts on Senior Markets

Demographic trends, as described in the chapter before, naturally have impacts on society and its markets. A report titled 'Aging into the 21st Century' created by the U.S. Department of Health and Human Services, predicts that

There will be large increases by 2030 in the numbers [of elderly] requiring special services in housing, transportation, recreation, and education, as well as health and nutrition. (qtd. in Hirsch de Haan 2004: viii)

Therefore, the need for special services in housing will have significant meaning for community associations during the next three decades.

2.2.1 Involved Generations

Among active adults there are two large age cohorts who make up the market for current and future retirement communities: the 'Eisenhower Generation' and the 'Baby Boom Generation'. People in the Eisenhower generation were born between the Great Depression and World War II and are now aged 60 to 75 and make up most of the current market for active adult retirement communities. The baby boom generation was born between 1946 and 1964 and with 76 million people they represent the largest age cohorts of the present. Although some of the older baby boomers already begin to buy homes in retirement communities (especially in 'preretirement resort developments' and 'age-targeted retirement communities'), they are not yet a significant force in this market. (see Suchman et al. 2001: 34)

2.2.1.1 The Eisenhower Generation

The members of the Eisenhower generation represent about 14 percent of the U.S. population, or about 38 million persons. Ikes, as they are called as well, are the most prosperous retirement-age generation in history, since they have actively saved for retirement. In contrast to other generations, the

Eisenhower generation is able to spend much more during their retirement. The majority of the Eisenhower generation are homeowners. Some may have chosen or will choose a smaller home more suited to this stage of their lives, while others may buy a second (or seasonal) home. Again others may need to remodel their current home to fit their needs. However, this generation makes up one of the two most important generations who are potential buyers of retirement homes. (see Suchman et al. 2001: 34f)

Two factors place Ikes in a strong position to buy homes: first, they owned their homes during periods of high appreciation in housing values; second, they earned pensions during one of the most stable periods for corporate America. (Suchman et al. 2001: 35)

2.2.1.2 The Baby Boomers

The Baby Boomers, those born between 1946 and 1964, represent the other most important generation in the demographic aging process and its impacts on senior housing:

Since the baby boomers represent about one-third of the U.S. population, the impact of their aging is going to be felt by a wide range of consumer products, including housing and community development. [...] The coming 'age wave' of baby boomers entering their senior years is expected to create unprecedented opportunities for community developments that target their needs. (Suchman et al. 2001: 37f)

As a matter of fact, each generation has unique motivations, needs, desires, and preferences that will affect the kind of retirement lifestyle they look for. Therefore, the sheer fact that the baby boomers are aging does not guarantee that their needs and preferences will be similar to other generations. Even baby boomers' current views on how and where they would like to spend their retirement are not necessarily a reliable indication, since some of them are still too young to carefully think about retirement yet. (see Suchman et al. 2001: 38)

Baby boomers might need to work longer and retire later compared to their parents for various reasons: First of all, life expectancy is still rising due to better medical support, new technologies, etc., the feeling of being and

staying young is getting stronger too, and some of the boomers may need to remain in the workforce longer for financial reasons. Either because they have not saved enough, since there is no state or government pension plan in the United States, or because they had children at a rather late stage in life and therefore need to pay for their children's expensive college tuition instead of saving for retirement. (see Suchman et al. 2001: 38)

Thus, retirement may be postponed for some baby boomers. Nevertheless, it is statistically proven that baby boomers' mere numbers will dramatically affect the demand for senior housing. (see Suchman et al. 2001: 38)

3 Types of Senior Living

For many seniors, the thought of leaving their homes to move into a retirement community is disturbing. It is widely assumed (especially if you are not American) that the only other option when moving out of one's home is to move into a nursing home. Seniors' adult children who often play an important part in the decision making process regarding their parents' future are often unaware of the range of choices and therefore do not even allow discussions about moving their parents into a senior living community. In most cases, this is due to the misconceptions associated with nursing homes. However, reading the available literature will help to abandon those stereotypes, since there have never been that many choices and solutions for retired seniors who are willing to move.⁸

In this chapter the most prominent forms of retirement living will be introduced and their most important features will be described.

⁸ Gilbert Guide. 2009. "Independent Living: What to Expect from Retirement Communities". <http://www.gilbertguide.com/articles/independent-living-what-to-expect-from-retirement-communities/> (20 May 2009)

3.1 Non-age-segregated Living

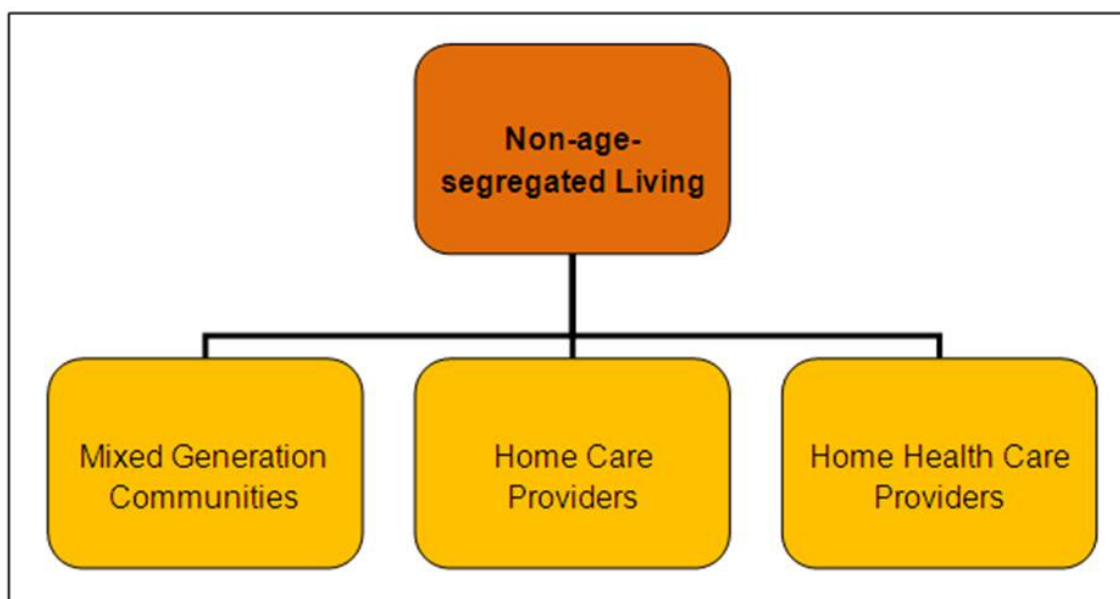


Figure 5: Forms of Non-age-segregated Living

3.1.1 Mixed Generation Communities (Intergenerational Communities)

Mixed generation communities are the type of community most Americans live in. These are communities where people of all ages live together whether it is a town or a development – from children to the working population to seniors. As the name implies, these communities are a form of non-age-segregated living.⁹

3.1.2 Home Care Providers

Home care providers offer a wide range of non-medical personal services (similar to assisted living) but at the retiree's personal home to enable seniors to live comfortably in their homes as long as possible. Generally, home care

⁹ Topretirements.com. 2009. "Find Out More About Choosing the Best Type of Retirement Communities". <http://www.topretirements.com/communities/> (27 May 2009)

agencies are not licensed, but many employ state-certified nursing assistants or certified health aides. (see Hirsch de Haan et al. 2004: 77)

3.1.3 Home Health Care Providers

Home Health Care Providers provide medical services such as nursing, physical therapy as well as nutritional advice. They are licensed by a State Department of Health and offer services in coordination with the patient's attending doctor. (see Hirsch de Haan et al. 2004: 77)

3.2 Age-Segregated Living

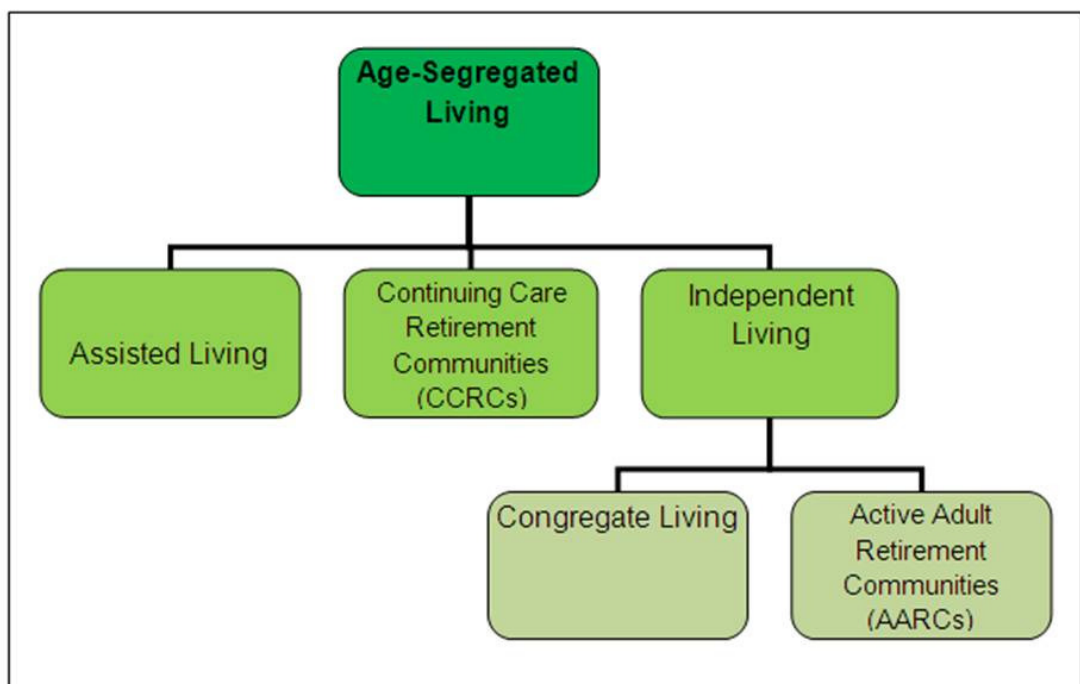


Figure 6: Forms of Age-segregated Living

3.2.1 Assisted Living Facilities

Assisted Living facilities provide regular assistance with daily services such as meals, housekeeping, bathing, medical services, transportation, etc. within an age-segregated community. (see Hirsch de Haan et al. 2004: 77)

3.2.2 Continuing Care Retirement Communities (CCRCs)

Continuing Care Retirement Communities, also referred to as a life-care communities, combine residential accommodations with health services. The purpose of a CCRC is to allow residents to receive the appropriate care as long as they stay in the facility, from independent living on the bottom of the care ladder to assisted living and skilled nursing care. Retirees' needs change with older age, but CCRCs enable seniors to receive gradual levels of care without having to leave the retirement community. This ensures that residents will be cared for until their end-of-life. Residents usually pay an entrance fee and varying monthly fees based on the level of care they need. The contract can cover one or more levels of care, either for the duration of a resident's life or for a term beyond one year, in exchange for an entry and monthly fee. This form of age-segregated living is especially popular with couples whose health status is different from each other and who therefore need different levels of care. In a CCRC, they can still live together comfortably. (see Hirsch de Haan et al. 2004: 78)

3.2.3 Independent Living Facilities

These age-segregated facilities are the fastest growing option in senior living. Independent living communities, which are also called retirement communities, offer a solution for retirees wishing to simplify their lives, but who do not necessarily need the individual attention provided in nursing or assisted living homes, which include medical or personal assistance with everyday tasks such as bathing, dressing and medication management. In most independent living communities, residents care for themselves, but are able to enjoy a simplified lifestyle. They do not need to worry about cooking, cleaning, driving, or home maintenance.¹⁰ (see Cullinane & Fitzgerald 2007: 271)

¹⁰ Gilbert Guide. 2009. "Independent Living: What to Expect from Retirement Communities". <http://www.gilbertguide.com/articles/independent-living-what-to-expect-from-retirement-communities/> (20 May 2009)

While every independent living community is different, the following services and amenities seem to be standard:

- suites that include kitchenettes or even full kitchens
- live-in management and/or 24-hour security
- chef-prepared meals made daily
- weekly housekeeping and linen service
- local transportation services
- social as well as physical and wellness activities
- travel programs, etc.

Independent living communities are paid privately by each resident; there is no government or state grant. Some communities require an entrance fee, while others only require a monthly all-inclusive rent payment. The cost of an independent facility is generally less than assisted living or nursing homes, and also may be less expensive than living at home. Prices range widely, depending on the size of the suite and the services offered by the community.¹¹

3.2.3.1 Subcategories of Independent Living

Senior living literature also provides the following subcategories of independent living:

3.2.3.1.1 Congregate Living Facilities

Congregate Living Facilities are usually 55 plus retirement apartments (also called suites) for rent where a number of amenities are available to ambulatory seniors, such as meals, housekeeping, laundry, etc. Residents enjoy an independent lifestyle but do not have to worry about home ownership. Typically, residents pay monthly rental fees.

¹¹ Gilbert Guide. 2009. "Independent Living: What to Expect from Retirement Communities". <http://www.gilbertguide.com/articles/independent-living-what-to-expect-from-retirement-communities/> (20 May 2009)

3.2.3.1.2 *Active Adult Retirement Communities (AARCs)*

Active adult retirement communities are very similar to congregate living facilities, since they often share the same rules and restrictions regarding the age limit. However, active adult retirement communities offer significantly more recreational facilities in order to provide a more active lifestyle and they usually offer single-family homes instead of apartments.¹²

¹² Cf. Chapter 4 'Active Adult Retirement Communities'

4 Active Adult Retirement Communities

Active Adult Retirement Communities (AARCs) are defined as developments that are “restricted or targeted¹³ to people who are 55 years or older”. (Suchman et al. 2001: vi) Typically, active adult communities attract people who are aged 55 to 74, though age-targeted often sell to younger buyers as well. Retirees aged 75 and older often need or prefer living arrangements that provide more supportive services, for example medical or domestic, i.e. dressing, bathing, etc. and therefore are not the target market for AARCs. (see Suchman et al. 2001: vi)

Communities that are age-restricted must hold on to the requirements of the federal Fair Housing Act amendments¹⁴, and exclude children as permanent residents. AARCs that are age-targeted are intended to attract approximately the same age group, since they share vital characteristics, such as “location, project concept, development components, design, and marketing, but do not – and legally cannot – exclude anyone on the basis of age”. (Suchman et al. 2001: vi) Age-targeted developments often include pre-retirement and second-home buyers as well as people older than 55. (see Suchman et al. 2001: vi)

4.1 Preliminaries

The AARC market differs in several ways from the market for primary family homes, especially when it comes to buyers’ motivation and buying style. In addition, the needs and preferences of AARC residents are different from those of younger buyers as well as the product design itself. AARC communities do not only provide a place to live, they rather offer a “distinct, adult-oriented lifestyle choice”. (Suchman et al. 2001: 3) It is an unwritten

¹³ Cf. difference between ‘age-restricted’ and ‘age-targeted’ community in chapter 4.3.3 ‘Age-Restriction versus Age-Targeting’

¹⁴ Cf. chapter 4.6

law that the lifestyle choice is more important to the consumer than the home itself. However, communities that are age-restricted (the term ‘age-qualified’ is sometimes used as well) are subject to specific regulatory requirements. As the name of such communities implies, AARCs are targeted or restricted to people who are aged 55 or older – therefore, the community amenities, programs, and services are specially designed for their target market, namely mature adults rather than children (this would be the case in ‘intergenerational communities’). (see Suchman et al. 2001: 3f)

Typical AARCs consist of “for-sale, single-family, ranch-style homes on small lots” (Suchman et al. 2001: 4), along with “common recreational facilities and a wide range of social programs” (Suchman et al. 2001: 4). Not all AARCs match this profile, though: AARC’s homes may be two-family, multifamily, or townhomes (i.e. row homes that are sometimes terraced); buyers may have the option of two-story models or models with basements; the development may also include low-rise, mid-rise, or high-rise condominiums, which describes the height of construction. There are also various options regarding purchase arrangements. However, the defining characteristics of AARCs are the specific age market and the unique lifestyle offered. (Suchman et al. 2001: 4)

4.2 History and Scope

In the 1960s, when the retirement community industry had just emerged, there were only a few communities, and those being built were generally large compared with today’s standards, ranging from 2.800 to 26.000 units, with an average size of about 8.000 units. Some of these communities, such as Rossmoor in the San Francisco Bay Area, are still active in the market.

The number of new AARCs decreased during the real estate depression of the early 1970s, but the few that did get built were relatively large, with as many as 17.000 units. During the 1980s, more companies entered the market, and with that development the number of AARC developments grew substantially. The average number of units was then 4.588, ranging from as

low as 903 to as high as 26,000 (at 'On Top of the World' in Florida). In the 1990s, the industry experienced an unexpected high: More than 50 communities were brought to market, mostly in the second half of the decade. Communities of that time were generally smaller with an average community size of 2,363 units. Competition got stronger since the number of developers in the market continued to increase. (see Suchman et al. 2001: 4f)

The strongest AARC market is Florida, where 38 percent of all AARC units are located. Arizona is next, with 21 percent, followed by California, with 16 percent. Nevada has 8 percent and New Jersey 4 percent. According to some developers, not only the conventional places where older people can move to retire bring great opportunities, but also many other places where mature adults live, for example metropolitan areas, such as Atlanta, Chicago, Los Angeles, San Francisco, New York, and other major cities. Since developers are aware of the fact that there is going to be a huge increase of potential buyers in the near future as the baby boomers reach retirement, AARC development is still expanding today. (see Suchman et al. 2001: 5)

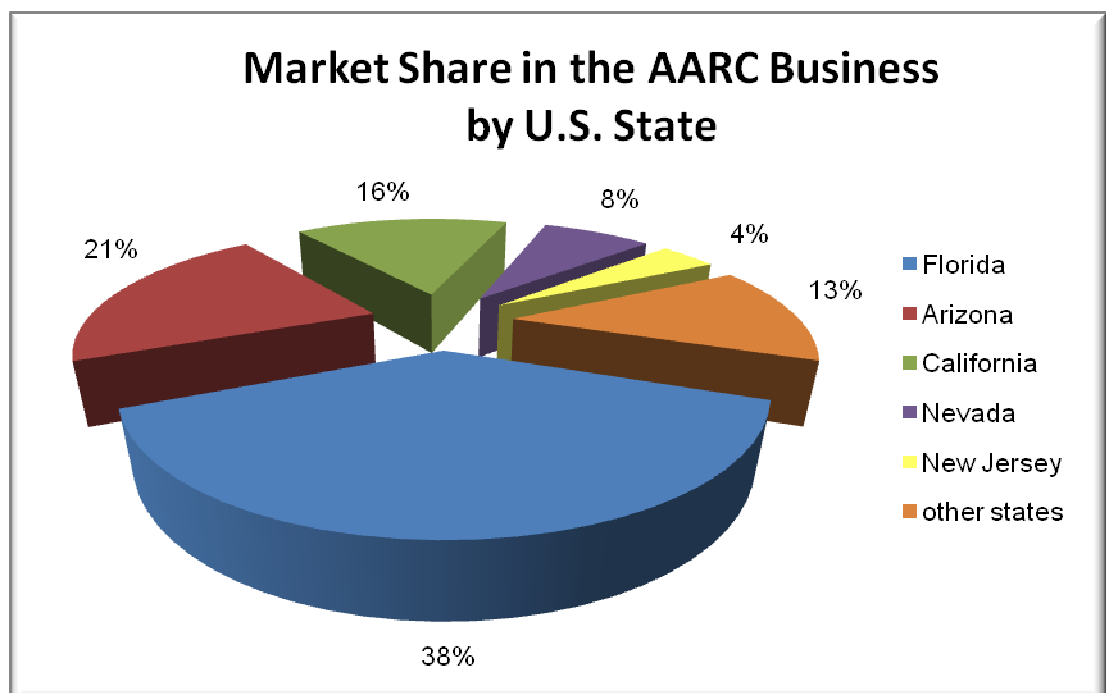


Figure 7: Market Share in the AARC Business by U.S. State

4.3 Types of Active Adult Retirement Communities

The term 'Active Adult Retirement Community' contains various types of communities, all of which share the same age market, namely the mature homebuyer aged 55 to 74. These communities can generally be differentiated on the basis of size, target market, and location. (see Suchman et al. 2001: 5)

4.3.1 Size

Active Adult Retirement Communities can be categorized as

- large (more than 1.500 units),
- moderate-sized (300 to 1.500 units), or
- small (fewer than 300 units).

Large communities feature more diverse options in their site plans, amenity packages, choice of housing products, and they attract buyers from a larger market area, since their product line-up is very special. Large AARCs can be further divided into age-restricted and non-age-restricted developments. Both types usually offer a broad range of amenities, and are often centered around golf.

Moderate-sized communities may be age-restricted or not, and typically offer a clubhouse but no golf course within the development. Larger communities within this category may include an 18-hole golf course and country club.

Small age-restricted and age-targeted communities generally offer a product that usually attracts buyers who live nearby with more limited home choices and fewer, appropriately sized amenities within the gates. (see Suchman et al. 2001: 8)

4.3.2 Location

An increasing number of retirees search for retirement communities that are near their children and near their former homes, which will allow them to maintain familiar ties. Therefore, developers have begun to build AARCs in non-traditional locations, especially near metropolitan areas. In some traditional retirement destinations markets are saturated, hence developers of AARCs look for new locations as well. For most developers, proximity to a metropolitan market means a location within a metropolitan area, but often in a distant suburb where land can be accumulated and zoned more easily and at a more reasonable cost. However, AARCs have also been built on suburban and urban infill sites. (see Suchman et al. 2001: 12)

Since the group of potential buyers is smaller and because the concept is still being tested, “AARCs in non-traditional, four-season metropolitan markets” are usually smaller than those in typical retirement destinations. (Suchman et al. 2001: 15)

As a matter of fact, prospective buyers of a home in an AARC usually decide on a location first, before they choose a specific community - regardless of whether they are interested in a retirement destination in a different state, in an area within their state but outside their current city of residence, or in a nearby location. (see Suchman et al. 2001: 12f)

4.3.3 Target Market

The potential market for AARCs is diverse and owns substantial wealth. Having a closer look at individual households within the target age group, it shows that they vary considerably: they may or may not have children, may or may not be retired, may be sportive or sedentary, but their financial background still needs to be at least that of an upper middle class in order to finance the AARC lifestyle.

From a developer’s standpoint, it is very useful to segment this age cohort according to certain characteristics, such as the tendency to move to an

AARC, age, income, marital status, and 'niche status' (for example ethnic background or affinity group).

Within the target span, the age of prospective buyers is an important factor, since their former life experiences can determine their values and preferences later in life. These differences in attitude include, for example, whether or not someone is adventurous and willing to try something new instead of seeking familiarity, or whether someone thinks rather economically or does not worry about money in the least. Therefore, AARCs can be tailored to a range of price levels, from affordable to extremely luxurious, with amenities designed accordingly. From an urban geography's perspective price range and attitude towards lifestyle go hand in hand: the more expensive a home within an active adult retirement community is, the more exclusive and socially segregating it will be, since only specific seniors (i.e. the 'right' people with the same economic, social, cultural and maybe even ethnic background) will be able to afford this kind of senior housing. Therefore, many active adult retirement communities are gated communities, i.e. they are separated from the outside world through fences or walls, whereas a homogeneous social surrounding is created. Additionally, the 'virtual' segregation (through price and specific lifestyle) supports this form of gating. (see Faßmann 2004: 112)

Another important characteristic of the AARCs' target market age cohort is the question of specific niche markets. Prospective buyers may have, for example specific leisure-time interests, belong to a specific ethnic or racial background, or affinity group. A familiar example is an AARC developed specifically to appeal to golfers; others, which are currently being developed, are targeted to other niche-markets, for example gay and lesbian retirees (such as the Bay Area's retirement community 'GayCare' for gay men aged 60 plus in Daly City, CA), deaf retirees, former members of the military, and academics. (see Suchman et al. 2001: 9f)

4.3.4 Age-Restriction versus Age-Targeting

One of the major differences regarding characteristics of Active Adult Retirement Communities is whether an AARC is age-restricted or age-targeted. From a market standpoint, there are advantages and disadvantages to either choice:

Some older people – especially those over 65 – want to be among people like themselves, who have their leisure to socialize and an interest in doing so; they also want to be where all the facilities and programs will be geared toward the interests of their age group and where they will not be bothered by the everyday annoyances children can create. (Suchman et al. 2001: 15)

This indicates for the developer that the target market is more specifically definable and therefore the prospective buyers' needs and preferences can be realized more easily. (see Suchman et al. 2001: 15f)

On the other hand, a larger group of prospective buyers will likely show antipathy towards the idea of age-restriction, either because they prefer to live among a more diverse group of residents or because they have the image of retirement communities as a place where only old people live and they definitely do not want to associate themselves with this picture. This argument is especially true when one partner of a couple is considerably younger. The greatest advantage of a non-age-restricted community is that the developer can market and sell to a larger pool of buyers; however, if that is the case, children and teenagers cannot be legally prohibited from residing in such communities. (see Suchman et al. 2001: 18)

The community's location may also affect the choice between age-restriction and age-targeting.

Age-restricted communities within otherwise intergenerational master-planned communities can offer certain facilities for their residents' exclusive use, but within an environment of greater age diversity, perhaps including children and grandchildren. In resorts or vacation areas where second homes are popular, age-targeting allows the developer to attract somewhat young buyers who may later decide to live in the home full-time after retirement. (Suchman et al. 2001: 18)

On the other hand, in traditional retirement destinations, where “large, all-inclusive, age-restricted communities tend to be more the norm”, this form is largely accepted on the market. Age-restricted communities located near metropolitan areas surrounded by diverse, intergenerational neighborhoods can offer mature consumers another option as well. (Suchman et al. 2001: 18)

4.4 Economic Impacts of Active Adult Retirement Communities

Active Adult Retirement Communities bring economic benefits to the local governments, especially compared with other forms of residential developments, for example intergenerational neighborhoods.

According to the National Association of Home Builders (NAHB), under conservative assumptions, the one-year benefits of 100 single-family AARC homes in a typical city – not including ongoing participation in the local economy – include more than \$10 million in local income, approximately \$850,000 in local taxes, and 253 local jobs.¹⁵ (qtd. in Suchman et al. 2001: 21)

At the same time, active adults do not claim most public services compared to residents of other types of developments. In addition to these financial benefits, an increase of active adult residents brings human resources to the receiving community, since they represent experienced, interested, and active citizens and volunteer workers. (see Suchman et al. 2001: 21)

Most important, because they do not have school-aged children and bring them to the school system,

active adults do not impose the single greatest tax burden typically created by new residential development. (Suchman et al. 2001: 25)

¹⁵ National Association of Home Builders / National Council on Seniors’ Housing, *Winning Strategies for Approval: Impact on Schools* (brochure).

Even for developments that are age-targeted rather than age-restricted, the number of school-aged children and therefore the costs to educate them cannot approximately be compared to the number and costs of school-aged children in “all households”. (Suchman et al. 2001: 25)

In addition, older people drive less (especially during peak traffic times when the working force needs to get to or back home from work), and therefore do not create such a big burden on local roads and cause less traffic congestion compared to younger adults . (see Suchman et al. 2001: 25)

In order to obtain approval for their AAARCs, many developers provide analyses that outline the expected effect of the proposed project on the local economy.

4.4.1 Government and State Regulations

Because of the economic benefits that senior residents bring to a community, the American Association of Retirement Communities was formed in 1994 to promote the attraction of retirees as an economic development strategy. Many states try to encourage older people to relocate within their borders, offering numerous retirement communities which should attract out-of-state persons by even instituting income-tax exemption on qualified retirement income, such as Mississippi through its Hometown Mississippi Retirement Program. (see Suchman et al. 2001: 26f)

At the local level, some jurisdictions that are familiar with the economic benefits of retirement communities have incorporated designations for AARCs into their zoning orders and have already zoned land to encourage this type of development.

However,

“[e]ach jurisdiction is very cognizant of the litigious environment and is slow to grant approvals for zoning changes, because they are concerned about the reaction of neighboring citizens.” (Suchman et al. 2001: 27)

Therefore, developers who propose an AARC development should expect opposition from the surrounding community, since some people will protest any development on a previously vacant site. A prudent developer will approach elected officials and neighborhood organizations early, so that their objections can be addressed during the planning process and the AARC development will not face any more problems. (see Suchman et al. 2001: 27)

If properly informed and encouraged, organizations such as the American Association of Retired Persons, the area agency on aging or other organizations that deal with retirement issues may support the development and may even be willing to testify in favor of it at public hearings. (see Suchman et al. 2001: 27)

4.4.2 Marketing Aspects

The most striking difference between active adult retirement community developments and intergenerational communities is the age and hence the nature of the market. By definition, the people who buy in AARCs are mature adults, namely 55 and over. Most are married couples and financially independent. They want to buy a home in an AARC because they seek a different lifestyle, not because they want to own a home or because they need a place to live.

It is a purely discretionary decision: there is no real requirement or urgency to purchase, and mature consumers can – and do – take their time deciding whether and where to buy. The discretionary aspect of the motivation to purchase means that developers are not filling a need: instead, they must create a desire for the lifestyle that they offer. (Suchman et al. 2001: 29)

It is a matter of fact that mature buyers in the AARC market do not purchase promises: they ask for a certain lifestyle and this has to be offered without any exceptions. Thus, AARC developers create and present the community's amenities up front. In order to achieve that, developers do research to

understand the current preferences of the specific market segments they hope to reach. (see Suchman et al. 2001: 29)

At the same time, the members of the mature market are more sophisticated and demanding than younger adults. They have already bought homes in the past, often even several. Therefore, they are aware of their needs and preferences, they have the time, expertise, and tendency to thoroughly investigate their options before making the purchase decision. Moreover, the market does not only include prospective buyers but often also their adult children, who tend to accompany them on visits to AARCs and advise them on purchase decisions. (see Suchman et al. 2001: 30)

4.5 Market Analysis of Active Adult Retirement Communities

The potential market for Active Adult Retirement Communities will change considerably, since baby boomers start reaching retirement:

Developers of retirement communities are eagerly anticipating the expected dramatic increase in the number of older people in the United States during the next 30 years. The baby boom generation has dominated consumer demand for all products at every stage of its life circle so far, and will soon affect market demand for active adult retirement communities (AARCs). (Suchman et al. 2001: 39)

This chapter deals with the various segments within the active adult market, and suggests how developers can determine and analyze expected demand for a specific project.

4.5.1 Market Evaluation

In order to make an active adult retirement community project successful, developers do substantial research in the active adult market before they actually start planning and designing a community.

Typically, the objectives of such a market study will include

- Achieving a better understanding of the consumer so that the project can be tailored to the target market
- Forecasting the potential depth of the market, both for active adult housing in general and at the subject property specifically
- Gauging the interest of a particular market audience in a variety of community and product characteristics, including age-restriction
- Determining what development standards should be required and which products and amenities should be offered to position the community competitively in the marketplace
- Establishing or refining the information that will guide the community's master planning and marketing and sales strategies. (Suchman et al. 2001: 39f)

The following figure shows some of the crucial criteria for a thorough market study:

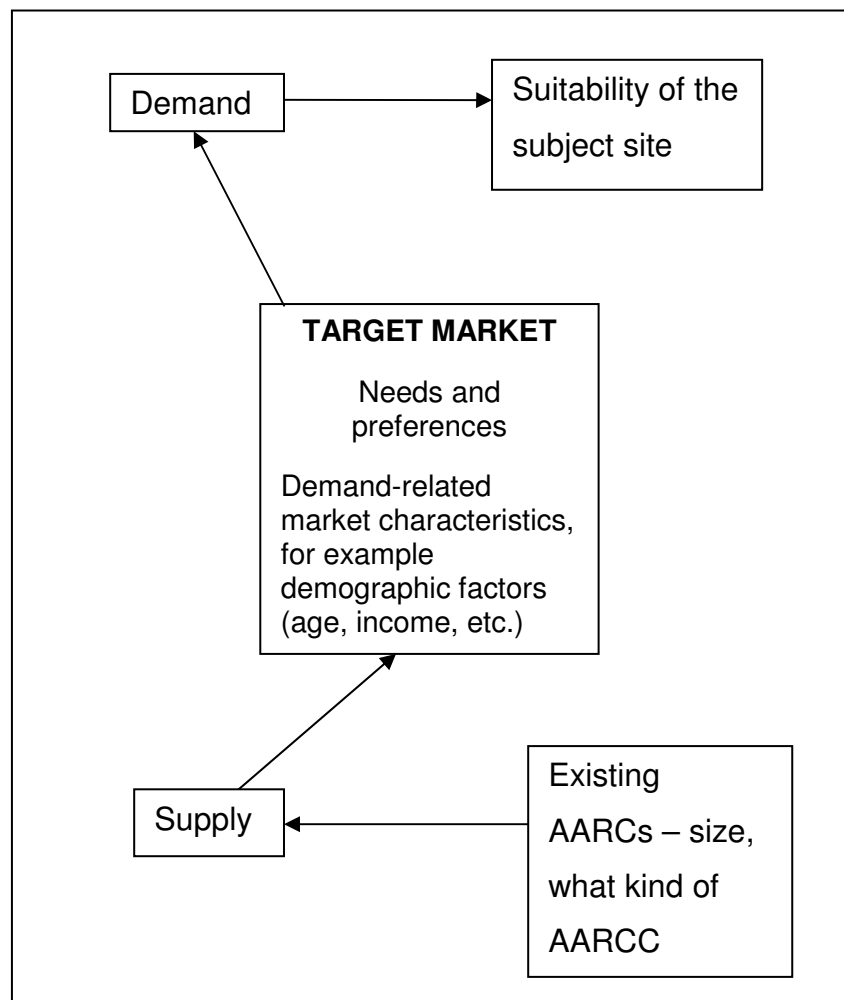


Figure 8: Criteria for a Thorough AARC Market Study

First of all, developers need to define the community's specific target market and its special needs and preferences. Each target market has its own characteristics that will affect their demands, for example demographic factors such as age, income or number of households in the community's vicinity. In this context, it is also important to prove whether or not the subject site for a planned community will meet the target market's demands.

In a second step, the market study will have to deal with already existing AARCs that share their market and need to take factors into consideration such as size or nature of the community. All these components will lead the community developers to the appropriate competitive positioning strategy, so that their project will eventually be successful. (see Suchman et al. 2001: 40)

4.5.2 The Market Audience

It is important for active adult retirement communities to know who their buyers are, what makes them unique, what they desire, and what motivates them to purchase housing in an active adult community. The most successful AARC developments are market-driven, and developers use market and consumer research to ensure that their project will meet market needs.

Generally, the results of such research confirm that

retiree buyers are purchasing a lifestyle rather than simply buying shelter. They want to satisfy lifestyle needs that cannot be met in their current living situation, and they are seeking quality and value, as they – not the builder or the developer – define it. (Suchman et al. 2001: 41)

When research tries to figure out what kind of product sells best in the active adult retirement community market, results show that most retirees prefer detached housing, "although duplexes, condominiums, and other configurations also sell well under certain circumstances." (Suchman et al. 2001: 41) Condominiums for example seem to be especially desirable when the active adult retirement community is located in a metropolitan area and therefore space for detached housing is not available.

On the other hand,

small-lot, villa, and detached patio homes have been popular in many communities, especially with buyers who want a maintenance-free, move-down lifestyle at a slightly lower density than is characteristic of attached housing developments. (Suchman et al. 2001: 41)

Finally, research indicates that active adults want to live in a community which suits their unique interests. This may include golf, tennis, exercise walking or hiking, gardening, arts and crafts, attending the theatre, photography, or other interests. (see Suchman et al. 2001: 41)

However, one dimension of the active adult market must not be forgotten, namely that this market does not only comprise one market segment, but multiple. It is essential for the developer to understand that the retiree homebuyer market is constantly changing, and providing only one development program is simply not enough. (see Suchman et al. 2001: 41)

The various market segments have very specific characteristics, and, through market and consumer research, those segments need to be targeted for each new community development project:

To understand the market for a particular project, it is essential to realize that different age cohorts within the active adult market are likely to have different needs and preferences. So, for example, though the active adult market is generally considered to encompass those aged 55 to 74, outlooks and needs vary among those aged 55 to 59, 60 to 64, 65 to 69, and 70 to 74. (Suchman et al. 2001: 42)

In addition, developers of active adult communities, especially those that are age-targeted rather than age-restricted, will need to consider the needs and preferences of prospective buyers as well (those aged 50 to 54 and also even those aged 45 to 49). (see Suchman et al. 2001: 42)

Finally, not only demographic factors, such as age, play an important role – geographic location is another consideration, since buyers' preferences vary by region and its related, specific singularities. A retiree who wishes to buy a home in an active adult retirement community located in California will ask for different housing properties or leisure amenities compared to a buyer in New York – simply because of the different climate and its effects on housing.

4.5.3 Consumer Research

Numerous developers of Active Adult Retirement Communities base their future community plans solely on demographic studies that indicate a large number of age-qualified households in the vicinity. This may be a good starting point, but it may not be enough to demonstrate that the market is sufficiently large to guarantee the feasibility of a project. A certain number of people with the targeted age and income level for an AARC does not assure that those retirees are interested in AARCs in the first place or in a particular project respectively. (see Suchman et al. 2001: 42f)

Although consumer research has to rely on statistical information, surveys that segment the market merely on the basis of demographic factors such as age and income cannot entirely understand what really motivates people to buy a home in an AARC. More sophisticated surveys do not only take these factors into consideration, they also approach the subject from a different angle, namely consumers' psychographics, or attitudinal profiles.

There are distinct attitudinal segments within the over-50 market, some of which are more open to the idea of active adult community living than others. For example, the 60 percent of households age 55 and over who are still married represent a stronger market for AARCs than the overall market – a piece of information that must be factored into the demand equation. (Suchman et al. 2001: 42f)

Developers who simply evaluate the market by age or income in order to forecast their potential market volume are likely to overrate their opportunities. (see Suchman et al. 2001: 44)

4.6 Legal Status Quo

Planning and creating a retirement community for active adults requires a discussion of the legal status quo, since it is essential to avoid exposing the developer and all who subsequently become the housing providers to significant risk. (see Suchman et al. 2001: 139)

4.6.1 Statutory Basis – ‘Fair Housing Act’

In 1968, Congress adopted Title VIII of the Civil Rights Act. This statute prevented discrimination regarding housing on the basis of race, color, religion, sex, or national origin. Twenty years later, Congress adopted the Fair Housing Act of 1988 which added ‘familial status’ and ‘handicapped’ to the list of banned discriminations. Familial status included the fact that a family had children. This provision was added largely in response to a growing trend, particularly in rental housing, namely to restrict housing to those who did not have children. Therefore, Congress, needed to protect families with children in their search for available, affordable housing by adapting the Fair Housing Act amendments. Even though Congress prohibited discrimination against persons based on familial status, it was acknowledged that there was need for housing that did exclude children and, conceivably, was created only for persons above a minimum age limit. As a result, the Fair Housing Act of 1988 provided exceptions from the prohibition of discrimination for three types of communities designed for older persons:

The first type is a community specifically designed and operated for the elderly under state or federal programs. The second is for communities intended for and occupied solely by persons who are at least 62 years of age. [...] The third exception is for communities that meet specific criteria and that are intended for and occupied by households in which at least one person is 55 years of age or older. (Suchman et al. 2001: 142)

At the time of the original amendments to the Fair Housing Act, one of the criteria was that the community provided specific facilities and services

designed to meet the physical and social needs of older persons. This provision caused considerable anxiety among many developers.

Therefore, the Housing for Older Persons Act of 1995 eliminated these requirements in order to qualify for this third exemption. From then on, a community only needed to meet the following three criteria:

- At least 80 percent of the occupied units in the 'housing facility or community' must be occupied by at least one person 55 years of age or older
- The facility or community must publish and must adhere to policies and procedures that demonstrate an intent to comply with the requirements of the Fair Housing Act.
- The community or facility must meet the rules for verification of occupancy. (Suchman et al. 2001: 143ff)

5 Seniors' Motives to Move to a Retirement Community

The following chapter is going to introduce a study about seniors' motives to move to a retirement community (Assisted Living Facility, Independent Living Facility or Continuous Care Retirement Community). It will present the reasons for moving and its associated push- and pull-factors as well as a segmentation analysis based on demographic as well as psychographic factors.

Although carried out almost twenty years ago, Loomis', Sorce's and Tyler's study about seniors' motives to move to a retirement community still seems valid. Their study 'A Lifestyle Analysis of Healthy Retirees and Their Interest in Moving to a Retirement Community'

measured the degree of interest of 418 healthy, middle income individuals over age 60 in relocating to a proposed retirement community. (Loomis, Sorce & Tyler 1989: 19)

The study's outcome showed that the level of interest in moving into the community varied by "psychographic and demographic variables" as well. (Loomis, Sorce & Tyler 1989: 19) The respondents expressing the greatest degree of interest regarding lifestyle were characterized by the following qualities:

- a high degree of social venturesomeness,
- physical activity,
- self-reliance and
- a need for physical and financial security. (Loomis, Sorce & Tyler 1989: 19)

The demographic segments expressing the highest level of interest included those individuals who were

- single,
- widowed or

- divorced and those who
- rented, rather than owned, their home. (Loomis, Sorce & Tyler 1989: 19)

According to this study, the rise in the number of Americans over age 65 has resulted in numerous new products and services for seniors. Health care is one of the highest priorities for aged persons, but there seems to be a change in where they seek medical advice: Instead of giving up an independent lifestyle and moving into a skilled nursing facility, retirees with moderate health problems or chronic illnesses prefer that their health needs are addressed by a community support system, i.e. they can ask for medical advice and/or treatment if it is necessary, but are not confronted with their health condition on a daily basis so that they would feel even older and less independent, as would be the case in a nursing home. (see Loomis, Sorce & Tyler 1989: 20)

The need for some combination of housing and health care which facilitates the independent lifestyle sought by many people over age 65, is beginning to be met through development of retirement communities (Scanlon & Feder 1984 qtd. in Loomis, Sorce & Tyler 1989: 20)

Typically, retirement communities are age homogeneous settings which offer various service and amenity packages which range from meal plans to guaranteed health care for life (as in continuing care retirement communities (CCRCs)). (see Loomis, Sorce & Tyler 1989: 20)

“Unlike admission to a nursing home, which is often a response to a crisis” (Smallegan 1983 qtd. in Loomis, Sorce & Tyler 1989: 20), for example death of the spouse or another psychological parent, the move into a retirement community is voluntary. The criteria for selecting a particular community are related to the retiree’s individual reasons for moving. (see Pirhofer & Plöckinger 1989: 30)

5.1 Reasons for Moving

Retirees name various reasons for moving away from their family home into a retirement community. One way to explain their reasons may be by adapting the 'push-pull' model, i.e. push factors are those negative aspects of home and neighborhood that make people move away and pull factors are those positive attributes which draw people to new homes within retirement communities. (see Loomis, Sorce & Tyler 1989: 21)

5.1.1 Push Factors

The following factors appear as push factors and make retirees decide to move away from their home:

- “the inability to care for one’s home” (Williams 1985 qtd. in Loomis, Sorce & Tyler 1989: 21)
- “a sense that one’s housing is inadequate” (Baker 1985 qtd. in Loomis, Sorce & Tyler 1989: 21)
- “loneliness and isolation, poor condition of present dwelling, fear and crime” (Brody 1978 qtd. in Loomis, Sorce & Tyler 1989: 21)
- “fear and insecurity; the death of a family member or close friend” (Beaver 1979 qtd. in Loomis, Sorce & Tyler 1989: 21)

5.1.2 Pull Factors

Pull factors are those factors which represent the attractive elements of a new home:

- “companionship, a monitoring system, safety, security and social activities” (Fishbein 1975 qtd. in Loomis, Sorce & Tyler 1989: 21)

- “cost, safety-security and location issues” (Taylor 1984 qtd. in Loomis, Sorce & Tyler 1989: 22)
- “the availability and quality of health care” (Torres and Trotzky 1982 qtd. in Loomis, Sorce & Tyler 1989: 21)

5.2 Segmentation Analysis

Having a closer look at the older population and their motives to move to a retirement community, various subgroups of the older population can be identified, each of which has a different motivation for changing their residence. Three main subgroups have been described:

- “the recreation and amenity market,
- the metropolitan convenience market and
- the supported independence market” (Warner 1983 qtd. in Loomis, Sorce & Tyler 1989: 22)

The first group, ‘the recreation and amenity market’, is mainly motivated to move by the circumstance that family and friends are already located in the area. Furthermore, they enjoy the benefits of a retirement community that offers numerous opportunities for recreation. Group two, ‘the metropolitan convenience market, usually comprises single women and couples in poorer health, who wish to “maintain the status of home ownership but desire decreased maintenance responsibilities” (Loomis, Sorce & Tyler 1989: 22). The third group consists of older retirees who seek on-site medical assistance and security. (see Loomis, Sorce & Tyler 1989: 22)

Other subgroups and their motives have been described as well:

- Retirees move to a resort with which they are familiar;

- Retirees relocate to a distant area where a relative lives;
- They return to the community of their childhood or early adult life;
- Retirees select a retirement community as a result of an organizational affiliation; (see Howell 1985 qtd. in Loomis, Sorce & Tyler 1989: 22f)

These segmentation studies prove that being of a certain age and income level does not determine whether or not a retiree decides to relocate to a retirement community:

The wide range of reasons retirees cite for moving illustrate that retirement status alone is not the determining factor. Variables such as lifestyle, health and functional ability are critical variables in the complex decision making process. (Loomis, Sorce & Tyler 1989: 23)

The following study tried to research the market demand for a retirement community in an urban-suburban community in Rochester, New York. Researchers hypothesized that within the local population over age 60, differences in lifestyle would be reflected in people's decision to consider relocation. The relationship among lifestyle variables was investigated as well as the level of interest in moving to a proposed retirement community and the exact reasons people of retirement age consider moving from their present home. (see Loomis, Sorce & Tyler 1989: 23)

5.2.1 Methodology

5.2.1.1 Sampling

The study sample consisted of 418 healthy, income qualified individuals, aged 60 and older, in Monroe County, NY, which incorporates the City Of Rochester and nineteen other towns. Only those retirees were considered as healthy who were noninstitutionalized and maintained their lifestyle without the help of support services such as private nurses or any type of life support

equipment. However, moderate physical disabilities such as requiring the use of a cane were considered as healthy. (see Loomis, Sorce & Tyler 1989: 23)
The specification for household income was \$20,000 annually or \$15,000 annually and additional home ownership. These income levels were identified to exclude those retirees qualifying for subsidized housing in the area. (see Loomis, Sorce & Tyler 1989: 23)

5.2.1.2 Procedure

In order to acquire a representative sample, three different channels were used:

- (1) shopping mall intercept in a single location in which the demographic profile of the shoppers most closely paralleled the demographic profile of the desired sample,
- (2) a pool of respondents who had previously participated in research studies with a field research firm, and
- (3) individuals known to the client organization. (Loomis, Sorce & Tyler 1989: 24)

The total sample consisted of 418 individuals including 68 couples, which results in a household sample size of 350. Participants were offered an allowance of \$10 for their time in completing the self-administered surveys and the thirty minute face-to-face interview. The refusal rate for qualified individuals was 25%. (see Loomis, Sorce & Tyler 1989: 24)

The research process was initiated by getting information from area professionals in the fields of long-term health care, senior housing, social work and gerontology and a review of the topical literature. This information served as the basis for group discussions. (see Loomis, Sorce & Tyler 1989: 24)

Discussion questions addressed issues such as current and future retirement plans, lifestyle, amenity and health-care dimensions, financing options, preferences and the decision making process surrounding pre- and post-retirement planning. (see Loomis, Sorce & Tyler 1989: 24)

The group discussion data served to provide a baseline for coding the major responses to the open-ended questions related to the retirees' reasons for moving and perceptions of the most difficult aspects of making such a move. Interest in moving was recorded by using a three-point scale using 'very interested', 'somewhat interested', and 'not at all interested'. In case that the retiree chose the 'not at all interested' category, the interviewer asked for clarification, namely if the interviewee was not interested in moving at all or just not interested in moving in the near future. In order to capture the price people were willing to pay to buy or rent a unit in a retirement community, an open-ended question was used. (see Loomis, Sorce & Tyler 1989: 24)

The discussion group's information was also incorporated into psychographic statements which focused on the following eight dimensions: social activity, financial behavior, physical security, risk-taking, physical activity, attitude toward family, perceived vulnerability to illness and self-reliance. (see Loomis, Sorce & Tyler 1989: 25)

Out of these psychographic statements, six groups could be formed:

Group Descriptions					
	Group	Psychographic Rank	Rank among the six groups	Demographic Characteristics	Demographic Rank
1	"Self Reliants"	Self-Reliance	1	Male	52%
		Socially Venturesome	4	Married	91%
		Security	5	Some college +	56%
		Physical Activity	3	Own Home	94%
		Family Orientation	3	Live alone	5%
2	"Quiet Introverts"	Self-Reliance	5	Male	46%
		Socially Venturesome	6	Married	80%
		Security	4	Some college +	45%

		Physical Activity	6	Own Home	98%
		Family Orientation	4	Live alone	13%
3	"Family Orienteds"	Self-Reliance	6	Male	45%
		Socially Venturesome	5	Married	84%
		Security	3	Some college +	45%
		Physical Activity	2	Own Home	87%
		Family Orientation	1	Live alone	7%
4	"Active Retirees"	Self-Reliance	2	Male	33%
		Socially Venturesome	1	Married	73%
		Security	1	Some college +	50%
		Physical Activity	1	Own Home	90%
		Family Orientation	2	Live alone	26%
5	"Young & Secures"	Self-Reliance	3	Male	47%
		Socially Venturesome	2	Married	79%
		Security	6	Some college +	70%
		Physical Activity	4	Own Home	95%
		Family Orientation	5	Live alone	16%
6	"Solitaires"	Self-Reliance	4	Male	24%
		Socially Venturesome	3	Married	78%
		Security	2	Some college +	56%
		Physical Activity	5	Own Home	78%
		Family Orientation	6	Live alone	22%

Table 5: Group Description of the Rochester Study¹⁶

¹⁶ Adapted from Loomis, Sorce & Tyler 1989: 26

5.2.2 Results

5.2.2.1 Interest in Moving

The major dependent variable in this study was the question which retirees would be interested in moving into a proposed housing project within the next two years. The following table shows that 22% expressed a strong interest and 30% a moderate. Of those people who stated that they would not be interested, 80% expressed an interest in moving at a later date. As shown in table 6, the strongest level of interest was expressed by group 4 (“Active Retirees”), the most extroverted, security-minded and physically active segment. Group 6 (“Solitaires”) consisting of many women and renters, expressed the most cautious interest - 46% responded “somewhat interested”. Group 3 (“Family Orienteds”), the youngest, most affluent and with the strongest orientation toward family, expressed the strongest negative response: 63% were not interested at all. (see Loomis, Sorce & Tyler 1989: 27f)

Level of Interest as a Factor of Psychographic Variables						
Level of Interest by Percentage	Psychographic Segment					
	1	2	3	4	5	6
	"Self Reliants"	"Quiet Introverts"	"Family Orienteds"	"Active Retirees"	"Young & Secures"	"Solitaires"
Very interested	16	22	23	31	14	21
Somewhat interested	24	33	13	27	33	46
Not at all interested	60	45	63	42	54	33

Table 6: Level of Interest as a Factor of Psychographic Variables ¹⁷

¹⁷ Adapted from Loomis, Sorce & Tyler 1989: 28

5.2.2.2 Reasons for Moving

Figure 9 shows the most important reasons why a retiree would move to a retirement community. The bottom of the pyramid represents the most significant circumstance under which a move would be considered, which was cited by most of the interviewees. They would want to move as soon as a home with fewer maintenance demands was needed. This major circumstance was followed by the following reasons: illness, when stairs became a problem, widowhood, a physical inability, if they found a smaller home which appeared more suitable for their needs, a financial turnaround, or better climate. (see Loomis, Sorce & Tyler 1989: 28f)

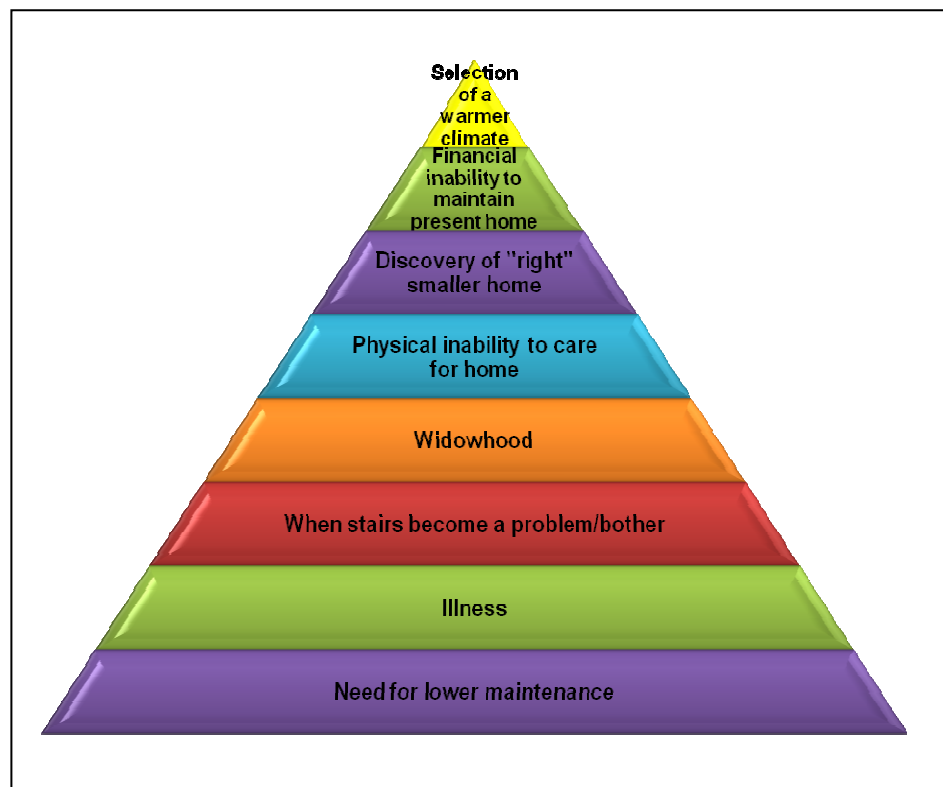


Figure 9: Circumstances Under Which a Move Would be Considered¹⁸

Interestingly, a demographic breakdown of the sample revealed several statistically significant differences in reasons for moving. While men and women were similar in their attitude toward the demand of lower

¹⁸ Adapted from Loomis, Sorce & Tyler 1989: 30

maintenance and the difficulties associated with an illness, men were only half as likely to cite widowhood as the reason to move. Similarly, men were half as likely to regard physical inability to care for the home as a major reason for moving than were women. (see Loomis, Sorce & Tyler 1989: 29f)

Almost half of the married interviewees cited illness as the major reason for considering a move compared to single retirees, two third of whose stated this reason. (see Loomis, Sorce & Tyler 1989: 30)

Another interesting aspect of this study was the outcome of the question what the most difficult aspects of making a decision to move to a retirement community would be. The majority of interviewees cited that leaving friends, family and neighbors was the most difficult part of the decision making process, followed by giving up home and familiar surroundings, and the emotional attachment to their home. (see Loomis, Sorce & Tyler 1989: 31)

6 Lifestyle Analysis of Active Adult Retirement Communities

Developers of active adult retirement communities (AARCs) agree that what they sell is primarily a specific kind of lifestyle instead of housing. Therefore, it is vital to understand what constitutes lifestyle when targeting, planning and marketing an AARC. What creates lifestyle is more than a clubhouse, a swimming pool, or a calendar of social events. Residents of AARCs have a very exact image of their community and themselves within it, including other residents and how they spend their time in the community. This chapter will focus on the various components of an active adult lifestyle and how it is important for developers to position their community on the competitive market. (see Suchman et al. 2001: 57)

People who decide to move as they enter their retirement years often want something different from what their current home offers:

Typically, they seek a lifestyle, in which they can pursue their own interests, try new experiences, and socialize with their peers. Often they want a resort environment where their life will resemble a perpetual vacation, providing comfort, quality, independence, companionship, choices, security, and freedom from responsibility. They feel that they have worked hard and saved all their lives to earn this new lifestyle: they deserve it, and they can afford it. (Suchman et al. 2001: 57f)

This description applies to many active adults, but it would be a huge mistake to think that this is valid for every active senior. The AARC market is not monolithic. It is a matter of fact that the active adult market (here assumed to be people aged about 55 to 75 who are interested in and can afford to live in an AARC) consists of a number of distinct groups. Each market segment can be defined in terms of demographic characteristics such as age or income, as well as in terms of psychographic characteristics such as interests and expectations. Each segment has its own values, desires, as well as recreational, social, and emotional needs. Furthermore, new market preferences emerge continuously. The diversity and growth of the AARC

market explain the wide range of communities being developed and the variety of lifestyle offerings. (see Suchman et al. 2001: 58)

This market diversity also underlines the importance for the developer to base

development decisions on extensive and ongoing market research, including statistical analysis, surveys, focus groups, one-on-one interviews, solicited feedbacks from buyers, and analyses of competitors' successes and failures. (Suchman et al. 2001: 58)

Another important factor in the decision making process of the developer what kind of lifestyle components are going to be included in the community, is the community's site and size, the region in which it is located, competitive communities' offers as well as extraordinary opportunities or constraints. However, on the one hand the developer must take these factors into consideration, on the other hand the realization is only possible if the prospective buyers are able and willing to pay for them. Additionally, the developer may be restricted in his/her resources, capabilities and readiness to assume risks. (see Suchman et al. 2001: 58)

A prospective buyer's impression of a community's lifestyle often arises from the preconceived image, or brand identity, which the developer or the community has created over time. The brand identity enables retirees to picture a future way of life. Developers who try to create or maintain a brand identity also need to base decisions about amenities on what the brand identity forces them to do. (see Suchman et al. 2001: 58f)

In general, the features and amenities that create a certain lifestyle within a community can be either 'hard' or 'soft':

Hard amenities are the physical structures – golf courses, clubhouses, swimming pools, and so forth. They are expensive and largely fixed, and their presence is obvious. Because of the costs and risks involved, developers must assess carefully the value and cost-benefit of hard amenities to their target market. Soft amenities, such as excellent community management and extensive social programming, are less expensive and less readily apparent from the outside, but they are no less important. Soft amenities can greatly enhance the community's value and, at the same time, be easily

adjusted to meet the market's changing needs and preferences. (Suchman et al. 2001: 59)

The lifestyle that buyers seek in AARCs is elusive and therefore hard to create. However, the developers will have to include a number of both hard and soft amenities including various elements such as location, design features, physical amenities (i.e. clubhouse, golf course, etc.) as well as security and a sense of freedom where social interaction and opportunities for personal growth are self-evident. (see Suchman et al. 2001: 59)

Similarly, factors such as the accessibility to a pharmacy and doctor, proximity and access to a shopping center and the security, safety and friendliness of the neighborhood are equally important for residential satisfaction. (see Pacione 2001: 397)

6.1 Location

A community's location is one of the most significant amenities and the major element that defines the lifestyle that is offered. This is not only true for the geographic region where the community is located, but also for its specific site and surroundings. Typically, mature adults who will enter their retirement years in the near future and decide to move out of their family home will either move within the community in order to stay connected with family, friends and the familiar surroundings, or they choose a retirement destination. In some cases, people who leave their communities will choose to retire in an area they are familiar with – some family members or friends may live there or they have vacationed there in the past. The reasons for their choices help to explain the lifestyle they seek. (see Suchman et al. 2001: 59)

6.1.1 Retirement Destinations

Typical retirement destinations are resort locations with warm (but not hot) climates and natural recreational and visual amenities, such as water (for example lakes, rivers, beaches) or mountains. Active adults tend to move to such a locations when they decide to leave their home community (which is usually out of state), because they appreciate those amenities.

Sales brochures typically describe AARC locations in terms of two factors:

- a key natural factor, and
- distance to a major city.

While the key natural factor to describe AARCs might be a mountain range or a lake, the distance to a major city and its (international) airport serve as another factor.

Other factors in the location decision are related to finances, such as the state's tax structure, or the cost of living within the community's area. Naturally, one of the major draws of 'destination' markets is price: if buyers can get more for their money in destination A, they will rather choose this one instead of the more expensive destination B whose higher price level might be due to proximity to a metropolitan area. (see Suchman et al. 2001: 59)

Communities built in retirement destinations that are not located within a metropolitan area tend to be larger and include a broader variety of offerings than communities near cities. They may not only provide a full range of recreational programs and amenities but also a small shopping center, dining facilities, some health care services, and perhaps a gas station and a post office, since the towns or villages close-by might not offer any of these amenities. The largest of these communities may even become small cities in their own right, with their own commercial, institutional, and public facilities. (see Suchman et al. 2001: 59f)

6.1.2 Metropolitan Areas

In recent years, studies have shown that many retirees who are planning to relocate are not willing to leave their family or friends. For these active adults, being close to children, grandchildren or their best friends is a major component of lifestyle. In addition, for some it may be important to be close to their job, since they wish to continue to work on a part-time basis. Many retirees also desire to maintain their longtime relations with religious institutions, medical professionals, and other familiar ties. (see Suchman et al. 2001: 61)

As mentioned above, AARCs in nontraditional locations – that is, in metropolitan markets – tend to be smaller than those in typical retirement destinations and offer fewer physical amenities: the metropolitan area itself – through cultural facilities, educational institutions, medical services and sports events – increases the availabilities within the boundaries of the community. (see Suchman et al. 2001: 61)

6.1.3 Adjacent Surroundings

Despite the fact that AARCs typically offer extensive leisure activities, much of an active adult's recreational activity actually takes place beyond the community's gates. Therefore, there have to be outside opportunities for recreation and education, as well as access to culture, sports, shopping, and the public. There are specific location factors that contribute to a desirable active adult lifestyle in the area immediately surrounding the AARC site, namely: access to major highways, easy access to the nearest major airport, an attractive surrounding landscape, enjoyable climate, historic charm or character, special features that attract local tourists, social and cultural institutions, a variety of shopping opportunities, medical facilities, educational institutions, and the comparative tax environment. (see Suchman et al. 2001: 62)

In more detail, this means that the preferred time-distance to a grocery store is 15 minutes or less, since most retirees shop frequently for groceries in order to have fresh foods and smaller amounts to carry per trip. Similarly, locations are recommended that are no more than 30 minutes from a shopping district or mall, both for shopping and possible employment. On top of that, the community should be located within an hour's drive of an international airport, since active adults tend to travel regularly. (see Suchman et al. 2001: 62)

Neighboring land uses, such as schools or large commercial districts may be desirable on the intergenerational market but may discourage active adults from buying in an AARC, because older people will be concerned about emerging problems, such as traffic congestion, noise, excessive light at night, or privacy and security. In addition, active adults do not want to be confronted with uses that are associated with aging, debility, or death. Thus, locations adjacent to a nursing home, cemetery, or medical institution are generally not desirable. (see Suchman et al. 2001: 62)

Another important factor for a pleasing surrounding area of an AARC are beautiful views and green spaces near or within AARCs. As noted earlier, developers often select sites for AARCs that are within viewing distance of natural amenities such as mountains, rivers, woods, and lakes, or where open space amenities such as ponds, golf courses, tennis courts, gardens, and nature preserves can be easily established. (see Suchman et al. 2001: 63)

The community should be easy to reach and easy to find. Driving is the primary mode of access, so an ideal location for an AARC would be on a secondary road that interchanges with a freeway. If good signage is available, one turn off that secondary road would be acceptable as well. More complicated locations may deter older drivers who are unfamiliar with the area. (see Suchman et al. 2001: 63)

6.2 Community Design

Lifestyle is determined to a great extent by the design of the community and its components. This chapter will briefly deal with the various design features that create the distinct lifestyle of AARCs.

Nature is a key amenity for active adults: a beautiful natural surrounding does not only appeal to the person's aesthetic taste but also creates a feeling of stress relief. The resort- or country-club-like atmosphere is created to a large extent by the quality of the natural or superior environmental features. The available open space, trees, water features, and landscaping and the way that these features are incorporated into the project design distinguish AARCs from each other. Furthermore, the outdoor environment is not only important for aesthetic reasons but also because it can provide the setting for activities residents enjoy, such as fishing, boating, hiking or cycling. (see Suchman et al. 2001: 63)

When it comes to quality, older buyers expect quality both in real terms and in terms of the image that is conveyed by the AARC:

The development concept should produce an appealing, consistent, and identifiable character, theme, style, and atmosphere. Overall project design should be aesthetically pleasing; have a resort-style look; be appropriate to the local historical and architectural context; and be well-landscaped and well-maintained. (Suchman et al. 2001: 64)

Mature buyers are attracted by AARCs partly because they are controlled environments. In order to create this desired sense of order, the community should be designed with

readily identifiable entrances; a sense of arrival; well-defined boundaries; a hierarchy of spaces, public to private; and clear, readable signage that makes it easy for residents to find their way. (Suchman et al. 2001: 64)

Since socializing is of extreme importance, the overall community design should encourage interaction among residents. There are many approaches

that work, including clustering homes in neighborhoods, i.e. homes that are built close to each other, or creating places where people will naturally congregate, for example small parks with seating areas or a place to barbecue. Another option would be a satellite postal facility where every resident must come to collect mail and therefore will automatically meet others now and then. (see Suchman et al. 2001: 65) This concept of socializing is

one of the key benefits of senior retirement communities: eliminating the isolation that can so often lead to depression and inactivity in seniors.¹⁹

Although many developers argue that the homes in AARCs are not as important as the choice of amenities, others claim that a home product needs to be adapted to each market and therefore is a key component of the active adult lifestyle.

Active adults generally like two- to three-bedroom ranch-style single-family homes, though preferences vary by market. Depending on the location, AARCs might also include high-rise or mid-rise condominiums, garden apartments, manufactured homes, or a mix of product types. (Suchman et al. 2001: 65)

Typically, active adults who relocate close to their old home prefer home designs that are similar to what they are used to. Seniors who move away (maybe even out of state) prefer designs that reflect the history, culture, and architectural style of the new location. Factors, like quality, privacy, and opportunities to modify their new home are particularly essential. Active adults also like a sense of luxury and choice. To provide the choices that constitute the amenity and the lifestyle package of today's AARCs, many developers offer homes in different price ranges and quality, and additionally often include numerous optional features from which to choose. Specific home features which are particularly compatible with an active adult lifestyle include functional front porches and rear decks or patios for socializing, eat-in kitchens, rooms for entertaining, office space within the home, and subtly

¹⁹ ACTS Retirement Life Communities. 2009. "Senior Retirement Living Communities and the Retirement Resort Lifestyle. http://www.actsretirement.com/lifestyle_retirementresortlifestyle.asp (May 20 2009)

incorporated universal-design features to accommodate the needs of aging residents, for example a handle bar next to the shower door. (see Suchman et al. 2001: 65)

6.3 'Hard' Lifestyle Amenities

It is a matter of fact that people are living longer and staying healthy longer due to better medical services, balanced nutrition, good hygiene, etc. Therefore, older people tend to be more active and more physically fit as well. It is often the case that advertisements of AARC developers feature images of senior adults engaged in activities such as rock climbing and scuba diving.

This approach underscores the fact that, even if they do not use such amenities themselves, people in the active adult market view themselves as vigorous and want to see the kinds of amenities in their community that represent a highly active lifestyle. (Suchman et al. 2001: 68)

One of the most difficult questions in planning the amenities of an AARC is the decision whether the planned amenities need to be built in advance or if a certain amount of phasing is possible, i.e. building for example the clubhouse in two phases or a single, nine-hole golf course before expanding it in a second phase. Larger communities with longer life spans certainly need to be more flexible and able to adapt their master planning, in order to adjust to changes in market demand. However, decisions on the phasing of amenities need to be based on careful assessment of the community's market and the lifestyle expectations of potential residents in any case. (see Suchman et al. 2001: 68)

The size of the community is also important for the number of amenities within the community: a larger community tends to include more amenities that create a certain active adult lifestyle than smaller communities, partly because the costs can be split between more homebuyers. A small community that is only a part of a larger, master-planned community usually

shares some of the amenities of the larger community, such as a town center, so that the active adult development itself does not necessarily have to have these extensive offerings as well. (see Suchman et al. 2001: 68f)

In contrast to this, freestanding communities – especially those located in exurban areas – must provide all the elements of lifestyle within the community, i.e. internally. If the active adult development is located near the downtown of a village or a small town, developers may regard the proximate area as part of the community’s lifestyle and amenity package. Finally, active adult communities within metropolitan areas (depending on the specific location) may find lifestyle-enriching facilities and activities in their neighborhood that are close enough to increase the value of the amenities that are offered on site. (see Suchman et al. 2001: 69)

6.3.1 Golf and Other Outdoor Recreational Facilities

Physical amenities and facilities typically chosen to create a certain lifestyle in an active adult community are sports and recreational facilities. Among the options, golf is often the first one considered.

6.3.1.1 Golf

Large AARCs, especially those in typical retirement destinations, are often built around one or more golf courses. In these communities, the golf course serves as the central point of community design, it is the major feature in the community’s image, and the primary visual amenity:

Depending on the target market and the project economics, AARC golf courses range from a single, nine-hole “executive” course for the exclusive use of community residents to a multi-course golf club that is located within the community but draws its membership from the population of the entire area. (Suchman et al. 2001: 69)

Interestingly, though golf is a popular amenity within AARCs, even in typical ‘golf destinations’ a large percentage of buyers do not play golf at all.

Nevertheless, golf remains a popular organizing amenity in AARCs because of the country-club image it conveys and because it creates beautiful landscaped open-space views that all residents enjoy. (see Suchman et al. 2001: 69f)

6.3.1.2 Other Outdoor Recreational Facilities

In addition to golf, swimming pools are another outdoor recreational facility that is very typical to create a certain active adult lifestyle. Swimming is a very popular recreational activity among seniors, especially because aquatic activity is easy on aging joints. Even more important, swimming pools also foster socializing: either while swimming together, or many residents who do not swim also like to gather around the pool to chat with one another and enjoy looking at the water and to sunbathe. For that reason, most AARCs include an outdoor recreational or 'social' swimming pool which is heated, well-landscaped, and with generous deck space to accommodate lounge chairs for sunbathing during the day and parties during the evening. Depending on the community's size, location, and market preferences, there may also be an indoor pool, whirlpool spas, an indoor relax area, etc. (see Suchman et al. 2001: 70)

Tennis courts are popular in AARCs as well (even more if they are lighted and therefore provide the option to play in the evening), although many observers feel that demand for this amenity has been declining in recent years. Similarly to swimming pools, tennis courts are not only important for people who participate in the sport themselves but for those who gather to watch a game and socialize as well. (see Suchman et al. 2001: 70f)

Without a doubt, the most popular outdoor recreational amenities, which are nearly universal in AARCS, are walking trails. Walking trails do not only respond to active adults' desire to exercise and stay healthy, walking trails also enable seniors to experience nature. Typically, a trail system consists of signed paths which are not too steep which wind through and connect various destinations within the community, taking advantage of open spaces and views. (see Warrick and Alexander 1998: 15f)

6.3.2 Clubhouses and Town Centers

The clubhouse and town center are an extremely important element of the active adult retirement community's lifestyle, since they are the physical, social, and symbolic focus of the community. Therefore, constructional decisions such as where it should be located, what it should look like, what kind of spaces and activities it should include, and how it should be furnished have to be made with careful consideration of the target market's values and preferences.

Regardless of its design and components, the function of the clubhouse or town center is to create a 'club atmosphere', providing spaces and activities that encourage social interaction and enable residents to pursue their various interests. (Suchman et al. 2001: 71)

Even in small communities, the following characteristics are essential: an entry foyer, a social hall, a kitchen, rest rooms, a fitness center, multipurpose activity spaces, and administrative offices. Most communities also include a library and a computer center (which often share space), since libraries are especially popular with this age group. (see Suchman et al. 2001: 71f)

In addition to these amenities, fitness centers are also very popular. They should be outfitted with a variety of types of exercise equipment and should offer ongoing programs to motivate residents and to make their exercise more sociable, fun, and safe. Therefore, a trained instructor is vital. Depending on the size of the community and the interests of the residents, clubhouses might also include the following settings: an indoor swimming pool, lounge areas, arts and crafts facilities, a restaurant or café (possibly with both indoor and outdoor seating), a theater (usually as part of the social hall), a health spa, aerobic exercise rooms, saunas or steam baths, pro shops (for example golf or tennis), card rooms, a billiard room, a woodworking shop, a snack bar, etc. (see Suchman et al. 2001: 72f)

A key factor of building a townhouse is to design spaces flexibly so that they can be used for the most different venues and to accommodate groups of different sizes, for example a birthday party or a small club meeting. In

particular, the social hall should be as flexible as to accommodate even large gatherings of people on one floor. (see Suchman et al. 2001: 74)

Another option in this constructional process is to separate the clubhouse and its related facilities and create a town center instead.

The distinguishing features of a town center are its multistructure design, visual prominence and identity (town centers often incorporate a symbolic element such as a bell tower), and the inclusion of retail as well as recreational space; (Suchman et al. 2001: 74)

Retail space within an AARC is typically owned by the developer, although it is sometimes taken over by the community homeowners' association. Either way, it may be necessary to charge operators below-market rents to make it possible for them to provide the services and conveniences that community residents desire. Similarly, restaurants, cafés, and snack bars may not prove profitable, but because they are part of the lifestyle desired within the community, profit should not be the determining factor in the decision to retain those uses. Therefore, it is not uncommon that rents are significantly below-market price.

6.4 'Soft' Lifestyle Amenities

In contrast to 'hard' amenities, the term 'soft' amenities refers to qualities, services, and activities that may not be reflected in the physical form of a community but still create a certain active adult lifestyle. Soft amenities include security, recreational programs, education, opportunities to volunteer, as well as health and fitness programs. (see Suchman et al. 2001: 74)

6.4.1 Security

One of the reasons seniors choose to live in an AARC is because they cannot and do not want to come to terms with a working, stressful and changing society anymore. They seek a place to live among their peers:

people of similar socioeconomic backgrounds who have shared some of the same life experiences, think the way they do, and are at a stage when they have the time and inclination to enjoy their lives. (Suchman et al. 2001: 74f)

An AARC also offers a clublike atmosphere that does not only create a sense of community but also excludes others. Part of the appeal of an AARC for their residents is that it is a controlled environment. The way of life is safe, consistent, predictable, comfortable, and less rushed and stressful than their old life in a working society. (see Suchman et al. 2001: 75)

Developers can foster a sense of safety and security in a number of ways. As a first step, the community can be bordered with fences or walls. Access is only allowed through gates that are secured by guards, electronic devices, or both. Although these actions only seemingly provide safety rather than actually deter unwanted visitors, they are highly valued and appreciated by the AARC market.

In addition to giving a feeling of security, the gated-community approach reinforces the sense of exclusivity that is part of the AARC lifestyle. (Suchman et al. 2001: 75)

Within the community, security is typically maintained by professional or volunteer security patrols. In addition, home security systems, preferably provided as a standard feature in all homes reinforce the feeling of community-wide security. Since the value of those systems to senior buyers will far exceed the cost to the builder (especially if such systems are bought at bulk prices), this acquisition is more than profitable. In multifamily buildings, all entryways to the building should be electronically secured. In some markets (especially with urban communities), residents will feel more comfortable if building security is additionally improved with peepholes and deadbolts on individual entry doors. (see Suchman et al. 2001: 76)

Another facet of the 'soft' amenity security is security in the sense that medical assistance and care are available if needed. Although active adults do not feel 'old' or frail, they still seek this kind of security. As described above, active adults do not want to see medical care facilities on-site or too adjacent, but the AARC should still be located within a reasonable distance

of a hospital and close to medical offices, which need to be consulted more often. (see Suchman et al. 2001: 76)

Health care is a very delicate topic for mature buyers, since they are aware of the fact that they will need to draw on medical assistance in the future but do not want to be reminded of their approaching old age or frailty. Therefore, some developers reserve land on site for the future development of facilities to accommodate their residents' changing health needs. (see Suchman et al. 2001: 80)

6.4.2 Freedom

Seniors who choose to live in an AARC rather to stay with their family home do this for several reasons. One of the most prominent is that they look for a new start or a new phase in their life, where they can try new activities, find new friends and new opportunities, and enjoy it.

One of the lifestyle benefits of living in an AARC is that residents retain the benefits of homeownership without the burdens. (Suchman et al. 2001: 81)

Homes within AARCs are typically designed inside and out to be easily maintained – through, for example, easy-care choice of materials or use of the latest technological innovations. Building lots are usually small and may be equipped with sprinkler systems. Often, developers even include maintenance of the homes' exteriors and landscaping as part of the services provided, both as a service to the homeowner to disburden him/her and to ensure that the community preserves its desired appearance and value. In northern climates, snowplowing of streets and driveways is often either included among services provided or is offered on a fee basis.

Depending on each AARC market, other fee-based services may be available, such as housekeeping, dog walking, package pickup, valet services, plant watering, personal training, transportation services (especially to and from the airport), and regular home checks. (see Suchman et al. 2001: 81)

6.4.3 Social Interaction and Vitality

Typically, retirement is a time to drop responsibilities and seek new experiences. Retirees want to learn new skills and enjoy their new lives.

This may mean learning to play a new sport, such as golf or fishing; learning to use the computer; taking on a part-time job; or pursuing a new hobby. (Suchman et al. 2001: 81)

In addition, AARCs give residents opportunities to enjoy new friendships, for example through organizations of people with similar interests and experiences. Many AARCs also have clubs for people from the same state, ethnic background, or religious group. Clubs for singles, specific kinds of sports enthusiasts, or members of service organizations such as Lions or Rotary are common as well. Support groups may be established to help fellow residents through illness or bereavement. Other clubs may organize trips and journeys from around the area, around the country or the world. Another option to foster social interaction is a social calendar filled with community parties and celebrations of special occasions, which creates a festive atmosphere and an opportunity to mingle and create community traditions. (see Suchman et al. 2001: 82)

Since cultural activities are especially important at this stage of life, active adults often enjoy concerts and lectures that are brought to the AARC from the neighborhood, for example, a nearby university. Furthermore, they will also want opportunities outside the AARC, for example to visit museums, arts exhibitions, theaters, or other special events. Many older people welcome this chance to explore new educational opportunities. Active adults also like to spend time doing volunteer work. Therefore it makes sense for the developers to establish relationships with institutions and organizations that make those opportunities available. (see Suchman et al. 2001: 82)

As shown before, the list of potential activities that active adults may want to pursue is long and almost infinitely expandable. Hence, it is very important for the developers to consider these 'soft' amenities and provide the setting in which these kinds of choices and activities can take place and be enjoyed by

the residents. In any case, this means that there has to be someone in the community who is responsible for making a program of choices available and who ensures that activities are scheduled and physically accommodated. Although residents know what they are interested in and are willing to say so, most developers hire professional staff to organize and schedule recreational activities, programs, and events. Professional staff also makes it possible for the developer to respond to specific interests that may not have been identified during the market research process. In some communities the developer continues to own or manage the clubhouse after the development is completed and sold. In this case paid staff usually continues to run all social programs. In other cases, it is up to the residents, individually or through clubs, to volunteer to organize and manage the social programs themselves. Often, this self-organization works very well, since it is only in the residents' interests to have a well-organized, diversified and enjoyable social interaction within the community. (see Suchman et al. 2001: 82f)

7 Case Studies

The following chapter is dedicated to some examples of age-segregated communities in San Francisco and the Bay area and tries to approach this specific way of senior living from a more practical perspective. It will be shown that the active adult lifestyle described in literature is actually sought by seniors instead of just searching for a new home. Therefore, the type of community will be described, its location and surroundings as well as the amenities provided. Furthermore, another option of age-segregated living will be introduced in more detail, namely a continuous care retirement community which enables seniors to age in place, i.e. they will move into the facility as an independently living senior but over time they will need to claim and receive more and more medical care and assistance.

7.1 Rossmoor - an Active Adult Retirement Community

7.1.1 Overview

Rossmoor is a typical active adult retirement community located in the Bay Area, namely in the Tice Valley area of Walnut Creek. It is located two miles from downtown Walnut Creek, the next bigger town with approximately 65.000 inhabitants, and 25 miles from downtown San Francisco. Rossmoor can take advantage of a moderate and convenient weather with summers that are not too hot and moderate winters without snowfall; Rainfall averages 20 inches annually. Development of the community began in 1963 when Ross W. Cortese, owner of the development company Rossmoor bought the estate Today, there are approximately 6,700 residential units in three cooperatives (i.e. “ an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise“)²⁰, twelve

²⁰ Wikipedia. 2009. „Cooperative“. <http://en.wikipedia.org/wiki/Cooperative> (19 May 2009)

condominium and one single-family home developments.²¹ Forty percent of the homes are garden-style duplexes up to multi-family houses. The remaining are either mid- or high-rise- buildings, and there is one area of 68 individual single-family homes. Homes vary in price from as low as \$100.000 for some cooperatives to over \$1 million for the single-family homes and garden style condominiums. Overall, there are 110 models of buildings with a great variety of floor plans, and approximately 20 percent of all homes are equipped with an elevator. Furthermore, Rossmoor provides a wide-range of services and amenities, including 24-hour Public Safety assistance, a full-service medical center off-site and bus transportation within the community to enable its residents to maintain an independent and active lifestyle.²²

Residents of Rossmoor need to be able to live independently, since on-site medical or nursing facilities are not available, but are located nearby. What is very special about Rossmoor is the fact that it also provides congregate living in a 300-unit condominium facility called the Waterford. Here residents still need to meet the criteria to be at least 55 years or older and be able to live independently, but they receive additional services such as daily meals, housekeeping, recreational programs, etc.²³

Rossmoor is an active adult retirement community where recreation is a way of life and where the residents have been looking for this particular lifestyle before they moved to Rossmoor. Rossmoor's recreational facilities include a golf course, three community swimming facilities, a gym, eight outdoor tennis courts, three lawn bowling greens, bocce ball courts and numerous hiking trails. Furthermore residents may make use of craft and hobby studios, five clubhouses with meeting and activity rooms, a full-service library and a picnic ground. There is a special Recreation Department which offers various classes, entertainment, educational programs and trips. On top of that,

²¹ Since there are these seventeen home associations, there are different rules regarding age-restriction. However, Rossmoor is run as a 55 plus retirement community. Persons who do not fulfill this age requirement are only allowed to spend 70 days in Rossmoor.

²² Rossmoor. 2009. „About Rossmoor“.

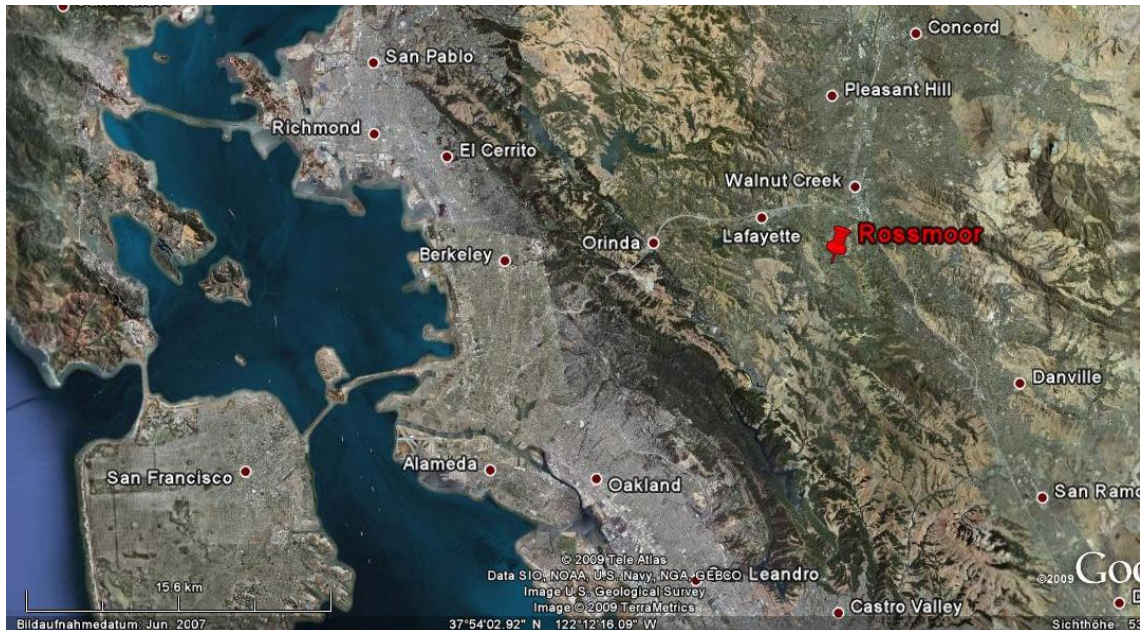
<http://www.rossmoor.com/aboutrossmoor/frameabout.html> (19 May 2009)

²³ Rossmoor. 2009. „About Rossmoor“.

<http://www.rossmoor.com/aboutrossmoor/frameabout.html> (19 May 2009)

residents have founded more than 200 active clubs and groups which organize and plan the community activities.²⁴

7.1.2 Location



Map 2: Location of Rossmoor within the Bay Area (scale 1 : 13.4 km)²⁵

As described before, Rossmoor is located in the East Bay Area, two miles from Walnut Creek and 25 miles from downtown San Francisco. Rossmoor's location fulfills nearly all criteria for a typical retirement destination:

- Moderate climate (mediterranean climate with cool, moist winters and warm to hot dry summers)
- A key natural feature (Mount Diablo State Park)
- Adjacent to a major city (Walnut Creek with 65.000 inhabitants as the most adjacent bigger town with 2 miles of distance; 25 miles to downtown San Francisco)

²⁴ Rossmoor. 2009. „About Rossmoor“.

<http://www.rossmoor.com/aboutroosmoor/frameabout.html> (19 May 2009)

²⁵ “Rossmoor Walnut Creek, CA”. adapted from Google Earth © 2009 TerraMetrics

- Driving distance to the next major airport (30 minutes to Oakland International Airport; 45 minutes to San Francisco International Airport)
- Open space

The available open space and Mount Diablo as a key natural feature provide Rossmoor with a pleasant natural surrounding. Its neighboring town, Walnut Creek is a medium-sized town and serves as a middle order center according to Christaller and its theory of Central Places. (see Faßmann 2004: 187f) San Francisco as a major city and high order center is located 25 miles west of Rossmoor and fulfills all cultural, medical and social desires of active adults. Another important factor regarding Rossmoor's location is that two international airports are located within driving distance, since Rossmoor connects to Highway 24 as well as to Interstate I-580. All these characteristics contribute to a typical retirement destination.

7.1.3 Lifestyle in Rossmoor

As described before, Rossmoor is a typical active adult retirement community with a very specific lifestyle: It does not only provide all the so-called 'hard' amenities that make up this particular lifestyle (for example its clubhouses, the golf course, tennis courts and many more recreational facilities), but also all the 'soft' amenities that constitute an active adult lifestyle (for example its security service provider or the gates, which both creates a feeling of security; its numerous clubs that foster social interaction and vitality, etc.)

Rossmoor's Recreation Department offers movies, book reviews, dramatic readings and other entertainment programs, dances, weekly lunches and suppers, a lounge, classes and excursions, holiday events and volunteer opportunities. It also sponsors numerous classes in order to increase residents' personal growth. Off-site education is available is well, namely at the Acalanes Adult Education Center adjacent to Rossmoor. Furthermore,

Rossmoor runs its own newspaper, the Rossmoor News which is published every Wednesday and carrier-delivered to every home in Rossmoor. It offers complete news coverage of the community, includes news of the governing bodies, features on residents, arts and leisure activities, club and sports news, health information, etc. On top of that, Rossmoor's own community channel broadcasts information and programs of local and community interest daily.²⁶

'Securitas' is Rossmoor's security service provider:

Securitas provides 24-hour service, seven days a week inside Rossmoor's gate. The service includes entrance control at the main gate, motorized patrol of the community, assistance by Emergency Medical Technicians, response to non-emergency requests, protection from solicitors and traffic control.²⁷

In order to enable residents to move freely in and around Rossmoor without having to drive their own car, Rossmoor provides a bus shuttle service taking residents to destinations within Rossmoor and to nearby stores, churches, community centers, the Rossmoor Medical Center, and to downtown Walnut Creek. A paratransit service is available as well.²⁸

Rossmoor's medical center is located perfectly according to AARC literature, namely not on-site a retirement community (since residents of an active adult retirement community do not want to be reminded of their age and/or future frailty but still want the security of having medical care available in case they need it). Muir/Diablo Primary Care (MDPC) is the special provider of primary care services - Medical Group Primary Care Physicians (PCPs) is a group of five internists and a nurse practitioner that are available for Rossmoor residents.²⁹

²⁶ <http://www.rossmoornews.com/about/> (25 May 2009)

²⁷ <http://www.rossmoor.com/aboutroosmoor/frameabout.html> (25 May 2009)

²⁸ <http://www.rossmoor.com/aboutroosmoor/frameabout.html> (25 May 2009)

²⁹ <http://www.rossmoor.com/aboutroosmoor/frameabout.html> (25 May 2009)

7.1.4 Current Resident Demographics

The following table shows that almost two thirds of Rossmoor residential units are manors with only one resident, whereof 20% are male and 80% are female. This substantial gender difference might be the result of women's higher life expectancy combined with a possible early widowhood or a greater general interest of single women to move into a retirement community. However, it remains unclear since the average age of the single residents is unknown.

The second strongest part are manors with two residents, namely approximately one third of all the 6 678 residential units in Rossmoor. Almost 98 percent of these manors are occupied from an opposite gender couple, only 2 percent are of the same gender, either male or female.

Almost insignificantly are manors with three or four residents, since they together make up only 0,32 percent of all residential units.

	%	Thereof Male	Thereof Female	Thereof Same gender	Thereof Opposite / mixed gender
Manors with 1 resident	64,11%	20%	80%	-	-
Manors with 2 residents	33,57%	-	-	2%	98%
Manors with 3 residents	0,25%	-	-	4%	96%
Manors with 4 residents	0,07%	-	-	0%	100%
Vacant manors	1,99%	-	-	-	-

Table 7: Demographic Occupancy of Rossmoor Manors (October 2006)³⁰

7.1.5 Operating Authority

Rossmoor Active Adult Retirement Community is managed by 'The Golden Rain Foundation', a corporation whose main purpose is to sponsor the formation of housing associations within Rossmoor and, as a trustee of the associations, is authorized to provide community facilities as well as services to Rossmoor residents. The Golden Rain Foundation is run by a board of directors which consists of nine directors elected by popular vote, i.e. a referendum. To maintain continuity on the Board, each director is elected for a three-year period, whereas the periods are staggered so that three directors are elected each year. Directors need to represent the interests of all members of the Foundation. In addition to the board of Directors, committees are appointed to take over some of the board's activities. Currently there are the following committees: aquatics advisory, audit,

³⁰ Adapted from http://www.rossmoor.com/resident_info_and_services/frameinfo.html (25 May 2009)

finance, fitness advisory, golf advisory as well as a police committee. One of the most important responsibilities of the committees is to enable the residents to voice their opinions regarding present and future procedures. Since the Golden Rain Foundation is a self-managed organization, the Board has employed a manager who is responsible to supervise, direct and control the foundation's affairs. All in all, there are approximately 250 full and part-time employees within the Golden Rain Foundation.³¹

³¹ <http://www.rossmoor.com/aboutroosmoor/frameabout.html> (25 May 2009)

7.2 *The Sequoias San Francisco – a Continuing Care Retirement Community*

7.2.1 Overview

The Sequoias San Francisco is a continuing care retirement community located in downtown San Francisco. Its so-called 'Life Care plan' assures all residents that they are able to maintain an active, independent lifestyle while having medical care available whenever they need it, which includes on-site medical staff, assisted living as well as skilled nursing care. All of these services are included in an entrance fee and ongoing monthly fees. The Life Care plan also guarantees that residents can move from independently living apartment status to a higher level of care without an increase in the monthly fee.³²

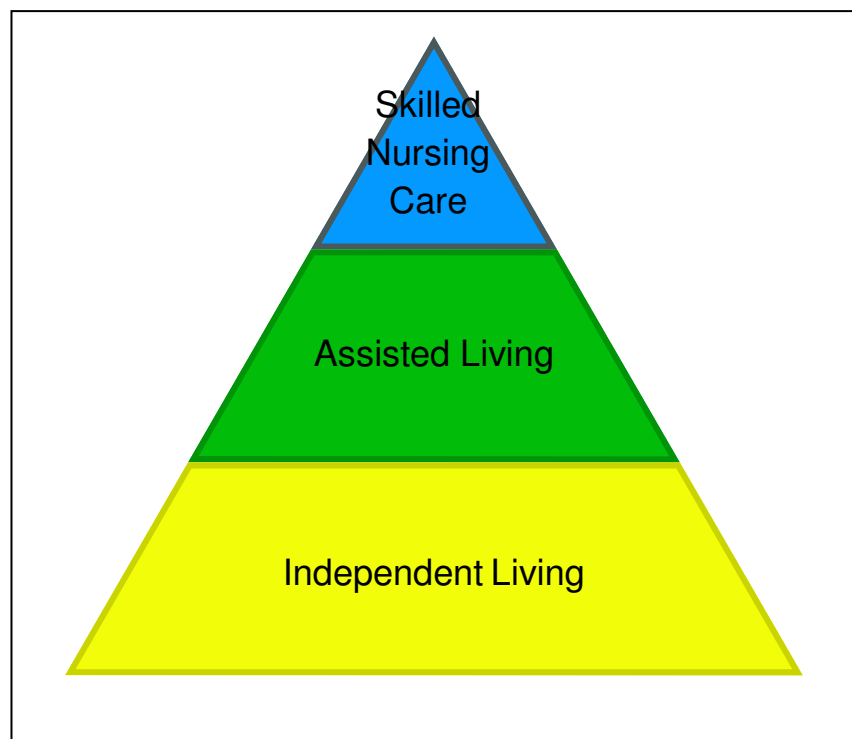
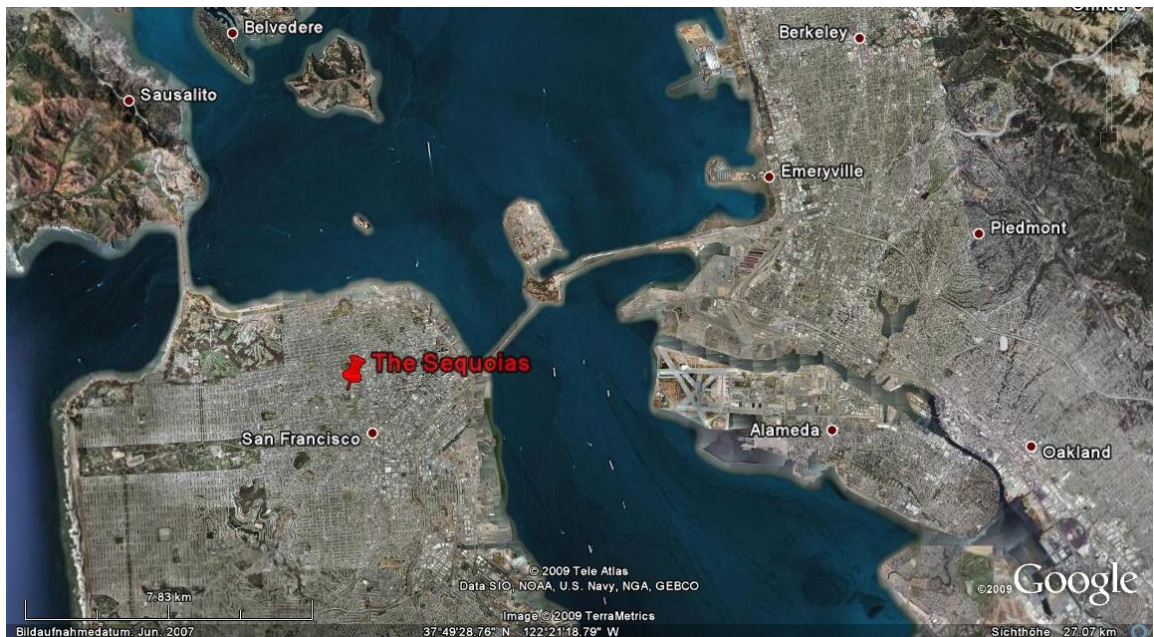


Figure 10: Continuum of Medical Care

³² http://www.ncphs.org/life_care/the_sequoias_-_san_francisco/index.html (26 May 2009)

7.2.2 Location



Map 3: Location of the Sequoias San Francisco (scale 1 : 7.83km)³³

The Sequoias San Francisco is located in downtown San Francisco. It is a metropolitan retirement community and therefore not located in a typical retirement destination. However, as shown in chapter 4.3.2 'Location', metropolitan communities are on the rise since many active adults appreciate an urban lifestyle: San Francisco offers numerous cultural and social activities; San Francisco International Airport is nearby and since the city has a very good public transportation system easily accessible as well, etc. The Marin Headlands, a State Park within the Golden Gate Recreation Area, as well as the Pacific Coast can be reached within minutes and provide the Sequoias with a key natural feature and open space as well.

³³ „1400 Geary Blvd., San Francisco CA“. adapted from Google Earth © 2009 Terrametrics

7.2.3 Lifestyle

7.2.3.1 Independent Living

Independent Living is the entry level for the Sequoias continuing care retirement community. In this case, when the still active adults move in, residents live independently in one of the 287 apartment studios. Residents are offered daily meals, weekly housekeeping and maintenance, typical social, cultural and physical activities as well as on-site security.³⁴

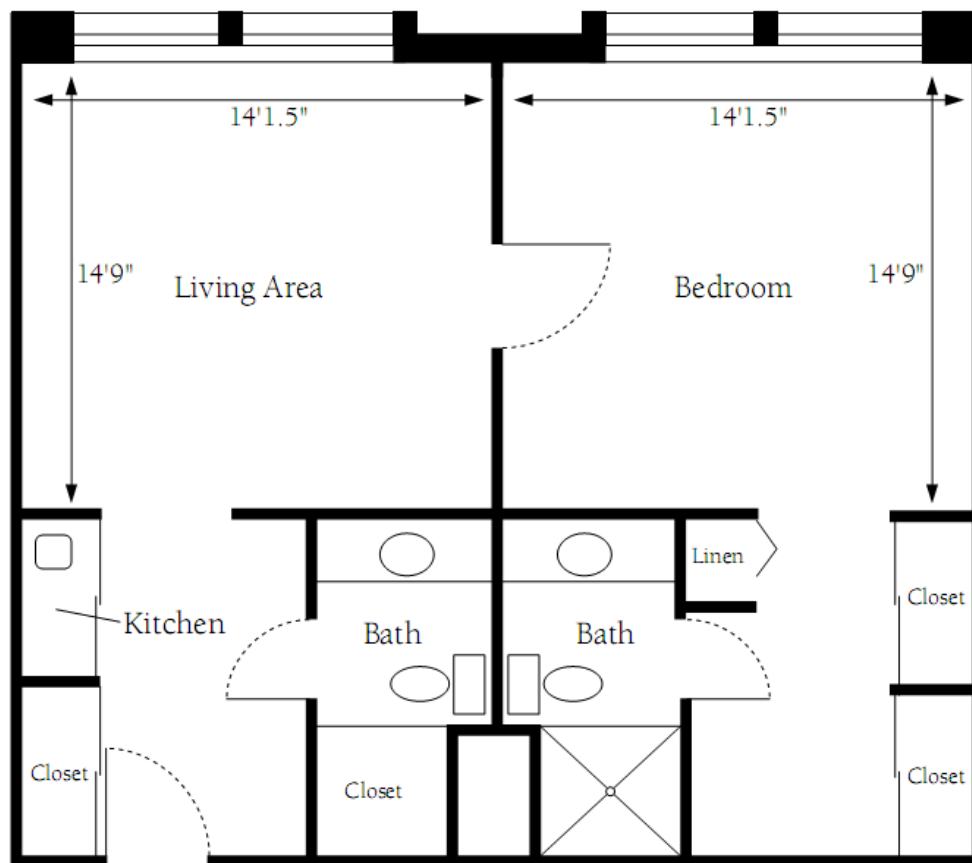


Figure 11: Floor Plan Independent Living Apartment 'Deluxe one-bed'³⁵

³⁴http://www.ncphs.org/life_care/the_sequoias_san_francisco/residential_living/index.html (26 May 2009)

³⁵http://www.ncphs.org/life_care/the_sequoias_san_francisco/residential_living/index.html (26 May 2009)

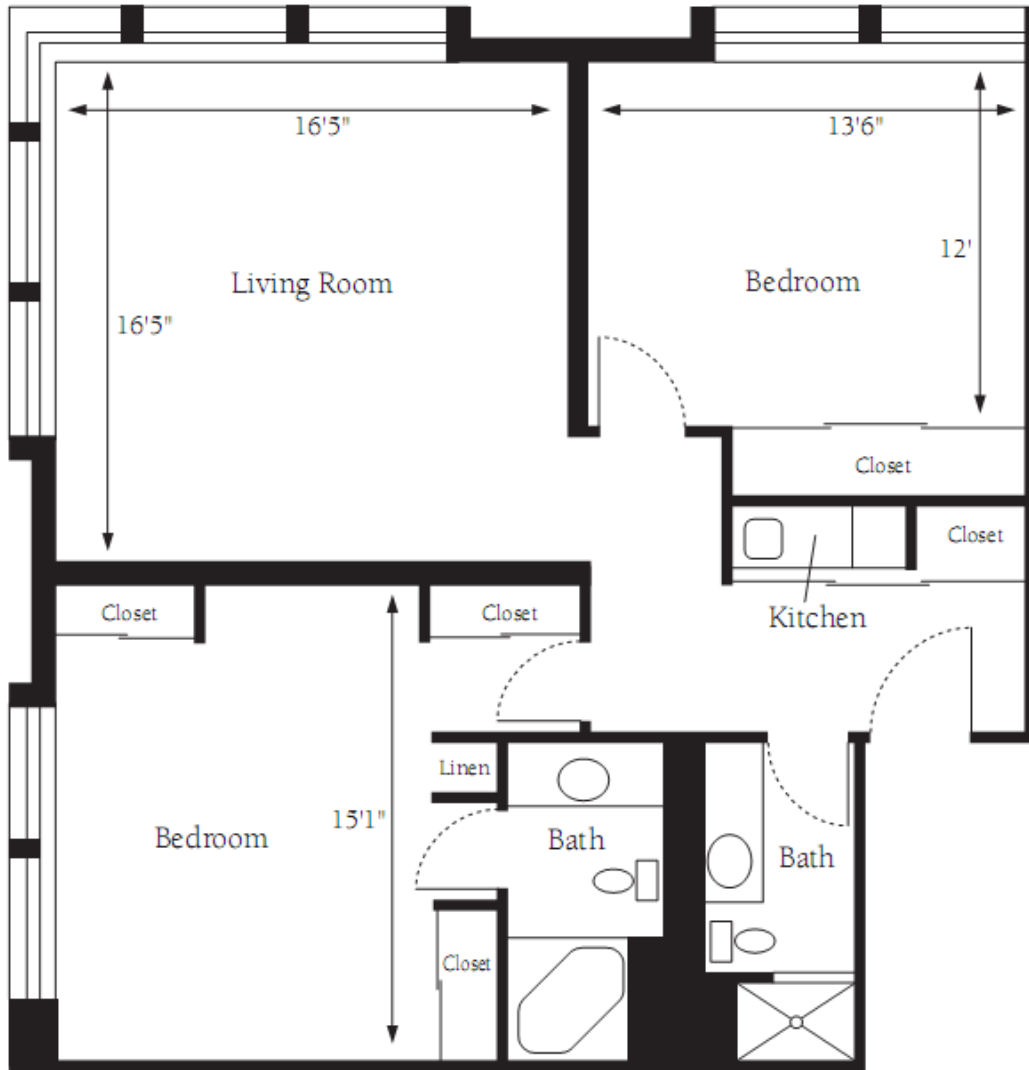


Figure 12: Floor Plan Independent Living Apartment 'Garden two-bed'³⁶

7.2.3.2 Assisted Living and Skilled Nursing Care

Assisted Living provides support for seniors who want to remain independent but need assistance with daily activities of daily living, such as bathing, dressing, eating, medication management, monitoring of special health care needs (for example diabetes) etc.³⁷ The Sequoias San Francisco offers 19

³⁶ http://www.ncphs.org/life_care/the_sequoias_san_francisco/residential_living/index.html (26 May 2009)

³⁷ http://www.ncphs.org/life_care/the_sequoias_san_francisco/assisted_living/index.html (26 May 2009)

assisted living apartments as well as 50 skilled nursing beds, whereas skilled nursing care is provided for residents who require constant nursing care due to physical or mental disabilities.

7.2.3.3 Services and Amenities

With the following services and amenities provided, the Sequoias comes up with the most important features of an active adult lifestyle:

- 24-hour on-site staffing
- Restaurant-style dining
- Weekly housekeeping
- Variety of social, educational, cultural, recreational, and spiritual programming and events
- Building maintenance
- One underground, secure parking space per apartment is available
- Beauty/barber services
- On-site banking
- Additional housekeeping
- Guest suite stays
- Personal training³⁸

- Seven-story atrium courtyard
- Fitness center
- Art gallery
- Print and video library
- Social and meeting rooms
- Gift shop
- Sewing center
- Woodworking shop
- Art and crafts room

³⁸http://www.ncphs.org/life_care/the_sequoias_san_francisco/services/index.html (26 May 2009)

- Game room with billiards
- Full-service beauty salon³⁹

7.2.4 Operating Authority

The Sequoias San Francisco is part of the 'Northern California Presbyterian Homes & Services' (NCPHS) which was incorporated as a California tax-exempt, non-profit organization in 1958. NCPHS and its more than 650 employees provide housing for 1 900 seniors within seven communities and additionally serves 2 300 adults through community service programs.⁴⁰

NCPHS cooperates with many other non-profit agencies in the Bay Area in order to offer activities and educational programs to their residents. Furthermore, the NCPHS Foundation was founded in 1987 in order to raise, manage and distribute funds with the goal to improve the quality of life for residents and seniors throughout Northern California.⁴¹

³⁹http://www.ncphs.org/life_care/the_sequoias_san_francisco/amenities/index.html (26 May 2009)

⁴⁰http://www.ncphs.org/about_ncphs/NCPHS_fast_facts/index.html (26 May 2009)

⁴¹http://www.ncphs.org/about_ncphs/index.html (26 May 2009)

7.3 *Trilogy at the Vineyards Brentwood – a 21st Century Active Adult Retirement Community*

7.3.1 Overview

Trilogy at The Vineyards is located in Brentwood, northeast of Mount Diablo State Park and about 50 miles from downtown San Francisco, i.e. in the East Bay region of the San Francisco Bay Area. It is a typical active adult retirement community which offers 60 homes at the moment, but is still expanding to a planned maximum of 600 homes and 1000 residents as soon as the community is complete, i.e. at the moment the Trilogy is a very small community but is planned to be a moderate-sized community, which usually offer 300 to 1500 units. Prices for a 2-3 bedroom unit range from \$500.000 to \$850.000. Trilogy at the Vineyards is one of the new 21st century active adult retirement communities which try to serve the enormous market segment of the Baby Boomers with all their new desires and preferences in age-segregated living. It offers ten different floorplans, whereas all homes are single-level (this is not always the case in older retirement communities), and they range in square footage from around 1.700 square feet to more than 2.800 square feet.⁴²

⁴² <http://vineyards.trilogylife.com> and http://www.trilogylife.com/community/vineyards/?content_type=visit&content_id=facts (26 May 2009)

7.3.2 Location



Map 4: Location of the Trilogy Vineyards in Brentwood (scale 1 : 23.3km)⁴³

As noted before, Trilogy at the Vineyards is located in the East Bay region of the San Francisco Bay Area, namely in Brentwood - approximately 50 miles northeast of downtown San Francisco. Its location fulfills all criteria for a typical retirement destination:

- Moderate climate (mediterranean climate with cool, moist winters and warm to hot dry summers)
- A key natural feature (Mount Diablo State Park, Sacramento-San Joaquin River Delta)
- Adjacent to a major city (Antioch with approximately 90.000 inhabitants as the most adjacent bigger, middle order town with 10 miles of distance; 50 miles to downtown San Francisco as the next high order center)
- Driving distance to the next major airport (60 minutes to Oakland International Airport; 70 minutes to San Francisco International Airport)

⁴³ „Brentwood CA“. adapted from Google Earth © 2009 Terrametrics

- Open space with a great number of vineyards and olive orchard around the community

Mount Diablo and the 3,500 acres of nature preserve as well as the Sacramento-San Joaquin River delta provide the necessary key natural features in order to develop an active adult retirement community with enough natural recreation areas. One of the disadvantages of Trilogy at the Vineyard’s location is that no freeways serve Brentwood directly. However, Brentwood’s main roads directly connect with State Route 4 and a local bus service connects Brentwood with Pittsburg/Bay Point BART station.⁴⁴

7.3.2.1 Demographic Characteristics of Brentwood

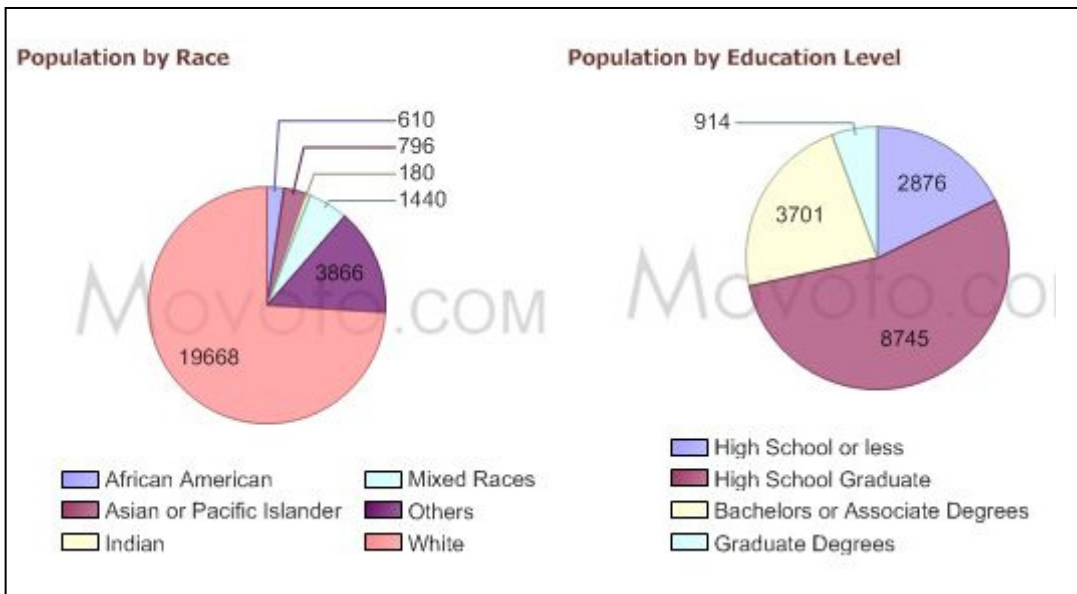


Figure 13: Brentwood’s Population by Race and Education Level

⁴⁴ BART: Bay Area Rapid Transit, the Bay Area’s main public transportation system

Figure 13⁴⁵ describes some demographic characteristics of the city of Brentwood, namely population by race and population by education level. These charts were published on a real estate agency's webpage that sells homes within Trilogy at the Vineyards retirement community. The chart "Population by Race" shows that almost 75 percent of Brentwood's population is white, followed by Asians or Pacific Islanders. African Americans represent only a minority though. The chart "Population by Education Level" reinforces the subtle message this agency wants to send, namely only well-educated, mainly white (probably upper middle class) people reside in the city of Brentwood. As a result, these features only attract a certain target audience to become residents of the Trilogy at the Vineyards. Therefore, in addition to the age-segregating process when moving into a retirement community, social segregation happens as well. Idiographically seen, retirement communities are geared towards a certain target market. Ideally, the surrounding communities and neighborhoods share most of the target market's characteristics, for example social, educational and therefore financial background in order to make the prospective buyers of retirement homes feel comfortable in their new community. This means, that if the city of Brentwood's population is mainly white, well-educated and belongs to the upper middle class, the target market for the Trilogy at the Vineyard's community has the same characteristics. This can be reflected in the types of products offered, namely through the size and prices of the homes, the facilities and amenities offered as well as an additional physical gating through fences and walls, since the described target market will want to live the described lifestyle as well as be able to finance it.

7.3.3 Lifestyle

Trilogy at the Vineyards was opened only in 2006 with great expectations as a 21st century active adult retirement community for the increasing target market of baby boomers who start reaching retirement. Although Trilogy's target audience is used to living in the 21st century with all its new

⁴⁵ http://www.movoto.com/new-homes/brentwood-ca-trilogy-at-the-vineyards-maxime-701_482378.htm (2 June 2009)

technologies etc. and therefore may have different desires, preferences or needs regarding senior living than past senior generations had, the lifestyle offered at the Trilogy is not too different from other (longer existing) active adult retirement communities.

Trilogy is a gated community as well as age-restricted to seniors aged 55 or older. It offers the typical 'hard' lifestyle amenities, such as a golf course, a clubhouse, tennis courts, pools, etc. and also takes 'soft' lifestyle amenities into consideration such as security (since it is a gated community) as well as safety (community preparedness plans, trained staff in first aid and CPR), freedom and social interaction:

In more detail, Trilogy at the Vineyards offers tennis courts and a fitness center as well as a neighboring 27 hole golf course with preferred access for Trilogy residents. What is especially worth mentioning is the 34.000 square foot 'Club Los Meganos' which is going to be unveiled in 2010 and which includes a golf course, an outdoor resort pool and spa, an indoor lap pool, a café as well as a restaurant, an event room, and an athletic club.. Especially this club 'Los Meganos' tries to reach the prospective buyers' desire for a specific lifestyle as the community's webpage shows:

Your gateway of discovery to a host of new experiences, friendships and passions. Highly styled with Mediterranean–chic architecture, Club Los Meganos will wrap in you the lifestyle you have always dreamed of.⁴⁶

What differentiates Trilogy at the Vineyards from other communities is that the developer offers residents to live at the community as a seasonal home respectively to travel for a longer period of time. In this case, centralized mail, lawn care or pet-setting services are offered. In addition, Trilogy's location in the wine country surrounded by vineyards, olive orchards and preserve lands

⁴⁶ http://www.trilogylife.com/community/vineyards/?content_type=life&content_id=trilogy (30 May 2009)

with the offered 'Wine Country Walking Trails' makes the community somehow unique.⁴⁷

As mentioned before, Trilogy at the Vineyards offers ten different models and floor plans ranging in square footage from 1.700 to 2.800. The following model "Amalfi Cetera" is one of the middle-sized options with 2.337 square feet, 2-3 bedrooms and a two car garage. Depending on the specific design, this model is priced in the low \$700.000s.



Figure 14: Model Home "Amalfi Cetera"⁴⁸

The following floor plan shows that all rooms are fitted into one single level. All models at the Trilogy are single-level, since stairs would be a burden in

⁴⁷ http://www.trilogylife.com/community/vineyards/?content_type=visit&content_id=facts (30 May 2006)

⁴⁸ <http://ebrochure.sheahomes.com/trilogylife/index.html?community=8&plan=Cetera> (3 June 2009)

the daily lives of seniors. Even though residents might not be bothered by stairs when they move in, active adult retirement community planners need to think ahead and plan for the future when stairs could become a problem for the residents.

Furthermore, all models have at least a two car garage, which shows how important it has to be for the residents to be mobile and experience this kind of freedom, which is one of the 'soft' lifestyle amenities active adults look for in a retirement community.

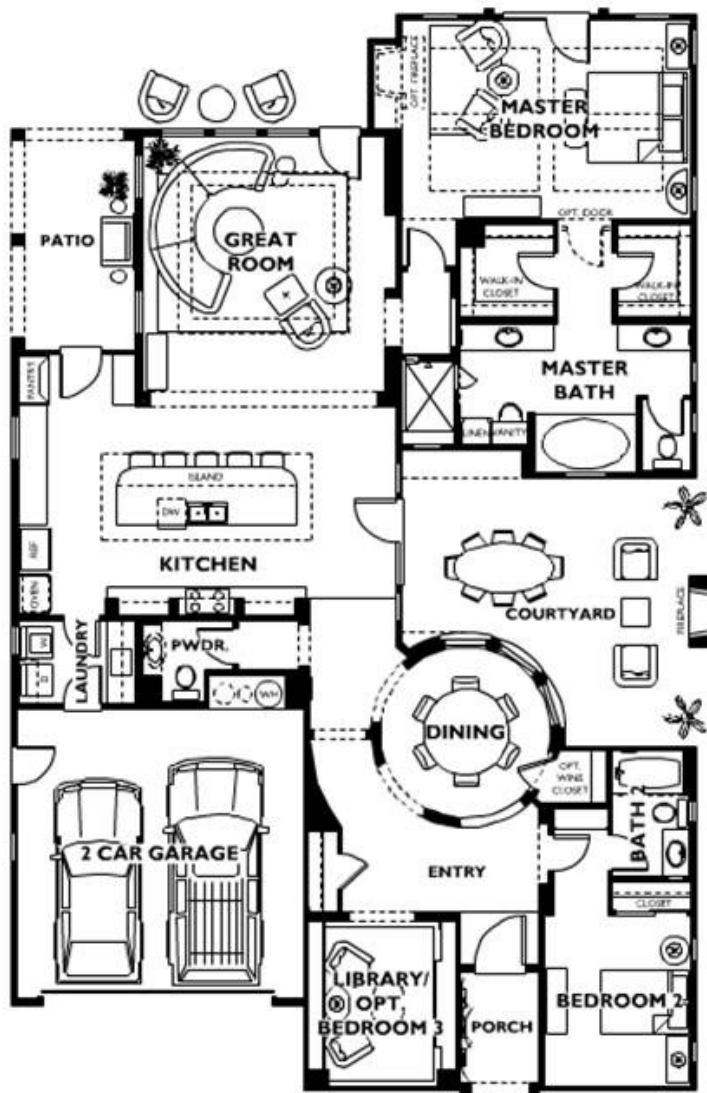


Figure 15: Floor Plan "Amalfi Cetera"⁴⁹

⁴⁹ <http://ebrochure.sheahomes.com/trilogylife/index.html?community=8&plan=Cetera> (2 June 2009)

7.3.4 Operating Authority

Trilogy at the Vineyards is part of 'Shea Homes', one of the largest privately-owned homebuilders in the United States which was founded in 1881. It started to enter the active adult retirement community market in 1990, which means that it is a relatively new developer of such master-planned communities within the market.⁵⁰

⁵⁰ <http://www.sheahomes.com/main.cfm?dir=aboutshea&sec=history&temp=main> (30 May 2009)

8 Retirement Communities and Their Operating Authorities in the San Francisco Bay Area – A Market Analysis

This chapter is dedicated to the operating authorities of retirement communities within the San Francisco Bay Area as well as to the question how significant these facilities are for the region, i.e. how many retirees actually choose this kind of senior living.

8.1 Location of the Analyzed Region

The following map illustrates the location of the San Francisco Bay Area within California, which surrounds the San Francisco and San Pablo bay, located in Northern California.



Map 5: Location of the San Francisco Bay Area within California (original illustration)

8.1.1 San Francisco Bay Area Counties

The San Francisco Bay Area consists of nine counties, namely Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County and Sonoma County, which are illustrated in map 6.



Map 6: The San Francisco Bay Area Counties (original illustration)

8.2 Demographic Analysis of the San Francisco Bay Area

According to the U.S. Census Bureau, the San Francisco Bay Area has a population of 6.7 million people.⁵¹ For the analysis of age-segregated

⁵¹ <http://www.bayareacensus.ca.gov/> (9 June 2009)

communities, it is essential to have a closer look at the demographic structures of the older population. Therefore, the following table shows the population numbers and distribution of ‘younger’ seniors (aged 55 to 74) based on the nine counties.

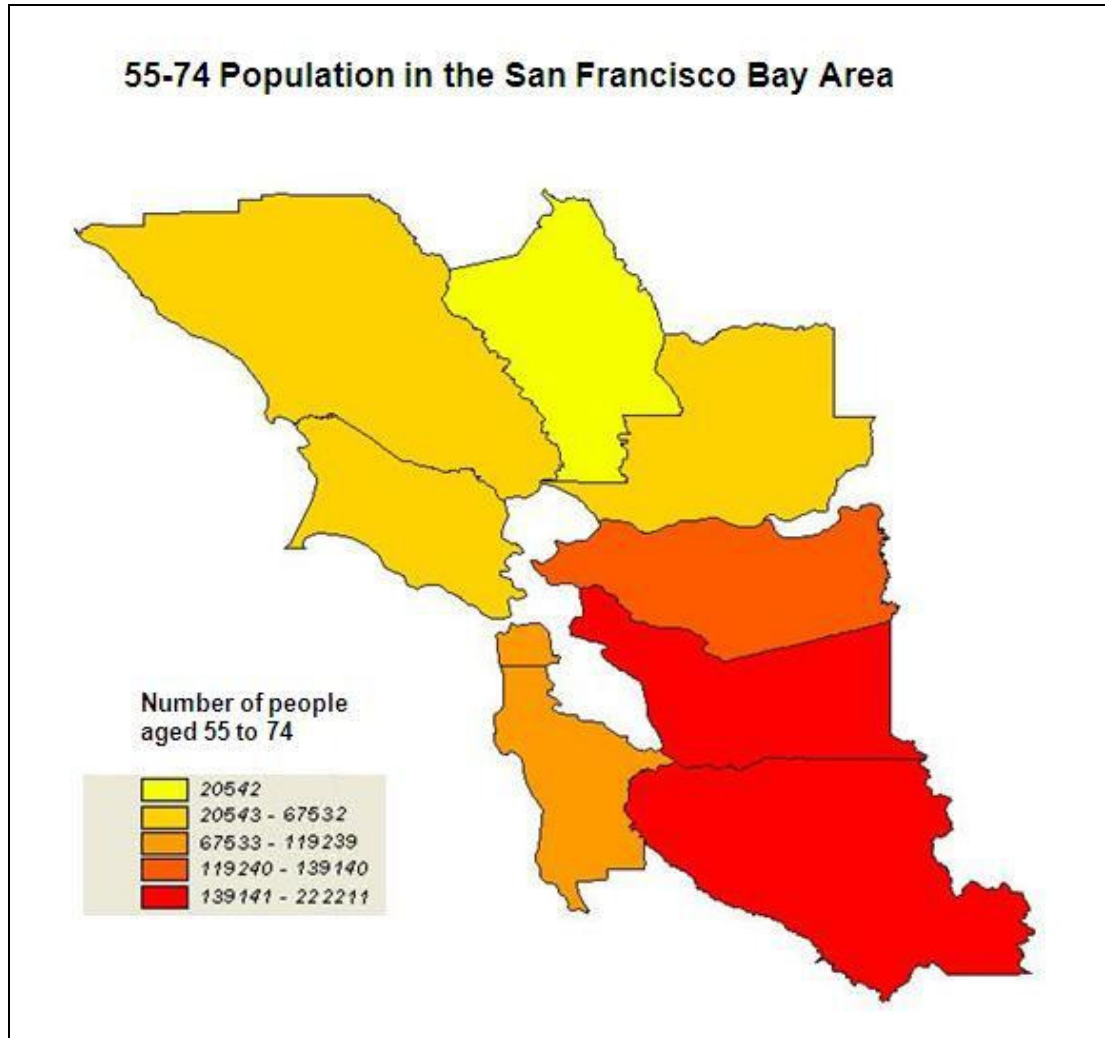
County	55 to 59	60 to 64	65 to 74	55 - 74
Alameda	65207	47658	75699	188564
Contra Costa	48758	35660	54722	139140
Marin	16649	11215	16791	44655
Napa	6812	5035	8695	20542
San Francisco	35026	30258	53955	119239
San Mateo	35612	27901	44742	108255
Santa Clara	76614	58404	87193	222211
Solano	17342	12806	20246	50394
Sonoma	23649	16489	27394	67532
TOTAL	325.669	245.426	389.437	960.532

Table 8: The 55-74 Population of the San Francisco Bay Area Counties

Table 8 shows that more than 960000 people live in the San Francisco Bay Area who are aged 55 to 74 and are therefore the main target market for retirement communities: firstly, because most retirement communities have an age-restriction with a minimum age of 55; secondly, because seniors of an older age may not be able to live the independent and active lifestyle that is analyzed here.

The following map illustrates how these seniors are distributed among the nine counties, i.e. that Santa Clara County with 222211, Alameda County with 188564 and San Francisco County with 119239 seniors aged 55 to 74 are the three most densely populated counties within the San Francisco Bay Area regarding the analyzed demographic characteristic. The least populated

counties with seniors aged 55 to 74 is Napa County with 20542 people, located in the North Bay.



Map 7: 55-74 Population in the San Francisco Bay Area (original illustration)

8.3 Retirement Communities in the San Francisco Bay Area

The San Francisco Bay Area is supplied with numerous senior living facilities, ranging from active adult retirement communities, to independent living or assisted living facilities as well as continuing care retirement communities, nursing homes and hospices. In this chapter, retirement communities are going to be analyzed which fulfill the following criteria which are mainly based on the type of retirement community but also on the accessibility of data:

- Active adult retirement community (AARC)
- Independent living facility (IL)
- Continuing care retirement community (CCRC); at least two thirds of the available units need to be independent living apartments
- Web presence

41 retirement communities fulfilled the above criteria and are listed in table 9:

Name	Location	County	Type
Cardinal Point at Mariner Square	Alameda	Alameda County	CCRC
Marymount Villa	San Leandro	Alameda County	IL
Merrill Gardens At Fremont	Fremont	Alameda County	IL
Heritage Estates	Livermore	Alameda County	IL
Rossmoor	Walnut Creek	Contra Costa County	AARC
Trilogy at the Vineyards	Brentwood	Contra Costa County	AARC
Summerset Orchards	Brentwood	Contra Costa County	AARC
Bay Park	Pinole	Contra Costa County	IL
Atria Valley View	Walnut Creek	Contra Costa County	IL
Atria Montego Heights	Walnut Creek	Contra Costa County	IL
Merrill Gardens At San Ramon	San Ramon	Contra Costa County	IL
Aegis of Concord	Concord	Contra Costa County	IL
Smith Ranch Homes	San Rafael	Marin County	AARC
Atria Tamalpais Creek	Novato	Marin County	IL

The Meadows of Napa Valley	Napa	Napa County	CCRC
Redwood	Napa	Napa County	IL
The Springs of Napa	Napa	Napa County	IL
The Sequoias	San Francisco	San Francisco County	CCRC
The Carlisle	San Francisco	San Francisco County	CCRC
San Francisco Towers	San Francisco	San Francisco County	CCRC
The Stratford	San Mateo	San Mateo County	IL
Versailles	San Mateo	San Mateo County	IL
The Peninsula Regent	San Mateo	San Mateo County	CCRC
Atria Daly City	Daly City	San Mateo County	IL
Marymount Greenhills Retirement Center	Millbrae	San Mateo County	IL
Atria Burlingame	Burlingame	San Mateo County	IL
The Stratford	San Mateo	San Mateo County	IL
Atria Hillsdale	San Mateo	San Mateo County	IL
Webster House	Palo Alto	Santa Clara County	CCRC
Atria Sunnyvale	Sunnyvale	Santa Clara County	IL
Belmont Village Of Sunnyvale	Sunnyvale	Santa Clara County	IL
The Westmont	Santa Clara	Santa Clara County	IL
Belmont Village Of San Jose	San Jose	Santa Clara County	IL
Assisted Living San Jose - All About Seniors	San Jose	Santa Clara County	IL
Atria Chateau Gardens	San Jose	Santa Clara County	IL
Atria Willow Glen	San Jose	Santa Clara County	IL

Merrill Gardens At Vallejo	Vallejo	Solano County	IL
Merrill Gardens At North Bay	Vallejo	Solano County	IL
Oakmont Village	Santa Rosa	Sonoma County	AARC
Merrill Gardens At Sonoma	Sonoma	Sonoma County	IL
Merrill Gardens At Rohnert Park	Rohnert Park	Sonoma County	IL

Table 9: Retirement Communities in the San Francisco Bay Area

8.3.1 Financial Aspects

Seniors who choose to live in a retirement community with all its services and amenities need to anticipate extensive costs. Depending on whether the retiree rents an apartment in a continuing care retirement community or buys a house in an active adult retirement community, prices vary considerably. Usually, (continuing care) retirement communities which offer studios or apartments charge a monthly fee that covers both the studio/apartment rental as well as most of the offered services and amenities. In addition, some of those facilities charge an entrance fee as well at the time when the retiree moves in. In most cases, this entrance fee is refundable and only serves as a financial reliability of the retiree. A minority of continuing care retirement communities also offers the purchase of apartments instead of charging an entrance fee. However, a monthly fee is still required.

In contrast to this, retirees who choose to live in a home within an active adult retirement community usually do not need to pay an entrance rental fee, but need to finance homeownership, i.e. buy the home.

The following table shows some examples of the analyzed retirement communities and their costs:

Name	County	Type	Homeownership	Entrance Fee	Monthly Fee
Rossmoor	Contra Costa County	AARC	100000 - 1 000000		
Trilogy at the Vineyards	Contra Costa County	AARC	500000 - 850000		
Smith Ranch Homes	Marin County	AARC	219000 - 1 850000		
The Carlisle	San Francisco County	CCRC			3100
San Francisco Towers	San Francisco County	CCRC		180100 - 506800	3111 - 4659
The Peninsula Regent	San Mateo County	CCRC		329000 - 800000	2450 - 3600
The Stratford	San Mateo County	IL			4625
Atria Hillsdale	San Mateo County	IL			2795
Webster House	Santa Clara County	CCRC			3760
Atria Sunnyvale	Santa Clara County	IL			2250
Belmont Village Of Sunnyvale	Santa Clara County	IL			3800
Merrill Gardens At Vallejo	Solano County	IL			2000
Merrill Gardens At North Bay	Solano County	IL			2000

Table 10: Examples of the Costs of Retirement Communities

The prices for a home in an active adult retirement community range from \$ 100.000 for a cooperative to as much as \$ 1.850.000 for a villa. In contrast, monthly fees of independent living or continuing care retirement communities range between \$ 2000 to \$ 4625; their entrance fees or purchase price amount 180.100 to 850.000. Similar to other real estate markets, prices arise out of the size of the product, its location, view as well as the services and amenities offered.

8.4 Operator Typology

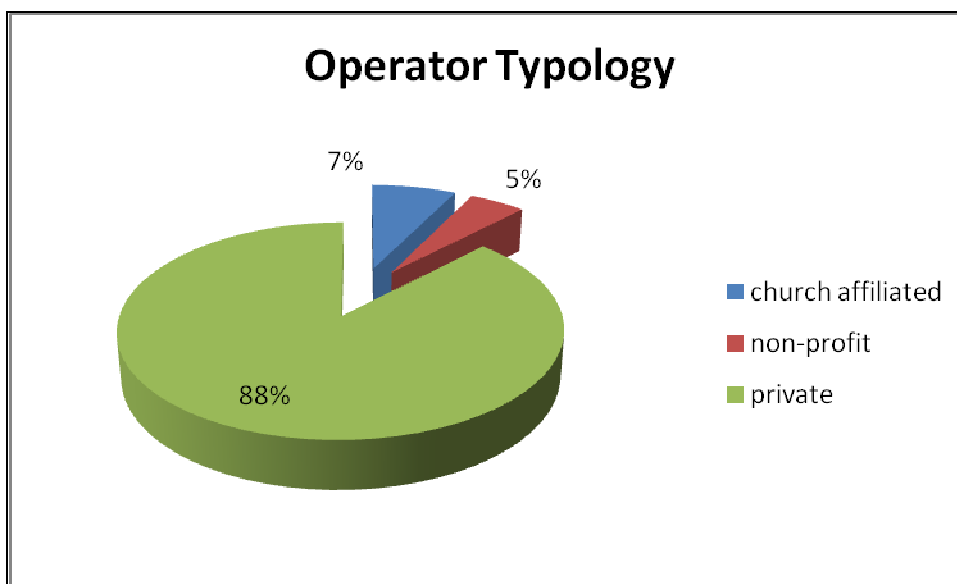


Figure 16: Operator Typology

Figure 16 illustrates the retirement community operator typology regarding who or what institutions operate those facilities in the San Francisco Bay Area. Research showed that there are three types of operators, namely institutions with a religious affiliation, non-profit organizations or private home builders/retirement community operators. Those communities which have a religious affiliation are operated by Episcopal Senior Communities, Northern California Presbyterian Homes & Services and the Independent Order of Odd Fellows. Non-profit organizations which run retirement communities are the

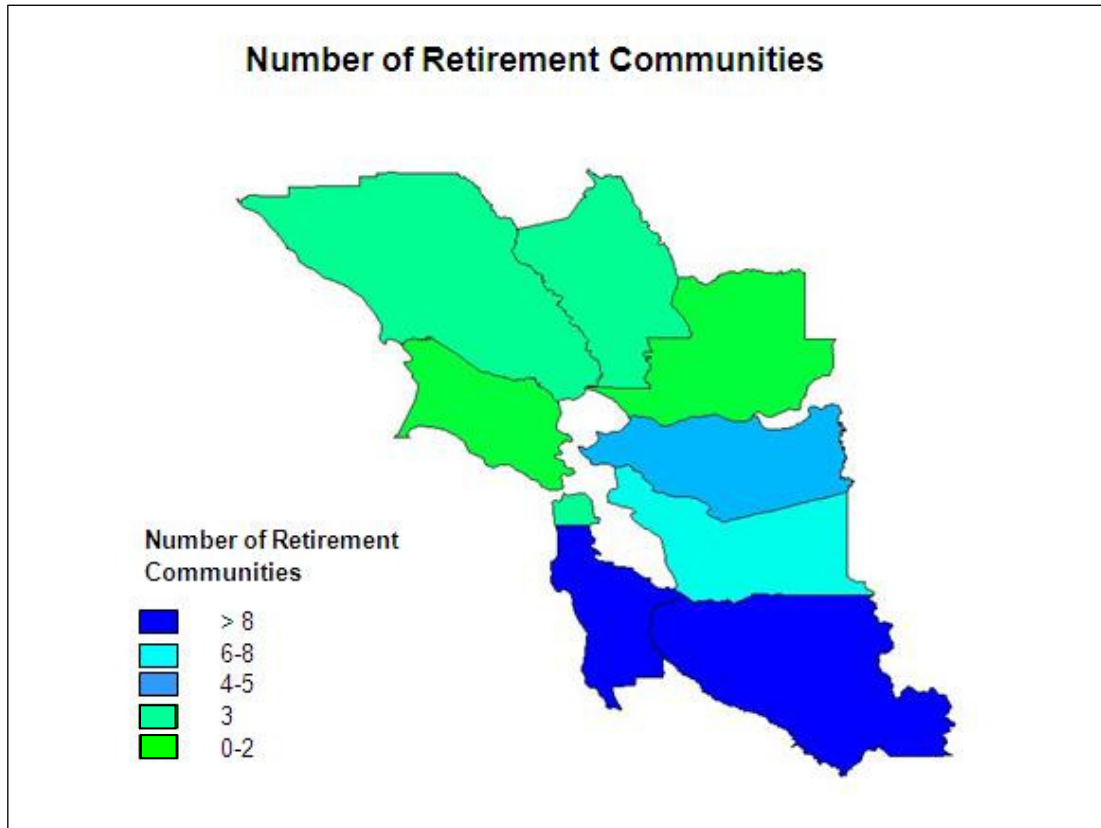
Golden Rain Foundation and Bay Area Senior Services. All of the analyzed private home builders or retirement community operators run more than one retirement community, usually also out-of state (i.e. in other states than California). Some even operate retirement communities abroad, for example 'Sunrise Senior Living'.

Name	County	Operator	Type of Operator
Cardinal Point at Mariner Square	Alameda County	IOOF	church
Marymount Villa	Alameda County	NCPHS	church
Merrill Gardens At Fremont	Alameda County	Episcopal Senior Communities	church
Heritage Estates	Alameda County	Golden Rain Foundation	non-profit
Rossmoor	Contra Costa County	Bay Area senior Services	non-profit
Trilogy at the Vineyards	Contra Costa County	Aegis Living	private
Summerset Orchards	Contra Costa County	Marymount	private
Bay Park	Contra Costa County	R. D. Merrill Company	private
Atria Valley View	Contra Costa County	Atria	private
Atria Montego Heights	Contra Costa County	Shea Homes	private
Merrill Gardens At San Ramon	Contra Costa County	Del Webb	private
Aegis of Concord	Contra Costa County	Aegis Living	private
Smith Ranch Homes	Marin County	Atria	private
Atria Tamalpais Creek	Marin County	Atria	private
The Meadows of Napa Valley	Napa County	R. D. Merrill Company	private
Redwood	Napa County	Aegis Living	private
The Springs of Napa	Napa County	Smith Ranch Homes	private
The Stratford	San Mateo County	Atria	private
Versailles	San Mateo County	Holiday Retirement Corporation	private
The Peninsula Regent	San Mateo County	Holiday Retirement Corporation	private
Atria Daly City	San Mateo County	Sunrise Senior Living	private
Marymount Greenhills Retirement Center	San Mateo County	Mr. Banes	private
Atria Burlingame	San Mateo County	Atria	private

The Stratford	San Mateo County	Marymount	private
Atria Hillsdale	San Mateo County	Atria	private
Webster House	Santa Clara County	Sunrise Senior Living	private
Atria Sunnyvale	Santa Clara County	Atria	private
Belmont Village Of Sunnyvale	Santa Clara County	Sunrise Senior Living	private
The Westmont	Santa Clara County	Atria	private
Belmont Village Of San Jose	Santa Clara County	Belmont Village	private
Assisted Living San Jose - All About Seniors	Santa Clara County	Holiday Retirement Corporation	private
Atria Chateau Gardens	Santa Clara County	Belmont Village	private
Atria Willow Glen	Santa Clara County	Debra and Patrick Hall	private
The Sequoias	SF County	Atria	private
The Carlisle	SF County	Atria	private
San Francisco Towers	SF County	Sunrise Senior Living	private
Merrill Gardens At Vallejo	Solano County	R. D. Merrill Company	private
Merrill Gardens At North Bay	Solano County	R. D. Merrill Company	private
Oakmont Village	Sonoma County	Oakmont Village Association	private
Merrill Gardens At Sonoma	Sonoma County	R. D. Merrill Company	private
Merrill Gardens At Rohnert Park	Sonoma County	R. D. Merrill Company	private

Table 11: Selected San Francisco Bay Area Retirement Community Operators

8.5 Market Saturation



Map 8: Number of Retirement Communities in the San Francisco Bay Area Counties (original illustration)

As mentioned above, the San Francisco Bay Area is supplied with a number of senior living facilities, 41 of which have been analyzed as the named retirement communities. Map 8 explains how many retirement communities are located in each of the San Francisco Bay Area counties, whereas the North Bay has the least retirement communities with only two in Solano and Marin County and three in Napa and Sonoma County. The Peninsula as well as the East and South Bay are supplied with at least three retirement communities.

Having a look at the market saturation as such, it cannot be statistically assessed how many retirees actually choose this kind of senior living. However, in some counties this data is available and shows a market

saturation ranging from less than 1 percent to more than 7 percent (see table 11). In some cases it might even be more than that, especially if there is a large active adult retirement community located in the county, for example in Contra Costa County with two mid-sized or large communities respectively.

County	Population 55 to 74	Retirement Community Capacity	Market Saturation
San Francisco County	108.255	813	0,75
Solano County	50.394	374	0,74
Sonoma County	67.532	4987	7,39

Table 12: Market Saturation in selected Bay Area Counties

9 Conclusion

The process of demographic aging has had its effects and consequences on most Western countries, which is a scientifically accepted fact. What is especially interesting about this process though, is how certain markets and involved generations react towards a development like that and try to make the most out of the situation.

Demographic analyses have shown that California and also the analyzed region of the San Francisco Bay Area follow the demographic aging process and therefore served as a fascinating case study in the field of how senior markets prepare for the upcoming influx of even more seniors, since the first of the Baby Boom generation are beginning to retire. One of the most essential questions in this field is (apart from the question of financing this great number of seniors) certainly the question of housing. This thesis tried to introduce one rather new and slightly alternative (especially for non-Americans) way of senior housing, namely the phenomenon of age-segregated communities for the younger, still active seniors. It showed that there are several forms of age-segregated living, ranging from Assisted Living Facilities to Continuing Care Retirement Communities, Independent Living Facilities and probably the most unique and American way of age-segregated living, namely Active Adult Retirement Communities.

Although active adult retirement communities' main market is located in the Sunbelt states of the U.S. (i.e. especially in Florida and all adjacent states where this phenomenon also originated), they can also be found in California and specifically in the San Francisco Bay Area. They come in different sizes and shapes, may be age-restricted or age-targeted (i.e. their target market are seniors aged 55+), but offer more or less the same product and with it a very specific lifestyle. This lifestyle is especially sought by the younger and still active seniors, who want to live an independent life but without any worries or burdens 'normal' homeownership would cause. It turned out that one of the most important factors which an active adult retirement community has to fulfill in order to offer the particular lifestyle sought, is the location. Whether the community is located in a typical retirement destination which offers open space, a natural key feature, a large city and an international

airport in driving distance as well as a moderate climate, or a metropolitan area with all the cultural, social and entertaining opportunities of a large city – the community needs to offer certain ‘hard’ and ‘soft’ lifestyle amenities. One of the ‘hard’ lifestyle amenities are golf and other outdoor recreational facilities, since the younger seniors enjoy working out and being active. In addition to this, ‘soft’ lifestyle amenities, such as security, freedom and social interaction or vitality play an important role in the lifestyle question as well.

At that point the question arose why active seniors would leave their home and even move to an age-segregated community? What are their motives? It turned out that there are various reasons why a move would be considered, which can be categorized by so-called ‘push’- and ‘pull’ factors. ‘Push’ factors were those circumstances that made retirees decide to move away from their home, for example the inability or unwillingness to care for one’s home, loneliness and isolation, or fear and insecurity. In contrast to this, ‘pull’ factors were those factors which represented the attractive elements of an age-segregated community, for example companionship, social activities, security and safety, and sometimes also the availability and quality of health care.

This theoretical approach was then exemplified by three case studies, all of which located in the San Francisco Bay Area. A lifestyle analysis of Rossmoor, an active adult retirement community, the Sequoias, a continuing care retirement community, and Trilogy at the Vineyards, a 21st century active adult retirement community, showed that the developers do offer a certain lifestyle which does not only lead to a segregation of age but also a social segregation, since on the one hand only a very specific target market searches for this lifestyle and on the other hand only a superior (mainly white and upper middle class) clientele is able to finance this lifestyle.

Finally, a market analysis of the San Francisco Bay Area retirement communities and their operating authorities showed that this phenomenon is surely important for the area, since there are more than 40 communities that offer this kind of senior living. Furthermore the examination of the communities’ operating authorities underlined the importance of this branch on the senior market, because most of the operators were private home builders or carriers and only a minority had a religious affiliation or were run by a non-profit organization.

10 Deutsche Zusammenfassung

Einer der bedeutendsten und folgenreichsten Trends in der Demographie der Vereinigten Staaten von Amerika ist zweifellos ihre alternde Bevölkerung. Lag das Medianalter, also jenes statistische Alter, das eine Bevölkerung in zwei gleich große Teile teilt, im Jahr 1990 bei 32,9 Jahren, so lag es 2006 bereits bei 36,4 Jahren. Dieser Prozess des demographischen Alterns hat auf mehreren Ebenen Auswirkungen, sei es kulturell, sozial, wirtschaftlich oder auch raumplanerisch. Eine alternde Bevölkerung und insbesondere die Ältesten einer Gesellschaft haben andere Bedürfnisse, Wünsche und Lebensgewohnheiten als jüngere Generationen, weshalb besonders jenen älteren Generationen Rechnung getragen werden muss.

Als Antwort auf diesen Prozess des demographischen Alterns entwickelte sich in den USA in den vergangenen Jahrzehnten ein Trend zu einer neuen, alternativen Wohnform im Alter. ‚Senior Housing‘, wie es die AmerikanerInnen nennen, erfolgt nicht nur mehr in der eigenen Wohnung/im eigenen Haus oder in ‚gewöhnlichen‘ Altenheimen, die rund um die Uhr für Betreuung sorgen, sondern auch in sogenannten ‚retirement communities‘, welche durch ihre Altersbeschränkungen zu einer Segregation der Wohnbevölkerung führen und deshalb auch ‚age-segregated‘ communities genannt werden.

Eine demographische Analyse der USA zeigt eine deutliche Verschiebung in der Altersstruktur, welche in den letzten Jahren stattgefunden hat. Diese Entwicklung ist gekennzeichnet durch eine niedrige Fertilität, rückläufige Mortalität in älteren Jahren und ein Wachstum der älteren Altersschichten. Sehr ähnlich ist die Situation im Bundesstaat Kalifornien, in dem im Jahr 2007 mehr als 4 Millionen Menschen älter als 65 Jahre waren, i.e. 11 Prozent der gesamten Bevölkerung Kaliforniens. Auch für die Zukunft prognostiziert das statistische Bundesamt (‚U.S. Census Bureau‘) ein Wachstum der älteren Bevölkerung: Im Jahr 2000 zählten die 60- bis 64- Jährigen 3,4 Prozent der kalifornischen Bevölkerung, für 2010 wird jedoch bereits ein Prozentsatz von 4,9 prognostiziert. Dies lässt sich dadurch erklären, dass die

ersten ‚Baby Boomers‘, also jene Alterskohorten, die zwischen 1946 und 1964 geboren wurden, ihr Pensionsalter erreichen werden.

Diese demographischen Entwicklungen haben natürlich Auswirkungen sowohl auf die Gesellschaft als auch auf ihre Märkte. So rechnet zum Beispiel das U.S. Gesundheitsministerium mit einem deutlichen Anstieg jener älterer Menschen, die eine spezielle Unterstützung bezüglich Wohnen, Transport, Gesundheit und Erholung, oder auch Weiterbildung bis 2030 in Anspruch nehmen werden.

Beleuchtet man nun die Wohnsituation von Senioren genauer, so zeigt sich, dass es in den USA eine sehr große Bandbreite an Wohnformen im Bereich des *älteren Wohnens* gibt: Man unterscheidet zwischen zwei Großformen, nämlich dem alterssegregierten Wohnen und jenen Formen, die keine Alterssegregation bedingen. Zu letzteren zählen intergenerationelle Wohngemeinschaften, Heimbetreuung sowie Heimbetreuung mit ärztlicher und physiotherapeutischer Versorgung. Zu altersegregierten Wohnformen zählen hingegen:

- ‚Assisted Living Facilities‘, welche meist in Apartmentkomplexen kleine Suiten für ihre BewohnerInnen zur Verfügung stellen und sie bei ihrer täglichen Routine, wie zum Beispiel essen, waschen, Haushaltsarbeiten, Transport, etc., ständig unterstützen und hierfür eine monatliche Miete und Versorgungsgebühr verlangen;
- ‚Continuing Care Retirement Communities‘ (CCRCs) bieten ihren Bewohnern gerade jene Unterstützung und Versorgung, die ihr Gesundheitszustand erfordert. Das heißt, dass im Normalfall der/die Bewohner/in relativ jung und aktiv einzieht und einen selbständigen Lebensstil führt, mit zunehmendem Alter jedoch mehr Hilfe in Anspruch nehmen muss – hierfür aber nicht ausziehen muss, um mehr medizinische Versorgung zu erhalten.
- ‚Independent Living Facilities‘ sind die am meist wachsende alternative Wohnform im Bereich des *älteren Wohnens*. Diese Einrichtungen ermöglichen ein selbständiges Wohnen und sind oftmals die Lösung für viele Senioren, die ihr Leben vereinfachen wollen (und sich zum Beispiel nicht um die Erhaltung und Pflege ihres

Hauses / Gartens kümmern wollen), aber nicht die individuelle Betreuung benötigen, die ‚Assisted Living Facilities‘ oder Altenheime anbieten. Weiters unterscheidet man zwei Subkategorien im Bereich des selbständigen Wohnens:

- Congregate Living Facilities sind meist 55 plus Apartments, die von selbständigen Senioren gemietet werden, und wo eine Reihe von Annehmlichkeiten, wie zum Beispiel Mahlzeiten, Reinigungsdienste, Wäscheservice, etc., zur Verfügung stehen.
- ‚Active Adult Retirement Communities‘ (AARCs) stellen eine Besonderheit des *älteren Wohnens* dar: Diese communities sind eigene Dörfer oder Kleinstädte, in denen ausschließlich älteres Publikum meist in Einfamilien- oder Mehrfamilienhäusern lebt und durch das reichhaltige Angebot an Freizeit- und Erholungseinrichtungen einen besonders aktiven und selbständigen Lebensstil führt. Meist sind diese auch baulich von anderen Wohnsiedlungen getrennt, sodass sie zu ‚gated communities‘ zählen.

‚Active Adult Retirement Communities‘ sind entweder ausschließlich für Menschen entwickelt, die älter als 55 Jahre sind und nur in jenen communities leben dürfen, wenn sie diese Altersbeschränkung erfüllen (i.e. ‚age-restricted communities‘), oder die Betreiber zielen durch ihre Einrichtungen, ihr Design und den Lebensstil, den sie anbieten, auf diese Altersklassen ab, können aber jüngere Interessenten nicht aufgrund ihres Alters ausschließen (i.e. ‚age-targeted communities‘).

AARCs wurden erstmals in den 1960er Jahren gebaut, wobei sich der Markt in damaligen Zeiten nur sehr langsam entwickelte. Jene, die jedoch gebaut wurden, waren für heutige Standards mit 2800 bis 26000 Einheiten sehr groß mit einer durchschnittlichen Größe von ca. 8000 Einheiten. Der stärkste AARC-Markt ist bis heute Florida, wo sich ca. 38 Prozent aller ‚Active Adult Retirement Communities‘ befinden, gefolgt von Arizona mit 21 Prozent und Kalifornien mit 16 Prozent.

Betrachtet man ‚Active Adult Retirement Communities‘ genauer, so lässt sich feststellen, dass es verschiedene Arten gibt, die sich durch ihre Größe, den Zielmarkt und ihre Lage voneinander unterscheiden:

Je nach Größe wird unterschieden in große (mehr als 1500 Einheiten), mittelgroße (300 bis 1500 Einheiten) und kleine (weniger als 300 Einheiten) communities. Je größer die Anlage, desto mehr Angebot an Freizeit- und Erholungseinrichtungen, Auswahl an Grundstücksplänen und Hausmodellen, etc.

Bezüglich ihrer Lage ist festzustellen, dass viele AARCs nicht nur mehr in den typischen Sunbelt-Destinationen gebaut werden, sondern auch im Großstadtgebiet und der Stadtregion, da immer mehr Senioren den Wunsch verspüren, nahe ihrer Familie und ihrer Freunde zu leben. Weiters scheinen viele Märkte in den typischen Seniorendestinationen gesättigt zu sein, sodass viele Betreiber diesen Trend als willkommene Lösung sehen. Herfür dient nicht nur das Stadtgebiet an sich, sondern auch das Stadtumland, wo freistehendes Gelände zur Verfügung steht und leicht erworben und für die gewünschten Zwecke baulich umgewidmet werden kann. Weiters sollte (abgesehen von der Nähe zu einer größeren Stadt) die umgebende Landschaft ausreichend Potential für Freizeitaktivitäten sowie Ruhe und Natur bieten. Generell ist festzustellen, dass Senioren beim Kauf eines Hauses in einer ‚Active Adult Retirement Community‘ zuerst eine Ortswahl treffen, i.e. einen Bundesstaat, eine Region, eine Stadt, etc., bevor sie sich die eigentlichen communities ansehen.

Die potentielle Zielgruppe für AARCs ist sehr unterschiedlich und besitzt relativ großes Vermögen. Senioren, die beabsichtigen in eine AARC zu ziehen, mögen Kinder haben, in Pension sein, sportlich sein oder kulturell interessiert. Eine gemeinsame Eigenschaft ist jedoch, dass sie mindestens der oberen Mittelklasse angehören und es sich daher leisten können diesen Lebensstil zu führen.

Ein weiterer interessanter Punkt in der Analyse von alternativen Wohnformen im Bereich des *älteren Wohnens* sind in jedem Fall die Motive der Senioren, i.e. warum sie in solche communities ziehen. Eine Studie zur Lebensstil-

Analyse von gesunden Senioren und ihrem Interesse in eine ‚retirement community‘ zu ziehen zeigte, dass jene Personen mit dem meisten Interesse folgende Eigenschaften aufwiesen: soziale Abenteuerlust, physische Aktivität, Eigenständigkeit und das Bedürfnis nach physischer und finanzieller Sicherheit. Um die Gründe für einen Umzug in eine ‚retirement community‘ zu beschreiben, schien es sinnvoll das sogenannte ‚push-pull‘-Modell zu adaptieren. Dieses besagt in diesem konkreten Fall, dass push-Faktoren jene negativen Aspekte eines Eigenheims darstellen, die Senioren zu einem Umzug in eine ‚retirement community‘ veranlassen, während pull-Faktoren jene positiven Attribute von ‚retirement communities‘ darstellen, die Senioren anziehen.

Push-Faktoren sind demnach das Unvermögen für sein Heim zu sorgen, ein Gefühl, dass die momentane Wohnsituation unpassend ist, Einsamkeit, Isolation, Kriminalität, Unsicherheit, etc. Pull-Faktoren sind positive Eigenschaften von ‚retirement communities‘ wie zum Beispiel Gemeinschaft, Sicherheit, Freundschaft, soziale Aktivitäten, Kosten, Lage, das Vorhandensein von medizinischer Betreuung, etc.

Sehr ähnliche Attribute lassen sich in der Lebensstilanalyse von Senioren in ‚Active Adult Retirement Communities‘ feststellen. Zuallererst ist festzuhalten, dass Betreiber von solchen communities in erster Linie eine spezielle Art von Lebensstil verkaufen anstatt nur das Grundbedürfnis *Wohnen* zu befriedigen. Je nach Größe und der Lage der AARC unterscheiden sich die angebotenen Lebensstilarten. Generell kann jedoch gesagt werden, dass die angebotenen Dienstleistungen und Einrichtungen innerhalb einer AARC den Lebensstil bestimmen und entweder als ‚hard‘ oder ‚soft‘ klassifiziert werden können. Die ‚hard amenities‘ sind jene physischen Strukturen einer community, wie zum Beispiel ein Golfplatz, ein Clubhaus, Schwimmbäder etc., die baulich fix zu einer community gehören und als eine der auffälligsten Eigenschaften sofort in Erscheinung treten. ‚Soft amenities‘ hingegen sind nicht auf den ersten Blick sichtbar, tragen aber einen großen Teil zum Lebensstil in der community bei. Dazu zählen Attribute wie hervorragendes Community Management, soziale Aktivitäten, Sicherheit, Freiheit, soziale Kontakte und Lebensfreude.

Dieser theoretische Ansatz wird durch drei Fallbeispiele von ‚retirement communities‘, die sich in der San Francisco Bay Area befinden, ergänzt. Die Region der San Francisco Bay Area an sich beherbergt ca. 6,7 Millionen Einwohner, wobei mehr als 960000 davon zwischen 55 und 74 Jahren alt sind und deshalb den primären Zielmarkt für ‚retirement communities‘ darstellen. Innerhalb der neun Counties der San Francisco Bay Area gibt es unzählige Einrichtungen im Bereich des *älteren Wohnens*, jedoch wurden in einer Marktanalyse nur jene untersucht, die zum Typ ‚Active Adult Retirement Community‘, ‚Independent Living Facility‘ oder ‚Continuing Care Retirement Community‘ gezählt werden und die eine ausreichende Internetpräsenz aufwiesen. Daraus ergab es sich eine Zahl von 41 communities, die auf folgende Kriterien untersucht wurden: Ort, Countyzugehörigkeit, Typ, Größe, finanzielle Aspekte und Betreiber. Hierbei zeigte sich, dass Häuser innerhalb einer AARC um Beträge zwischen \$ 100 000 und \$ 1 800 000 zu erwerben sind, während ‚Independent Living Facilities‘ und CCRs monatliche Beiträge zwischen \$2000 und über \$ 4500 für ihre Leistungen in Anspruch nehmen.

Eine Analyse der Betreiber zeigte folgende Betreibertypologie: 88 Prozent der Betreiber von ‚retirement communities‘ in der San Francisco Bay Area waren private Unternehmen, 7 Prozent konnten eine Religionsgemeinschaftszugehörigkeit aufweisen, und 5 Prozent wurden von Non-Profit-Organisationen betrieben.

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