

## FEATURED ARTICLE

# A REMINDER OF DEMOGRAPHIC TRENDS

Just last week, the U.S. Census Bureau released a new report entitled, *America is Getting Older*. For those of us in the sector, this was not a shocking headline per se, but the data they reported on is an important reminder of where we stand as an aging nation today and into the future. We wanted to recap some of the key statistics from this report and, also make note of other related reports and publications that have been recently shared.

Key data points from the recent report:

- The nation's **median age increased by 0.2 years to 38.9** years between 2021 and 2022. As a reminder, this was also during a time where we continued to see disproportionate deaths among older adults due to the COVID-19 pandemic.
- There have been **more births than deaths** as birth rates have gradually declined over the past two decades. Without a rapidly growing young population, the U.S. median age will likely continue its slow, but steady rise.
- A third of the states in the country had a median age above 40.0 in 2022, led by **Maine with the highest at 44.8**.
- **Utah (31.9)**, the District of Columbia (34.8) and Texas (35.5) had the **lowest median** ages in the nation. Utah's younger median age is also a function of that state having one of the nation's highest birthrates. The younger median age in D.C. is also related to a younger working-adult population common in that metro market.
- **No states experienced a decrease in median age.**
- Sumter County, Florida, home to **The Villages**, not surprisingly, had the highest median among all U.S. counties at 68.5.

We know that the aging population in the U.S. has significant implications for the senior living & care sector as it relates to not only the demand for housing and services, but also regarding the future workforce. While the demand for seniors housing and care will be supported by these demographic trends, we need to continue to innovate and think of housing and solutions that take into account the declining ratio of those of working age to the older adult population.

### Other Recent Reports & Articles

Several other key reports and articles were released in recent weeks that also highlight trends among the older adult population.

- A recent article in the New York Times, *The Greatest Wealth Transfer in History is Here*, shares interesting stats on the intergenerational transfer of wealth in the U.S. Among other data points, they note that Baby Boomers hold half of the nation's \$140 Trillion in wealth. Most will leave behind thousands of dollars, a home or not much at all. Others are leaving their heirs hundreds of thousands, or millions, or billions of dollars in various assets. The full article is worth the read to dig deeper into these trends.
- Data from Transamerica Center for Retirement Studies shows that the median amount the Boomers have saved for retirement is \$144K. At the same time, the Bureau of Labor Statistics reports that they in-turn, spend on average between \$48K-\$49K/year. [Click here](#) to read the full article and data report.
- ProMatura and ASHA just released Boomers and the *Future of Senior Living* report. The report provides valuable insight into demographics, future demand, and expectations of the next generation of residents. The report is available for purchase. One of the important trends that Ziegler has commented on in the past, which also surfaces in this report, is the number of Boomers without children. The current report shows that 22% of respondents have no children and 37% no grandchildren. These statistics reflect the national trends we commented on earlier regarding declining birth rates. This has notable caregiver implications.

As we regularly note, there are indeed differences across regions, states, and markets. It is important to stay on top of these demographic trends and determine how they impact current operations and future growth plans. The demographic numbers are one element of the equation. We also need to be on top of preferences and changing characteristics that the Boomer generation brings forth. Strategies that incorporate both demand characteristics and market intelligence on consumer preferences will be critical.

If you have specific questions related to items in this article or other related topics, we encourage readers to reach out to the Ziegler representative in the region.

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**NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS**

AS OF JUNE 26, 2023

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Lasell Village (MA)	Fitch	A Stable	Affirmed IDR*	6/21/23
McLean (CT)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	6/21/23
Orchard Cove (MA)	Fitch	BBB Stable	Review – No Action	6/21/23
Wesley Enhanced Living (PA)	Fitch	BB Stable	Affirmed Rating Affirmed IDR*	6/22/23
LifeSpire of Virginia (VA)	Fitch	BBB Stable	Affirmed Rating Affirmed IDR*	6/23/23

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\* IDR – Issuer Default Rating

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**INTEREST RATES/YIELDS**

WEEK ENDING JUNE 23, 2023


	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.48%	3.50%	3.42%
Senior Living 30-Yr “A”	5.10%	5.25%	4.99%
Senior Living 30-Yr “BBB”	5.50%	5.65%	5.39%
Senior Living Unrated	6.25%	6.40%	6.16%
Senior Living New Campus	7.25%	7.25%	7.11%
SIFMA Muni Swap Index	4.18%	3.23%	2.50%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index <sup>†</sup>	5.91%	5.92%	2.44%

<sup>†</sup> Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

**FEATURED FINANCING**



**PLEASANT VIEW**  
COMMUNITIES

**PLEASANT VIEW RETIREMENT COMMUNITIES**  
Manheim, Pennsylvania

Bank Placement  
New Money / Refunding

**\$11,980,000**  
June, 2023

## MARKET REVIEW

## MONEY MARKET RATES

	06/23	Last week
Prime Rate	8.25	8.25
Federal Funds (weekly average)	5.07	5.07
90 Day T-Bills	5.29	5.21
30-Day Commercial Paper (taxable)	5.08	5.08
Libor (30-day)	5.14	5.15
SOFR	5.05	5.05
7 Day Tax-Exempt VRDB	4.18	3.23
Daily Rate Average	4.27	3.12

## COMPARATIVE YIELDS

## TAXABLE REVENUE

	GOVT	A		MMD	NR*	BB	BBB	A	AAA
2 Year	4.79	5.89	1 Year	3.03	5.28	4.83	4.18	3.43	3.13
5 Year	4.04	5.49	5 Year	2.62	4.97	4.52	3.87	3.22	2.77
7 Year	3.92	5.52	7 Year	2.53	4.98	4.63	3.98	3.23	2.73
10 Year	3.79	5.64	10 Year	2.55	5.25	4.80	4.25	3.35	2.80
30 Year	3.87	6.32	30 Year	3.48	6.38	5.98	5.38	4.48	3.93

(\* Representative of institutional sales)

## TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE
Bond Buyer			
20 Bond Index	3.65	3.67	-0.02
11 Bond Index	3.55	3.57	-0.02
Revenue Bond Index	3.93	3.95	-0.02
30 Year MMD	3.48	3.50	-0.02
Weekly Tax-Exempt Volume (Bil)	3.91	2.08	+1.83
30 Day T/E Visible Supply (Bil)	6.30	5.78	-0.52
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	115.7	117.4	-1.70

Source: Bloomberg