

2009

Assisted Living Feels Pinch

The credit crisis has made its mark on the seniors housing industry over the past 12 months, with lower transaction volumes and higher capitalization rates, according to the National Investment Center for the Seniors Housing & Care Industry.

These factors contributed to lower values for assisted living units in 2008, according to Steve Monroe, editor of the *Senior Care Acquisition Report*.

“The tone of the market has certainly changed, and much of the capital that fueled the bull market from 2005 through 2007 has disappeared, at least for now,” Monroe said. “But it will return.”

Sunrise Retains Top Spot

This year’s ranking of the Top 40 Assisted Living Chains reveals that Sunrise Senior Living earned the No. 1 spot for the sixth consecutive year.

The company, which is currently working on meeting its debt obligations, recently replaced its chief financial officer, and staff positions from offices in the United States and Germany were eliminated.

Yet, by the end of 2008, Sunrise had expanded its assisted living division and reported operating 391 facilities in 40 states, with a total assisted living resident occupancy capacity of 49,481—an increase of 13,341 above the 2007 level.

Seattle-based Emeritus earned the

No. 2 position, the same position as last year. The company also reported an expanded capacity. At the end of 2008, Emeritus operated in 37 states, with 306 facilities and an occupancy capacity of 32,000. In 2007, Emeritus reported operating 287 facilities and an occupancy capacity of 29,522 assisted

Twenty-nine companies include therapy services, compared to 21 companies last year.

living residents.

No. 3 is Brookdale Senior Living, located in Brentwood, Tenn., operating with 409 facilities and a capacity of 21,021 in 34 states at the end of 2008. In the No. 4 position, Atria Senior Living operates in 27 states with a total occupant capacity of 14,400. Expanding its operations and jumping to the No. 5 position is Five Star Quality Care, which has 144 facilities, an occupant capacity of 9,682, and operating in 24 states. In last year’s Top 40, Five Star was in the No. 7 position with 112 facilities and an occupant capacity of 6,330.

In the No. 6 spot is Assisted Living Concepts, operating 216 facilities in 20 states and total occupant capacity of 9,154.

Merrill Gardens, headquartered in Seattle, is in the No. 7 spot, with 54 facilities operating in nine states and an occupant capacity of 7,070. Last year, Merrill Gardens reported operating 53 facilities and an occupant capacity of 6,770.

No. 8 is HCR ManorCare, with a total of 65 facilities with assisted living and an occupant capacity of 5,080. In the No. 9 spot is One Eighty-Leisure Care, which operates in seven states, with 29 facilities and an occupant capacity of 4,667.

In the No. 10 position is Benchmark Assisted Living, located in Wellesley, Mass., operating in six states with 44 facilities and a total occupant capacity of 3,992.

Services Expand

Assisted living providers also expanded their services last year, in nearly all categories. Twenty-nine companies include therapy services in their repertoire, compared to 21 companies last year. Hospice care has also become more popular, with 24 companies—eight more than last year—offering the service to residents.

More modest growth was seen for other services, such as pharmacy and outpatient therapy, which are now offered by 14 and 20 companies, respectively.

Thirty-two of the Top 40 companies offer independent living units, as opposed to 29 companies last year.

—Lisa Gelhaus

Top 40 Assisted Living Chains

Company Name/ Chief Executive Officer	Address/ Telephone	Total Assisted Living Occupant Capacity	Total Facilities With Assisted Living	Occupancy Rate %	States In Which Company Operates Assisted Living	Assisted Living Revenue Sources:				Total Assisted Living Revenue	Services Offered:									
						% Medicaid	% Private Pay	% SSI	% Other		Traditional Nursing	Post-acute	Dementia Care	Independent Living	Therapy	Outpatient Rehab	Pharmacy	Home Care	Hospice	
1. Sunrise Senior Living Mark Ordan	7902 Westpark Dr. McLean, VA 22102 (703) 273-7500	49,841	391	N/A	40	N/A	N/A	N/A	N/A	N/A	x	x	x	x						x
2. Emeritus Corp. Dan Baty & Granger Cobb	3131 Elliott Ave., Ste. 500 Seattle, WA 98121 (206) 298-2909	32,000	306	87.3	37	0	91.5	0	0	\$769.4 Million	x		x	x						
3. Brookdale Senior Living William Sheriff	111 Westwood Pl., Ste. 200 Brentwood, TN 37027 (615) 221-2250	21,021	409	90.2	34	2.9	92	0	5.1	\$847.7 Million	x	x	x	x	x	x			x	x
4. Atria Senior Living Group John Moore	401 S. 4th St., Ste. 1900 Louisville, KY 40202 (502) 779-4700	14,400	4	N/A	27	N/A	N/A	N/A	N/A	N/A				x	x					
5. Five Star Quality Care Bruce Mackey Jr.	400 Centre St. Newton, MA 02458 (617) 796-8387	9,682	144	88.6	24	N/A	N/A	N/A	N/A	\$663.7 Million	x	x		x	x	x	x			
6. Assisted Living Concepts Laurie Bebo	W140 N8981 Lilly Rd. Menomonee Falls, WI 53051 (262) 257-8888	9,154	216	68.9	20	7	93	0	0	\$234.1 Million	x		x	x				x		x
7. Merrill Gardens* Bill Pettit	1938 Fairview Ave., E., Ste. 300 Seattle, WA 98102 (206) 676-5300	7,070	54	91	9	0	100	0	0	\$156 Million			x	x						x
8. HCR ManorCare* Paul Ormond	333 N. Summit St. Toledo, OH 43604 (419) 252-5500	5,080	65	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x	x	x	x	x	x	x	x	x
9. One Eighty-Leisure Care* Dan Madsen	1601 Fifth Ave., Ste. 1900 Seattle, WA 98101 (206) 436-7827	4,667	29	95	7	1	99	0	0	N/A			x	x						
10. Benchmark Assisted Living* Thomas Grape	40 William St., Ste. 350 Wellesley, MA 02481 (781) 489-7100	3,992	44	87	6	3	97	0	0	\$216.6 Million			x	x						
11. Heartstone Senior Services Tim Hekker	9595 Six Pines Dr., Ste. 6300 The Woodlands, TX 77380 (866) 396-3553	3,796	32	93	10	0	100	0	0	N/A					x	x				x
12. Life Care Services* Ed Kenny	400 Locust St., Ste. 820 Des Moines, IA 50309 (515) 875-4500	3,423	62	N/A	N/A	N/A	N/A	N/A	N/A	N/A			x	x				x	x	
13. AegisLiving* Dwayne Clark	17602 NE Union Hill Rd. Redmond, WA 98052 (888) 252-3447	2,581	34	N/A	3	N/A	N/A	N/A	N/A	N/A			x	x	x	x	x			x

Ranked by occupant capacity of assisted living as of Dec. 31, 2008. U.S. operations only. All companies are for profit and publicly traded unless otherwise noted.

Top 40 Assisted Living Chains

N/A Not Available

* Private † Nonprofit

Company Name/ Chief Executive Officer	Address/ Telephone	Total Assisted Living Occupant Capacity	Total Facilities With Assisted Living	Occupancy Rate %	States In Which Company Operates Assisted Living					Total Assisted Living Revenue														
						% Medicaid	% Private Pay	% SSI	% Other		Traditional Nursing	Post-acute	Dementia Care	Independent Living	Therapy	Outpatient Rehab	Pharmacy	Home Care	Hospice					
14. Belmont Village Senior Living* Patricia Will	8554 Katy Freeway, Ste. 200 Houston, TX 77024 (713) 463-1700	2,481	19	N/A	6	0	100	0	0	N/A			x	x	x									
15. Capital Senior Living Lawrence Cohen	14160 Dallas Pkwy., Ste. 300 Dallas, TX 75254 (972) 770-5600	2,442	34	90	17	4.4	95.6	0	0	\$64.3 Million	x	x	x	x	x	x	x	x	x	x	x	x	x	x
16. Ecumen† Kathryn Roberts	3530 Lexington Ave. N. Shoreview, MN 55126 (651) 766-4300	2,326	53	93	5	17	83	0	0	\$37.8 Million		x	x	x										
17. The Evangelical Lutheran Good Samaritan Society† David Horazdovsky	4800 W. 57th St. Stoux Falls, SD 57108 (605) 362-3100	2,245	89	86	17	N/A	N/A	N/A	N/A	N/A	x	x	x	x	x	x	x	x	x	x	x	x	x	x
18. Americare* Clay Crosson	214 N. Scott St. Sikeston, MO 63801 (573) 471-1113	1,818	70	N/A	4	2	98	0	0	\$58 Million	x	x	x	x	x	x	x	x						
19. Prestige Care* Harold Delamarter	7700 NE Parkway Dr., Ste. 300 Vancouver, WA 98662 (360) 735-7155	1,733	26	89	7	N/A	N/A	N/A	N/A	N/A	x	x	x		x									
20. Sun Healthcare Group Richard Matros	18831 Von Karman, Ste. 400 Irvine, CA 92612 (949) 255-7100	1,621	30	88.6	14	6	94	0	0	\$47.1 Million	x	x	x	x	x				x				x	
21. Chelsea Senior Living* Roger Bernier	316 South Ave. Fanwood, NJ 07023 (908) 889-4200	1,595	13	92	2	16	83	0	1	\$60.2 Million			x	x										
22. Silverado Senior Living* Loren Shook	27123 Calle Arroyo San Juan Capistrano, CA 92675 (949) 240-7200	1,482	20	N/A	4	0	100	0	0	\$80 Million			x		x							x	x	
23. Skilled Healthcare Group Boyd Hendrickson	27442 Portola Pkwy., Ste. 200 Foothill Ranch, CA 92610 (949) 282-5800	1,214	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x		x	x	x	x	x						x
24. Benedictine Health System† Dale Thompson	503 E. Third St., Ste. 400 Duluth, MN 55805 (218) 786-2370	1,143	23	95	5	19.1	80.9	0	0	\$38.6 Million	x	x	x	x	x	x	x					x	x	
25. Life Care Centers of America* Forrest Preson	3570 Keith St., NW Cleveland, TN 37312 (423) 473-5526	1,137	24	N/A	20	0	100	0	0	N/A	x	x	x	x	x	x								
26. Avamere Health Services* Rick Miller	25117 S.W. Pkwy., Ste. F Wilsonville, OR 97070 (877) 282-6373	1,130	14	83	2	20	80	0	0	\$31.2 Million	x	x	x	x	x	x						x	x	
27. American Senior Communities* James Burkhart	6900 S. Gray Rd. Indianapolis, IN 46237 (317) 788-2500	1,050	15	92	1	0	100	0	0	\$42 Million	x	x	x	x	x	x						x	x	

Top 40 Assisted Living Chains

N/A Not Available

* Private † Nonprofit

Company Name / Chief Executive Officer	Address/ Telephone	Total Assisted Living Occupant Capacity	Total Facilities With Assisted Living	Occupancy Rate %	States In Which Company Operates Assisted Living	% Medicaid	% Private Pay	% SSI	% Other	Total Assisted Living Revenue	Traditional Nursing	Post-acute	Dementia Care	Independent Living	Therapy	Outpatient Rehab	Pharmacy	Home Care	Hospice	
28. Ridgeline Management* Charles McGlade	184 E. 11th Ave., Ste 210 Eugene, OR 97401 (541) 686-1119	1,028	16	89	10	17.5	81.5	0	1	\$26.2 Million			x							
29. Juniper Communities* Lynn Katzmann	400 Broadacres Dr. Bloomfield, NJ 07003 (973) 661-8300	955	12	93	4	2	95	3	0	\$38 Million			x		x	x	x			x
30. The Arbor Co.* Elison Thomas	3715 Northside Pkwy. Atlanta, GA 30327 (404) 237-4026	928	14	94	6	0	100	0	0	N/A			x	x						
31. National HealthCare Corp. Robert Adams	100 Vine St. Murfreesboro, TN 37130 (615) 890-2020	921	23	92.5	12	N/A	N/A	N/A	N/A	N/A	x	x	x	x	x	x	x	x	x	x
32. Independent Healthcare Properties* Greg Vital	8325 Highway 60 Georgetown, TN 37336 (423) 339-3050	706	14	91	5	0	100	0	0	N/A			x							
33. United Methodist Homes† Robert Clapp	580 Long Hill Ave. Shelton, CT 06484 (203) 225-5000	528	6	95	2	0	100	0	0	N/A	x	x		x	x	x				x
34. Petersen Health Care* Mark Petersen	830 W. Trailcreek Dr. Peoria, IL 61614 (309) 691-8113	517	14	70	3	8	92	0	0	\$7.1 Million	x	x	x	x	x	x		x	x	
35. Golden Living* Neil Kurtz	1000 Fianna Way Fort Smith, AR 72919 (479) 201-2000	476	20	N/A	10	N/A	N/A	N/A	N/A	N/A	x	x	x		x	x	x	x	x	x
36. Extendicare Real Estate Investment Trust Timothy Lukenda	111 W. Michigan St. Milwaukee, WI 53202 (414) 908-8000	453	9	84.3	4	33.1	66.9	0	0	\$5.9 Million	x	x	x	x	x	x				x
37. ElderWood Senior Care* Robert Chur	7 Limestone Dr. Williamsville, NY 14221 (716) 633-3900	410	5	98.4	1	15	80	5	0	\$14.7 Million	x	x	x	x	x		x			
38. Kindred Healthcare Paul Diaz	680 S. 4th St. Louisville, KY 40202 (502) 596-7300	317	6	100	4	0	99	0	1	\$16.2 Million	x	x	x		x					x
39. Complete HealthCare Resources* Peter Licari	200 Dryden Rd., Ste. 2000 Dresher, PA 19025 (215) 441-7700	271	3	88	2	0	100	0	0	\$6 Million	x	x	x	x	x					x
40. Stonegate Senior Care* John Taylor	1500 Waters Ridge Dr. Lewisville, TX 75057 (972) 899-4226	234	3	75	3	0	100	0	0	\$1.69 Million		x	x		x	x				x