



## **Making the Case for Investing In Operations and Maximizing Your Return**

**Wednesday, September 27 | 9:45 AM – 10:45 AM | Chicago X**

More than other commercial real estate property types, seniors housing and care properties are operationally intensive. While investors are typically more willing to provide capital for the tangible real estate portion of a business, the operations portion – especially in the skilled nursing sector – is too frequently undercapitalized. Investments to support the capacity for growth and to improve operating efficiency are vital to keep pace, while dynamic change to a value-based world further challenges operators to deliver supportive services to improve the health of their residents. But cash flow is tight, making investment both more difficult and more relevant. What types of investments should be prioritized and how can operators make the best case for the return on these investments in this tumultuous landscape? In this session, you will hear how operators and investors prioritize limited funding dollars to ensure both proper resident care and maximize the return on investment at the same time. Take this opportunity to learn about the unexpected long-term benefits of investing in the operations side of your business.

### **Key Takeaways:**

- Benchmark the current state of your company's operating functions
- Hear how operators and investors prioritize budget allocations to balance the dual needs of superior health care services and growth objectives
- Explore ways investors and operators can effectively work together to add value to our business

### **Andy Smith, President & CEO, Brookdale Senior Living (Moderator)**

Brookdale Senior Living is the leading operator of senior living communities throughout the United States, operating independent living, assisted living, and dementia-care communities and continuing care retirement centers, with approximately 1,039 communities in 46 states and the ability to serve approximately 102,000 residents. Through its ancillary services program, the Company also offers a range of outpatient therapy, home health and hospice services.

### **Operators & Capital Provider Investment Summaries & ROI Considerations:**

#### **Pg 2:**

- Tom Wellner, President & CEO, Revera, Inc.
- Mercedes Kerr, EVP – Business Development, Welltower Inc.

#### **Pg. 3:**

- Joe Eby, Co-President, Bickford Senior Living (pg. 3)
- Eric Mendelsohn, President & CEO, National Health Investors, Inc.

#### **Pg. 4**

- Naveed Hakim, CFO, Plum Healthcare Group, LLC
- Brian Heagler, SVP, KeyBank Real Estate Capital

#### **Pg. 5**

- Michael Schonbrun, Founder & CEO, Balfour Senior Living









**Balfour Senior Living**

**Balfour Senior Living** founded in 1997 in Louisville, Colorado, which develops and operates senior living communities that provide a premium level of independent living, assisted living, skilled nursing and Alzheimer’s services in award winning settings noted for their architectural and interior design and robust activities and dining programs.

Operator/Capital Provider	Investment Summary	ROI Considerations
<p><b>Michael K. Schonbrun</b>, Founder and CEO, Balfour Senior Living</p>	<p>Major ongoing operating investments in:</p> <ul style="list-style-type: none"> <li>• Enhanced management qualifications and training programs</li> <li>• Staff educational programs</li> <li>• Dining programs</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in management contract structure - higher fee %, longer non-cancellable terms</li> <li>• Alternative reimbursement models designed for participation in operating investments by property owners</li> <li>• Increased operator participation in property upside/multiple expansion derived from consistent profitability and higher margins</li> <li>• Retention by operator of intellectual property/brand value</li> <li>• Timing challenges to achieve increased profitability necessary for promoted interest</li> <li>• Supply/demand of highly qualified management teams</li> </ul>