

Open House: Builders striving to keep up with growing senior market

by Jim_Woodard

Homes for seniors are undergoing design changes. Builders and architects are focusing on new and innovative concepts, making senior-oriented homes more comfortable and convenient for aging residents.

Consumer demand is driving the changes, and those senior consumers have growing clout in the real estate marketplace. Their strength is in their current and projected numbers.

The number of seniors age 65 to 74 is projected to increase by at least 4 percent each year over the next 10 years. In just five years, their numbers will grow to about 40 million in the United States. By year 2030, the senior segment will comprise 20 percent of the U.S. population.

It's no wonder that designers, builders and brokers are increasingly focusing on homes for seniors, including single-family homes and congregate communities. These are homes of their clients and key source of income in future years.

Today's seniors are generally more healthy and active than ever before. They want to travel and participate in chosen activities. This translates to a retirement home that is secure — one they can lock and leave on short notice. And it must be compatible with their active lifestyle preferences.

Most seniors prefer a single-level home — no stairs. In some cases, they select a two-story home but reserve the second floor for guests, grandchildren or a home office. Those grandkids are high-priority in the homes of many retirees. A special "grandchildren's nook" or play area is often included in the home, or backyard. Some even have a high-tech room for teens.

Water features in the home are increasingly important to seniors, said a study by the National Association of Home Builders. Waterfalls, reflection pools and even man-made lakes are included in some new senior housing communities.

"There's something soothing about the sight and sound of water. Across all segments of the 50-plus housing market water elements are hugely popular," it was noted in NAHB's 50-Plus Housing Magazine.

Basic in-home features for seniors still include such items as ramps, walk-in showers, grab-bars and handrails where appropriate, but they are not especially visible. Many such items are inconspicuously integrated in the home or community. Seniors do not want to advertise their need for such supportive items. They prefer to

focus on the positive aspects of their active lifestyle.

"In congregate care communities, the trend is to provide distinct levels of care within one building or adjacent buildings where centralized services can be provided from one location," said architect Amy Martino, with the architectural firm of Building Site Synergy in Media, Pa.

"Interestingly, some communities are now looking to attract younger residents by creating separate but adjacent 'active adult' neighborhoods with detached, or attached, cottages" Martino said. "For 2009 and beyond, the housing market, particularly active adult communities, will be redefining their housing needs and approach to design. With retirement funds and other assets severely diminished, baby boomers are reevaluating their short- and long-term personal and financial needs."

Q: When will existing-home sales start to rise?

A: The number of existing-home sales nationwide increased in February by 5.1 percent over January, and first-time buyers accounted for half of those sales. That report, from the National Association of Realtors, includes single-family homes, townhomes, condominiums and co-ops.

The most dramatic increase was reported in California, where sales of existing single-family homes increased 83 percent in February, according to the California Association of Realtors.

"Because entry-level buyers are shopping for bargains, distressed sales accounted for 40 to 45 percent of transactions," said Lawrence Yun, NAR's chief economist. "Our analysis shows that distressed homes typically are selling for 20 percent less than the normal market price, and this naturally is drawing down the overall median price of homes."

Yun noted that sales recovery in the West is particularly strong "much more than expected at this point."

The number of home shoppers has picked up significantly, according to Charles McMillan, NAR president. "The number of buyers looking for homes rose 5 percent in February, and also was 5 percent above a year ago. It appears most of the increase in buyer traffic occurred in the later part of the month after the \$8,000 first-time buyer tax credit was put in place. At the same time, mortgage purchase applications have risen, so we expect to see sales picking up around late spring."

Q: What is the SRES designation?

A: An increasing number of Realtors are now specializing in serving senior clients, in both buying and selling homes. About 7,000 agents nationwide now hold the designation, Seniors Real Estate Specialist. It's a special niche set up by the National Association of Realtors for members who have the required educational and experience qualifications. Many SRES members are over age 55 themselves.

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