



Enterprise's History With Senior Housing



Enterprise has invested over **\$1.7 billion** to finance or assist **470+** senior or mixed-housing properties containing more than **33,000 homes** for seniors.



Intergenerational Garden at Serviam Gardens, Bronx, NY

Enterprise's National Senior Initiative

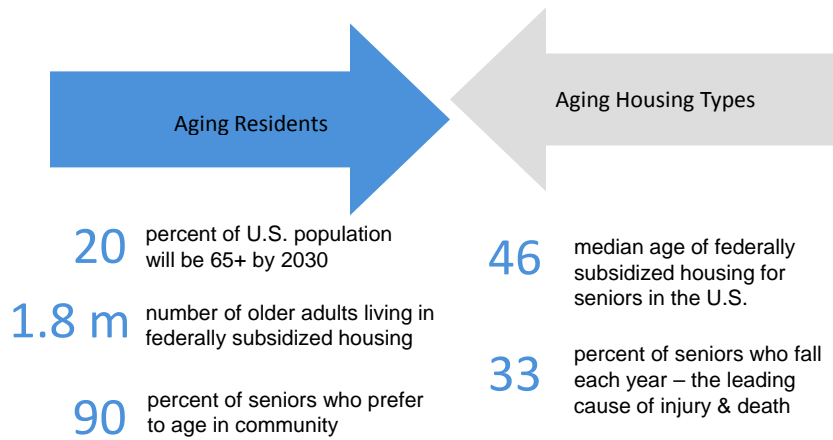


Our Vision:

“All seniors, regardless of income, should have the choice to **age in place** in their **homes and communities.**”

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Current housing supply does not meet demand

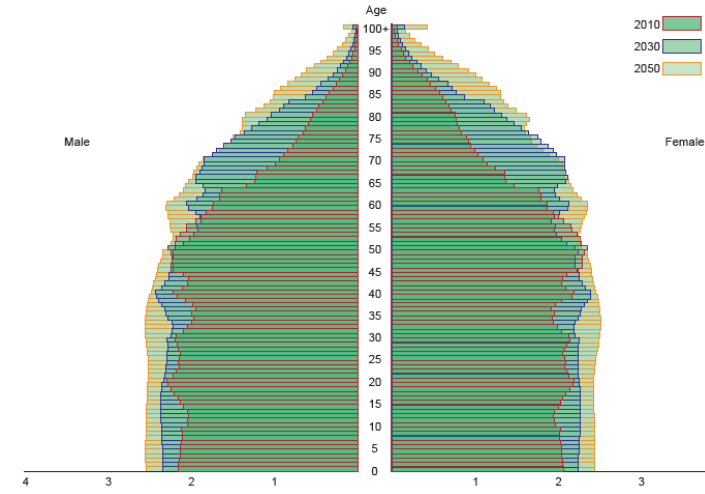


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Explosive Growth in Seniors Aged 65+ by 2030



Figure 9. Age and Sex Structure of the Population for the United States: 2010, 2030, and 2050
Constant Net International Migration Series
 (In millions)



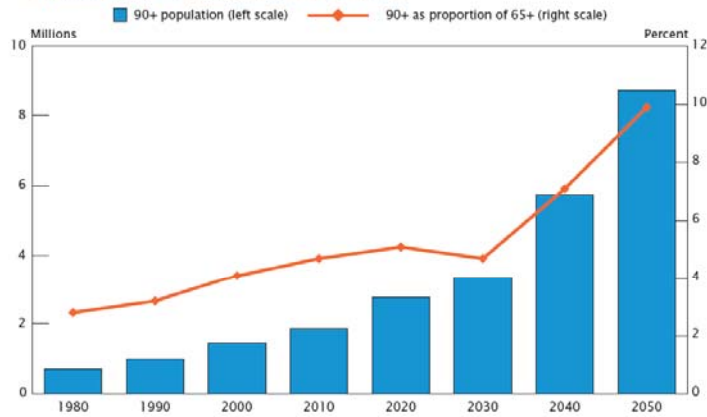
Source: U.S. Census Bureau, 2009.

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The oldest segment of the population is the fastest growing

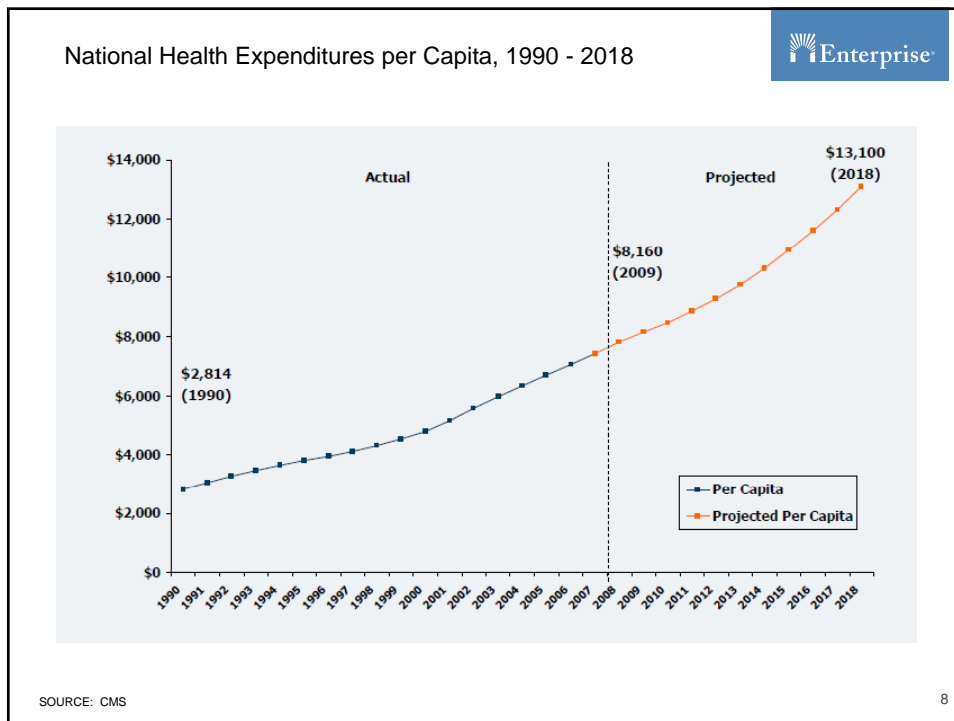
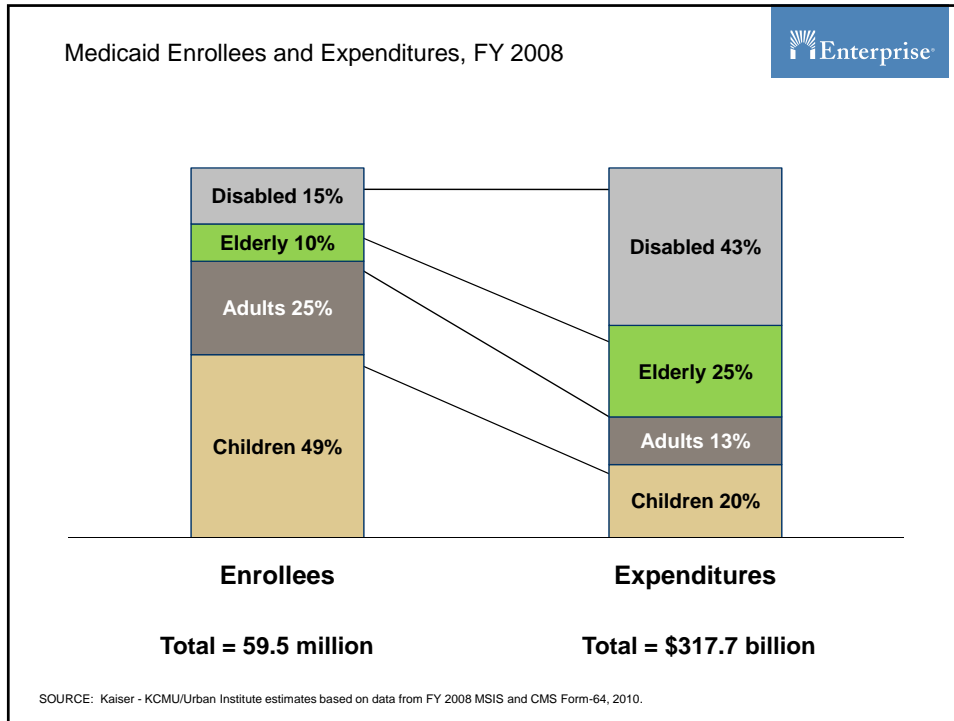


Figure 1. Population Aged 90 and Over: 1980 to 2050



Note: The projections originate with a base population from Census 2000 and are not based on data from the 2010 Census.
 Sources: U.S. Census Bureau, 1980: 1980 Census of Population, PC80-1-B1, Table 41; 1990: 1990 Census of Population, CP-1-1, Table 13; 2000: Census 2000, Summary File 2, PCT3; 2010: 2010 Census, Summary File 1, PCT12; 2020-2050: 2008 National Population Projections, Table 12.

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Housing is the ideal platform to deliver services – but how?



Major challenges

- **Demonstrating cost savings** achieved by delivering services at home
- **Assisting partners** with adapting to changes around health reform
- **Retrofitting existing housing** to best support seniors aging in place
- **Creating sustainable financing** models for housing and services

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Solutions

- Section 4 grant making
- MetLife Awards for Excellence in Senior Housing
- Expanding Green Communities to include Universal Design
- Partnership with LeadingAge
 - Public Housing Authority Resident Empowerment
 - National Learning Collaborative
 - Lending for Innovation


Socially Aligned Value Investments (SAVI)

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Key Concepts that We are Supporting


Physical	Services	Financing
<ul style="list-style-type: none"> Green Retrofits Universal Design 	<ul style="list-style-type: none"> Housing as the hub for services Technology to help seniors age in place Preventing social isolation Adapting to healthcare reform Chronic disease self-management Resident engagement Healthy foods 	<ul style="list-style-type: none"> Sustainable financing for services Creative capital for supporting services and new business models for aging Accessing opportunities in Medicaid/Medicare and healthcare reform


Informing local and national policy

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2012 Section 4 Vulnerable Populations Grantees



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MetLife Awards for Excellence in Affordable Housing

- 17th year of partnership; nearly \$2 million in grants awarded to 93 properties
- Focused on green, service-enriched senior housing since 2009
- 2011 winners showcased:
 - cutting-edge green features
 - award-winning services
 - commitment to universal design

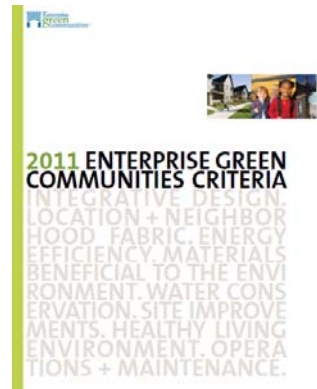


*Casa Grande Senior Apartments, Petaluma, Calif.
Covenant House, Brighton, Mass.
Ingleside Retirement Apartments, Wilmington, Del.
Julia Martin House, Jamaica Plain, Mass.*



Universal Design

- **Goal:** Provide a tool that will allow developers to integrate universal design strategies in single family and multifamily projects.
- Target completion: April '12

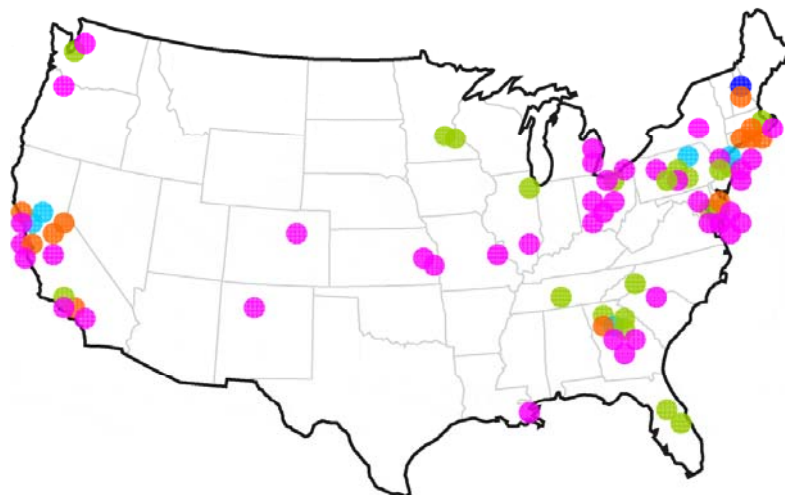


LeadingAge & Enterprise

- ▶ Shared commitment: Support innovation for housing and services with the necessary financial resources for implementation
- ▶ Accomplishments:
 - Green Capital Needs Assessment program
 - Co-funder of the National Affordable Senior Housing Plus Services Summit (2010 – 2011)
 - Launched new resident needs assessment tool
- ▶ 2012 and beyond: Launch the Learning Collaborative to advance housing plus services models; make financing available for implementation



Overlap of LeadingAge Members and Enterprise Partners



- Green Retrofit Pilot ●
- Aging-in-Place Technology Pilot ●
- MetLife Foundation Winner or Finalist ●
- Solutions/Innovations Grant ●
- Investment ●

Engaging Residents in Public Housing



Goal:

- Strengthen and embed a peer network within housing authorities for deep resident engagement

Five cities:

- Atlanta, Chicago, Denver, Milwaukee, New York

Timeline:

- **Phase one** (in progress - 12 months) will focus on building a core of senior resident leaders at each site
- **Phase two** (12 months) will move residents from training/capacity building to active planning, design and implementation of specific local projects



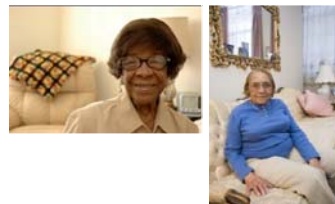
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Launch the National Learning Collaborative



Desired Outcome:

- **Develop new models** of housing with services for seniors that can be replicated, scaled, sustained and will advance the field



Goal:

- Bring together “community teams” comprised of housing providers, their service partners, residents and community partners to work on focused, innovative projects
- Identify common critical elements for success

Target launch: April 2012

First convening: Sept. 2012



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Explore Seniors Innovation Fund for Housing and Services

Potential Uses:

- Provide innovation capital for housing providers to test new models of housing and services.
- Exploratory phase
- In partnership with LeadingAge, a national membership organization of 5400 non-profit senior housing providers
- Acquisition and predevelopment real estate, services and technology uses possible
- CCRCs (single and multi site), housing providers of all sizes to be served




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Understanding the Needs of LeadingAge Members

Four types of organizations:

- System Continuing Care Retirement Community, or CCRC (ex. PSL, Asbury)
 - Interest: Incorporate affordable housing into market-rate communities
 - Assets: Capital, comprehensive services, land, mission
- Single-Site CCRC (ex. Frasier Meadows, Mather Lifeways)
 - Interest: Expand into home and community based services
 - Assets: Capital, comprehensive services, mission
- Big Mission Nonprofits (ex. NCR, Mercy, NAHT Groups)
 - Interest: Taking successful housing/services models to scale
 - Assets: Capital, leverage, mission
- Independent Housing and/or Services (ex. Cathedral Square, Cedar Sinai Park)
 - Interest: Collaborative learning/modeling
 - Assets: Innovative ideas, internal support, capital



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Socially Aligned Value Investments (SAVIs)



- Enterprise's version of a social impact bond
- In conceptual development
- Aggregate investor capital to support housing and services providers with ability to demonstrate cost savings to the health care system
- Contract with government to pay for performance; government pays only when success is shown
- Potential initial roll outs in VT and NY
- Supports scalable model of serving seniors at home, regardless of whether their home is in subsidized housing
- Enterprise's competitive advantage = established role as intermediary for government, investors and delivery partners

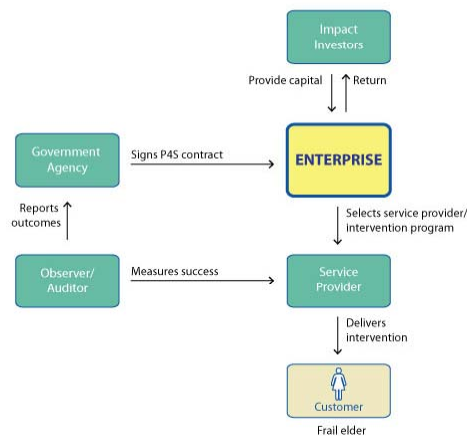


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SAVIs



Like LIHTC model, **BUT** pay-for-success cash instead of tax credits



- **Socially Aligned:** addresses a challenge that the market alone will not solve; social good is produced
- **Value:** all parties attain a positive outcome (if it works; if it doesn't, only the investor loses)
- **Investment:** Risk capital is put in play and provided a return if the model works

Proprietary & Confidential

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Understanding What Vermont Might Look Like

8.B. Sample SAVI PIP costs and savings

Enterprise SIB Model

PIP Performance

Adverse Events	Baseline					After SIB Intervention									
	Cost Per AE	AEs per year (per client)	AEs per year (total pop.)	Cost (per client)	Cost (total pop.)	AE Cost Reduction (%)	Cost Per AE	AE Incidence Reduction (%)	AEs per year (per client)	AEs per year (total pop.)	Cost (per client)	Cost (total pop.)	Savings (per client)	Savings (total pop.)	Savings (%)
Population Type: Fiscal Elderly															
Individuals Served: 3,850															
Emergency Room Visits	\$1,554	0.25	963	\$889	\$1,495,725	0%	\$1,554	16%	0.21	809	\$326	\$1,256,409	\$62	\$239,316	16%
Hospitalizations	\$11,900	0.17	655	\$2,023	\$7,788,550	0%	\$11,900	17%	0.14	543	\$1,679	\$6,464,497	\$344	\$1,324,054	17%
30 Day Re-Hospitalizations	\$15,470	0.14	539	\$2,166	\$8,338,330	0%	\$15,470	30%	0.10	375	\$1,507	\$5,803,478	\$658	\$2,534,852	30%
Nursing Home Admission	\$54,000	0.12	462	\$6,480	\$24,948,000	0%	\$54,000	14%	0.10	398	\$5,579	\$21,480,228	\$901	\$3,467,772	14%
Nutritional risk	0.02		71	\$0	\$0	0%	\$0	28%	0.01	53	\$0	\$0	\$0	\$0	0%
Physical Inactivity	0.00		13	\$0	\$0	0%	\$0	71%	0.00	4	\$0	\$0	\$0	\$0	0%
Falls	0.01		46	\$0	\$0	0%	\$0	46%	0.01	25	\$0	\$0	\$0	\$0	0%
Pharmacy	\$1,691	1.00	3,850	\$1,691	\$6,510,350		\$1,691	9%	0.91	3504	\$1,539	\$5,924,419	\$152	\$585,932	9%
Physician inpatient	\$264	1.00	3,850	\$264	\$1,016,400		\$264	17%	0.83	3196	\$219	\$843,612	\$45	\$172,788	17%
			0	\$0	\$0		\$0	0.00	0	\$0	\$0	\$0	\$0	\$0	0%
Total				\$13,012	\$50,097,355						\$10,850	\$41,772,642	\$2,162	\$8,324,713	17%

On a \$20 million, 10-year SAVI (for housing plus services)



4,400	People served by the Program Intervention
\$4,715,000	Expected annual cost of Program Intervention
\$10,385,000	Annual government savings (before our pay-for-success payment)
14.07%	IRR (from SAVI, before fees, splits)
8.81%	IRR net to the SAVI investors
\$3,870,000	Total NPV to Enterprise over term
75%	Of savings, paid to us on success

The figures are based on current performance by our Vermont provider, plus numerous estimates regarding housing-related interventions; significant further work needs to be done with the P4S contract, PIP contract and investor subscription to determine actual numbers.

