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Senior Housing Markets to Watch in 2027

April 9, 2026 • 9 min read

The framework — not the list — that identifies investable senior housing markets across the next investment cycle.

Most senior housing market lists rank by demographic growth and stop there. Demographic demand is necessary and structurally insufficient. The markets that will outperform across 2027 and beyond are defined by four interacting variables — and the markets that will disappoint are usually identifiable on three of them well before the development pipeline reflects it.

The framing

Investable markets are defined by the gap between qualified demand and absorbable supply, modulated by labor depth and regulatory predictability — not by the 75+ population growth chart alone.

1. The Four-Variable Selection Framework

The four variables below interact. Strength on three with weakness on the fourth typically signals a misjudged market.

- Qualified demand growth. 75+ population growth, weighted by income qualification for the relevant care segment, in the trade area — not the metro.
- Supply absorption capacity. Existing inventory plus announced and permitted units relative to qualified demand growth across the next 24–36 months.
- Labor depth. Healthcare-support labor force size and wage trajectory in the trade area. Markets that pencil on demand often fail on labor.
- Regulatory predictability. State assisted living regulation stability, certificate-of-need history, and Medicaid waiver framework where relevant.

2. Why Metro-Level Lists Mislead

A metro can grow 75+ population materially while specific trade areas within it remain oversupplied or labor-stressed. Investable selection is a trade-area decision, not a metro decision. The discipline is to compute the four variables at the trade-area level and then aggregate up — not the reverse.

3. The Categories of Markets in 2026–2027

Across the U.S., trade areas tend to fall into four categories worth tracking distinctly:

- Demand-supply gap markets. Qualified demand growth materially exceeds announced supply; labor depth is adequate. These are the priority deployment markets.
- Labor-constrained markets. Demand-supply gap exists, but healthcare-support labor depth is the binding constraint. Underwriting must price labor risk explicitly.
- Supply-saturated markets. Strong demographic narrative, but the absorption math does not work for 24–36 months. Patient capital only.
- Regulatory-shift markets. Underlying fundamentals are attractive, but state regulatory or Medicaid waiver change is mid-cycle. Diligence on the regulatory path is the gating question.

4. The Diligence Questions That Separate the Categories

For any specific trade area under consideration, the diligence questions below produce the categorization:

- What is the income-qualified 75+ population growth in the trade area, not the metro?
- What is the announced and permitted unit supply within the trade area across the next 36 months?
- What is the trade-area healthcare-support labor force, and what wage trajectory has it shown over the past 24 months?
- What is the state's assisted living regulatory framework, and what has changed in the past 36 months?
- Are there active Medicaid waiver or reimbursement reforms affecting the relevant care segment?

5. The Cycle Discipline

Market selection is a refresh, not a snapshot. The four variables shift continuously. Investable trade areas in 2026 may not be investable in 2028 — particularly in markets where supply was announced quickly. The discipline is to refresh the framework annually for active investment markets and to track competitor announcements in trade areas already in the portfolio.

6. Where SeniorCRE Fits

SeniorCRE provides the trade-area-level market operator-controlled operating record required for the framework: qualified demand growth, supply pipeline visibility, labor depth signals, and regulatory tracking for senior housing & care segments across U.S. markets. The output is the categorization — and the diligence-question answers — for any trade area under consideration. The decision remains the investor's. The substrate is

consistent.

What changes when market selection is trade-area-grounded

- Demand assumptions are defensible to investment committee.
- Labor risk is priced explicitly in the underwriting.
- Supply pipeline surprises are largely eliminated.
- Regulatory exposure is identified before commitment.
- Portfolio concentration is visible at the trade-area level, not the metro level.

The most useful answer to "where should we invest in senior housing in 2027?" is not a list. It is a framework that makes any specific trade area investable or not on stated criteria. SeniorCRE is the operator-controlled operating record that makes the framework operational.

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