



## Basis Points – April 19, 2022

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### Above the Fold

#### Will Baby Boomers Refocus Urban Development?

More baby boomers are nearing the age to consider assisted living communities, but an increasing number of them don't want to leave the cities they've lived in for most of their lives just because their needs are changing. And since baby boomers still represent one of America's largest generations, nursing home developers see big opportunities in developing urban nursing homes in the coming years. Currently, these urban retirement communities are few and far between, but investors and developers are buying up urban properties vacated during the pandemic to meet the growing demand for these communities. Unused hotels and office buildings are being converted into high-end urban senior living spaces catering to boomers, while allowing and empowering them to maintain their current lifestyles. President and CEO of Maplewood

Senior Living Gregory D. Smith said, “Our residents want to live in New York City — they don’t want to live in New Jersey or Long Island. People want to stay where they’ve been for most of their lives.”

With development costs generally 30% to 40% more expensive than developing senior homes in the suburbs, these communities will be targeting the more affluent boomers living in these cities. Atria Senior Living in San Francisco offers rent ranging from \$8,000 to \$25,000 monthly. Dubbed the silver tsunami, developers are relying on a major increase in senior housing demand as the annual growth rate of people over age 80 is set to triple from 2018 to 2023. While some boomers will want to stick to traditional housing in the suburbs and in golf communities, research shows that the urban setting will be a major draw for seniors looking to maintain their urban lifestyles. Al Rabil, CEO of Kayne Anderson Capital Advisors, put it simply, “People want to stay where they are. It’s where they go to live, not to die.”

## Three Things

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### 1. Did Mercedes Just Build a Tesla Killer?

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Mercedes Benz may have just built an electric car that threatens to end Tesla’s reign. The EQXX prototype can travel 1,000 kilometers (that’s 621 miles here in America) on a single charge. It was able to make the drive from Germany to the French Riviera, far outperforming all Tesla models. The sleek, lightweight build of the car allows it to make the drive with a battery that is only half the size of the Mercedes EQS flagship model. The EQXX is redefining the standard for EV endurance, and with competition growing elsewhere, Tesla may have to up its game if it wants to stay current with innovations across the industry.

### 2. Meta Wants Monster Margins in Its Metaverse

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Mark Zuckerberg said that he wants to help facilitate “creator monetization” in the metaverse, but there’s a catch. True to form, this won’t come without paying a huge cut of creator profits to Mr. Zuckerberg himself. He spoke of the importance of creators being able to support themselves while building virtual experiences for other users, highlighting the new suite available for creators to purchase and use when building these new virtual attractions. In an interview last Monday, the Meta CEO said Meta would take a 25% cut of each transaction made in the virtual world of Horizon Worlds; this will be on top of 30% transaction fees in the Meta’s Quest Store.

### 3. Apple Next Event Set: Is a Flip-Phone Coming?

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Apple is notorious for keeping its product development relatively secret. However, with their annual WWDC (Worldwide Developers Convention) coming up in June, many are wondering if the world will get a first look at a foldable iPhone, something that has been highly anticipated for the last year. Since Samsung released the Galaxy Z Fold and the Galaxy Z Flip, Apple users have been waiting to see how Apple will respond. Little is known about what the Apple versions will look like or even be called, but the development of these new “convertible” phones has been confirmed. While many hope to get a sneak peek of the device in June, they may need to wait for the iPhone and Apple Watch event in September to get a look at what could be a major sales catalyst for Apple.

### Did You Know?

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#### America’s Fight for Independence Began Around 5 a.m.

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On April 19, 1775, led by Captain John Parker, 77 armed minutemen stared across Lexington’s common green at the 700 British troops looking to enforce the King’s will on his newest territory. At around 5 a.m., British Major John Pitcairn ordered the patriots to disperse. There was a moment of hesitation, but the Americans slowly started to make their way off the green before a shot rang out and the early morning air was filled with musket smoke. No one knows which side the first shot came from, but that moment marked the start of the American Revolution.

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