

RCFE Resource

BUY, SELL & LEASE WITH CONFIDENCE

June 2025

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FREE valuation of
your care home
and business.
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RCFE RESOURCE MARKET REPORT

Sitting Tight

Since the Great Recession, significantly fewer homeowners (and care home owners) have been selling their homes, and the higher mortgage rate environment has further slowed the number of sales.

A LOW TURNOVER

The days are getting longer. The temperatures are rising. Memorial Day, the unofficial start to Summer, is in the rearview mirror. Everyone is flocking to the water to cool off. From the community pool to the crashing waves at the beach, crowds escape the heat and enjoy splashing around. Yet, many forget to reapply sunscreen. It is not until arriving home that many people realize they have a painful sunburn from head to toe. For weeks and even years, that sunburn becomes a compelling reminder to reapply sunscreen.

Similarly, homeowners nationwide watched the housing market take a severe pounding during the Great Recession as home values plunged and everyone's equity vanished in the blink of an eye. So many lost their homes to foreclosures or short sales. Nearly everyone was either personally stung by the correction or knew of somebody who was. As a direct result, fewer homeowners buy homes each year, and the high mortgage

rate environment has exacerbated the issue further. This is true for care homes, as well.

In 2023 and 2024, due to much higher mortgage rates, buyer demand weakened seemingly overnight, lower than before the Great Financial Crisis, and below the recovery and expansion of the last decade.

There are simply far fewer homes being sold across the country and in California. This more than a decade-long trend is now the norm and has deepened with higher rates. Based on 2024 closed sales, turnover rate is approximately once every 30 years for all of California. It takes far fewer years for care homes to change hands, but statistics are not readily available, and it depends on type of residential care home, as RCFEs tend to turn over more frequently than do ARFs.

There are many reasons why buyers across the nation are opting to sit tight. It was a much more speculative environment before

Continued on Page 4...



Ask The Broker

ENSURE PESTS DON'T MAKE A PERSONAL PLAYGROUND OF YOUR CARE HOME

Q: I've invested so much into my care home, but I'm starting to wonder—could termites, rodents, cockroaches, and mosquitoes be silently undermining everything I've built? How do I protect my property and my residents?

A: Pests aren't just an eyesore—they can create serious financial and health risks if left unchecked.

Your care home is one of the biggest financial commitments of your life, yet unseen pest damage can erode its value without warning. Termites quietly weaken wooden structures, rodents chew wires and create fire hazards, and birds damage roofing. An infestation can lead to costly repairs, negative reviews, and lost business.

What's worse, a pest-ridden property becomes harder to sell, deterring investors. A history of infestation could mean expensive decontamination and renovations—draining resources you'd rather invest in resident care.*

Pests aren't just a threat to buildings—they put lives at risk. Mosquitoes spread diseases, rodents carry harmful bacteria, and cockroach allergens can trigger fatal asthma attacks. Imagine a worst-case scenario: a resident falls seriously ill—or worse, dies—due to preventable pest exposure. Families could sue for negligence, leading to costly litigation and reputational damage.

Want to keep your investment safe? Follow these essential pest control strategies:

- **Seal Entry Points** – Block gaps, cracks, and utility openings to prevent infestations.
- **Prioritize Cleanliness** – Regular deep cleaning and waste disposal deter pests.
- **Eliminate Moisture** – Fix leaks and clean gutters to discourage termites and mosquitoes.
- **Store Food Securely** – Use airtight containers and maintain hygienic kitchen spaces.
- **Monitor Landscaping** – Trim bushes and trees to prevent nesting sites.
- **Schedule Professional Inspections** – Work with licensed pest control experts for routine checks.

A pest-free care home isn't just about aesthetics—it protects your property, your reputation, and the well-being of your residents. Stay ahead of infestations before they turn into costly disasters!

***Statistics provided by the Structural Pest Control Board indicate that up to 70% of homes in certain areas of California have some degree of infestation by termites, wood rot, or other pests or wood-destroying organisms.**

Feel free to reach out with further questions! RCFE Resource is here to guide you every step of the way. We can help you find suitable properties and can refer you to the necessary consultants and agencies who will facilitate your dream of owning an RCFE, ARF or ASSISTED LIVING FACILITY.

Current Listings



To view our current listings
visit our website at

www.rcferesource.com

CURRENT LISTINGS

CATHEDRAL CITY: 12-BED RCFE FOR SALE

- 6 BDR/3 BA, 3,333 sq. ft.
- CONSIDERABLE VALUE-ADD POTENTIAL
- \$900K HOME; \$180K BUSINESS

RANCHO MIRAGE: 6-BED RCFE FOR LEASE

- 6 BDR/4 BA, 2,227 sq. ft.
- GORGEOUS RCFE IN ELEGANT GATED COMMUNITY
- \$6,200 /mo. lease + \$160K business

COMING SOON

(please call for details)

MORENO VALLEY: 6-BED RCFE FOR LEASE

- BIG LOT!
- 5 BDR/3 BA, 2,450 sq. ft.
- IMMACULATE HOME

RIVERSIDE: ARF LEVEL 2 FOR SALE LICENSED FOR 4

- 5 BDR/4 BA, 2,100 SQ.FT.
- BEAUTIFUL BACKYARD!
- NEAR CITY AMENITIES

SAN DIEGO COUNTY: 6-BED RCFE FOR SALE

- ABOUT 3 MILES FROM OCEAN!
- 7 BDR/4 BA, 2,760 SQ. FT.
- SPACIOUS HOME

**PLUS: MORE listings
on the way!**
ALF | RCFE | ARF

"HEALTHY" STRAWBERRY ICE CREAM

It's almost summer! You can't beat ice cream for a delicious dessert your residents will love. It takes only four ingredients to make this delicious recipe.



Ingredients:

- 16 ounces frozen sliced strawberries - (3 cups)
- 8 ounces cream cheese - cold, cubed
- 1 teaspoon vanilla extract
- 1 ½ teaspoon stevia glycerite - (equals ½ cup of sugar)

Instructions:

Soft-serve instructions:

1. Place sliced frozen strawberries in food processor, process until finely chopped. (Do not use whole berries, as they are too hard to process)
2. Add the cream cheese cubes, vanilla, and stevia. Process until smooth. That's it! Your soft-serve ice cream is now ready. Divide it into bowls and serve immediately.

For a firmer, scoopable consistency:

Using a spatula, transfer the mixture to a square 8-inch pan. Cover with cling wrap, and freeze for one hour. Every hour, for a total of 4 hours, remove pan from freezer. Using a spatula or a spoon, stir already-frozen edges and bottom into the still-soft center. Place in freezer for additional hour. After 4 hours, scoop the ice cream and serve it.

Notes:

- You can replace the stevia with ½ to ¾ cup of granulated or powdered sweetener.
- You can make this recipe with other frozen berries, including raspberries and blackberries. If using raspberries, which are fairly tart, increase the sweetener to ¾ cup (2 heaping teaspoons of stevia glycerite).
- Stirring helps prevent large ice crystals from forming in the ice cream, keeping the mixture creamy.

DISCLAIMER: Menu planning in assisted living facilities should be cost-effective, nutritious, and appealing. It's crucial to consult with residents' medical staff for food sensitivities or allergies. Strategies like shopping sales, using a set menu, and incorporating seasonal menus can help manage costs and provide variety.

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Sitting Tight

Continued from Page 1...

the Great Recession. Far too many treated their care home as an investment, utilizing their equity cushion as an ATM, and they expected instant returns. They took advantage of loose lending standards and ultimately settled for loans that did not make financial sense long-term.

After feeling the burn from the Great Recession, most buyers looked for a long-term commitment they would keep for years. Many care home owners have refinanced to historically low interest rates, making selling their care homes a more challenging decision in today's higher mortgage rate environment. Some choose to lease out their care homes, rather than sell.

In addition, many of the Baby Boomers are "aging in place," as opposed to moving to a residential assisted living home, such as an RCFE or an assisted living facility. Only about 25% of California's seniors aged 85 or more resided in one of the State's nearly 7,800 RCFEs, according to CALA, California Assisted Living Association. Occupancy rates for assisted living facilities have soared nationwide beyond 88%. Many

had expected a "silver tsunami" of seniors suddenly selling their homes in significant numbers. Yet, they have been selling at a much slower pace than prior generations. These factors combined have contributed to the low turnover rate in the housing stock.

This lower turnover rate in the housing stock is here to stay and has resulted in lower inventory levels since the Great Recession, from 2012 through 2019. The pandemic made the issue far worse as rates dropped to record lows, and the supply of available care homes fell to unimaginable levels. As the inventory levels rise to pre-COVID levels due to higher rates and lower demand, many will claim a substantial imbalance in the market with far too much supply. Yet, the proper perspective illustrates we are returning to a better balance between supply and demand.

When rates finally fall towards 6% or lower, demand will rise substantially, and the inventory will drop once again. The number of closed sales will increase and the turnover rate will improve, but some care home owners will continue to sit tight.



BLOOD TEST APPROVED TO HELP DIAGNOSE ALZHEIMER'S



The FDA has granted clearance for the first blood test designed to assist in diagnosing Alzheimer's disease. Developed by Fujirebio Diagnostics, this test is intended for individuals aged 55 and older who are already displaying symptoms associated with the condition.

Dr. Leah Croll, a neurology professor at SUNY Downstate Health Sciences University, emphasized the significance of this advancement, noting that it enables primary care providers to initiate the diagnostic process sooner, reducing the long wait times typically required for a neurological evaluation. However, a positive result from the test does not provide a definitive diagnosis—additional assessments and clinical evaluations remain necessary.

The FDA has highlighted potential risks, including false positives and false negatives. False positives could lead to unnecessary anxiety, while false negatives might delay essential treatment and further testing. As a result, the agency advises that this blood test should not be used as the sole diagnostic tool but rather in conjunction with other clinical evaluations.

With several medications available to manage mild to moderate Alzheimer's symptoms, early and precise diagnosis is increasingly crucial for effective treatment. Dr. Croll reinforced this point, stating that timely identification of the disease is more important than ever.

Currently, nearly 7 million Americans are living with Alzheimer's, and projections indicate that this number could double by 2060.

TOP 5 UPGRADES THAT BOOST RESIDENTIAL CARE HOME VALUE



As demand for high-quality residential care grows, strategic improvements can enhance both resident experience and property value. Here are five upgrades that can deliver strong returns:

1. Modernized Common Areas

Well-designed shared spaces foster social engagement and satisfaction. Consider open layouts, ergonomic furnishings, and ample natural light to improve accessibility and comfort—boosting property value by up to 10%.

2. Enhanced Outdoor Spaces

Access to nature reduces stress and improves well-being. Sensory gardens, shaded seating, and safe walking paths create inviting outdoor retreats, potentially increasing property value by 15%.

3. Smart Technology Integration

Voice-activated lighting, automated climate control, and health-monitoring devices appeal to tech-conscious families and improve resident convenience. These features can increase occupancy rates and resale value by up to 20%.

4. Private Suites

Personalized living spaces with private bedrooms and bathrooms offer greater comfort, increasing selling prices by up to 30%. Customizable décor and accessibility enhancements make these suites highly desirable.

5. Health & Wellness Programs

Holistic wellness offerings—including fitness, nutrition, and mental health programs—make a care home stand out. Facilities prioritizing resident well-being attract more families and strengthen market competitiveness.

Final Thoughts

By investing in these upgrades, residential care homes can improve resident satisfaction, increase property value, and stay ahead in a competitive market.

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June 2025

JUST SOLD!



**SAN BERNARDINO COUNTY -
ARF LEVEL 4i**

5 BDR/3 BA, 2,017 sq. ft.
Lovely and spacious
Huge lot (.6 AC)

JUST SOLD!



**EL CAJON -
ARF LEVEL 4i**

5 BDR/3 BA, 2,200 sq. ft.
Warm and welcoming
Great location

To see additional pictures, go to [**www.RCFEresource.com/listings**](http://www.RCFEresource.com/listings)

For more information, please contact Michelle London at 949-397-4506

THINKING OF BUYING OR SELLING?

**Let our team of professionals bring proven expertise to help you
get the highest sales price for your RCFE or ARF!**

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