

# CASE STUDY



## 2024-2025 Transforming Senior Living Operations & Real Estate

### THE CHALLENGE

Capri Communities was engaged by a non-profit hospital system to manage three senior living communities in Waukesha County, WI. The challenge was to position the assets for long-term success by delving into operational processes and systems, identifying areas to enhance efficiency and profitability.

### TWO-PRONGED APPROACH

#### *Year 1: Foundation & Efficiency (2024)*

Focused on back-end operations: accounting, budgeting and facility management. Introduced:

- Streamlined billing
- Responsive budgeting tied to occupancy
- KPI dashboards for executive oversight
- Strategic asset analysis using market data
- Technology upgrades to reduce staffing needs

#### *Year 2: Full Management Execution (2025)*

Capri assumed full control; all staff transitioned to Capri systems. Key outcomes:

- Leadership restructuring saved \$800K annually
- Standardized operations cut controllable costs by 11%
- New community fee generated \$150K in 8 months
- Care bed revenue up 10% above inflation
- Ancillary charges adjusted to market rates

### REAL ESTATE DEVELOPMENT IMPACT

Identified outdated unit designs as occupancy barriers. Redesigned studios and small 1-bedrooms into larger 1-2 bedroom units. Renovated units are pre-leasing successfully with:

- Payback < 1 year
- Projected 5-year IRR of 79%

### THE VALUE

Capri's integrated approach to senior living operations and real estate development has unlocked significant cost savings, revenue growth, and asset repositioning for our partner.