

# THE SACRAMENTO BEE



## Baby Boomers Head by Hundreds to Sacramento ‘Active-Adult’ Communities

By Hudson Sangree  
August 14, 2017



Past building booms in Sacramento relied on first-time home buyers and growing families. These days developers see a major market in the wave of retiring baby boomers ready to cash out, downsize and enjoy “resort-style living.”

A growing number of developments in the capital region are aimed squarely at the 55-plus crowd, including the nearly 1 million baby boomers in the San Francisco Bay Area, many of whom are hitting retirement age with lots of home equity.

Median home values in four of the nine Bay Area counties have exceeded \$1 million, while average home prices in Sacramento County remain closer to \$300,000. That means buyers from the Bay Area often can pay cash for a home here and bank the rest for retirement.

“The demographics really point to the baby boomer aging population (as new homebuyers),” said Mike Wyatt, the Northern California division president of national homebuilder K. Hovnanian. “There’s a huge number that come to that age yearly. It’s a continuing trend that will go on for the future.”

Baby boomers – the massive swell of children born in the post-World War II years, from 1946 to 1964 – are now roughly 53 to 71 years old. Nationally there are about 75 million baby boomers still alive, with nearly 1.2 million living in the Bay Area and the four-county Sacramento region as of 2015, according to the Pew Research Center and the U.S. Census Bureau.

The millennial generation, now in their 20s and 30s, are an equally large group.

That’s why homebuilders are aiming many of their post-recession efforts at younger buyers and retirees. The groups often want the same thing – low maintenance living with lots of amenities at prices they can afford.

For the graying masses, K. Hovnanian has built its Four Seasons 55-plus communities around the nation, including in El Dorado Hills and North Natomas. Sales have been brisk in those developments, and the builder is planning at least one more Four Seasons project for Rancho Cordova, Wyatt said.

In the builder's Natomas subdivision, Four Seasons at Westshore, more than 500 single-story homes surround tennis courts, a swimming pool and a 23,000-square-foot "lodge" with a fitness center, library, billiards room, card room and an arts-and-crafts area. A man-made lake has miles of walking trails.

"Dress up for a social event at the ballroom or dress down to catch a flick at the movie theater," the development's website says, touting its "resort-style living."

Current offerings in the "Winter" portion of the subdivision include homes from about 1,300-1,800 square feet in the \$300,000s. The Spring, Summer and Autumn areas are already sold out.

Next door, another national homebuilder, Lennar, is constructing its "Heritage Westshore" development, which shares the clubhouse and other amenities with K. Hovnanian's homebuyers.

Lennar has similar "Heritage" 55-plus communities in El Dorado Hills and the Vineyard area of Sacramento County.

Sharon Sprecher, a real estate agent from the Bay Area, recently sold her house near Danville and bought a single-story home at Heritage Westshore. She purchased the largest model available, over 2,200 square feet, which came with granite counters, solar panels and other features that usually cost extra.

Sprecher said she added hardwood floors and travertine backsplash tile in the kitchen and still got what she considered a bargain.

Homeowners association fees of around \$200 a month pay for upkeep, including front-yard maintenance, and other amenities, she said.

Sprecher said she was drawn to her new home for financial reasons, but also because she used to live in Granite Bay and still has close friends in the Sacramento region. She also liked the opportunity to make new acquaintances and take part in activities in a community of her peers.

Another big plus, she said, is living near Interstate 5 and Interstate 80 and being able to drive 10 minutes to Sacramento International Airport, 90 minutes to Danville, where she still has clients, or 15 minutes to downtown Sacramento with its theaters and restaurants.

"I just like the idea of being close to the action," Sprecher said.

Tracie Cone is buying a house in Heritage Westshore, too, but she's moving only a short distance. She currently owns a home along the Sacramento River on Garden Highway, about four miles in a straight line from her new house.

"I would be the least likely person in the world to move into an active-adult community," Cone said, describing herself as a rural Bohemian. "It took a while to tell people because it was so shocking."

The house she lives in now was built by a well-known architect; it sits on stilts with water views and big shade trees around it. Her prior abodes have included a 160-acre ranch, a 5-acre property and a 1-acre place with a large saltwater pool.

Cone said she's tired of dealing with flooding and maintenance and just wants to be able to relax as she gets older.

"Every place I've had in the last 20 years has been a huge amount of work," she said. "I just turned 60, and I'd like to be able to retire and leave my place and travel and not have to worry."

Cone and her partner are buying a detached single-family home with three bedrooms, two baths and a two-car garage. It comes with a small lot – "enough for a few fruit trees and garden beds," she said.

"They take care of your front yard; you don't even have to deal with that anymore," Cone said. "We'll have a pool, but someone else has to clean it."

Friends who didn't initially understand her desire to live in a 55-plus neighborhood started to get it when they saw the model of the home she's buying and the clubhouse, she said. Some of them are now interested.

Kevin Carson, president of New Home Co. for Northern California, said housing aimed at baby boomers has been popular in the company's McKinley Village development in East Sacramento and that more of it is needed around the region.

"I think the real growth Sacramento has in store for it is active-adult communities," Carson said.

Many retirees, he said, will want to sell their more-expensive homes in the Bay Area and move to the Sacramento region for its affordability. Others, who own larger houses in the Sacramento area, will want to downsize.

He pointed to the success of Del Webb's Sun City 55-plus developments in Lincoln and Roseville, both of which proved extremely popular.

Wyatt, with K. Hovnanian, said his company also believes there is much greater potential for 55-plus housing in the Sacramento area. K. Hovnanian would eventually like to have up to four active-adult communities around the capital region.

"There's a high demand for active lifestyle communities," he said. "If it's in the right location, it will outperform market-rate housing."

He said older couples who once might have moved out of state to retire now want to stay closer to home.

In the past, "they would pick up and move to Florida or Arizona or Las Vegas," Wyatt said. Now, he said, "In many cases, they just want to stay where they are or close to their children."

\*\*\*

<http://www.sacbee.com/news/business/real-estate-news/article167030782.html>