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[Investing In Senior Housing Muni Bonds Amid Demographic Change.](#)

Summary

- Continuing care retirement communities (CCRC) fall within a broader category of municipal bonds called private activity bonds (PABs).
- The overall size of the CCRC market is still relatively small (\$5 billion of issuance in 2018), but it's doubled in size over the past decade.
- With a potential yield advantage over AAA munis, CCRC issues can offer attractive tax-exempt income in a well-diversified portfolio.

This credit sector can offer attractive opportunities, but investors shouldn't be drawn in by high yield alone.

Continuing care retirement communities (CCRC) and senior housing facilities have historically been a sought-after category by institutional investors, who are often attracted to this credit sector because of its higher yield. Yield aside, investing in the senior living sector is supported by positive demographic fundamentals that should expand opportunities in this sector.

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