



We're the people who make life better.

Áegis Living Announces New Management Division

Redmond, WA (September 24, 2010) – [Áegis Living](#), a national leader in [senior living](#) and [assisted living](#) communities, announced today that it has created Áegis Performance Management as a new division. Its goal is to bring the knowledge and expertise of the parent company to the broader marketplace through fee-for-service management and consulting.

Áegis Living has decided to get involved in managing third-party assets because of three major changes in the marketplace: First, large public companies that traditionally served this need have withdrawn from management relationships during the economic downturn in order to focus on their own brands and balance sheets. This has left a significant void in the competitive arena for management services.

Dwayne J. Clark, Áegis Living's Chairman and CEO, said "For years we turned down requests to provide third-party management because we were focused on building the value of assets in our own portfolio. Fee-for-service management didn't make sense for us when it was just a bidding war over 5 or 6 percent fees. Now we see a different opportunity."

According to Mr. Clark, "During the 25 years I have been in this business, companies have always charged for services on a percentage of revenue, with a guaranteed minimum. Our approach to management fees is radically different; it is incentive-based and aligns our financial interests with those of our clients. And the services we will offer are exactly what I would be interested in buying for the assets I own – services that increase the value of those assets."

The second change is that bank financing and access to equity are very difficult in the current environment. Áegis Living believes that owners/operators are looking for business partners who can increase the value of challenged real estate assets. This means not only increasing net operating income, but also getting favorable appraisals, capitalization rates and loan terms. All of this requires the crucial players to believe in the skill of the manager.

"This is where Áegis Performance Management will succeed over other management companies," said David Ford, Aegis Living's Vice Chairman. "Áegis Living's sale-leasebacks have historically shown the highest per-unit values in the country, and the cap rates and interest rates we have received are close to unbeatable. When looking for a management company, we think Áegis Performance Management will be the clear choice to increase the value of our clients' properties."

The third change is the increase in available talent. According to Mr. Clark, "In the past we didn't want to stretch our talent too thin for the assets we own. The market has dramatically changed. There is now more talent out there than we can possibly use and we have homegrown talent that is anxious to take on the next challenge."

Áegis Living has historically operated only on the West Coast, but is prepared to take on projects globally. “There are no geographic boundary lines in this business plan,” noted Mr. Ford.

In announcing that David Ford will lead the new initiative, Mr. Clark said, “I am thrilled that David has accepted this challenge to grow what will be a very exciting part of our business. He has been involved with Áegis Living since the beginning and has been in senior housing for nearly 30 years.”

About Aegis Living

Aegis Living is a national leader in retirement living, assisted living and memory care, offering a progressive selection of senior residences to meet the growing needs of today’s aging population. Providing the finest in senior lifestyle and living options available, “We’re the people who make life better,” emphasizes health, quality of life, well-being and community. Aegis Living is guided by a simple philosophy: strive to treat all people with the highest possible standards. Founded in 1997 and headquartered in Redmond, Washington, privately held Aegis Living operates 35 communities in Washington, California and Nevada. Additional information about Aegis Living and its services are available at www.AegisLiving.com. Follow us on Twitter @aegisliving and Facebook at <http://www.facebook.com/AegisLiving> .

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