FLC Alumni Spotlight – NIC FLC’s 10-year Anniversary

At the upcoming 2019 NIC Fall Conference, September 11–13 in Chicago, the NIC Future Leaders Council (FLC) will celebrate the 10-year anniversary of the founding of the FLC in 2009 with its inaugural first class of 2012. In this article, Tony Hong, vice president, Investments and Acquisitions, Clearwater Living, and Lucas McCurdy, owner, The Bridge Group Construction, interviewed Paul Mullin of the FLC’s class of 2014 and senior vice president of Development at Silverado, to talk about the importance of the FLC and the influence it had on him.

McCurdy: How has your involvement with the FLC impacted your life and career?

Mullin: It’s been incredibly meaningful and very powerful. I work to focus my energies on my strengths, which are, from StrengthsFinder, the WOO—winning others over—and really creating solid relationships and the Speed of Trust. I really believe in the Speed of Trust and relationships to get anything done, particularly given the really tough business of real estate. You’ve got to have a good relationship.

The FLC really engenders trust, and just the fact that people very quickly get to know each other and very quickly get to trust each other. With trust comes relationships that allow for business to happen. That’s obviously one of the most meaningful things. I think the commonality that we all share is the mission and purpose of making seniors lives better on a day to day basis, creating new product, creating new services, new opportunities, and to move the needle on the way seniors are taken care of. That common bond really helps build that Speed of Trust. That’s probably one of the most meaningful things that I can think of.

McCurdy: To what parts of the FLC did you contribute while you were a member?

Mullin: I immediately got involved with the university outreach. The other initiative that hasn’t taken as much root, but I think has to, is coming up with a meaningful accounting for CapEx, capital improvement, and capital expense. Billy Petit and I set about trying to create accounts for capital expenses, and we unveiled it at a NIC. It wasn’t something that others really wanted to dive into. I think most are still comfortable in the way of CapEx with a metric of $500 per unit, depending on how they look at it for a community.

Some of our biggest exposure not only as operators but also as financial intermediaries, particularly on the REIT side, is CapEx. It is the one variable that can
really make or break an earnings column. So, Billy and I wanted to shed some light on that. Our belief and my belief still today is that $500 does no justice to a 10 to 20 year old community. For a new community which got built in the last 5 years, that maybe sounds about right. But we started to come up with accounting that looked more like $1,500 in the case of memory care, because you have that much more exposure to a really tough environment to keep furniture and finish looking like day one. That was a real interesting initiative.

There is a whole entrepreneurial spirit that has incubated at NIC, so that’s probably the moral of where I’m going here. While not all initiatives took off, like the CapEx initiative, they definitely will resurface and once again get the entrepreneurial thinking going among some really bright people. I’m certain some people will take that information and create their own products. Billy and I will be coming out with CapEx finders soon. I currently can’t tell you more than that.

**McCurdy:** What is your advice to the current FLC members?

**Mullin:** My admonition or advice to the newest members of the new FLC is get out there. Get out to the universities. Get out to other communities, other businesses. Get engaged in your community locally, and make sure that senior housing or senior living is part of what we’re all pitching to the greater public.

We always talk about our “Got Milk” campaign for senior living, and I think Brookdale did somewhat of a good job of producing a commercial around that. How do we all do that? How do we all get out and get the word out on things like cognition and enhancement? This business isn’t just about caring, it’s about improving people’s cognition that have memory loss.

How do we get out and talk to people about this? Where, after you retire, you find a whole new group of friends in senior living and you’re no longer sitting in front of your TV or just depressed at home. Depression kills seniors. How do we really uncover what is an exciting lifestyle for seniors, and move our penetration from 6 to 10 percent to more like 50 percent of the senior population?

That would be my challenge. What are your ideas to do that if you’re running the FLC? What’s the big idea to make what is obvious about senior living for all of us more obvious to the greater population?
**Seniors Housing & Care Industry Calendar**

**May 2019**

- **5/1-3**  AHCA/NCAL Spring Conference for Multifacility CEOs and Senior Executive Leaders  
  Bluffton, SC
- **5/3**  6th Annual Brain Ball – Alzheimer’s Association  
  Washington, DC
- **5/5-8**  LTC 100 Leadership Conference  
  Naples, FL
- **5/8-9**  Real Estate Research Institute (RERI) Conference  
  Chicago, IL
- **5/8**  Build – the Future of Senior Living Development  
  Chicago, IL

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