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Lucas McCurdy

Bridge the Gap in Three, Two. Welcome to Bridge the Gap Podcast, the senior Living podcast with Josh and Lucas. It's a beautiful day. We got a great friend and a guest. I want to welcome Todd Marsh, CEO of Triple Crown Senior Living, to the show. Welcome to the show.

Todd Marsh

Thank you. Glad to be here.

Lucas McCurdy

Yes, glad you're here. So, this is going to be a fun conversation because, you know, when we come to these conferences, we are afforded really a front row seat to talking about, you know, some of the big leaders, some of the some of the, the OGs that have been around the business for a long time. And, Todd, you've been in the industry a while, but this is a new venture.

Triple Crown is kind of the new kid on the block. And y'all have already made a lot of progress. Learned some things along the way, and today I'd love to dive into the strategy. Give us some history around Triple Crown and what your goals are in 2026.

Todd Marsh

You know, as you said, I've been in the industry for 29 years, but we formed Triple Crown Senior Living in 2017. So it's been a, you know, journey since then. A lot of planning. We decided, you know, how can we be the best operators in the areas that we serve. And, you know, we do assisted living, memory care, and independent living cottages. That's our focus. As a company, we went we grew pretty quickly.

You know, we started with one building. We went to 10 in 18 months, and that was too fast. So we learned saying, hey, we took a year off to say, hey, how can we be the best company? What culture do we need to create? Who do we need to bring on board to support our buildings, to, you know, serve our residents the best, and be the best operator?

So we took 2024 off to do that. We incorporated several things. We started with EOS management, which, if you're all familiar with that, was a, you know, a big help, deciding who's in what seed, who's doing what. Accountability. And that helped. You know, we did things like transforming the company with the Yardi platform, you know, to get everything, you know, on the same page.

So we did all that in 2024 and a lot. And then we hired Bryan Culliton, the president, who does a great job. I mean, hiring good people who are smarter than me. You know, it helps, you know, the process. And, so we did that in 2024 with the goal in 2025, 2026 to grow. We just and we do three different things.

We do new development from the ground up. We do value-added acquisitions, and we do third-party management. So we set out in 25 to grow 7 or 8 communities. We did that. And

we've doubled that expectation for 2026. So, but our focus continues to be how do we best operate the buildings? We can't. There has to be some discipline.

And then it's fun, to grow, and it's exciting. But the most important part is to operate the buildings successfully. So, like, we recently went to a new market. You know, we went to Houston, Texas, MSA, as you're aware. We have people live there, you know, who operate. We're not operating those buildings from Louisville, Kentucky, where we're based.

So when we go to a different area, we understand, you know, Bryan and our team that people have to be there all the time. You know, we're not flying in to help, you know, there has to be support. Wherever we operate. So, you know, so that. Yeah, we're excited about this year. We'll probably do, you know, 3 to 5 new developments and then, you know, complement it with hopefully another 8 or 9, you know, acquisitions. And that's our plan. When do I see?

Josh Crisp

Well, that's exciting and growing in a lot of areas. So I'm curious what it takes now? What's different about the business from when you started in the business and you were doing new development, for example?

04:34 - 10:31

Josh Crisp

What's the difference now to get a deal across the real start line? And what are you seeing that has been some things that are success tips that you could tell our audience that maybe have been having challenges getting new developments done over the last couple of years? What's changed for you guys to enable you to do that?

Todd Marsh

It's a good question. And I'll bring up like, our partners and Triple Crown, you know, senior living, our developers, multifamily developers. We have got a great, you know, partnership that they, that they're used to from a multifamily standpoint, developing sites. They also have a construction company, and, really, I guess, getting it done. You learn a lot.

We've learned a tremendous amount, I mean, I could say, you know, we made mistakes in the beginning, and we've stopped making those mistakes. So, you know, finding the right land, the land price, the amount of acreage that you need is important for whatever you're building. And even our models or what we do. New development has changed.

You know, where we start. You know, we do 131 units, we'll do 99 units. Now we're looking at the 147-unit model. So finding people who know what they're doing and then help you along the way makes it a little easier. I mean, we have, I mean, I give my partners credit again is that, we're pretty lean, you know, when it from a comes and construction standpoint, they, they know how to build, we do all Class-A property, so we're building very nice amenity driven, properties, but they're really good at locating the land at the right price.

Engineering the construction cost to make sense. So it models. I mean, it all starts with the model. We always number on the page what we say, and, you know, we have investors, and they expect certain returns. And we've been successful thus far. You know, meeting those returns actually exceeds them. So we're excited. I'm not sure I answered your question.

Josh Crisp

No. That's great. Well, so now we've been switching over to the operations. I love that you're you took a pause and you're like, we're going to stay committed to operating these really, really well. So now, where do you find, like, the biggest challenge as an operator when you have that hat on? Is it still labor? And that's the number one thing, or is it marketing in census, or is it other issues? Is it technology? What is keeping you guys up at night if that's the thing?

Todd Marsh

Well, I wouldn't characterize it as keeping me up at night. But all of those things you said are what we're monitoring and trying to improve on all the time. Quality people make a difference. Part of the EOS strategy is that, you know, we call it GW's seeing. Do they get it? Do they want it? Do they have the capacity to do it? And we really look at each person and our team and make sure they're in the right spot. And they're doing the right thing? Doesn't mean you're a bad person or you're not good, but you've got to fit.

You know what our culture is? So assisted living in particular, and a lot of my experience in the past is in the skilled side, which we don't we which we don't do a Triple Crown. But we, you know, we have to focus on everything you said, occupant. It's occupancy-driven. You know, you have to be on the sales side and in assisted living.

I said, that's the biggest difference, you know, that I've seen in my career between skilled and living. You have to be focused on it because that's what pays the bills. And in the sales process, or you know, that the, you know, goes anything strategically from how much money you're spending, you know, purely how much you know, how do you know, capture that?

I mean, the monitoring that is is crucial to success. When you talked about labor, it was horrible during Covid, as we all know. I mean, that was probably the worst time. And, you know, at least my 29 years and doing that. But I think that it's, you've got a lot better. We've been successful, you know, finding the right people. It's all of that. Unfortunately, it's everything, you know? I mean, there are 5 or 6 things that we're looking at all the time and monitoring it. What do you think is sort of one of the biggest changing dynamics you're seeing, or maybe you're not seeing a big change in the dynamic of everybody talking about the aging population?

We're starting to see a different type of consumer that we're catering to, that we're serving, that we're building and renovating for. How's that impacting you guys? What are you seeing there? What's the opportunity? You know, as I get older, I'm getting closer to the actual age of the people that we serve right now. It's amenity-driven, you know, that.

That's when we build or we acquire buildings, you know, we're looking at, okay, what our customers, our future customers want. And that's all high-end amenities. You know, we do anything from, you know, I would say bars, chapels. You know, we do a chapel, we put a chapel. If they're on an acquisition, we'll, you know, we'll put a chapel in there, we'll put a bar in there, we'll put a movie theater, we'll put, you know, the amenities that everyone wants and expects moving forward.

Because as you know, most of the properties that are across country, you know, older properties, I mean, if you look at the whole, you know, as a whole and, and, you know, when I get to that age to decide that I'm not going to stay in an older property, you know, I'm just not or not so much that it's older. Does it have the amenities that we need? So that's, you know, a focus, you know, that we have.

Lucas McCurdy

So that parlays to another question is that y'all are trying to accomplish a lot between the ground-up acquisitions, third-party. How do you, as a company, build a strategy around building these Class-A buildings, but also acquiring value-add where they're not Class-A buildings at that point, are you? Is your strategy to say, always listen, we really want consistency across our portfolio, whether it's a ground-up development or a value-add acquisition. We want it all to have our standard for amenities and our standards for the way that the building and physical plan operate.

10:31 - 14:10

Todd Marsh

Yeah, absolutely. We've established, and we've improved upon, you know, how we look at properties that we're purchasing, what we can put in them. And as I said, as we kind of go through the amenities checklist. What does the building have? What does it need? And we try not to do a whole lot of moving walls and, and changing things if we don't have to. But sometimes you have to, you know, we add these, you know, the rooms that I'm talking about, the amenities that our, you know, residents or customers want, you change the, you know, the floor plan to fit.

So yeah, it's a process. We have a, you know, a checklist, if you will, of okay, what does a building have. What does it need? Can we put it in there? How much does it cost? And you know sometimes that takes, you know, that that part of the plan and the acquisition plan is, is, is to find a, you know, the right spot, the right price, and esthetically upgrade it and then operate it more efficiently.

And we'd like to see those results in a year and a half, two years. And we've been fortunate to do that. But we do go we go through a process of, of what do they have, what do they need? What can we do?

Josh Crisp

So you talked about the returns to your investors. You all are able to meet and exceed those. How much do they also look at the data in the industry as far as the optimism and the data that speaks to the agent income qualified, and how much that is a big topic of conversation today. Are they looking at that as well?

Todd Marsh

Yeah, absolutely. I mean, being in the business so long, I mean, we've been hearing about the, you know, the wave coming. And I think last year, I think we talked about this. I think there was so much optimism. I think at this meeting last year and then other meetings, NIC, that I've ever seen, it's like everyone's excited. It's like, I don't know why, for a moment, because it's been coming for, for, you know, many years.

But the demand is, you know, far out, far exceeding the supply. And I know I don't, it's just math. I don't think that we're going to catch up for a while. So, from an investor standpoint, that makes it, you know, you understand the needs there, and it makes it a little easier to tolerate the risk, you know, the investment, because you know that the people need it.

And, well, that's what we're seeing. I mean, it's you will see the occupancy, you know, across the board is, is creeping up. I think, and that's demand-driven. I'd like to think that, you know, we do a great job. I mean, is that the demand is demand, you know, so, I think that from an investor standpoint, it is attractive.

If you operate, you know, the building successfully, there's a good, you know, margin, you know, there it's not too good. It's, but it's that it's there if you're looking to have an investment, you know, strategy. I mean, just like anyone else, you can put some money here. You've put some money there. It's definitely attractive, you know, a place to put some money, you know, in the senior living space.

Josh Crisp

Yeah. Well, I want to go back to a comment you made earlier. You were mentioning that after you guys started, you grew too fast. I think that resonates because, you know, with all of the positivity around, everybody's talking about not only the demographic, but now the capital's opening up again, and deals are going to start being done, and we're already starting to see that happening.

You know, I think there's going to be a real, potential for a lot of people to grow too fast. So for you, I mean, lessons learned. What does that mean when you grow too fast? But for you guys, what did that mean? Like, what did you learn through the process of growing? First and foremost, you have to have a good operations team.

14:10 - 18:23

Todd Marsh

You know, you have to be able to handle whatever you're bringing on or whatever you're developing. And so how we approached it as we knew, and then we had a small number of really small number of people that were supporting ten buildings, you know, and then we probably tripled that amount, and that, you know, in that same time period in 2024, because you have to be disciplined.

And no, I would say that we're over resourced on purpose because we're anticipating the next, you know, the next acquisition or where we're heading. But you do have to have this one because it's exciting. There's a lot of and especially in the last 24 months, I mean, there's a lot out there. There a lot of things come across our desk, opportunities, acquisitions, and you can't get caught up in the, you know, the thrill of just growing and and being big just for that purpose, just getting the deal done, you know, because in our, in our business and and it's important to do a good job.

It's not just a, you know, it's a it's not it's not just okay to grow. You know, it's you've got to make sure that you deliver a quality service, that the returns are where, where they need to be. And, so that's kind of what we learned when I said we, we just, you know, bam, that we had the, you know, our partnership, and you know, we really did.

We were like, hey, you know, we're happy with what we're doing. We could have continued to grow, but we were like, where you need to take time out, you know, make sure that we're doing the best job, you know, for our residents, for our employees, you know, as a, as a company. And, and thankfully we were successful. So that's how I would say, you as a company, you have to be disciplined. You know, we can't just chase all the time because it's exciting.

Lucas McCurdy

So, final question, Todd, you've been in the industry a long time. You've seen a lot of professionals come and go. We have been talking about it recently, just a lot of new faces. And there's more attention on the senior housing marketplace. Even Josh has the opportunity to speak at colleges. And, you know, years past he would speak about senior housing, and no one would have any clue about it. Is starting to see a little bit more of a trend. Bridge the gap. The platform actually gets reached out to you by different colleges and curricula.

So we're seeing that little bit of a trend. What would be your recommendation for maybe a young person starting out and, potentially looking at senior housing as a career path?

Todd Marsh

Most schools now, or coming up with programming that's focused, you know, in that space. It's obviously, you know, there I mean, it's, you know, when you're a young person, like, remember, remember way back then, it's like, you know, you're looking for a career, what, what what's sustainable and and, so what we just talked about makes senior living in anything associated with it very attractive from, from getting a degree or getting experience or doing an internship in this area.

So I don't think I have the answer the silver bullet answer, but I believe that, because of what we talked about, interest is growing naturally, you know, because it's, it's, you know, you hear about it more honestly, too. I mean, you're in the news or what's going on or with the new developments.

I think that people are educated because getting educated, you know what that means. And, I think that creates, you know, more excitement at a, at the you know, a college level or career level to say, hey, this is a good career. Or, by the way, just looking at the, the buildings themselves, I mean, it's not just us.

I mean, there's great, there's a lot of great operators and providers and developers. I mean, we're building beautiful resort types, you know, buildings and that, that get people excited, you know, and I think that in turn, you know, helps with career paths and, and and makes, makes it more attractive, that's, you know, for a younger person.

Well we appreciate you taking time here at the conference to come and sit down and tell your story and tell us about Triple Crown. And for those of you who want to connect with Todd and Triple Crown, scroll down in the show notes and connect right there. Todd, thanks for your time today.

Todd Marsh
Thank you guys.

Lucas Mccurdy
And go to btgvoice.com. Download this content and so much more. Thanks for listening to another great episode of Bridge The Gap.

Outro

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