

Investment in Nursing Industry Seen as Lucrative. But at What Cost?

Article By:

Jonathan Rosenfeld

It really doesn't come as a surprise to most people to learn that seniors are representing a growing segment of the overall population. Current figures suggest that the number of elderly people living in the country may climb by about 50% in the next 15 years; by 2030, seniors will make up almost 20% of the total population across the United States. In response to this data, many private investors have seen a lucrative opportunity in the chance to jump into the nursing care industry as for profit corporations become nearly ubiquitous.

Retirement of Baby Boomers Due to Shake the Nursing Care Sector to its Core

Right now, the senior population comprises 13% of the populace, and this is already a large segment when considering the distribution of the population among all other age groups. Millions of Baby Boomers have either retired very recently or are on the cusp of doing so, which means they are entering a period of their lives where they will experience a steady decline in their health. Even despite persistent efforts by many seniors to continue to live their lives independently, it is often an inevitability that they will eventually require care and supervision through their family members or the services of an assisted living center.

There are quite a few nursing chains that have already positioned themselves to benefit from the increasing demand for quality assistive care, but the quest for profits above all else has had a marked impact on the type of care residents have received. Where some people see an incredible opportunity, others see a tempest brewing as lawmakers continue to not only ignore key issues, but exacerbate them by defunding programs that can help the millions of seniors who often suffer in silence.

Investment in the Healthcare Sector Soaring in Anticipation of Demand

There were over \$3 billion in sales generated for medical properties in the back quarter of 2014 alone as individuals and corporations continue to position themselves for windfall earnings. The bulk of the purchases were for existing senior living facilities or properties which could easily be converted into such. [Corporations](#) have been able to continue acquiring assets by drawing in private investors who provide them with capital to continue their rapid growth.

Real estate data also shows the number of loans taken out on senior housing property growing. Walker & Dunlap is a real estate firm based in Maryland that recently closed the largest deal in its 77-year history for \$670 million in loans for an investment trust that specializes in senior care properties. Investors who are quick to take a position in this market are likely to see incredible returns, but nothing gained ever comes without a cost.

Corporations are Beholden to the Interests of Their Investors

Consumers have often noticed that there is a dichotomy between the services and products provided by corporations and privately owned companies. While corporations are able to leverage resources to streamline processes and keep costs low, private companies excel in providing better consumer experiences and delivering products and services that are tailored more specifically to individual needs. When those specific needs are valued more by the customer, the premium cost does not matter.

Investors have expectations when they provide money to corporations and for-profit nursing chains that are beholden to investor interests are exceedingly more likely to degrade the value of human life over the accumulation of profit in order to keep current investors happy and to attract the favor of others. This culture works for most areas of the American economy, but when human lives and the dignity of those we care for are in the balance, attitudes change.

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