



GWI WELLNESS COMMUNITIES INITIATIVE WHITE PAPER

KEY DEFINITIONS, CONSIDERATIONS, AND CRITERIA TO HELP ATTRACT, MEASURE
AND JUSTIFY INVESTMENT IN THE DEVELOPMENT OF WELLNESS COMMUNITIES

*An Overview Prepared by the [Members](#) of the [Global Wellness Communities Initiative](#)
(Last Updated: September 2016)*

Introduction

The purpose of this document is to help inform and guide the effective development of wellness communities around the globe. It was created by an international group of business leaders with active commercial interests in the development of wellness communities and wellness lifestyle real estate, now estimated to be a \$100B global marketplace¹. It is intended to serve as an informative resource, which will be updated over time as the marketplace matures, and is designed to answer four key questions including:

1. What is a “Wellness Community”?
2. What are the minimum criteria recommended to consider a community “well”?
3. What other criteria may be considered?
4. What measures - qualitative and quantitative - should be considered when attempting to attract, justify and/or measure investment in this type of real estate?

(1) What is a “Wellness Community”?

As currently defined on the Global Wellness Community Initiative [website](#), a wellness community is broadly defined as: *communities and buildings proactively developed with the holistic health of its residents, guests, environment - both natural and built - and local community in mind.*

These communities take on many different forms including destination spas, hotels, and wellness retreats with residential components to master-planned communities, existing or new neighborhoods, and apartment complexes where individuals may work, live and/or play. Each is linked by a foundational commitment to live well by fostering wellness-focused design and services from blueprint to handprint, resulting in mindful, healthful programming, buildings and facilities offered on-site.

Ultimately, wellness communities seek to optimize the overall health and quality of life of its residents through conscious and effective land plans and facility designs, complimentary programming, and access to related resources and support services. It is also part of the DNA of the community to place emphasis on connecting people to one another as well as to nature.



(2) What are the minimum criteria recommended to deem a community “well”?

At a minimum, we believe that in order to deem a community “well,” it must demonstrate a commitment to each of the following three principles over the course of its life cycle:

- 1) **Environmental consciousness** demonstrated by sustainable development and operating practices.
- 2) **Holistic health and wellness** demonstrated by offering residents opportunities via soft programs and facilities – whether indoor or outdoor – to proactively take care of themselves and enhance their overall quality of life and well-being.
- 3) **Social Connections** demonstrated by both physical and programmatic elements that foster intergenerational socialization and connectivity among fellow residents.

(3) What other criteria may be considered?

In addition to the three minimum criteria referenced above, any of the following principles may also be considered depending upon type of venue, available resources and/or related business requirements:

- Access to nature and biophilic design (whether inside or outside)
- Access to diversity in both population base and levels of affordability
- Access to medical care across all demographic groups (including clinics, critical response services, etc.)
- Access to healthy food (often sourced and/or grown locally on site), whether for residential or commercial purposes (ex: within schools, retail, office buildings, etc.)
- Care for optimum air and water quality to include hydration stations, monitoring indoor air quality, etc.
- Access to physical activities that easily enable regular fitness and exercise for all ages (ex: stairs to encourage daily use, low impact walking trails, etc.)
- Minimize sources of man-made and natural disruptions that lead to noise, light pollution, etc.
- Access to arts and culture to both enhance quality of life and foster social connections
- Promote the use of local, sustainable materials and guide residents on sustainable living practices
- A focus on living mindfully with inherent opportunities to enhance individual awareness, personal growth and/or spirituality
- Creating a self-sufficient community with easy access to transportation services whereby individuals and families can easily work, live and play

(4) What measures should be considered when attempting to attract, measure or justify investment in this type of real estate?

We understand that wellness communities and buildings are ultimately real estate assets that must be designed to generate a return on investment. Research and experience also suggest that people will pay more for healthier, sustainable living options if assets are designed and positioned correctly.

To effectively legitimize a case for building well, we believe projects must include: (1) a minimum investment cycle of 10 years and (2) systems that track the true value – inclusive of both financial and qualitative measures – created by a wellness community over time.



To start, we propose considering the following principles when evaluating the short- and long-term success of wellness lifestyle real estate developments:

1. Start from the user's perspective with special attention to the cultural norms and values of the location and people. What do they need to live healthy, sustainable and fulfilling lives? This can vary widely between cultures.
2. A "community manifesto" should be created that describes the design pillars that establish the project vision as well as a blueprint to guide project teams including marketing and operations.
3. Integrate descriptions of the health and sustainability components into the business plan.
4. Encourage walkability through friendly streets (i.e., canopies over sidewalks, sitting sanctuaries, art installations, etc.) as well as walking and biking paths that encourage exercise and sociability.
5. Reroute automobile traffic to the perimeters of the community, allowing the establishment of high traffic pedestrian corridors and open spaces like a "village green," plaza and other natural, open spaces.
6. Identify and select scientific measures to evaluate the long-term health impact of living in a wellness community including baseline and periodic future assessments over time (for example: age quality index, sleep index, happiness index, etc.).
 - a. Be sure to explore the use of technology in support of community health and wellness (for example: sensors to monitor/track individual activity, health stations to check vitals, intranet sites to capture group and individual progress, community health portal, etc.).
 - b. Develop community-wide health goals (ex: to reduce obesity, increase longevity) and policies (ex: smoke-free environments).
 - c. Promote community-wide health goals tracking through voluntary participation and systems designed to further support social connectedness, and consider special monitoring of "senior" households while ensuring their ongoing independence.
7. Identify and promote the role of a "community manager" to design and implement community activities and facilities that promote a sense of belonging and community as well as an overall culture of wellness.
8. Bring focus to high quality public spaces – some programmed and some undefined open spaces – that encourage high levels of interaction to create a fully integrated community.

In addition, we believe the financial analysis of wellness communities should include additional inputs, such as:

1. The indirect value generated by public spaces when amenity costs, increased sales velocities and price premiums are spread over the for-sale spaces.
2. The direct sales premiums generated by building healthier, sustainable buildings and facilities.
3. The savings in operating costs associated with constructing energy efficient, sustainable buildings both for individual residents/households and managed services/facilities.
4. The unique brand position and higher customer loyalty an owner achieves when one has a legitimate, healthy value proposition to offer the marketplace.
5. The measurable social and environmental impact of the development that positively/negatively reflects on the owner (and perhaps helps to secure investment and/or sales in other owned assets in the future).
6. An assessment of a household's health costs prior to assuming residence and then reported annually in the same way – for example, energy savings are measured for a certified building.



Conclusion

Many communities have started to embrace some of the principles of wellness and wellbeing, but the offerings are often thin and seemingly related more to marketing than actual product. The time of change is upon us, and we hope that resources such as this will help to positively propel the conversation moving forward.

It's worth noting that the sales of goods and services have historically relied on selling one of three market positions: (1) an affordable price, (2) ultimate luxury, or (3) product uniqueness. Most real estate is positioned somewhere on a continuum to sell either "the right luxurious address" or "the best value for your dollar". However, market disruptors sell uniqueness first, and we believe that wellness communities – real estate ultimately developed with the optimum health of our planet and its citizens – are indeed disruptive.

The Global Wellness Institute and their "Wellness Communities Initiative" is attempting to create a complete palette of principles – as well as future research – that will help promote the interconnectivity of social, environmental and individual wellbeing around the world. This is not a transitory idea but rather one we hope informed community developers and designers will aim to create today and well into the future.

ABOUT THE AUTHORS

The "[Wellness Communities Initiative](#)", sponsored by [The Global Wellness Institute™](#) (GWI), brings together senior [stakeholders](#) from around the world with active commercial interests in communities and buildings proactively developed with the holistic health of its residents, guests, environment and surrounding community in mind. These stakeholders include a diverse group of real estate owners, developers and capital groups, hotel operators, spa and wellness consultants, industry researchers and more.

This group has been established with the goal to identify common principles, [resources](#), and best practices that will help foster the effective development and operation of wellness communities in the years ahead, including this inaugural white paper. To learn more about the initiative, visit the group's [website](#) or contact GWI's Wellness Communities Initiative Chair, [Mia Kyricos](#) at mia@kyricos.com.

ⁱ *Global Spa & Wellness Economy Monitor*, Global Wellness Institute™, 2014.