

Retirement Living Council SUMMIT 2025

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Changing Landscape of the Retirement Industry

The National Retirement Living Summit is Australia's premier conference dedicated exclusively to the retirement living sector.

PROPOSITION

With Australia facing a critical housing shortage and a growing demand for age-friendly communities, retirement communities are uniquely positioned to enhance the well-being of older Australians, paving the way for healthier, happier futures.

Demography made Simple; Simon Kuestenmacher

FUN FACTS

- Population 27.6 million, rising to 31.2 million in 2035; 70% increase from overseas migration and 30% natural
- Largest demographic group in 30s; 43 year olds greatest spending
- Retirees the richest generation; highest wealth transfer in history from baby boomers.
- 75-85 year group increase 33% next 10 years; 85+ yrs double in next 15 years.

Age structure - five year age groups, 2021

Total persons



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Usual residence data). Compiled and presented in profile.id by .id (informed decisions).

Demography made simple; Simon Kuestenmacher

2020 LIFESTAGE CONTINUUM

Infant, Child, Adolescence (to 30s), Adult, Lifestyle, Retired, Old

- Adolescence (no responsibility for another) stretching into 30s
- More in 50s travel, cruise, new activities, create memories – Lifestyle
- Retirees: less emphasis sacrificing lifestyle to maximise financial legacy; instead spend to enjoy life
[SAYING Spend your kids' inheritance; BOOK - Die with Zero]
- If want to give to your kids, need \$ in their 40s not in their 60s when you die.

Housing

Use policy levers to encourage 61-75 yr olds to downsize from under-utilised larger family suburban homes to free up housing stock for younger generation. Stop suburban sprawl, increased densification, build more apartments.

Area Berlin (2/3 Melb population) fits 7 times into area Melbourne.

Skill shortage

More than half year 12s aim to enter university. Less for care economy, apprenticeships. Curse of Paradise, cant get low income workers.

Lower proportions of younger demographic groups means long term skills shortage baked in demographic pie.

This will affect care economy; need to use migration to try to meet demand.

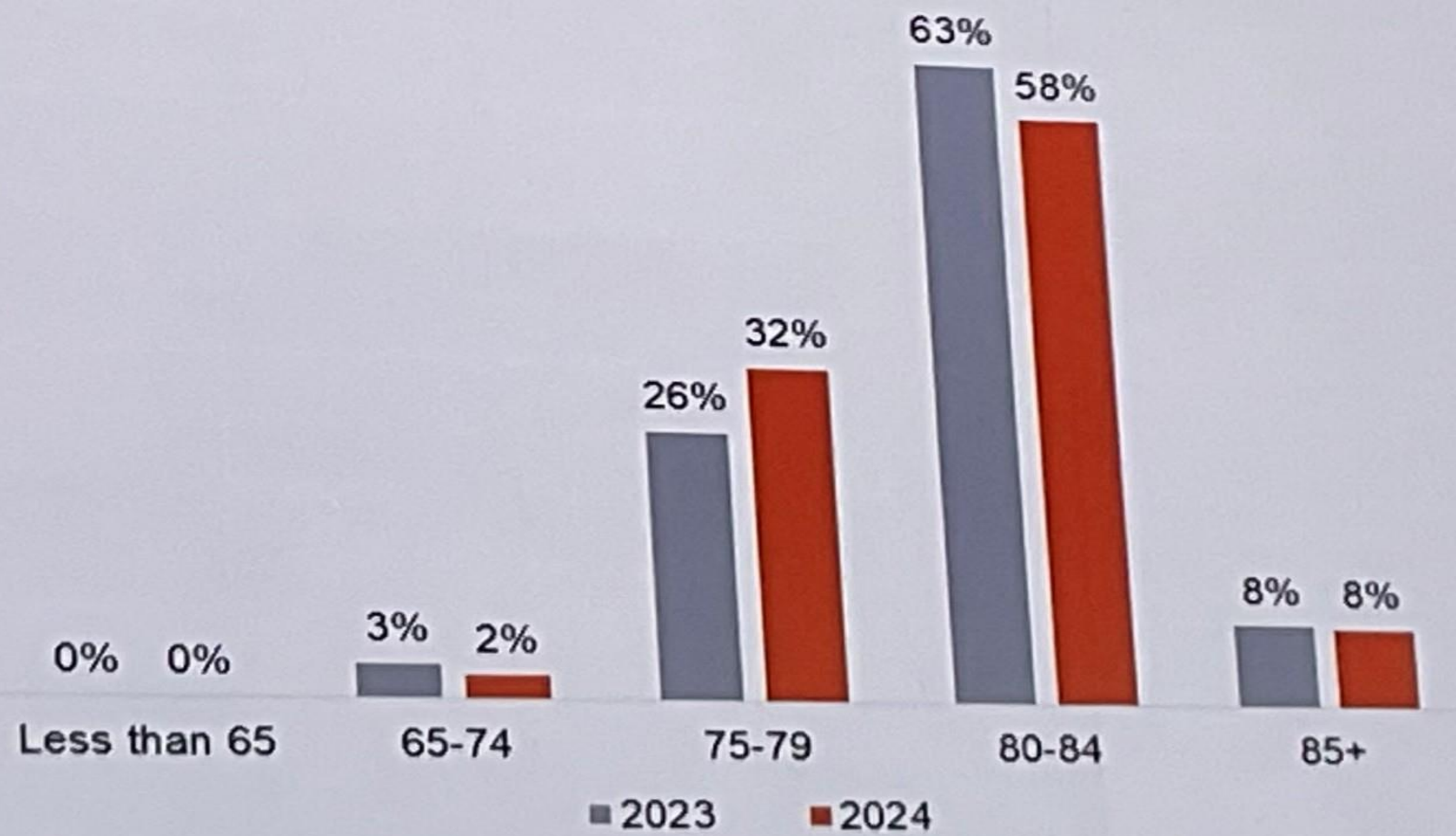
Property Council National Annual Survey

Retirement Villages

- Affordability 59% of median house price
- Low vacancy; 3% in ACT
- Trend metro areas – vertical; regional horizontal
- Average age RV 29 years
- 9% redeveloped since first built; expect redevelopment for older villages
- Higher engagement home care services
- 44% have aged care co-located
- Entry age 75 years
- Average age residents 81 years
- Average tenure 9 years
- Multiple contract types:
53% DMF; 33% up front; 23% rental
- Most common DMF no capital gain; Max cap DMF 33%
- 56% capital gain goes to resident
- Service fees \$624/month 2 bed villa; NFP \$593, and for profit \$642.
- Why leave? 75% to aged care/hospital, death

Current age of residents

2024n = 90 operators



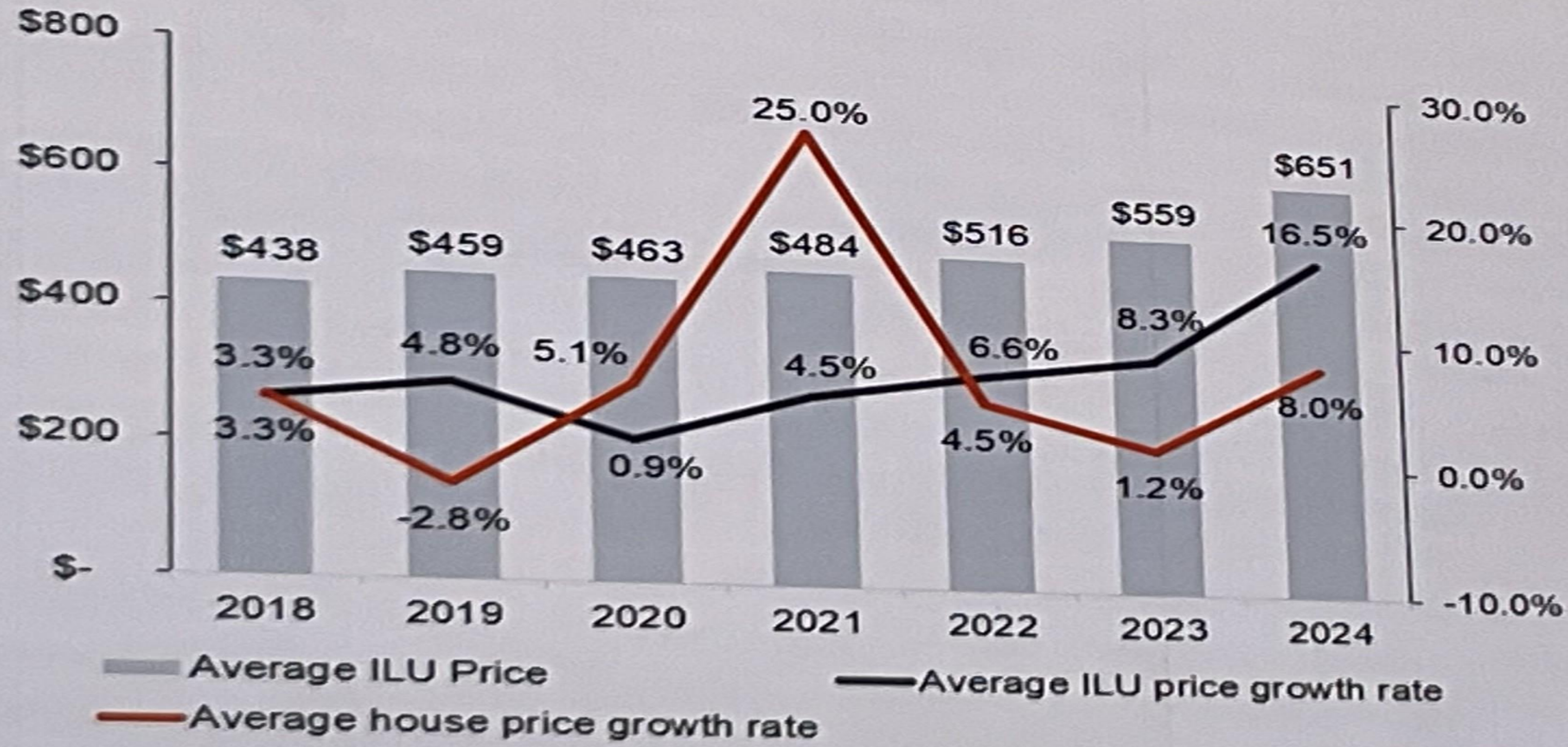
Average age of villages

n = 1,019 villages



Two-bedroom ILUs – National average price (\$000's) and property growth rates

2024n = 78,791 units



Shared Care in Action: Exploring New models for Integrated Support and Care

PROPOSITION

Australia's population continues to age, and while people are living longer, healthier lives, the pressure on residential aged care and healthcare services is mounting.

With a major demographic shift on the horizon, the need for innovative solutions in home-based care has never been greater.

Exploring New Models for Integrated Support and Care; Panel discussion

TRENDS IN RETIREMENT VILLAGES

- Employ lifestyle coordinators to develop wellbeing and healthy lifestyle programs for residents
- Offer care options including dedicated home care teams or help with sourcing healthcare providers
- Separate companies can be contracted to provide these care services
- Embedded nurse or concierge
- Small number of group homes co-located within RVs for those with early dementia
- Re-purposing serviced apartments.

Making the Move: Benefits and Barriers; Panel discussion

PROPOSITION

The decision to move into a retirement village is shaped by a complex mix of push and pull factors – balancing lifestyle and care aspirations, financial considerations and housing suitability.

While RVs offer social connections security and age-friendly living, barriers eg out-dated government policies and financial disincentives continue to deter many from making the move.

Making the Move: Benefits and Barriers; Panel discussion

- **Drivers** to moving: health state or scare, ability to cope as age, lose partner, social isolation;
- look for stability, security, community, care, less responsibility eg home maintenance, 65% seek co-location with residential aged care.
- **Barriers** include emotional ties to house and suburb, impacts on aged pension, desire for financial legacy
- Kids included as 'the customer'. Oldest daughter often takes burden!
- Websites available to predict the cost of various contract options.
- Those who move to RV, 90% delighted they made the move; 40% by referral.



PROPERTY COUNCIL *of Australia*

**3 REASONS WHY
AUSTRALIA'S LONGEVITY
FUTURE INVESTORS ON
RETIREMENT PLACES**



BLUE ZONES

LOMA LINDA
UNITED STATES

NICOYA
COSTA RICA

SARDINIA
ITALY

ICARIA
GREECE

OKINAWA
JAPAN

1:1 M/F CENTENARIANS
1:5 REST OF WORLD

80% LESS DEMENTIA
50% LESS HEART DISEASE
20% LESS CANCER

Blue zones are regions where a higher than usual number of people live much longer than average. There are five blue zone areas in the world.

