



Evolving Product & Service Offering in Retirement Villages

**Ageing Australia
National Conference 2025**



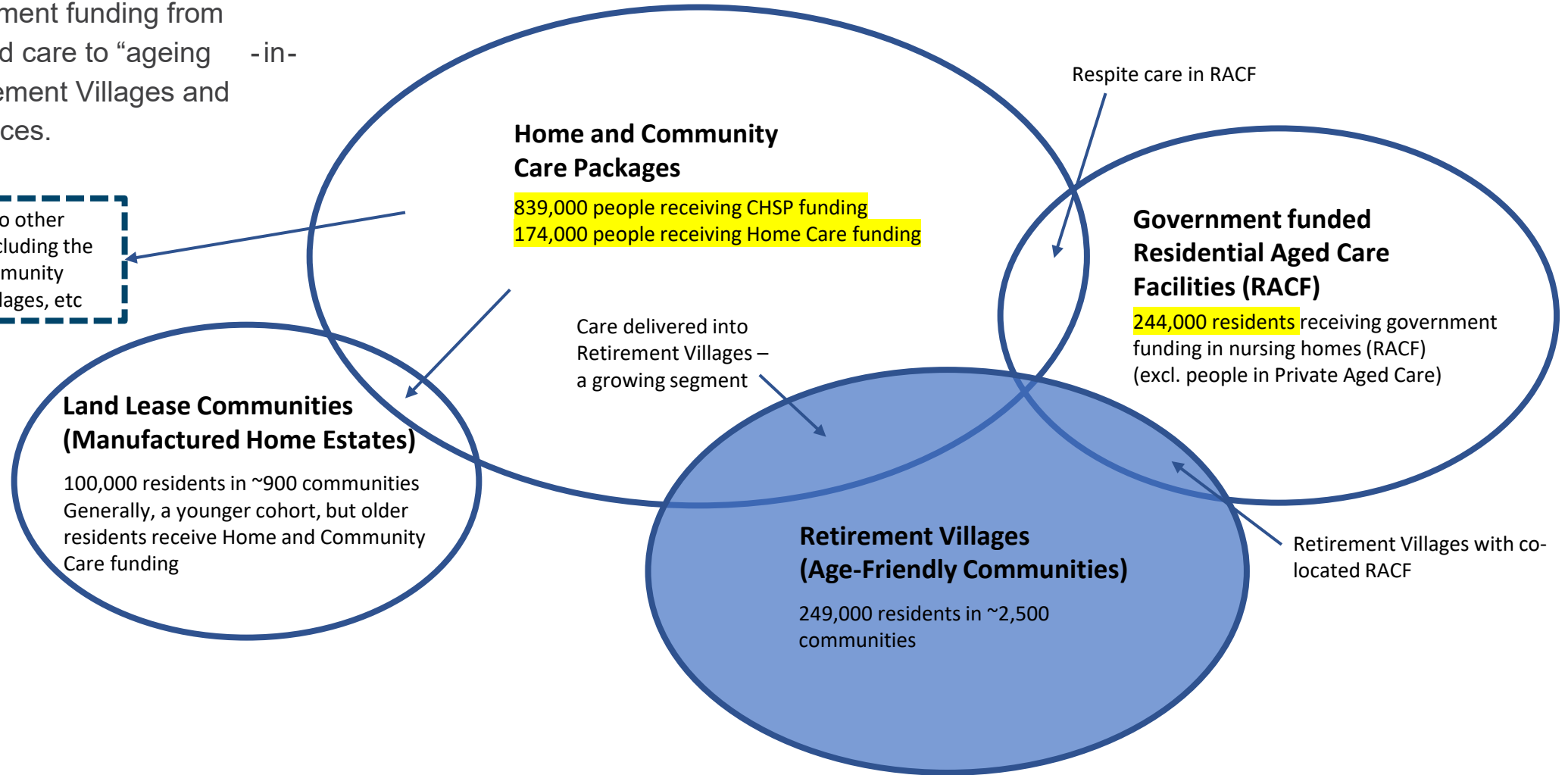
Agenda

1. Aged Care & Retirement Living Market Overview
2. Retirement Living Industry – What's Changing
3. Creating vibrant and successful retirement communities
4. Case Study: Hunters Hill Lodge

Aged Care & Retirement Living Market Overview

- Shift in government funding from residential aged care to “ageing -in-place” in Retirement Villages and private residences.

Care delivered into other housing forms, including the family home, community housing, rental villages, etc



Retirement Living Industry – What's Changing

- ▶ Traditional value proposition remains - focus on living in a communal setting with like-minded people, easy living, safety & security with some support available.
- ▶ Over last 5 years - shift from a predominantly lifestyle-driven model to one that integrates care as a core component allowing for ageing-in-place.

Evolve to meet the changing market

- ▶ Our market has and will continue to evolve
- ▶ First baby boomers turn 80 in 2025
- ▶ We need to future proof our villages
 - Easier in a new development
 - More challenging in an existing community

Creating vibrant and successful retirement communities

- ▶ Customer value proposition
- ▶ Four core components



Legal & Financial



Social



Built-form



Services

Case Study: Hunters Hill Lodge



**A supported living
community in the heart of
Hunters Hill, Sydney.**



Case Study: Hunters Hill Lodge

- ▶ Hunters Hill Lodge
 - ▶ Serviced Apartment
 - ▶ Premium location
 - ▶ Strata titled
 - ▶ Opened 1989
 - ▶ 62 apartments, now 49 (consolidations)
- ▶ June 2023 – new owners of Management rights of village
- ▶ Engaged Vision to undertake a Strategic Review

Stakeholder Insights:

- ▶ Residents – loved the village, highly rated staff and the services
- ▶ Experience on leaving the village was extremely poor, frustrating for many former residents (their family members acting as vendor)
- ▶ Significant negative feedback over:
 - ▶ Time on market
 - ▶ Lack of capital growth
 - ▶ Ongoing Fees

Key Findings

- ▶ **Occupancy** - 90% in 2020 to 76% in June 2023
- ▶ **Average age on entry** - increased from early 80s to late 80s
- ▶ **Annual resale of apartments** - 9 p/a to 5 p/a
- ▶ **Days on market** – blew out from 8 months to 2 years
- ▶ **Local real estate market** - 100% increase to median Hunters Hill house and unit prices over 9 years
- ▶ **Hunters Hill Lodge prices** – 8.6% increase over 9 years

Case Study: Hunters Hill Lodge

KPI	2015	2016	2017	2018	2019	2020	2021	2022	2023	Average (10 Year)
Vacancies	5	6	5	6	8	9	10	11	12	8
Occupancy	90%	88%	90%	88%	84%	82%	80%	78%	76%	84%
Sales p/a	10	8	11	6	8	4	3	6	1	6.3
Age on entry	83	82	79.8	85.1	88.5	84	87.8	89.8	88.9	85.4
Days on market	182	245	265	409	210	362	334	860	721	398
Hunters Hill house price	9%	31%	14%	-5%	9%	2%	3%	38%	-3%	10.9%
Hunters Hill unit price	26%	-12%	17%	-7%	39%	-26%	39%	13%	2%	10.1%
Average 1-bedroom unit	\$ 478K	\$ 512K	\$ 479K	\$ 537K	\$ 550K	\$ 547K	\$ 508K	\$ 534K	\$ 481K	\$519k
Change in average price (%)		7%	-7%	11%	2%	-1%	-8%	5%	-11%	-1%

Case Study: Hunters Hill Lodge

KPI	Average (10 Year)
Vacancies	8
Occupancy	84%
Sales p/a	6.3
Age on entry	85.4
Days on market	398
Hunters Hill house price	10.9%
Hunters Hill unit price	10.1%
Average 1-bedroom unit	\$519,000
Change in average price (%)	< 1%

Built Form

- ▶ Renovate and upgrade units
- ▶ Work with Owners Corporation to solve operational challenge of additional office space to house care staff



Service Offering:

- ▶ No significant change, continue to optimise and expand



Legal Offering:

- ▶ Operator to buy strata lots
- ▶ Renovate as required
- ▶ Introduce License Agreement
 - ▶ simpler contract
 - ▶ greater transparency
 - ▶ certainty on exit



Financial Offering:

- ▶ Ingoing Contribution
 - ▶ No Stamp Duty
 - ▶ Flexibility
- ▶ Ongoing Costs
 - ▶ Simpler Recurrent Charge replaced:
 - ▶ strata fees
 - ▶ council & water rates
 - ▶ maintenance
 - ▶ replacement



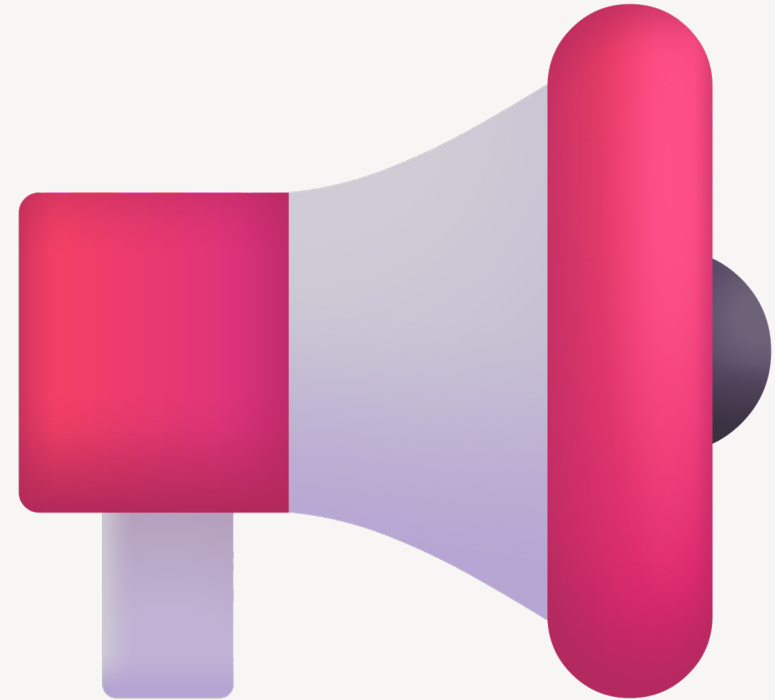
Financial Offering continued:

- ▶ Departure Fee
 - ▶ 10% per annum for 3 years
 - ▶ Formerly - 5% p/a for 6 years on resale price
- ▶ No Capital Gain to resident
- ▶ Benefits on exit
 - ▶ Guaranteed buy back
 - ▶ Cessation of Fees
 - ▶ No commission, no marketing, no renovation/refurbishment and fewer holding costs



Case Study: Hunters Hill Lodge

- **Communications Strategy**
 - All stakeholders
- **Marketing Strategy**
 - Brand refresh
 - Repositioned



Case Study: Hunters Hill Lodge

How have we gone 2 years on?

KPI	Average	2025
	(10 Year)	
Vacancies	8	16
Occupancy	84%	98%
Sales p/a	6.3	11.5
Age on entry	85.4	89.6
Days on market	398	97
Hunters Hill house price	10.9%	8.3%
Hunters Hill unit price	10.1%	2%
Average 1-bedroom unit	\$519,000	\$760,000
Change in average price (%)	< 1%	46%

How have we gone 2 years on?

Optional Services

- Total Revenue 24/25 FY = \$2,378,000
- Total Optional Service Revenue = **\$724,000**
- 30% of revenue

What does an extra **\$724,000** p/a provide?

- Care Manager (RN)
- Enrolled Nurse
- Personal Carers x ?

Creating vibrant and successful retirement communities

What is your Customer value proposition?



Legal & Financial



Social



Built-form



Services

Creating vibrant and successful retirement communities

**Has your Product Offering
been reviewed/refined/
refocused to target your
market?**

Or

**Are you operating the
same as 1999**



Legal & Financial



Social



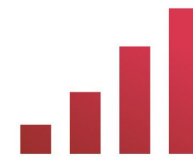
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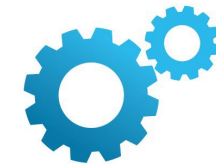
Services



Advisory



Sales & Marketing



Operations

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