

Retirement Living Performance Survey

Ageing Australia
National Conference 2025



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Ageing
Australia

StewartBrown Retirement Living FY24 Survey



Survey coverage



455

Retirement living villages



31,000+

Village units



35,000+

Village residents



79

Village operators



Analysis



Annual financial and non-financial data from providers



Report financial benchmark for sector and survey participants



Identify retirement living sector trends and key drivers



Deliver business performance reports for providers



Sector use



Trusted, independent information source for peak bodies and providers



Business improvement measures focused on financial sustainability



Data-led KPIs, management reporting, financial modelling, budgets, forecasts



Comprehensive reporting dashboard and tools for providers



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30 years

Financial benchmarking



45 years

Supporting care providers



#1

Accounting firm for care sector



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Benefits Of Survey Participation



Learn

Understand sector variables and **compare to your peers**



Access

independent sector data to develop baselines and define best practices



Inform

Strategic decision making to support business planning



Create

A **data-driven** environment to measure relevant performance



Evaluate

Outcomes and sector insights to prioritise **improvement opportunities**

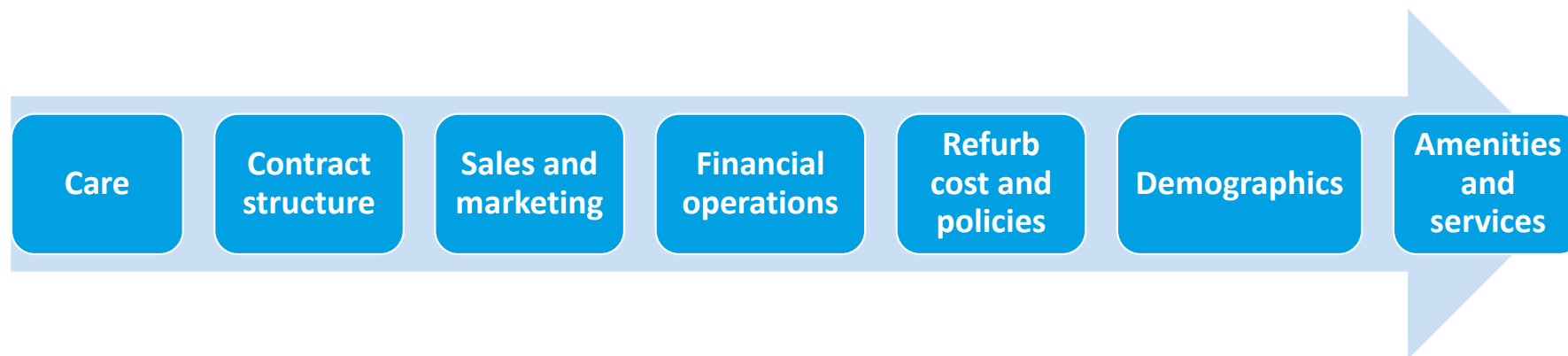


Enhance

Reporting to Management, Board, shareholders and stakeholders



Importance of Survey Participation



The FY24 survey has a larger proportion of not-for-profit participants due to the increased focus on residents requiring increased care and wellness needs. The for-profit (private) sector is not exempt from this shift and increasingly moving their strategic direction accordingly. It is anticipated the Survey will have an increasing number of for-profit participants in future years to assist in formulating their strategic initiatives

Enhanced reporting - Power BI reporting



Power BI Dashboard goes live in October for reporting on FY24 Survey data and all future survey periods.



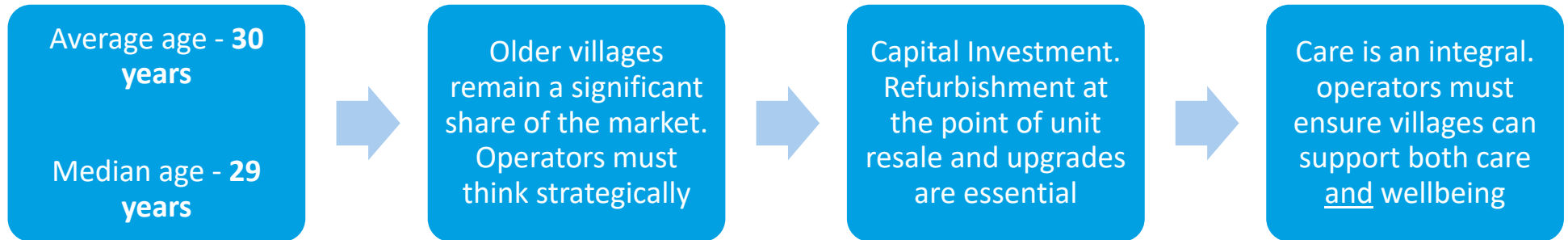
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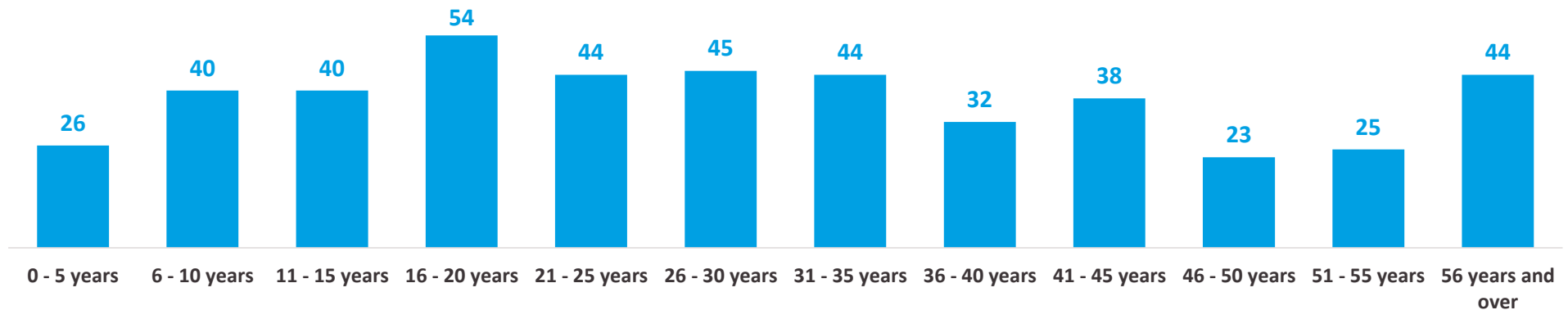
Retirement Living

Dashboards

Villages are Ageing



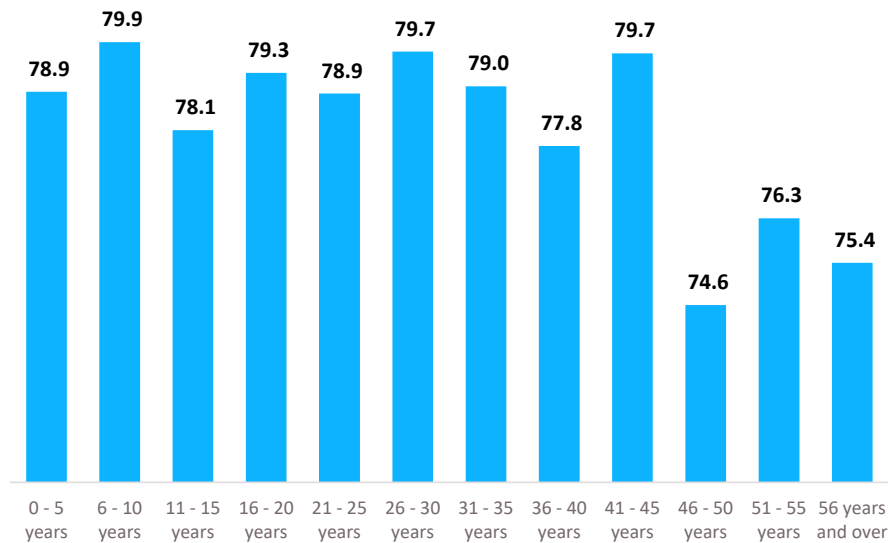
Age profile distribution of villages



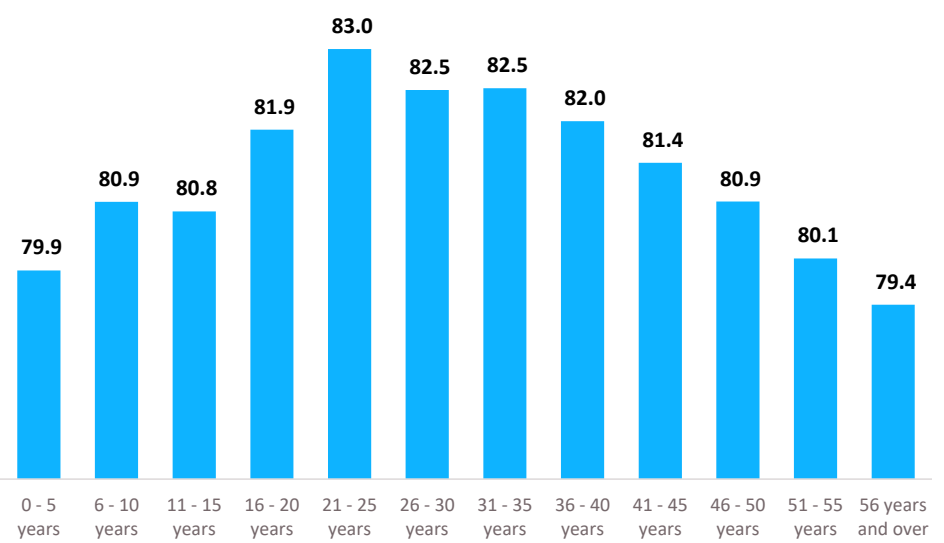
Care is an immediate Opportunity

Residents are entering retirement living in their late 70s and therefore care offerings no longer 'nice to haves' but are becoming essential offerings for ageing communities.

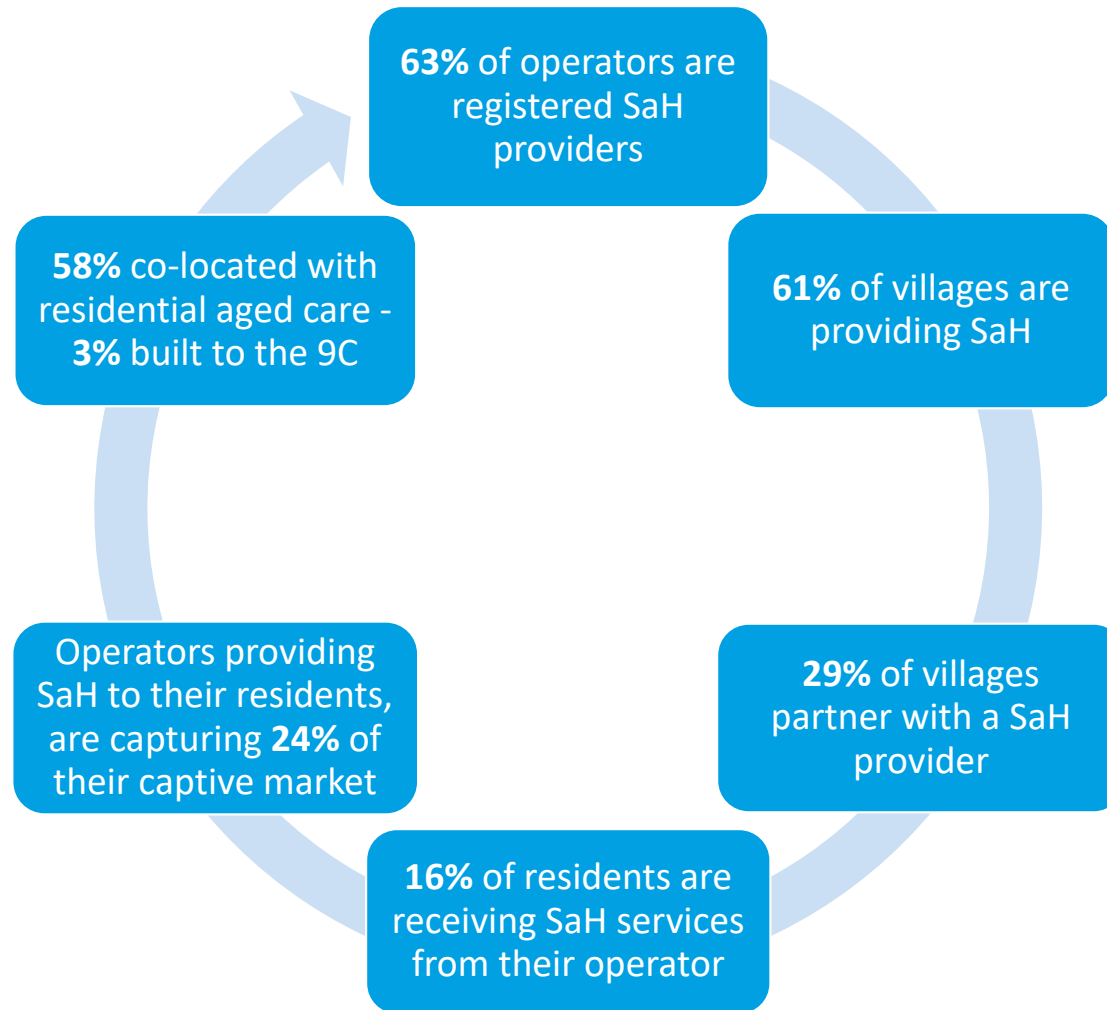
Average resident age (years) on entry by age of village



Average age (years) of current residents by age of village

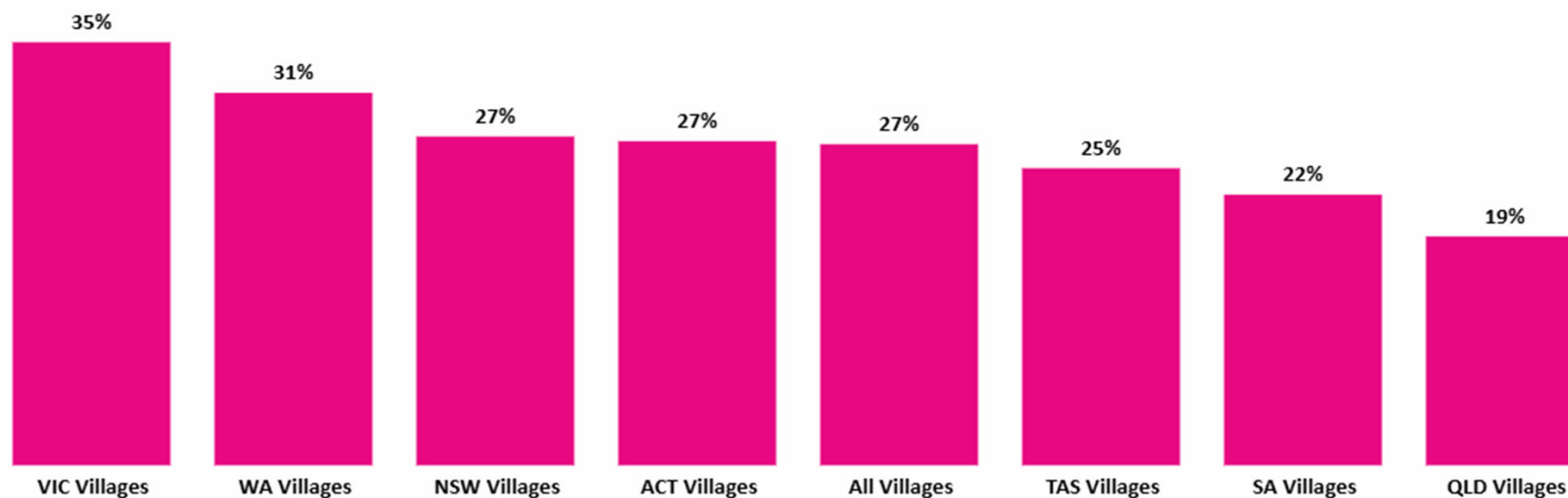


Care is an immediate Opportunity



Care is an immediate Opportunity

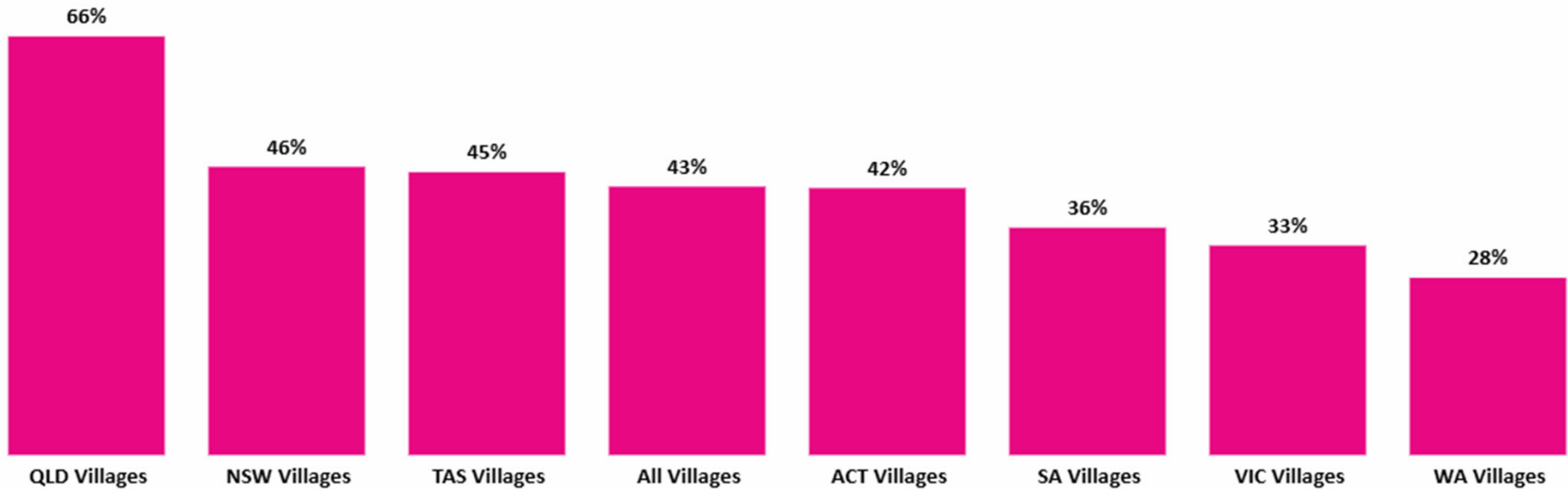
Resident exit - Resident passed away



19% to 35% of residents on average pass away in their village. Support at Home reforms commencing 1/11/25 will include funding for end-of-life care.

Care is an immediate Opportunity

Resident exit - Resident moved to residential aged care



28% to 66% of residents on average exit to move into residential aged care. 58% of villages in the survey are co-located with residential aged care

Care is an immediate Opportunity

Class 9C buildings are residential care buildings that may contain residents who have various care level needs. They are a place of residence where 10% or more of persons who reside there need physical assistance in conducting their daily activities and to evacuate the building during an emergency. It requires enhanced fire safety, accessibility, and clinical infrastructure so higher-acuity care can be delivered legally and safely into apartments.

Only 3% of villages in the survey indicated they are built to the 9C building standard to be able to provide funded residential aged care services into retirement living unit.

Care is an immediate Opportunity

The new *Aged Care Act 2024* provides opportunity for Retirement Living communities to provide funded residential aged care services under Division 2, section 10

Residential care home

(2) A **residential care home** means a place that:

- (a) is the place of residence of individuals who, by reason of sickness, have a continuing need for aged care services, including nursing services; and
- (b) is fitted, furnished and staffed for the purpose of providing those services.

(3) To avoid doubt, a **residential care home** includes any of the following places:

- (a) a place within, or co-located with, a hospital or other health service that is covered by an agreement with the Commonwealth to deliver aged care services alongside health services as a part of an integrated service arrangement;
- (b) a place within a retirement village that is a place described by subsection (2);
- (c) a place which is a complex of buildings;
- (d) any other place prescribed by the rules.

(4) To avoid doubt, a **residential care home** does not include any of the following places:

- (a) a private home;
- (b) a retirement village (other than a place referred to in paragraph (3)(b));
- (c) a facility for which a declaration under subsection 121-5(6) of the *Private Health Insurance Act 2007* is in force (other than a place referred to in paragraph (3)(a));
- (d) a hospice or facility that primarily provides palliative care;
- (e) any other place prescribed by the rules.

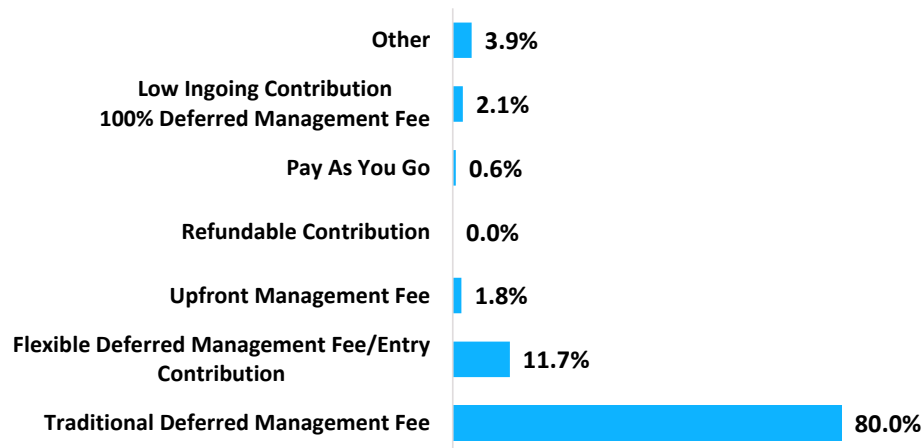
(5) For the purposes of subsection (2), the rules may prescribe:

- (a) circumstances where a place is taken to be 2 or more separate places; and
- (b) circumstances where 2 or more separate places are taken to be a single place.

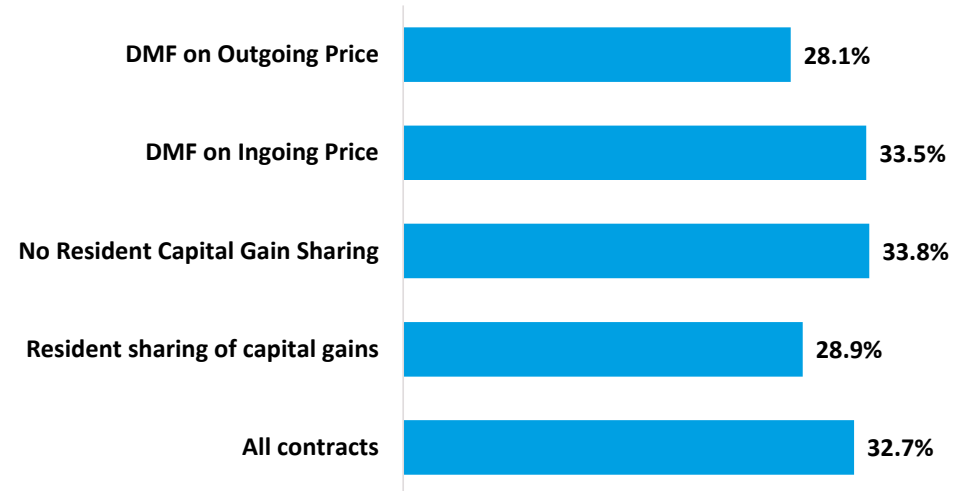
Contract Structures

Deferred management fees (DMF) is still an accepted financial model on entry and exit with 80% of new residents entering under a traditionally DMF contract. Average DMF fees are 32.7% across most popular village contracts.

Percentage of new village residents entering contract models



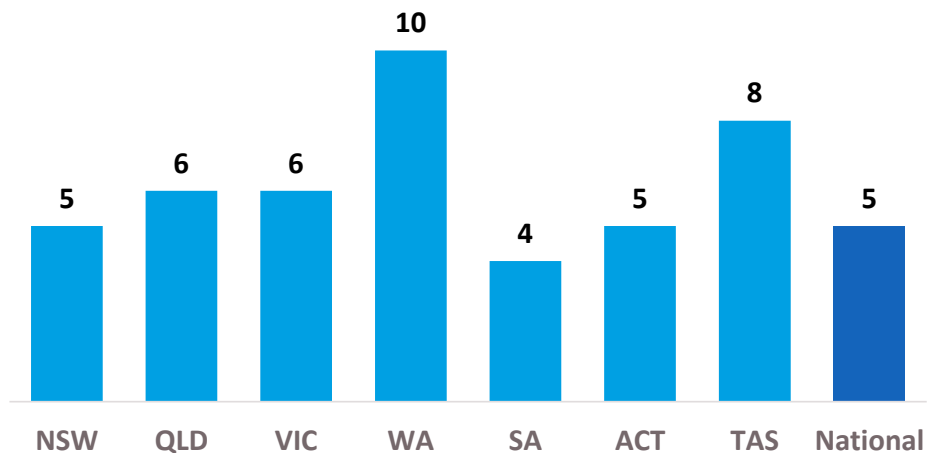
Average DMF structure – most popular village contracts



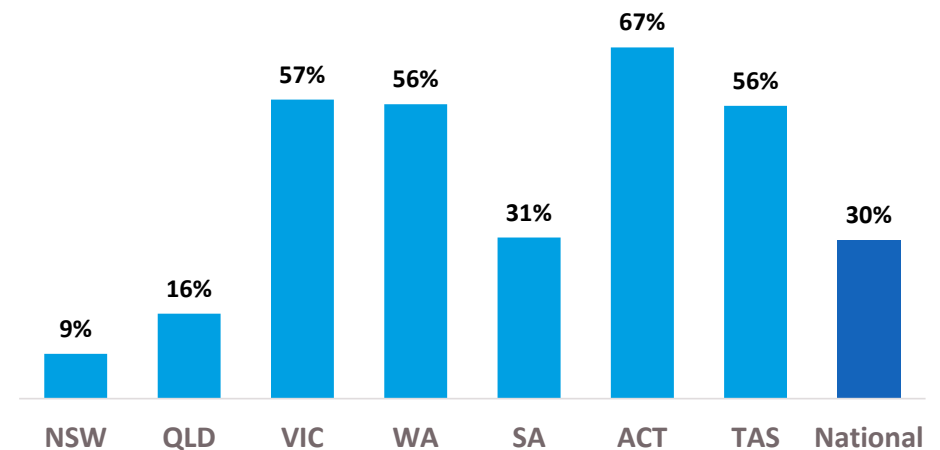
Most Popular Village Contract Structures

The median **DMF period** of most popular new village contract is 5 to 6 years across most states and territories
30% of new residents are entering village contracts with **resident share of capital gains**

Median DMF structure – most popular village contracts



% of new contracts entered with resident share of capital gain

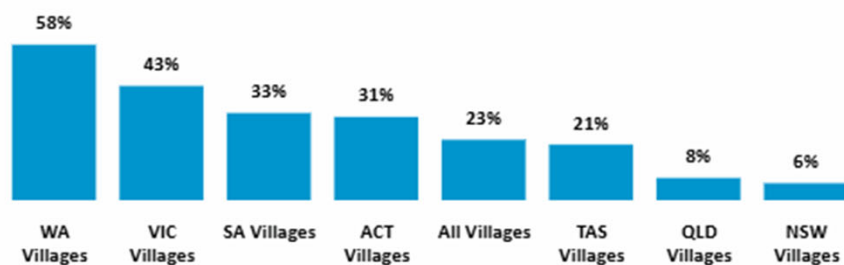


Most Popular Village Contract Structures

Nationally **23%** of villages most popular contracts have **resident capital gain** clauses

Nationally **32%** of villages most popular contracts have clauses for **resident sharing of renovation cost**

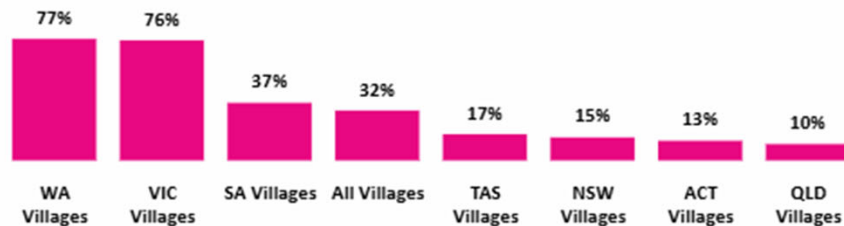
% of villages with resident capital gain sharing



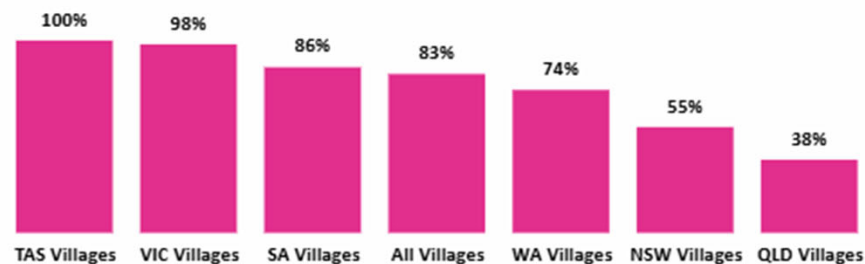
Average resident share of capital gain (%)



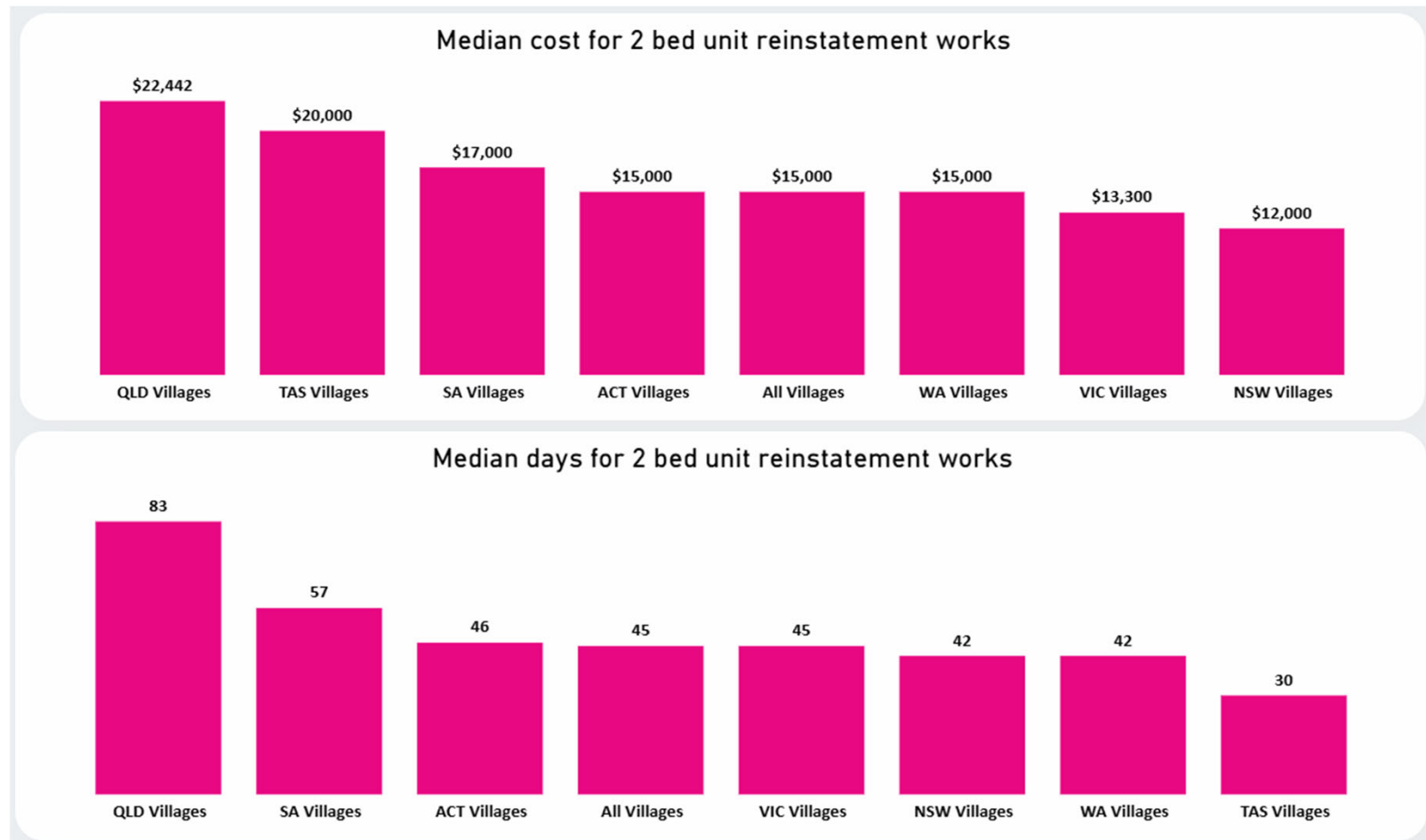
% of villages with resident contract including resident sharing of renovation costs



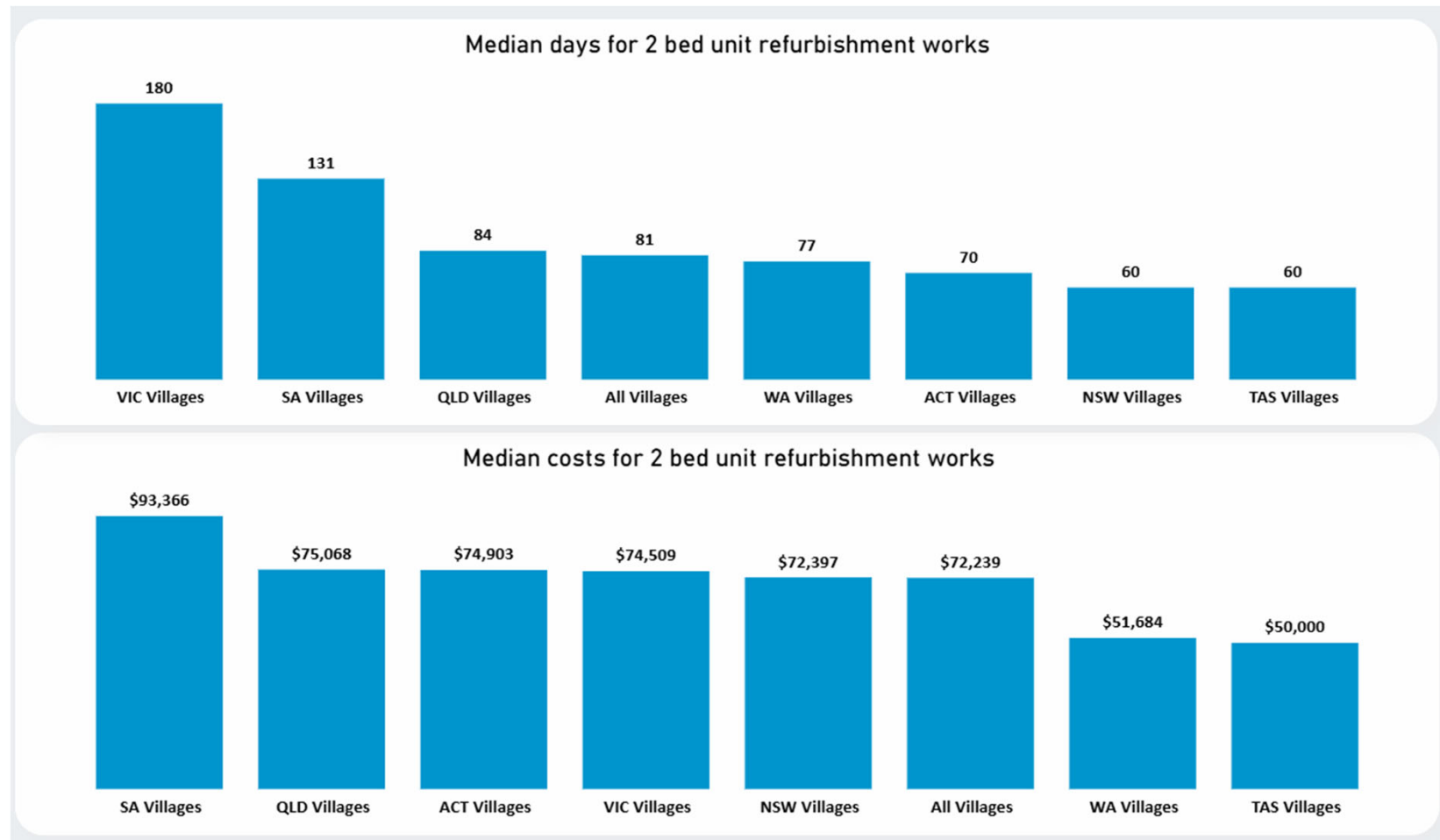
Resident share of renovation cost



Costs of Renovations – Unit Reinstatement



Costs of Renovations – Unit Refurbishment



Slide 18

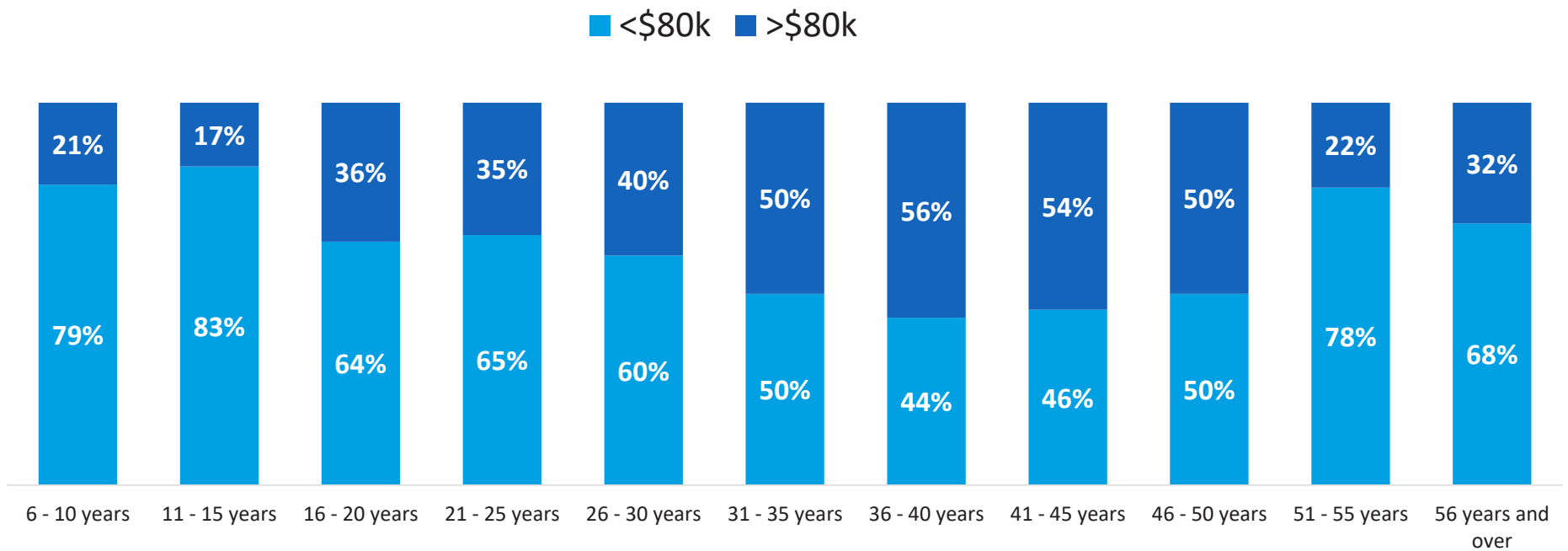
KE0

Can we get this in SB brand colour

Karen East, 2025-09-21T05:35:46.843

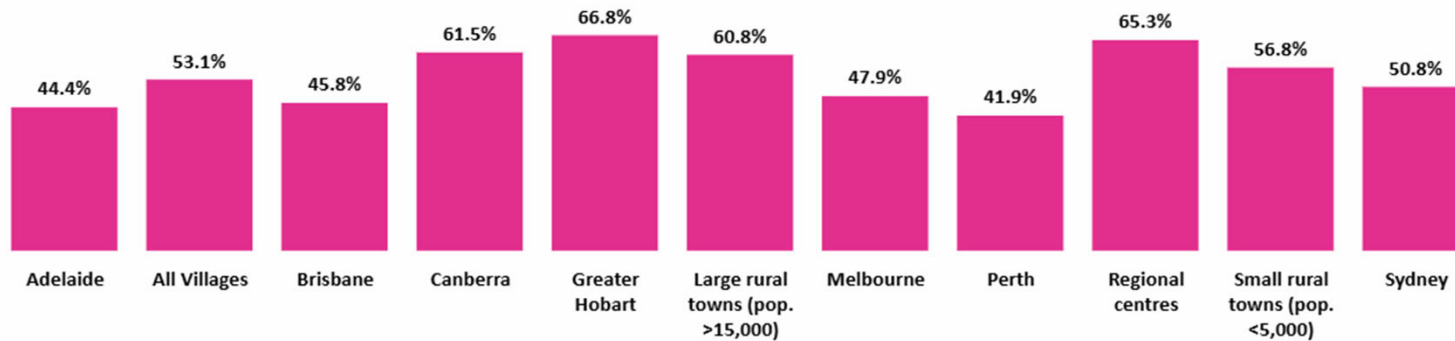
Costs of Renovations – Age Of Village

Average refurbishment cost - % villages average refurbishment cost above and below \$80,000 by village age

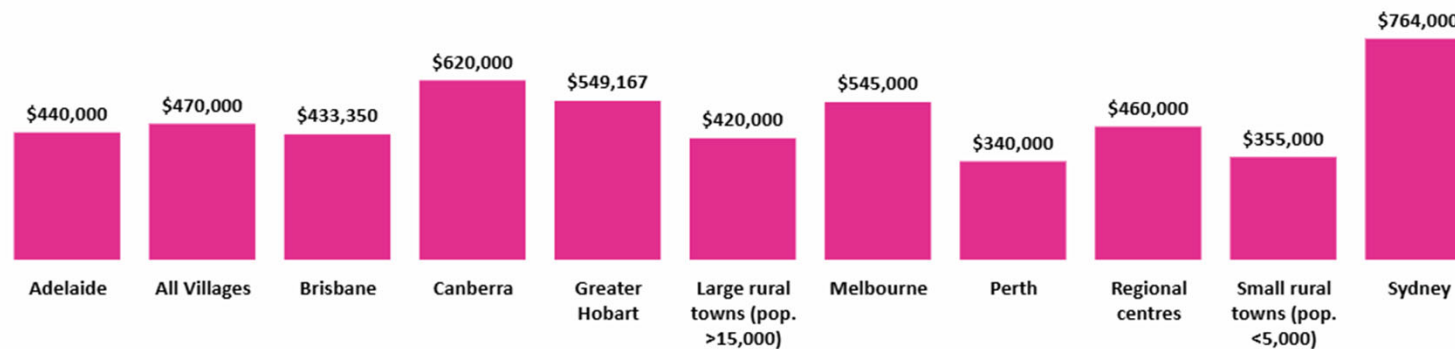


Retirement Living is affordable

Median ingoing contribution as a % of house price - Two-bedroom



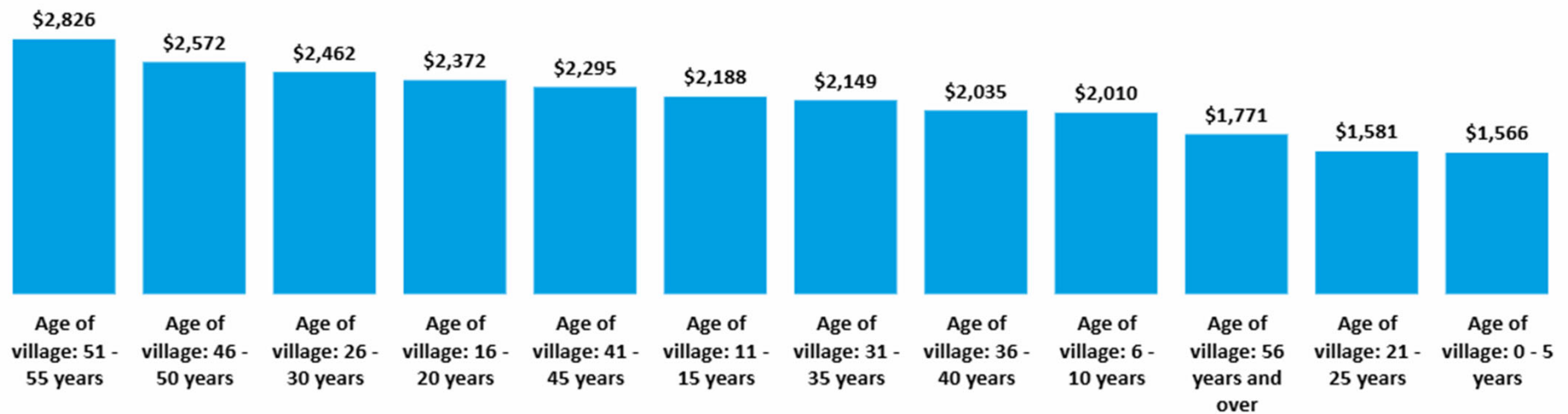
Median ingoing contribution received - Two-bedroom



Financial Operations

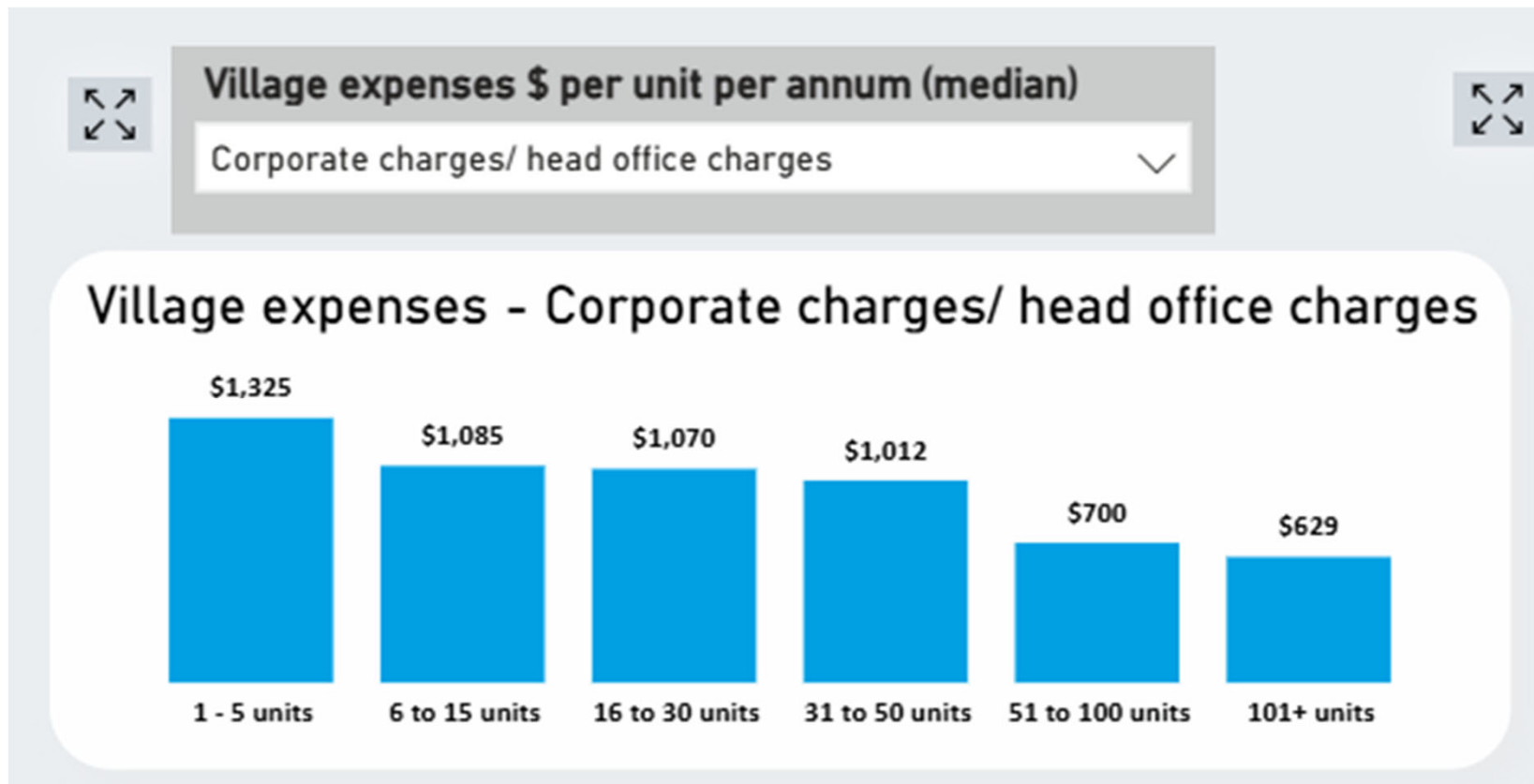
Median village maintenance costs per unit per annum range between \$1,566 to \$2,826, depending on the age of the village. **The newer villages 0-5 years are reporting lowest maintenance expenditure per unit per annum and the 51-55 age cohort reporting the highest maintenance expenditure per unit per annum.** Interestingly, villages over 56 years of age are reporting relatively lower repairs and maintenance expenditure per unit per annum.

Village expenses - Total repairs & maintenance costs



Financial Operations

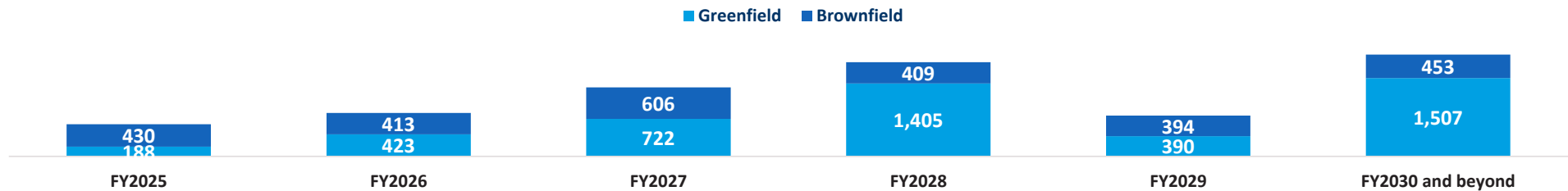
Larger villages have greater economies of scale benefits in corporate recharge allocation



Structural Challenges Remain

Survey participants project to grow supply by 17%, well short of the pipeline required to keep pace with aged population growth

Retirement living sector pipeline (no. of units) from survey participants by greenfield and brownfield development sites



Unit supply increase falling short of aged population growth (FY25-FY29)



Demographics

% of units occupied

● % of units occupied by couples ● % of units occupied by single females ● % of units occupied by single males



Average years of stay for residents

● Departed residents ● Existing residents



- Market is dominated by single females
- Average years of stay nationally for departed residents is 8.2 years and 7.4 years for current residents

FY25 Retirement Living Survey – Key Dates

October 2025

Register to participate in FY25 Survey today, allowing time to organise data collection

7 Oct – 30 Nov 2025

Survey **data collection** goes live in the field

Dec 2025 - Jan 2026

Data cleansing - rigorous review each survey submission

February 2026

Analysis of the FY25 survey data

28 February 2026

Reporting available to assist with FY26 budgeting

28 February 2026

Participant report released. This is a detailed analysis of FY25 results. Only available to survey participants

28 February 2026

FY25 **Power BI Dashboard**
Reporting available for participants

24-25 March 2026

StewartBrown presents FY25 Sector observations at **DCM Leaders Summit**

25 March 2026

Public Sector Report available. A higher level sector report is released after DCM Leaders Summit presentation



Register here

Register your interest
for FY25 Survey – Data
collection in the field
mid October 2025 to 30
November 2025

StewartBrown Aged Care Capability



Audit and Assurance



**Financial Modelling and
Forecasting**



Strategic Planning



Tax Related Services



Governance Reviews



CFO Services



Payroll Compliance Reviews



**Mergers, Acquisitions
and Due Diligence Services**



Costing and Pricing Reviews



**Finance Systems and
Processes Reviews**



**Aged Care & Retirement
Performance Surveys**



**Aged Care Software Support
and Project Management**



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About StewartBrown



Australia's oldest independent chartered accounting firm

Established over 85 years ago, StewartBrown continues to grow and partner with a diverse range of clients and entities.

With 100 team members and 10 partners our expertise includes:

- Audit and Assurance
- Consulting Services
- Business Services
- Financial Benchmarking



Lead accounting firm for the Australian care sector

With 45 years experience' working across the care sector, we support service providers across the spectrum to improve their business outcomes and remain financially sustainable.

Our Aged Care Survey has become the most relied upon financial performance indicator for the sector, delivering data-driven insights and expert analysis to help clients identify challenges and opportunities.



A client-first focus to deliver service beyond numbers

Our team of dedicated accountants and analysts offer a depth of specialist technical knowledge and varied professional experience.

Many of our partners and senior team members have more than 10 years' service with the firm, enabling our clients to benefit from continuity and trusted accountants who really understand their business.

Clients come first, every time.



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StewartBrown Partners



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Matthew
Davie



Justin
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Bhavna
Lathigara



David
Gallery



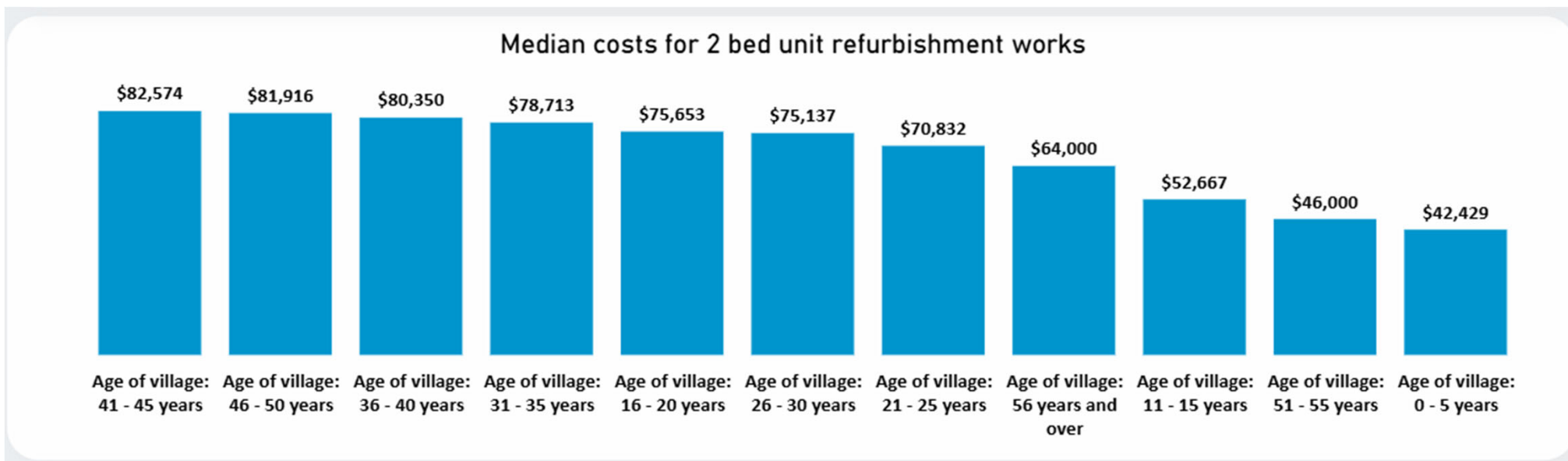
Chris
Parkinson



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Costs of Renovations – Age Of Village

Once a village reaches 16 years of age refurbishment, expenditure increases. Lower refurbishment costs for villages aged above 50 years may indicate these villages have already undergone major refurbishment works or are targeted towards the lower price end of the market



Slide 30

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Can we get this in SB brand colour

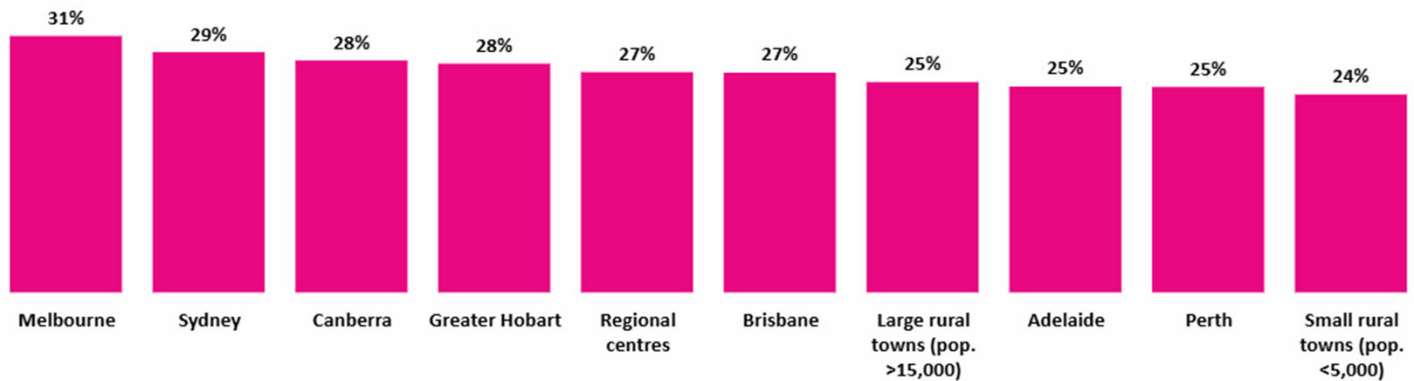
Karen East, 2025-09-21T05:36:04.110

Retirement Living is affordable

Monthly Service Charges (ILU Units)- Two-bedroom units



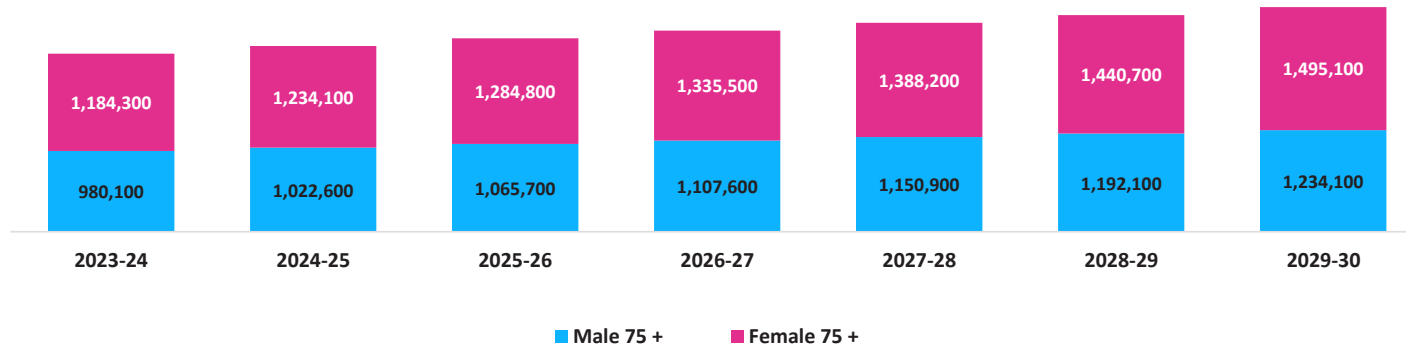
Affordability of service fees as a % of the monthly basic single pension (ILU Units)- Two-bedroom units



Structural Challenges

Maintaining the current sector penetration rate, 12% of Australians over 75 living in retirement living villages will require significant new supply. To stay on track the sector needs to deliver 67,000 units by 2030. This represent a 34% increase on current stock levels sitting around 200,000 units.

Population estimates for aged 75 +



(Source: Population Statement National population Projections by Age and Sex, 2023-24 to 2034-35)