

Australian Seniors Growth Hubs

Australia's ageing population demands a variety of retirement lifestyle choices; moreover determining the optimal locations that will continue to address Third-age consumer expectations and needs is crucial for any operator of retirement villages and residential aged care facilities (RACF).

The "wide brown land" is blessed with a plethora of physically alluring locations boasting attractive scenery, pristine waterways and friendly local communities. Although seniors often highly covet these travel destinations (in some instances as "grey nomads" in their motor homes and camper vans), relocating permanently is another matter.

Retirees as a group are diverse and have requirements resulting from increases in longevity that often span several decades. While demographers and policy makers tend to simplistically define seniors as those who are 65 and over, the cohort is large and varied in its access to resources, expectations and needs. Recognising uniquely different sub-groups of elderly is essential to locating, designing and providing appropriate accommodation. Younger retirees are often happy to relocate for lifestyle reasons, while the older groups are more pragmatic and seek access to retail, commercial and medical facilities.

Understanding retirees' preferred locations requires consideration of future demographic shifts and quantification of which essential services will be required. Aviiid Research has developed a demographic modelling framework to identify those locations with greater desirability for residents of retirement villages and RACFs. Aviiid Seniors Growth Hubs are assessed at the municipal level and based on near term (2026) population projections.

As Australia's population ages, many localities have and are forecast to continue having increasing proportions of 65 and over residents. In many instances, these increases in number and concentrations of seniors exhibit positive correlation with greater local economic activity, economies of scale regarding the delivery of essential services for the elderly and consequent increases in desirability of a community with regard to senior housing.

A municipality needs more than an ageing trend; it needs vital amenities and community infrastructure to attract, support and retain its older residents. When relocating, seniors prefer to live where there are adequate amenities to meet their needs; these include retail and commercial facilities, cultural and recreational attributes and adequate medical resources. Aviiid Research has formulated a ranking system across all Australian municipalities to determine those which meet benchmark standards.

The principles of Economic Geography have been applied to this analysis on order to provide greater emphasis on those locations with proximity to major population centres.

Aviiid Research has assessed in excess of 560 municipalities across Australia with the top three tiers of Seniors Growth Hubs summarised in the Table 1 below.

Table 1 - Aviiid Seniors Growth Hubs

Ranking	# Municipalities
Top Tier	31
Second Tier	60
Third Tier	96

The rankings of all municipalities are shown in Map 1 below with the darkest colours correlating to more attractive areas. The highest ranked localities are unsurprisingly already generally acknowledged as retirement destinations.

Of particular interest are those regional localities which have multiple attractant factors including:

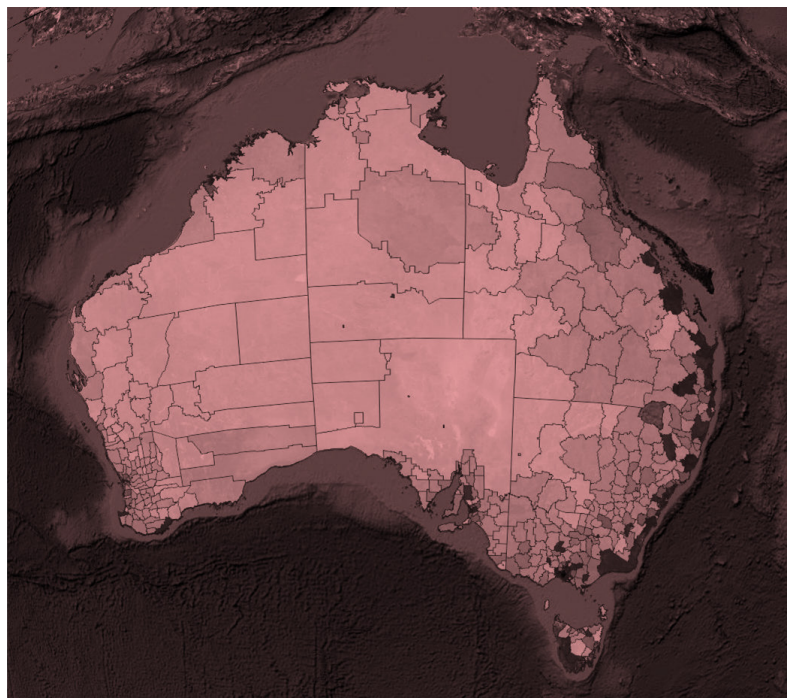
- Ability to attract retirees, predominantly from the surrounding hinterland
- Strong industry base which contributes to economic and population growth with flow on effects to retail, commercial and medical facilities

Furthermore these locations tend to have experienced more resilient housing markets, facilitating access to senior community accommodation as retirees have sold their existing homes to fund their lifestyle change. This analysis does not deny that there will always be people who are passionate about living their final years in the town where they were born and grew up.

Aviiid Research has compiled a database of all retirement villages in Australia and has noted numerous “small country towns” with sub-scale retirement village accommodation (e.g. < 20 units) often run by not-for profit groups indicating the diversity of the seniors living market.

Seniors Growth Hubs are of relevance to operators as well as investors seeking growth opportunities and strong and sustainable results. The combination of the local ageing of the population and the availability of essential community infrastructure contributes to the long-term attractiveness of the properties and their anticipated capital appreciation.

Map 1 - Aviiid Seniors Growth Hubs



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