



# Future Directions May 07 Speaker Night



**Future Directions**  
young people in property

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## Aged Care -The Age of Opportunity

31 May 2007

**Mr. John O'Leary**  
General Manager - Property,  
Zig Inge Group

John O'Leary, General Manager – Property for Zig Inge Group provided a very informative presentation on Aged Care and Seniors' Housing at the new Citiclub Venue at Little Collins Street.

As a leading valuer of retirement villages, aged care facilities and other specialized property, John is now responsible for all property related matters including acquisitions, asset management and property consultant liaison for Zig Inge Group. With such experience and wealth of knowledge he was ideal to provide an overview of the key investment drivers, the different markets within the sector, the impact on the sector of new investment and some of the risks and rewards involved in the Aged Care and Seniors' Housing sector today.

It is staggering to comprehend that in the next ten years Australia is going to see the greatest change to the age profile of those over 60. By 2030, this profile will rise by 7% equating to 20% of the population. By 2050, this will increase to more than a quarter of the Australian population. It is no surprise then to have discovered that the Aged Care and Seniors' Housing sector has already attracted large sums of funds from a range of groups and will continue to attract more funds both in the immediate and long term future.

Within the Aged Care and Seniors property sector John clarified the different markets; Residential Aged Care, Supported Residential Care, Serviced Apartments and Independent Living, i.e. Retirement Villages. As Retirement Villages are not highly government regulated compared to the other markets, it therefore can gain more share of the sector.

Retirement villages are an independent and private neighbourhood aimed at the age of 55 and over, typically on broad acre sites with like minded people. It is a small and specialized industry, with excess of 300 funded villages in Australia having over 80,000 residents. The total value of retirement villages in Australia currently stands at a total value of \$6.5 billion.

John clarified that it has been only in recent years that institutions have been investing and consolidating retirement villages, which were once operated by churches and charities. This is best illustrated by the fact that sales of retirement villages has double each year over the past three years.

As a result of the ageing population the Seniors' housing market in Australia has become, and will continue to be a focal point for institutional investment into the immediate and long term future.



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