

## Elderly Housing – A Promising Sector

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June 2000

With the society getting older, elderly services including housing geared toward this sector of the population will be in great demand. Here we focus on the market and the private housing needs of the generally healthy elders.

- a) **Huge in numbers**, especially when one considers the “graying” of the “babyboomers” = based on government statistics, those 45 or above number around 2,300,000 i.e. 33% of the population. Assuming half of them have the financial means to afford private elderly housing, we will be looking at 1,150,000 people. If around 20% of them will go for some form of private elderly housing given agreeable prices and so on, this means some 230,000 people. Again, say the average elderly home consists of 2 people (this average is likely to be on the high side as some may be widowed or divorced etc), we will already have a conservative estimate of 115,000 elderly households. Spreading this over a rough 15-year development schedule, this would imply close to 8,000 units per year. Naturally, the figure may be lower as some units will be made available when some of them pass away. In any event, it is not a small figure to ignore.
- b) **Units need not be large**, but have to be “comprehensively” fitted out and equipped = for instance, the units would need to come with all necessary conveniences for modern living including appliances, call bells for emergency assistance, and so on. Also, signage and controls would need to be of suitable size and clearly marked because elderly people generally do not have the same reflex and eyesight as younger people.
- c) **Financing** = while many of the middle class elderly would have accumulated enough to afford a unit AND a pension / fund for generating a monthly retirement income, there are some whose wealth derive mainly from the “home” which they own. For such cases, other financial arrangements may have to be used, e.g. reverse mortgages, through which the elderly owners would trade in their homes for a retirement income stream.

The above is by no means comprehensive yet it is felt that the prospective market seems promising and hence deserve further studies.

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