

carehomes

There has been a paradigm shift in the perception of senior care in India in recent years

A Times of India Presentation, DELHI, DECEMBER 14, 2013 TIMES PROPERTY

Transforming the lifestyle OF SENIOR CITIZENS

India's realty sector may currently be going through a rough patch, but there are still some concepts and segments which are not only doing well but also seem to have the potential to shape the sector's future growth prospects.

One such concept is that of senior living. There has been a paradigm shift in the perception of senior care in India in recent years. While the concept of old-age, or retirement homes, still holds a social stigma of abandonment attached to it, this outlook is changing, slowly and surely.

Today, there are a growing number of seniors who are adapting to the idea of 'senior living', spending the sunset years of their lives with their peers, sharing facilities and forging new bonds that promise security and companionship.

This change is driven not only by the growing cohort size, but also the changing structure of this demographic group and society in general, including increasing dual-income nuclear families and augmented financial independence of senior citizens, a newly-released Ernst & Young-FICCI real estate report says.

In India, aged people are traditionally looked after by their children or extended families. However, social dynamics in the country have changed and the younger generation now tends to have far less bandwidth for this traditional task.

As a result, many seniors in India would now wind up staying alone in normal residential units, which are not configured for their specific needs nor exist in settings which address the social, safety and wellness requirements of their age group," says Deepak Bhavsar, MD (strategic consulting) of Jones Lang LaSalle India.

But old-age homes aren't necessarily the best place for them. Not particularly for those who can afford better living. Added to this is the fact that senior citizens are no longer perceived as a withdrawn, lack-lustre, risk-averse and financially-dependent population group. This new perception calls for provision of facilities to suit the needs and preferences of this age group.

More important, by 2050, the worldwide population over 60 years is expected to reach 2 billion people, and around three-fourths of this group is expected to come from emerging economies.

India alone is expected to have nearly 20% of the total population aged over 60 years by 2050. Even the current estimated demand for senior housing in India is approximately 3,00,000 units, while the supply is only a fraction of it.

Notwithstanding the dire need for special community-based residential offerings, conceived, designed and built specifically for financially-settled senior citizens, many real estate developers in India, including Ashiana Housing, Paranjape Schemes, Mantri Developers, Kakimoto Group, Covall Properties, Classic Enclave and Riverside Retirement Resorts, etc. have already made a foray into the segment of care homes, which have replaced the earlier concept of old-age homes.

"While the earlier old-age homes symbolized the last option for the needy and abandoned elderly, contemporary retirement homes or care homes, on the contrary, are believed to be a pleasant concept which promises to make one's life after retirement a celebration," says Ankur Gupta, joint managing director of Ashiana Housing Ltd. In fact, the entire structure of senior living today is designed keeping in mind the requirement of seniors.

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The layouts of units, architectural aspects like grab-bars in bathrooms, anti-skid tiles, low-height shelves, primary healthcare facilities on campus, etc. indicate a conscious sensitization among developers to the needs of senior citizens



With the urbanization of India and the hectic lifestyle of educated professional couples, the elderly members in the family who are left to fend for themselves are turning to retirement homes. These homes have in-house healthcare services and come with custom-built facilities and fixtures suited for senior citizens. SANJEEV SINHA writes

skid tiles, low-height shelves, bigger balconies for sunlight, nurse or servant rooms in bigger units, event calendars of the years offering programs suitable to seniors, primary healthcare facilities on campus, and flexible disposal models like sale, deposit, or lease indicate a conscious sensitization among developers to the needs of seniors; the growing size of the industry is also an attraction.

"Assisted living centres or care homes are set up to provide a safe, comfortable environment to their occupants and they no longer have to worry about their daily household needs and security issues. Rather they can get on an active lifestyle and utilize their time in recreational activities and suitable companionship. Amenities like round-the-clock security and medical assistance, commensurate with the needs of the elderly residents, and a modern lifestyle which many people have become accustomed to," says Ankur Gupta.

"Anil Vaidya, director of UCC Care Pvt Ltd, which has also started developing homes for senior citizens, agrees. "Apart from addressing the basic needs like housing, nutrition, security, and convenience, senior living solutions are also focusing on the overall wellness requirements of aged people by making healthcare, social engagement, companionship, and dignity a matter of priority," Vaidya says.

The concept of assisted living or care homes, in fact, emerged in developed nations decades ago as the conventional old-age homes or retirement homes could not meet the challenges of physically-dependent seniors.

"Compared to that, the concept of care homes has started appealing to the instincts of the elderly in India for the past few years or so now, it is fast gaining ground in the country. Although the awareness level is still low, there is a huge demand in urban areas for these homes," says Dr. Murdharaj, a psychologist and assisted-living expert.

Presently, however, we have only a limited number of facilities which can match the quality of care homes abroad, like Unnati Care Homes by Ashiana Housing in north India, care homes by Paranjape Builders in Pune, and Dignity Lifestyle in Mumbai, among others. Sensing the demand in near future, many others are likely to start such facilities soon, but still there will be a huge mismatch between the need and supply," Dr. Murdharaj says.

Senior housing is a \$25 billion industry worldwide. In the US alone, there are over 2,000 senior housing projects with over 5,00,000 residents.

Although India is a relatively younger country in this sector when compared demographically to the US and Japan, the considerable potential of this segment, with its unique needs, offers an array of opportunities for the real estate developers across the country, who have already started responding to the needs of this sector.

Recent market activities in this segment have resulted in 10-14 project launches

across the country with another 20-25 projects in the pipeline.

Over the last five years, the senior-living market has also seen increased interest level from corporate players, hospitality players, and healthcare operators with a range of innovative products.

Recent initiatives include TATA Housing's Riva residences and Max India Group's Anara Senior Living. Max India Group is developing ultraluxury housing in Dehradun for seniors targeting the high net worth individual (HNI) population with integrated facilities and design innovation. The market has also registered an increase in strategic and project-level partnerships between investors and developers and niche service providers.

The EY-FICCI report says that most of the projects launched in recent years primarily follow the development model of a typical residential project with 50-250 units ranging from 1BHK to 3BHK apartments, cottages, and studio-apartments. The capital value for these units ranges from Rs 2,000 to Rs 3,400 per sq ft, depending upon the quality of finish, furnishing, location, brand, etc.

Recurring fee, including food, house-keeping and services, ranges from Rs 4,000 to Rs 15,000 per month, depending on the level of services provided. The sale models are now seeing some variation to suit the market needs, including outright sale, deposit, and even rental models.

Most of the senior-living projects, how-

ever, are positioned at the affordable segment, bearing in mind the fact that the end consumers are senior citizens with limited resources and no regular source of income.

"There has been a gradual shift visible in Indian society with the emergence of financially independent and lifestyle-oriented seniors. This has triggered the growth of high-end to luxury senior living products in the range of Rs 60 lakh to Rs 1 crore and upwards," says a recent Jones Lang LaSalle India research report.

It is clear, thus, that although the segment is still at a relatively nascent stage in India, recent activity and the changing demographic structure support the untapped market potential.

"As the need for diversification for Tier I city developers expands and these players explore innovative business models to differentiate themselves in a crowded real estate market, we will see an increased activity in this segment," says Gaurav Karnik, tax partner-real estate practice, Ernst & Young.

Another positive thing currently working in favour of senior-living housing is the fact that the government is also likely to provide additional benefits for the development of this critical housing segment. Some industry experts, however, say that property developers should also focus on partnering with niche players globally, in order to deliver a product that caters to the market needs.

FAST FACT

INDIA IS EXPECTED TO HAVE NEARLY 20% OF AN ESTIMATED 2 BILLION PEOPLE AGED OVER 60 YEARS BY 2050. THE CURRENT ESTIMATED DEMAND FOR SENIOR HOUSING IN INDIA IS NEARLY 3,00,000 UNITS, WHILE THE SUPPLY IS ONLY A FRACTION OF IT

QUICK BITES

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IN SENING THE DIRE NEED FOR SPECIAL COMMUNITY-BASED RESIDENTIAL OFFERINGS, CONCEIVED, DESIGNED AND BUILT SPECIFICALLY FOR FINANCIALLY SETTLED SENIOR CITIZENS, MANY REAL ESTATE DEVELOPERS IN INDIA HAVE MADE A FORAY INTO THE SEGMENT OF CARE HOMES