

Boom time for retirement homes

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Prakash and wife Purnima, both doctors and in their 50s, are busy planning their life 10 years from now. A home equipped to take care of their needs for an independent living is their priority. Indians are increasingly craving for ideal retirement homes, quite like their counterparts in the US. And, numbers firmly establish, real estate players are in no mood to miss this opportunity.

Though India's young population — more than 50 per cent of Indians are below 25 years old — is seen as its strongest point, its people are also ageing rapidly. The number of people aged 60 and above might increase from eight per cent of the population in 2010 to 19 per cent in 2050, according to the United Nations Population Division. So, by the middle of the century, India could have as many as 323 million 'seniors'.

No wonder that Max India chose to promote its project as 'fun and laughter, 60 and after' when it last year announced entry into the senior living business with an investment of ₹240 crore through group firm Antara Senior Living.

Max is among the groups tapping the niche elderly housing market, promising good living with facilities from medical to security and recreation. A Jones Lang LaSalle (JLL) report estimates there are about 30 senior living projects in India — spread across cities but concentrated mainly in Kochi, Chennai, Pune, Bangalore and Coimbatore. In addition, over 30 more are in the pipeline.



ILLUSTRATION: AJAY MOHANTY

Ashiana offer such projects in the North and West, including in Bhiwadi, Jaipur and Lavasa. The firm plans to open three more this year — one in Kolkata and the other two down South. The Golden Estate has a project in Faridabad and plans to enter Hyderabad and Bangalore this year.

The space has also grabbed the attention of Tata Group, which last week announced its senior living project 'Riva' in Bangalore. Among the other companies in the segment are Covai (in Bangalore, Chennai and Coimbatore) and Athashree (in Bangalore and Pune). Both lease and sale models work for these projects.

The price tag of retirement homes could be between ₹25 lakh and ₹1 crore, depending on size and location. One could pick from among a range of studio apartments to three

BHK (bedroom, hall and kitchen) to villas.

Amit Vaidya, director, The Golden Estate, said: "There is a serious requirement for senior homes and we see a big opportunity in this segment." Currently, only 3,000 such units were available in the Indian market while the demand was for about 300,000, he said.

So far, South has been the preferred destination for senior homes. Gaurav Pandey, senior vice-president & head (research & consulting), PropEquity, says: "A few cities like Coimbatore, Pune, Goa, Bangalore and Chennai have traditionally served as retirement destinations. The presence of more than half the senior homes in these cities confirms this."

The Golden Estate is among those offering a lease model, where residents would have to pay monthly charges. A minimum of ₹15,000 is fixed as the base price, including regular check by doctors, nurses, house-keeping, library, recreational facilities, internet and cable connections. The price goes up to ₹24,000, depending on the food requirement and electricity and phone consumption. Also, there's a security deposit of ₹15-26 lakh, of which 75 per cent is refundable.

In the case of Tata's Riva, there will be 187 units with area of 800-1,200 sq ft, in the price range of ₹45-65 lakh. The monthly expense would be ₹6,000-8,000, a Tata Housing spokesperson said.

Globally, the segment for senior housing is pegged at around \$25 billion, says JLL.

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