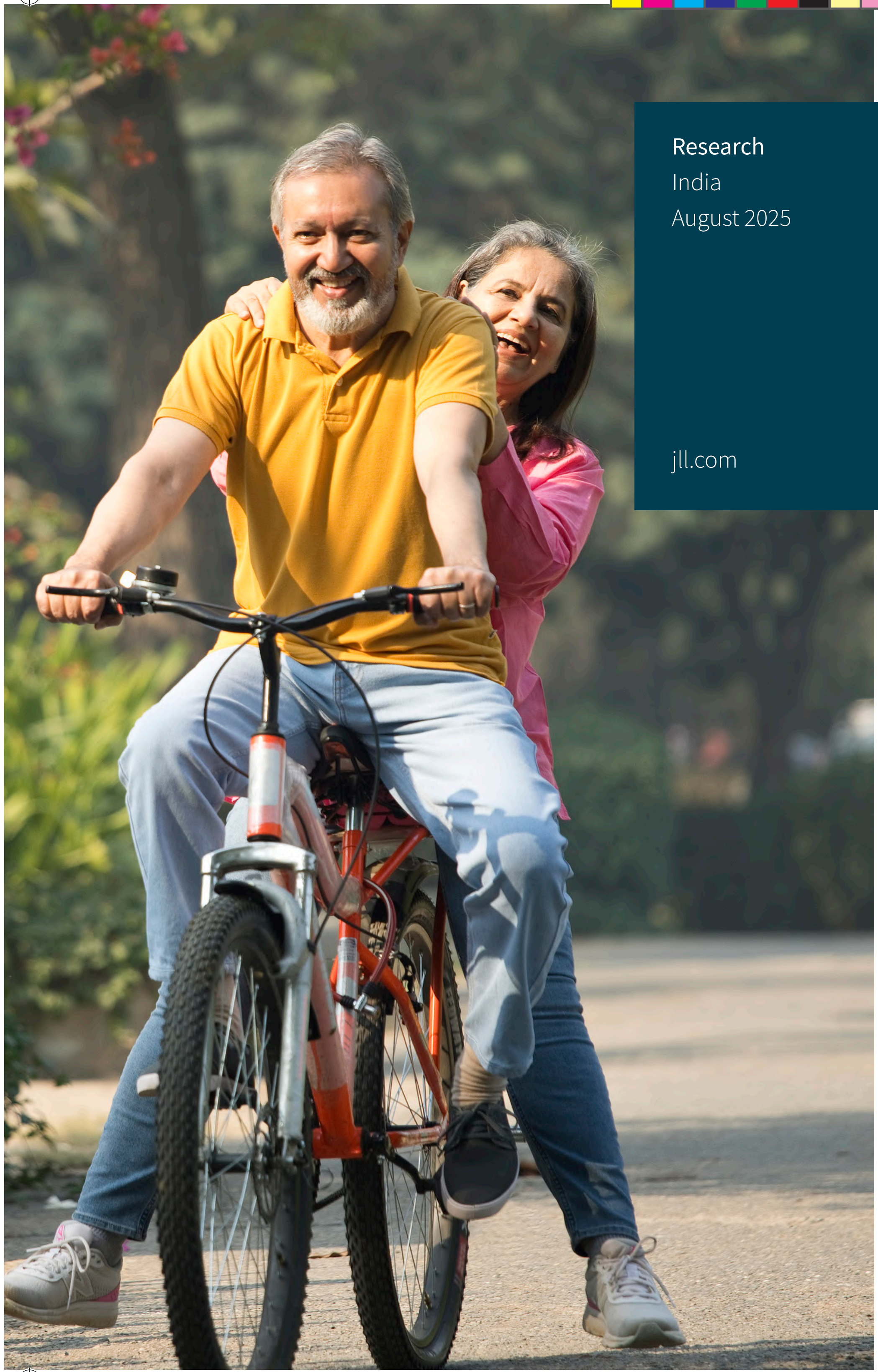
Elevating the Golden Years 2.0

India's Senior Living Market Revisited

JLL | ASLi
Association of Senior Living India
Empowering Senior Living and Care in India



Research
India
August 2025

jll.com

ASLI_Elevating the Golden Years 2.0.indd 1 23/08/25 2:07 PM

01

The unlocking of a USD 8 billion opportunity

India's senior living sector is transitioning from a nascent concept into a major investment opportunity, driven by an inevitable demographic shift and evolving socio-economic dynamics. The story is no longer about if the market will grow, but about how fast it will expand and how much investment is needed to close the growing gap between supply and demand. This section looks at the market size and provides a forecast to 2030, measuring an opportunity that is rapidly approaching a USD 8 billion value.

ASLI_Elevating the Golden Years 2.0.indd 3

23/08/25 2:07 PM

Low market penetration signals substantial growth potential for senior living in India

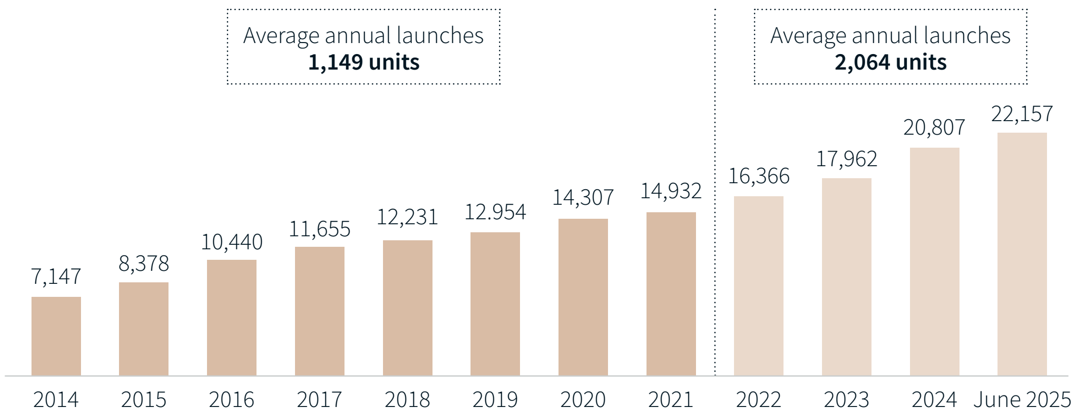
India's senior living market has established a new, higher baseline, reflecting accelerated post-pandemic growth and increased investor confidence. As of June 2025, the total organized supply across the country stands at 22,157 units.

This market growth is fundamentally supported by powerful demographic tailwinds. The country's senior population (aged 60 and above) is on a steep upward trajectory, projected to grow from an estimated 162.2 million in 2025 to ~191.5 million by 2030, eventually doubling to ~346.0 million by 2050. When these demographic shifts are viewed through a market lens, the potential demand - defined as the addressable market of urban, financially independent seniors - is forecast to expand from ~1.7 million households in 2025 to 2.3 million households by 2030.

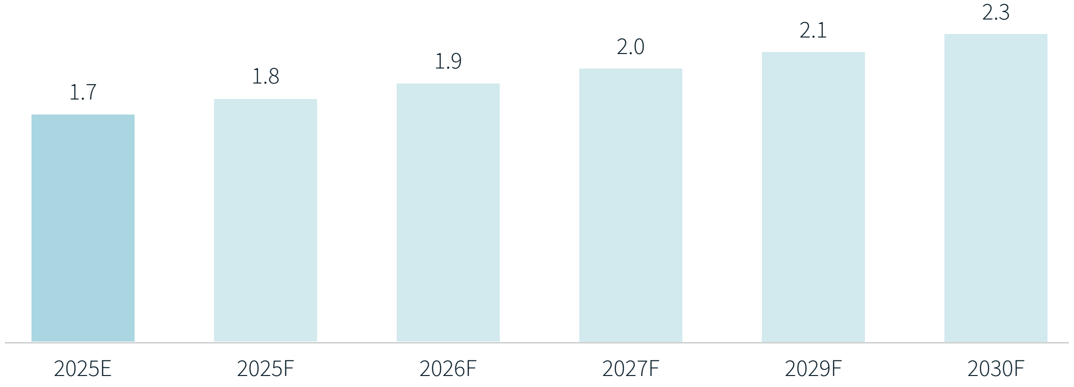
However, a notable supply-demand imbalance currently defines the market landscape. Despite recent growth in development, the supply of high-quality senior living facilities continues to lag burgeoning demand. Occupancy rates in stabilized, well-managed projects remain robust, consistently hovering between 80% and 85%, signaling a strong appetite for professionally operated communities.

Critically, the national penetration rate for organized senior living remains low at ~1.4% of the addressable market. This figure, when compared to mature markets like the US (~6-7%) or New Zealand (~14-15%), underscores the vast, untapped potential that defines the Indian landscape.

Senior living stock basis launches (units)



Potential demand for senior living (mn units)



Source: JLL Research

ASLI_Elevating the Golden Years 2.0.indd 4
23/08/25 2:07 PM

Bridging the supply gap to capture market potential

The significant gap between potential demand and current supply necessitates a massive infusion of capital to catalyze development. To quantify this, we present the 'JLL Supply Activation Matrix', which models the capital required between 2025 and 2030 under three different scenarios. These projections are anchored in supply-side enablers, from developer confidence and capital availability to the policy environment.

Under the policy-led boom scenario, the market is projected to reach a valuation of **~INR 69,400 crore (USD 8.0 billion) by 2030***. Even under this scenario, a significant supply-demand gap will persist, signalling considerable long-term growth opportunities.

Development scenario	Key assumptions	Projected market penetration by 2030	Required supply (June 2025-2030)	Capital outlay required
Baseline growth	Developer participation remains cautious due to high capital costs, lack of specialized funding and uneven policy implementation. Project launches continue at the current pace, driven by established players.	1.6%	~14,900 units	~INR 26,000 Crore (~USD 3.0 billion)
Accelerated growth	Increased entry of institutional investors improves project viability. Developers gain confidence, leading to a steady acceleration in new project launches	2.1%	~25,500 units	~INR 39,000 Crore (~USD 4.5 billion)
Policy-led boom	A national policy framework (mirroring Maharashtra's incentives) is adopted, significantly boosting investor confidence and incentivizing development. This unlocks lower-cost financing and fast-tracks approvals, leading to a supply boom.	2.5%	~34,600 units	~ INR 50,100 Crore (~USD 5.8 billion)

Source: JLL Research
*Market valuation is calculated by aggregating: the valuation of the existing organized supply and the valuation of the 'required supply' in the policy-led boom scenario

ASLI_Elevating the Golden Years 2.0.indd 5 23/08/25 2:07 PM

The push & pull of the senior living market

Core market drivers

Demographic and social shifts: India's senior population is projected to double by 2050. This, combined with the rise of nuclear families and the global mobility of children, is dismantling traditional care systems and increasing the acceptance of formal senior living communities.

Economic empowerment: A growing segment of financially independent seniors, often supported by their NRI children, is driving demand. Their preference is shifting from basic housing to lifestyle-oriented communities that offer security, wellness, and a fulfilling post-retirement life.

Need for specialized care: Increased longevity has led to a higher prevalence of chronic health conditions, creating a clear need for living environments with integrated and specialized medical support, including on-site facilities, assisted living, and geriatric care.

Potential headwinds

High cost and affordability gap: Escalating land, construction, and operational costs are major barriers for developers. This makes projects expensive, creating a significant affordability gap that excludes large portions of the middle-income segment.

Talent scarcity: The sector faces a critical shortage of skilled personnel, from trained geriatric caregivers and nurses to experienced community managers, which presents a major bottleneck to delivering quality service and scaling operations.

Structural hurdles: A lack of a unified national regulatory framework creates uncertainty and deters investment. Additionally, the "digital divide" can limit the adoption of new health-tech and smart-living solutions among seniors with lower tech literacy.

Growth hinges on balancing rising demand with the high costs, talent scarcity, and regulatory hurdles that currently limit scalability and affordability

ASLI_Elevating the Golden Years 2.0.indd 6 23/08/25 2:07 PM

02

Deconstructing operational models

The Indian senior living market is at a strategic crossroads, defined by a fundamental tension between its prevalent business model and its long-term aspirations. While the developer-friendly outright sale model dominates, a shift towards service-oriented rental and lease models may be essential for broader market accessibility. This section deconstructs the prevailing operational paradigms, benchmarks them against more mature global markets, and analyzes the expected investment returns in this evolving sector.

ASLI_Elevating the Golden Years 2.0.indd 7 23/08/25 2:07 PM

A market at a crossroads

The current market structure is heavily skewed towards the outright sale (freehold) model, which accounts for more than 85% of the organized inventory in India. This model is favored by traditional real estate developers as it allows for quick capital recycling, minimizes long-term operational liabilities, and provides a clear project exit strategy. However, the 2025 JLL - ASLI survey reveals a near-unanimous consensus among developers and operators that rental or hybrid models offer key advantages:

Enhanced affordability: Lowering the high-entry barrier of an outright purchase makes senior living accessible to a much wider demographic.

Flexibility for seniors: Residents are not locked into a real estate asset and can adapt their living arrangements as their health and financial needs change.

Sustainable revenue: For operators and long-term investors, these models create stable, annuity-like revenue streams from monthly fees and services, aligning business interests with resident well-being.

The primary reason for this disconnect is the capital constraint. Rental models require significant patient capital and a long-term investment horizon, a stark departure from the short-cycle, high-return expectations of typical real estate financing in India. The market's evolution is therefore intrinsically linked to the entry of institutional investors and other sources of long-term capital.

USA & Canada: pure rental model

A highly mature, institutionalized market where senior living is treated as an operational real estate asset class. The deep penetration of rental models is supported by a robust ecosystem of specialized operators and financing vehicles.

UK, Australia & New Zealand: leasehold / deferred management fee model

A progressive hybrid model that offers a strategic bridge. Residents acquire a long-term lease, often at a lower upfront cost, while the operator receives a Deferred Management Fee (DMF)-a percentage of the resale value-upon exit. This model cleverly aligns the long-term interests of the operator (to maintain asset quality and value) with the developer's need for initial cash flow.

Analysing mature global markets provides a roadmap for India

For India, the leasehold/DMF model presents the most pragmatic evolutionary path. It provides a middle ground that can attract traditional developers while building a foundation for the long-term, service-driven operational models.

ASLI_Elevating the Golden Years 2.0.indd 8

23/08/25 2:07 PM

Senior living delivers attractive returns

Developer/Investor IRR

For a stabilized senior living project, the typical target post-tax Internal Rate of Return (IRR) ranges from 14% to 22%. Projects based on the outright sale model target the higher end of this range (18-22%), while rental/lease models may offer slightly lower initial IRRs but compensate with long-term, stable cash flows and lower volatility.

14 - 22%

Target post-tax IRR

Operator margins

The business of pure-play operation is a high-skill, high-reward endeavour. The scarcity of specialized talent and the complexity of integrating hospitality with healthcare creates challenges. Operating margins can range widely from 10% to 20%, contingent on the level of care provided, operational efficiency, and brand positioning. The true value in this sector lies not just in the physical asset, but in the quality and efficiency of the services delivered.

10 - 20%

Operating margins

Premium pricing

Reflecting their specialized nature, senior living projects command a significant price premium over standard residential units in the same locality. This premium, which stakeholders report as being between 15% and 20% on average, is justified by the inclusion of senior-friendly design, specialized amenities, security infrastructure, and the availability of on-site medical and wellness services.

15 - 20%

Pricing premium over standard residential units

ASLI_Elevating the Golden Years 2.0.indd 9

23/08/25 2:07 PM

03

The voice of the industry: key insights from the 2025 ASLI - JLL survey

To complement market data and quantitative analysis, this report integrates primary research from the 2025 ASLI-JLL Senior Living Survey. This survey captures the sentiments, and on-the-ground challenges faced by India's leading senior living developers and operators, and investors. The findings not only validate broader market trends but also provide a nuanced, forward-looking perspective directly from the industry's front lines.

ASLI_Elevating the Golden Years 2.0.indd 10 23/08/25 2:07 PM

Five realties shaping the senior living market

Demand is robust and poised for acceleration

A clear majority of industry stakeholders rate the current demand for quality senior living facilities as either "strong" or "moderate but growing". This widespread positive sentiment confirms that the market is now experiencing sustained, organic growth driven by fundamental needs

The 'why now?' is clear: a trifecta of drivers

The top three drivers cited by respondents are:

- Changing social norms and rise of nuclear families
- Increased longevity & focus on wellness
- Need for specialized medical and assisted care

Core obstacles are financial and operational

When asked about the biggest challenges to growth, stakeholders pointed to supply-side constraints rather than demand-side weakness. The top three obstacles are:

- High cost of land and construction
- Operational complexity & lack of skilled manpower
- Affordability for the target demographic

A unified policy ask

There is a remarkable consensus on the national-level policy changes that would provide the biggest boost to the sector.

- Granting 'infrastructure' status would unlock long-term, lower-cost financing & attract institutional investors
- GST rationalization: reducing or eliminating GST is seen as critical to improving affordability for end-users

The future is service-oriented

A dominant trend identified by respondents is the evolution of consumer preferences. A majority report seeing a definitive shift away from purely retirement housing towards a more holistic 'wellness and lifestyle' product. "Highly personalized services" and "integration of advanced healthcare" are viewed as the most significant emerging trends in project design and amenities

Survey findings reveal that operational complexity is a primary challenge, explaining why the senior living market is dominated by independent living over the more demanding assisted living. Additionally, a paradox exists: while affordability is a key concern, more than 85% of the market uses an outright sale model targeting the upper-class segment. This shows the market is shaped by developer needs for quick capital returns. These frictions create opportunities for investors with patient capital and are the focus of proposed policy reforms to unlock growth.

ASLI_Elevating the Golden Years 2.0.indd 11 23/08/25 2:07 PM

04

Impact assessment of the Maharashtra Housing Policy 2025

Policy is emerging as a powerful catalyst capable of reshaping the financial viability and accelerating the growth of India's senior living sector. The recently unveiled Maharashtra Housing Policy 2025 represents the most significant and progressive state-level intervention to date, creating a blueprint that could potentially unlock investment on a national scale. This section provides a detailed assessment of the policy's provisions, quantifies its potential market impact and offers strategic recommendations for stakeholders.

ASLI_Elevating the Golden Years 2.0.indd 12

23/08/25 2:07 PM

A game-changer for project viability

The Maharashtra policy moves beyond mere guidelines to offer a suite of powerful financial and regulatory incentives:

Regulatory framework and standardization:

- Identifies "Senior Citizen Housing/Retirement Homes" as a distinct building use category within the state's development regulations
- Mandates specific amenities (recreation, medical), services (24/7 nursing, on-call doctors), and safety features (emergency alarms, accessibility standards)
- Compulsory registration of all senior living projects with MahaRERA and a new district-level monitoring committee will increase transparency &consumer trust
- The policy requires 20% of amenity space in integrated townships to be reserved for senior citizen housing, ensuring a steady supply pipeline in large, well-serviced developments

Financial and Development Incentives:

For Developers

- Basic Floor Space Index (FSI) of 2.5 is permitted in residential zones
- Senior living to be permissible in green zone with FSI 1
- Reduced Goods and Services Tax (GST) of 1% and concessions on development charges
- A single-window clearance system will expedite approvals

For Buyers

- Stamp duty is fixed at a nominal INR 1,000, significantly lowering the financial barrier to entry for seniors
- Discount on property tax proposed for buyers, improving long-term affordability

The industry's response has been overwhelmingly positive. The 2025 JLL-ASLI survey confirms that a vast majority of developers and operators view these provisions as having a "Very Significant Positive Impact" or "Moderately Significant Positive Impact" on the sector's growth in the state.

ASLI_Elevating the Golden Years 2.0.indd 13

23/08/25 2:07 PM

Quantifying the market acceleration

The policy's incentives are not just qualitatively positive; they have a direct and quantifiable impact on project financials. It creates a powerful ecosystem that makes senior living more affordable for buyers, more profitable for developers, and more attractive for institutional investors, setting a new national benchmark.

The bottom line: a price transformation

Based on the policy's combined financial incentives, a buyer will have estimated savings anywhere >20% on the final property cost. This significant reduction is driven by a higher FSI for developers , a nominal INR 1,000 stamp duty for buyers, a concessional 1% GST rate, and other fee concessions.

Pillar of Impact	How It Works	The Result
For developers: supercharges financial viability	• Improved unit economics given higher FSI, while a 15% mixed-use allowance creates new revenue streams • Faster time to market due to single window clearance • Lower development costs with concessions on development charges	Makes projects highly profitable and attractive for private investment, boosting supply.
For buyers: increases affordability, fuels demand	• Cost reduced with stamp duty slashed from ~6-7% to a nominal INR 1,000 and GST reduced to 1% • Lower ownership cost given discounts on property tax	Makes quality senior living accessible to a wider middle-income demographic, stimulating demand.
For the market Builds trust & ensures quality	• Regulatory Oversight: Mandatory registration with MahaRERA & Monitoring Committees • Standardized Services: Mandated amenities, safety features, and healthcare tie-ups	Creates a safe, regulated, and trustworthy environment. Also, a clear legal framework and financial incentives encourage wider private sector and financial participation .

Source: JLL Research

ASLI_Elevating the Golden Years 2.0.indd 14

23/08/25 2:07 PM

Policy creates immediate, actionable opportunities

For developers

Re-evaluate projects in Maharashtra that were previously deemed financially marginal. Prioritize land acquisition in the high-potential corridors of Pune, Mumbai MMR, and Nashik to capitalize on the first-mover advantage created by the policy.

For investors

Earmark and deploy capital specifically for senior living projects in Maharashtra. The policy has significantly de-risked the investment environment and enhanced potential returns, making the state the most attractive market in the country for the near term.

For other state governments

Study the Maharashtra policy as a competitive benchmark. It provides a clear and replicable blueprint that addresses the core challenges that have constrained the growth of senior living in India. States that fail to offer comparable incentives risk seeing investment capital and developers gravitate towards Maharashtra, potentially slowing the development of their own senior living ecosystems.

ASLI_Elevating the Golden Years 2.0.indd 15

23/08/25 2:07 PM

05

Emerging trends and outlook

As India's senior living market matures, its trajectory will be shaped by transformative trends in technology, community design, and consumer expectations. The next phase of growth will belong to stakeholders who can move beyond traditional real estate development to create holistic, future-ready ecosystems. To that end, this final section identifies the key trends that will define the next growth frontier.

ASLI_Elevating the Golden Years 2.0.indd 16

23/08/25 2:07 PM

Three pivotal trends set to redefine the senior living landscape

01

Technology as a core differentiator: No longer an optional add-on, technology is becoming central to both operational efficiency and resident well-being. Key applications include:

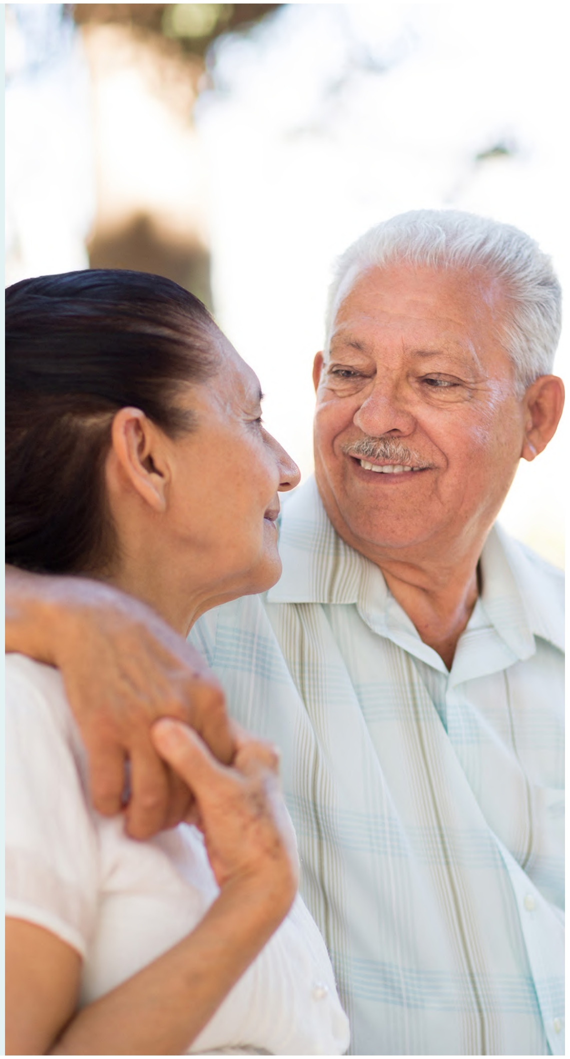
- Health-tech integration: Telemedicine, wearable devices for remote health monitoring, IoT-enabled panic buttons, and AI-powered predictive health alerts are becoming standard expectations
- Operational excellence: Smart building management systems, AI-driven resource planning, and digital platforms for community engagement will be crucial for operators to manage costs and deliver personalized services at scale

02

The rise of intergenerational communities: The market is witnessing a decisive shift away from isolated, age-segregated retirement enclaves towards integrated, intergenerational townships. This model, which embeds senior living towers or clusters within larger residential projects, has strong cultural resonance in India. It allows seniors to live independently while remaining connected to the vibrancy of a multi-generational community, facilitating natural social interaction.

03

Sustainability and wellness-centric design: The design philosophy is evolving from being merely functional to being holistically restorative. There is a growing emphasis on green building principles, biophilic design (which integrates natural elements like light, ventilation, and greenery into built spaces), and the creation of amenities that promote holistic wellness, such as yoga and meditation centers, organic gardens, and walking trails.



ASLI_Elevating the Golden Years 2.0.indd 17

23/08/25 2:07 PM

ASLi
Association of Senior Living India
Empowering Senior Living and Care in India

The UNFPA India Ageing Report 2023 underscores a transformative demographic shift, projecting India's elderly population to reach 347 million by 2050, constituting 20.8% of the total population. This surge presents both a formidable challenge and a unique opportunity, necessitating collaborative efforts to develop sustainable solutions that enhance senior well-being.

At the forefront of this movement, the Association of Senior Living India (ASLI) is India's only B2B association exclusively dedicated to the senior care sector. ASLI unites a diverse network of organizations, including independent living facilities, home care providers, assisted living services, dementia care specialists, and lifestyle and technology-driven solutions. With a vision to create a self-regulated model for senior care, ASLI actively engages with the government to advocate for a robust regulatory framework that supports the sector's growth.

ASLI is committed to advocacy, awareness, and knowledge-sharing, bridging global best practices with India's evolving needs. Through strategic networking, cross-collaborations, and industry engagement, ASLI fosters innovation and accelerates the growth and professionalization of senior care services in India.

A key focus of ASLI is establishing and promoting minimum operational standards, ensuring service excellence, consumer confidence, and ethical transparency. By championing accessibility, choice, and quality of care, ASLI empowers seniors to lead lives marked by dignity, independence, and enhanced well-being.

Since its inception, ASLI has played a pivotal role in shaping the senior care landscape by organizing industry meetings, facilitating knowledge exchange, and advocating for policy reforms. It has also been instrumental in hosting international conferences on aging, reinforcing its commitment to elevating India's senior care sector to global standards.

With a mission to drive business excellence, innovation, and best practices, ASLI continues to strengthen India's senior care ecosystem, ensuring a future where quality care and support are accessible to all elderly citizens.

Bani 93122 04480
Bani@asli.org.in
www.asli.org.in

ASLI_Elevating the Golden Years 2.0.indd 18 23/08/25 2:07 PM

ASLI_Elevating the Golden Years 2.0.indd 19 23/08/25 2:07 PM

JLL SEE A BRIGHTER WAY

jll.com

Authors

Ankit Bhartiya
Director
Research and REIS
Ankit.Bhartiya@jll.com

Madhurima Basu
Senior Director
Research, Capital Markets
Madhurima.Basu@jll.com

Business enquiries

Karan Singh Sodi
Sr. MD - MMR and Gujarat
Head - Alternatives, India
Karan.Sodi@jll.com

Research enquiries

Dr. Samantak Das
Executive Director and Chief Economist;
Head - Research and REIS, JLL India
Samantak.Das@jll.com

For other business enquiries, please write to **marketing.india@jll.com**

About JLL

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500® company with annual revenue of $23.4 billion and operations in over 80 countries around the world, our more than 112,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAY℠. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit jll.com

This report has been prepared solely for information purposes and does not necessarily purport to be a complete analysis of the topics discussed, which are inherently unpredictable. It has been based on sources we believe to be reliable, but we have not independently verified those sources and we do not guarantee that the information in the report is accurate or complete. Any views expressed in the report reflect our judgment at this date and are subject to change without notice. Statements that are forward-looking involve known and unknown risks and uncertainties that may cause future realities to be materially different from those implied by such forward-looking statements. Advice we give to clients in particular situations may differ from the views expressed in this report. No investment or other business decisions should be made based solely on the views expressed in this report.

Copyright © Jones Lang Lasalle IP, Inc. 2025