

A Comparative Analysis of Domestic and International Elderly Care Models and the Development of the Senior Housing Industry

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Abstract: Developed countries have accumulated rich experience in the construction of senior housing, with specialized research, design, and management teams. Their architectural designs, management, and services are more humanized.

China has entered an aging society, with the elderly population increasing year by year, presenting broad prospects for the senior care industry. Although the development of senior housing in China started relatively late, it has already attracted participation from real estate and insurance companies. Drawing on foreign experience, large-scale senior living community projects have been developed or operated, offering comprehensive recreational, lifestyle support, and medical care services. A number of distinctive senior housing projects have been successfully built and operated. However, so far, China's senior care industry has not yet formed a complete system in terms of policies, funding, design, operation, and services. The development and construction of senior housing projects are still in the initial exploratory stage, and a mature development model for senior housing has yet to emerge. In contrast, foreign countries have more mature and diversified definitions and practices in elderly care models and senior housing. This paper will comprehensively compare the aging status, relevant policies, elderly care models, and the construction of senior care facilities in developed countries with the domestic situation. By learning from foreign experience and combining it with China's actual conditions, it will reveal some prominent issues in the current construction and operation of domestic senior care projects and explore suggestions suitable for the development of domestic elderly care

models and senior housing.

Keywords: Elderly Care Models, Senior Housing, Comparative Analysis

1. Introduction

1.1 Research Background

China entered an aging society in 2000. By the end of 2023, the elderly population (aged 60 and above) reached approximately 296.97 million, accounting for 21.1% of the total population, of which 216.76 million were aged 65 and above, accounting for 15.4% of the total population. The large elderly population has placed higher demands on senior care facilities and services. However, domestic senior care institutions are far from meeting societal needs, with long waiting lists for admission to many facilities [1]. High-quality mid-to-high-end senior living communities are particularly scarce, reflecting a severe shortage of senior care resources.

In terms of the senior care industry, developed countries such as the United States and Japan have matured after years of development, establishing comprehensive elderly care policies and pension systems [2]. They have successfully built and operated various types of senior care institutions and retirement communities, with highly professional elderly care and medical-nursing institutions. Numerous retirement communities with professional, humanized services and well-equipped facilities have become important choices for middle- and high-income retirees in developed countries. Of course, senior housing in developed countries also faces issues such as high costs and inefficiencies, but overall, there is much experience worth learning from [3].

Currently, China's senior care industry is still in its infancy and exploratory stage. With the rapid development of the real estate industry,

senior housing development and operation have become an important niche sector, attracting attention from many real estate developers and financial institutions.

Since 2000, large-scale senior living communities have been successfully built in cities such as Beijing, Shanghai, and Hangzhou, featuring professional care teams and far surpassing ordinary residential communities in scale and facilities [4]. After 2010, a large number of real estate developers and financial institutions entered the senior housing industry, constructing and operating many successful model communities.

As aging intensifies, the Chinese government has increasingly prioritized the development of the "silver economy." On January 15, 2024, the State Council issued the Opinions on Developing the Silver Economy to Improve the Well-being of the Elderly, the first specialized document supporting the development of the silver economy. On March 5, 2024, the 2024 Government Work Report proposed strengthening the supply of elderly products and services and vigorously developing the silver economy. On June 13, 2024, the Guidelines on Accelerating the Development of Rural Elderly Care Services were issued, marking the first national-level systematic deployment for rural elderly care services [5]. The silver economy encompasses a wide range of economic activities aimed at providing products or services to the elderly and preparing for aging, involving extensive industrial chains, diverse formats, and significant potential. On January 7, 2025, the Central Committee of the Communist Party of China and the State Council issued the Opinions on Deepening the Reform and Development of Elderly Care Services, proposing the vigorous development of elderly care finance, supporting eligible elderly care infrastructure construction through local government special bonds, and accelerating the application of technology and informatization in elderly care [6]. The document outlines key goals: by 2029, a national elderly care service network will be basically established, with significantly enhanced service capabilities and quality; by 2035, the elderly care service network will be more robust, with better alignment between supply and demand, ensuring all elderly people have access to basic elderly care services and a mature elderly care

system suited to China's national conditions.

1.2 Research Significance and Purpose

Different national conditions require different elderly care models. China's vast territory and diverse regional cultures mean that some areas still emphasize traditional family-based elderly care, while others are gradually accepting social and community-based elderly care. Economic development levels are also a key influencing factor, as elderly populations in developed regions generally have higher financial capacity for elderly care services. Although China's senior care industry has developed for over 20 years, with many successful projects, a systematic, mature, and replicable development model for the industry has yet to emerge, as the success of individual projects often depends on specific regional economic and cultural factors.

Current domestic and international research on elderly care development models is largely based on empirical summaries and discussions, with relatively few systematic studies considering national conditions [7]. This paper aims to compare and analyze domestic and international elderly care models and projects, summarize the experiences and lessons of developed countries, and provide suggestions for China's senior housing industry in terms of institutional development, project planning, and operation. The research findings will also help investors and managers in the senior housing industry gain a systematic understanding of domestic and international development trends, serving as a reference for decision-making.

1.3 Main Research Content

This paper first elaborates on the concept of senior housing, analyzes various factors influencing senior housing, and conducts a comparative analysis of domestic and international elderly care models and senior housing. It then introduces the construction of senior housing in countries such as the United States, Japan, and the United Kingdom, using large-scale projects like Sun City as examples. The second part examines the background and current status of China's senior care industry from political, economic, social, and cultural perspectives, and compares it with the status of senior care institutions in developed countries to summarize lessons. Finally, based on

background analysis and comparative analysis, suggestions are proposed in areas such as planning and construction, operation and management, facility construction, service systems, and brand building.

1.4 Research Methodology

This paper primarily employs PEST analysis and comparative analysis, incorporating elements of SWOT analysis in the industry background. The research is divided into several stages:

1.First Stage: Summarize the research team's understanding and experience in the senior housing industry.

2.Second Stage: Collect extensive domestic and international research results on elderly care models and introductions to senior living community projects.

3.Third Stage: Conduct field research on large-scale senior living communities and senior housing projects in mainland China and Taiwan.

4.Fourth Stage: Combine the research team's work experience in senior housing to analyze and summarize domestic and international situations.

5.Fifth Stage: Summarize research findings and write the paper on elderly care research.

Due to the diversity of senior care institution types, it is difficult to establish a unified data model. Therefore, the analysis relies more on comparative and qualitative methods, explaining the forms of various senior living communities and issues in planning and operation, and proposing relevant experiences for the construction and operation of senior living communities.

2. Overview of China's Current Senior Care Industry

2.1 China's Aging Status and Trends

Senior Care Industry:Refers to economic activities targeting the elderly, aimed at meeting their high-level living and cultural needs by providing goods and services. It is also known as the elderly welfare industry, aging industry, or silver industry.

Currently, China's senior care industry exhibits the following characteristics:

1. Large Elderly Population and Rapid Aging:
2. According to international standards, China

entered an aging society in 2000 when the population aged 65 and above reached 7% of the total population. Data from the United Nations Department of Economic and Social Affairs' World Population Prospects 2024 shows that China's average life expectancy in 2023 was 73.06 years (70.95 for males and 75.87 for females) [8]. By the end of 2023, China's elderly population (aged 60 and above) reached approximately 296.97 million, accounting for 21.1% of the total population, of which 216.76 million were aged 65 and above, accounting for 15.4%.

China's elderly population growth can be divided into three stages:

Stage 1: Rapid Aging (2001–2020)

The elderly population increased by an average of 5.96 million annually, with an average annual growth rate of 3.28%, significantly higher than the total population growth rate of 0.66%. By 2020, the elderly population reached 264.02 million, accounting for 18.70% of the total population, of which 190.64 million were aged 65 and above, accounting for 13.50% [9].

Stage 2: Accelerated Aging (2021–2035)

The elderly population began to grow rapidly. By 2023, the elderly population had increased to nearly 300 million, while the population aged 0–18 was 247.89 million. Since 2022, China's total population has entered a decline. According to CCTV reports, it is estimated that by 2035, the population aged 60 and above will exceed 400 million, accounting for over 30%, entering a stage of severe aging.

Stage 3: Severe Aging (2036–2050)

The elderly population is expected to stabilize at 400–500 million. According to predictions by the National Committee on Aging, China's elderly population will peak at 487 million by 2050, accounting for 34.9% of the total population.

3. "Aging Before Getting Rich":

The aging population is not aligned with social-economic development levels. When developed countries entered aging societies, their per capita GDP was generally between 5,000and5,000and10,000, giving them the economic capacity to address social issues arising from aging. In contrast, when China entered an aging society in 2000, its per capita GDP

was only 959, reaching the 5,000 threshold in 2011, entering the ranks of

middle-income countries. According to IMF data, China's per capita GDP in 2023 was approximately 12,500, while the threshold for developed countries was about 12,500, while the threshold for developed countries was about 32,500. Comparatively, China's aging speed is five times that of Europe and three times that of the United States [10].

40 years ago, eight working-age adults supported one elderly person. By 2040, this number will drop to two, and the elderly population will be twice the population under 15.

2.2 Current Status of China's Senior Care Industry

After over a decade of development, China's senior care industry has begun to socialize, with gradually standardized management and diversified investment channels.

2.2.1 Gradual Socialization of the Senior Care Industry:

Senior care institutions are transitioning from purely welfare-based to a combination of welfare and profit-oriented models, with investment entities shifting from solely state-owned to diversified ownership.

2.2.2 Gradual Standardization of the Senior Care Industry System:

Since 1994, the Chinese government has successively promulgated and implemented the Seven-Year Development Outline for China's Aging Work (1994–2000), the Tenth Five-Year Plan for the Development of China's Aging Cause, the Eleventh Five-Year Plan for the Development of China's Aging Cause, and the Twelfth Five-Year Plan for the Development of China's Aging Cause. The State Council and the Ministry of Civil Affairs have issued the Interim Measures for the Management of Social Welfare Institutions, the Basic Standards for Elderly Social Welfare Institutions, the National Occupational Standards for Elderly Care Workers, the Opinions on Accelerating the Development of Elderly Care Services, the Opinions on Comprehensively Promoting Home-Based Elderly Care Services, and the Opinions on Deepening the Reform and Development of Elderly Care Services.

2.2.3 Diversified Investment Channels:

A pattern of national, collective, and individual investment has basically formed. Many local governments adopt the method of private

operation with public assistance, using part of their funds to encourage, support, and fund various social forces to establish senior care service institutions. Some local governments encourage social forces to establish senior care institutions through joint ventures with enterprises, shareholding systems, and other forms.

2.2.4 Short-Term Inadequacy of China's Social Security and Medical Systems in Meeting Elderly Care Needs:

Although China has initially formed a framework for its social security system, it still lags far behind developed countries. Social security expenditures account for a relatively low proportion of total fiscal expenditures, and the social security system is not yet sound enough to meet the needs of the elderly in the short term.

Policy support for the senior care industry remains insufficient, and social capital's enthusiasm for investing in senior care projects is still low. Senior care facilities are severely inadequate, and service professionalism is lacking. Some non-working elderly residents lack basic pension security, and social welfare expenditures cannot cover individuals' basic elderly care needs.

3. Elderly Care Models and Case Studies in Developed Countries

3.1 Overview of Senior Housing

Senior housing is a model that combines elderly care with real estate, integrating products and services. From architectural design to landscaping and decoration standards, it resembles high-end residential development, with the main innovation being age-friendly design. Senior housing achieves the organic integration of quality real estate and butler services, offering care, medical treatment, rehabilitation, health management, cultural and recreational activities, dining services, and daily life care, with added equipment and facilities and a carefully built professional management team.

The main product types of senior housing include:

Profit-oriented senior care institutions built with insurance funds and social capital, such as nursing homes and medical-nursing institutions, treating senior housing as a long-term commercial real estate operation.

Senior housing projects developed by real estate developers, featuring residential communities with beautiful environments and facilities specifically designed for the elderly. Senior housing is a new concept in the era of an aging commodity economy. It interprets the social theme of elderly care and the commercial theme of real estate. The acceleration of societal aging and rising economic development levels have given birth to this special industry, which has increasingly become a focus of attention in China as the elderly population grows and economic levels develop. In many developed countries, the senior housing industry, with its well-established division of labor, emerged and developed as early as the 1960s.

3.2 Foreign Elderly Care Models and Case Studies

3.2.1 The U.S. Model

3.2.1.1 Aging Status in the U.S.

According to recent data from the U.S. Census Bureau, the U.S. population in 2023 was approximately 334.91 million, of which 58.9 million were aged 65 and above (the U.S. defines the elderly as those aged 65 and above), accounting for 17.59% of the total population, with the aging degree increasing year by year.

3.2.1.2 U.S. Elderly Care Security System and Policies

The U.S. elderly care security system has a history of over 200 years, undergoing long-term development and adjustments to form a "three-pillar" model consisting of government-mandated social pension insurance, employer pensions, and personal savings pensions.

The first pillar is Government-mandated social pension insurance, providing basic retirement living security for the entire society, operated publicly and offering relatively basic living standards for the elderly. The second pillar is Employer pension plans, funded by the government or employers, with welfare and tax benefits, constituting the main part of Americans' pensions and the primary way to receive pensions after retirement. The third pillar is traditional "personal retirement savings and insurance investments" based on the family, serving as an important supplement to the entire pension system.

In 2005, the U.S. Congress passed the "Reverse Mortgage" bill, which provides monthly cash

payments to homeowners based on their fixed assets for use during their lifetime. After the borrower's death, home ownership is transferred to the Department of Housing and Urban Development, which sells the house to repay the bank loan, with any surplus going to the heirs. This helps elderly citizens secure financial support during their lifetime, alleviating social pension pressures and meeting their medical and daily living needs, ensuring they have a place to live and care in old age.

The U.S. pension system is relatively complex, mainly consisting of Social Security and individual retirement accounts (401(k)). Social Security is funded through wage taxes, with workers and employers each contributing 6.2% of wages. The 401(k) plan is a voluntary savings plan primarily provided by employers. Advantages: The government and individuals share the pressure of retirement savings, with Social Security providing crucial economic support for low-income earners. Disadvantages: 401(k) returns heavily depend on market performance, leading to significant differences in retirees' living standards.

3.2.1.3 U.S. Elderly Care Concepts and Models

U.S. elderly are relatively independent, mostly living separately from their children. They often choose home-based care, centralized care, or even travel-based care for their retirement years.

Home-Based Care: A common approach where the elderly live at home, with community agencies providing home care services. This requires lower costs and suits elderly who prefer home life but lack care.

Community-Based Care: The elderly live collectively in retirement communities or senior apartments, participating in social activities and making friends, suitable for those who enjoy social interaction.

Travel-Based Care: Many U.S. elderly enjoy traveling after retirement. The U.S. has built short-term travel-based senior apartments and roadside inns in scenic areas, offering services tailored to the elderly, such as helping them understand local culture and participate in entertainment activities.

3.2.1.4 U.S. Retirement Communities and Types

U.S. retirement communities are divided into for-profit and non-profit categories. The former are mostly run by private companies, while the

latter are mainly established by churches. Most large senior care institutions and equipment suppliers are for-profit companies. Large retirement communities with good environments are generally located in the suburbs of major cities, mostly privately invested and commercially operated, gathering various facilities specifically for the elderly to form senior industry bases.

U.S. senior housing models can be roughly divided into the following types:

Healthy Senior Housing: For healthy, self-sufficient elderly, providing simple household services like daily meal delivery, weekly bed sheet changes, and cleaning.

Multi-Family Senior Housing: Built with government funding, providing necessary household and care services.

Nursing Senior Housing: For physically frail elderly, offering daily meals, household chores, and nursing services like dressing and bathing in addition to medical services.

CCRC (Continuing Care Retirement Community): A senior housing community with comprehensive facilities, ensuring residents can live in the same community throughout their lives, receiving corresponding care and services as their physical and mental conditions change. The community includes healthy senior housing, nursing senior housing, and special care nursing homes, allowing residents to switch housing types within the community. There are also comprehensive senior housing communities consisting of hundreds or thousands of senior housing units with large-scale commercial, sports, and cultural facilities.

3.2.1.5 Classic U.S. Retirement Community Case Study: Sun City Center

In the U.S., the elderly are not called "the setting sun" but "the sun." Sun City is a famous retirement and therapy community in the U.S. and the world.

Developed by Del Webb Company starting in 1961, it has become a renowned brand in senior community development after over 40 years of improvement, representing a typical CCRC model that provides integrated living facilities and services for independent living, assisted living, and nursing care.

Located on the west coast of Florida between Tampa and Sarasota, Sun City is minutes away from the best beaches of the Gulf of Mexico and enjoys 312 days of sunshine annually. Sun

City offers various housing types, including:

Sun City Center: Independent family villas, Kings' Court: Townhouses, Lakeside Towers: Assisted living and nursing facilities, courtyard and Aston Gardens: Rental independent living apartments, freedom Plaza: Assisted living and nursing facilities.

Each community has its own management, organization, and planning but shares public facilities like post offices, supermarkets, medical institutions, banks, and churches. Recreational and social activities are open to all six communities. Housing types include single-family homes, duplexes, multi-story apartments, independent living centers, life assistance centers, life care communities, and multipurpose apartments. Sun City boasts extensive living facilities, including 7 recreation centers offering swimming, tennis, and crafts; 2 libraries, 2 bowling alleys, 8 golf courses, 3 country clubs, an art gallery, and a symphony hall. The "Sun Bowl" outdoor theater and "Sundome" center, providing 7,000 seats for performances.

The architectural planning and design are entirely tailored to the needs of the elderly, with low-rise buildings, barrier-free walkways, anti-slip ramps, safety handrails, high sockets, and low switches. The community strictly separates pedestrians and vehicles, with a speed limit of 30 mph.

Residents of Sun City must be 55 or older, with accompanying persons under 18 allowed to stay for no more than 30 days annually. Pet ownership is restricted, and clotheslines and fences are mostly prohibited. The city maintains a slow pace of life.

Sun City's operation model combines "property sales + membership." The property sales model relies on real estate sales for profit, recovering development costs, with housing prices about 30% lower than market rates. The membership model follows an "entry fee (membership fee) + monthly service fee + value-added service fee" structure to sustain daily operations. Each new member pays a one-time entry fee, ranging from 200,000 to 1 million depending on housing size. Monthly service fees vary by health condition: 3,000 dollars/month for active elderly, 4,000 dollars/month for semi-assisted elderly, and 5,000–6,000 dollars/month for fully assisted elderly. Value-added services are charged as needed.

Sun City's advanced planning theories, comprehensive facilities, and professional services make it a model for high-end senior communities. Its business models include pure leasing, sales + leasing, and entry fee + monthly fee structures. It is zoned as residential, relying on sales for quick returns, and avoids medical and nursing facilities to reduce upfront costs and improve capital efficiency, lowering development risks. As the market and industrial chain mature, it can collaborate closely with time-share management companies for order-based production. However, high entry costs and limited medical resources are issues. Sun City's housing prices and membership fees are high, making it unaffordable for economically disadvantaged elderly. Medical resources are relatively concentrated, leading to long wait times.

3.2.1.6 Summary of the U.S. Elderly Care Model

The U.S. has the most mature senior care industry, with its CCRC concept of continuous care which set great examples for Chinese senior care industry. The U.S. has extensive experience in building and operating large-scale senior communities, offering valuable insights in terms of senior housing scale, community functions, services, and other customized service. The diverse sports and community activities transform "elderly care" into "happy aging," revitalizing the elderly, which is highly inspiring for domestic senior housing investors. However, differences in real estate operation models between the U.S. and China, as well as the U.S.'s relatively low population density and suitability for low-density communities and large-scale facilities, must be considered. Americans' lower savings mentality and popular credit purchase also differ significantly from Chinese traditions. Due to estate taxes, U.S. elderly have higher consumption willingness.

3.2.2 The Japanese Model

3.2.2.1 Aging Status in Japan

Data from the United Nations' World Population Prospects shows that Japan is the fastest-aging developed country with the highest aging index. By 2023, Japan's population aged 65 and above had risen from 4.9% in 1950 to 29.1%, ranking first globally. The World Health Organization reports Japan's average life expectancy as 84.8 years (81.4 for

males and 88.2 for females), ranking first globally for over 20 consecutive years. Japan entered an aging society (over 7% aged 65 and above) as early as the 1970s and became a super-aged society (over 14% aged 65 and above) in 1994.

3.2.2.2 Japan's Pension System

Japan's pension system is often defined as a "three-story building", first floor is The universal "National Pension" system, the second floor is The "Employees' Pension" and "Mutual Aid Pension" for company employees and public servants, and the third Floor is Corporate pensions and position-based additional systems for public servants.

The first and second floors are public pensions, mandatory for all residents aged 20–60 (including foreigners living in Japan for over a year), with monthly contributions of ¥16,610. The minimum contribution period is 10 years, and the maximum is 40 years. Full contributions from age 20 to 60 yield an annual pension of ¥780,000 (approx. ¥36,500 RMB). The second floor is mandatory for company employees and public servants, with contributions and benefits varying by income.

3.2.2.3 Japan's Elderly Care Models

Japan's 1963 elderly care laws classify senior care facilities into short-term, long-term, therapy and health recovery types. The government has built about 3,000 health recovery and 3,700 medical-nursing facilities nationwide.

Japan's main elderly care models are:

1. Family-Based Care: Traditional but increasingly unsustainable.
2. Community-Based Care: Encourages community participation but lacks service quality control.
3. Institutional Care: Nursing homes and special facilities, offering professional but costly services.
4. Medical-Nursing Integration: Combines medical and nursing services but faces resource shortages and uneven service quality.

The Japanese government and enterprises place significant emphasis on specialized aspects such as residential design, daily household product design, dining facilities and services, as well as caregiver and staff training when constructing various types of senior housing. Each of these specialized areas involves numerous and in-depth subfields, leading to the emergence of many professional companies

and institutions engaged in outsourcing for the elderly care industry. This has also spurred rapid growth in sectors like senior products, consulting, and services related to elderly care. Since the late 1980s, Japan has recognized the immense financial pressure caused by the government's large-scale construction of senior care facilities. Additionally, while centralized senior living communities—a form of collective housing for the elderly—can address daily life challenges, they also isolate seniors from emotional connections with family and friends, failing to meet their desire for social participation. As a result, Japan has gradually shifted its elderly care services from building welfare facilities to a home-based welfare model.

In 2000, Japan implemented a new nursing care insurance system, providing home-based services like nursing assistance, bathing help, rehabilitation, daycare, and short-term facility stays. This allows the elderly to receive care at home while reducing government expenses.

Japan's elderly care addresses three key needs: economic security, daily care, and emotional support. Multiple pension systems ensure income, while nursing insurance solves daily care issues, freeing younger generations from care burdens and maintaining family bonds.

3.2.2.4 Japan's Senior Care Facilities

Japan's senior care facilities are categorized into various types to meet diverse needs: Daycare Centers for the Elderly, provide bathing, meals, and daily care services for seniors with physical or mental disabilities who struggle with independent living. Nursing Homes for the Elderly: accommodate individuals aged 65 and above who cannot live at home due to physical or mental conditions, family circumstances, financial difficulties, or personal preference. These facilities primarily serve relatively healthy seniors. Special Nursing Homes for the Elderly: cater to those aged 65 and above with severe physical or mental disabilities requiring full-time care, including assistance with daily activities, rehabilitation, medical treatment, and end-of-life care. These government-funded facilities charge minimal fees, resulting in long waiting lists for admission.

Senior housing in Japan is a significant segment of the real estate industry. One type is built in scenic areas such as Kanagawa, Chiba, and Shizuoka, featuring villas and luxury

communities with ocean views, hot springs, and natural landscapes, complemented by supermarkets, medical facilities, and large-scale recreational amenities. Another type focuses on medical and nursing functions, with room layouts, furniture, appliances, barrier-free designs, and care facilities tailored to the needs of the elderly, particularly emphasizing daily meal services, bathing assistance, and other essential care.

3.2.2.5 Case Study: Tokyo Retirement Community

Japan's senior living communities differ from Western models by emphasizing traditional filial piety while incorporating modern self-sufficiency through advanced technology and automation. These communities offer comprehensive amenities and high-quality, targeted services to meet the physical and emotional needs of the elderly.

The first and second floors, along with the top two floors, are designated as public areas:

1st Floor: Lobby reception, stationery and gift shop, library, reading room, multimedia and performance hall, coffee and tea lounge, barbecue restaurant, etc.

2nd Floor: Gym, aerobics studio, swimming pool, Japanese-style bathhouse, beauty salon, leisure lounge, aromatherapy and massage therapy rooms, and health clinic.

Top Two Floors: Restaurants, bars, and private clubs with harbor views.

3.2.2.6 Summary of Japan's Elderly Care Model

Japanese senior care facilities employ a diverse staff, including administrative personnel, nurses, and caregivers who assist residents in maintaining healthy lifestyles. Staff-to-resident ratios are high—some small communities have nearly one caregiver per resident—ensuring personalized care, daily interaction, and participation in recreational activities, thereby enhancing safety and quality of life.

Japan has the world's most rigorous training standards for caregivers. In addition to facility-based training, the government conducts monthly national certification exams, awarding qualifications and rank-based credentials.

Most facilities use digital management systems, maintaining individual profiles for each resident that include medical history, prescriptions, diagnoses, mental status, care plans, activity logs, and dietary restrictions.

This enables caregivers to tailor services effectively.

As fellow Asian societies with strong family values and Confucian traditions emphasizing filial piety, Japan and China share similar elderly care models. Japan's meticulous facility designs and caregiver training programs offer valuable lessons for China. Many Chinese senior housing developers visit Japan for research, and some are adopting Japanese training methods.

3.2.3 Germany's Elderly Care Model

3.2.3.1 Aging Trends in Germany

In recent years, Germany has been experiencing an increasingly severe demographic aging trend, with shifts in population structure posing numerous challenges to its economy and society. Recent data from the German Federal Statistical Office reveals that the population aged 65 and above has grown from 12 million in 1991 to 18.89 million in 2023. Due to a consistent decline in birth rates, the proportion of those aged 65+ in the total population has risen from 15% in 1991 to 22% in 2023.

3.2.3.2 Germany's Pension System

Since the promulgation of the Disability and Old-Age Insurance Act in 1898, Germany's pension insurance system has undergone more than 120 years of development. Germany possesses the most mature pension system in Europe, known as the Statutory Pension Insurance (Gesetzliche Rentenversicherung, GRV), which ensures extensive coverage and stable solvency.

The statutory pension insurance recalculates the social insurance contribution rate annually to maintain the system's stability. In 2023, the contribution rate was set at 18.6% (shared equally between employers and employees), with a monthly contribution ceiling of €7,050 in West Germany and €6,750 in the former East Germany. Income exceeding this ceiling is not subject to insurance contributions.

Germany is facing an increasingly severe aging population, with growing pension burdens. Consequently, Germany has adjusted the statutory retirement age multiple times: starting from 2024, the standard retirement age will rise to 66 years. By 2031, the standard retirement age will reach 67 years.

Advantages of Germany's pension system: Fixed contribution rates ensure relatively stable pension payments. Retirees can maintain their

standard of living after retirement. Disadvantages: Increasing pressure from population aging necessitates future reforms to the pension system.

3.2.3.3 Germany's Elderly Care Models

Germany's elderly care system primarily consists of the following three models:

Professional Care Facilities:

Includes senior apartments, nursing homes, and hospice hospitals.

Provides comprehensive medical care and rehabilitation services.

Home-Based Professional Care:

Qualified caregivers offer long-term in-home care.

Meets the daily living and rehabilitation needs of the elderly.

Community Mutual Support:

Elderly residents collaborate within communities to provide daily care, rehabilitation services, and emotional support.

Advantages of Germany's elderly care models:

Well-equipped care facilities with high-standard nursing services.

Professional medical and rehabilitation services are available.

The government provides policy and financial support to foster the development of care facilities. Disadvantages: High costs associated with institutional care. Home-based care requires professional personnel.

In conclusion, Germany is one of the most aged societies both globally and in Europe, yet it is also one of the most advanced and mature countries in elderly care. Whether in terms of pension systems, social security frameworks, elderly welfare, or care innovations, Germany's practices are worthy of our attention and study.

3.2.3.4 Elderly Care Institutions in Germany

Germany has over 12,000 elderly care institutions, with 54% operated by charitable organizations, 40% privately owned nursing homes, and the remaining 6% run by public authorities. Most of these facilities are located in densely populated residential areas, while a minority are situated in suburban and resort regions. All provide 24/7 services. Due to Germany's well-developed home-based care services and residential care communities, the majority of seniors only move into care institutions during their final stages of life.

Germany's elderly care institutions differ significantly from traditional nursing homes in other countries. Germany has moved beyond

the conventional nursing home model and transitioned into a new paradigm of rehabilitation hospitals and specialized care facilities. As a result, Germany is often referred to as a "paradise for elderly care."

3.2.3.5 A Classic Case of German Elderly Care Community – Hamburg's Premium Senior Villa

Kursana Villa Reinbek is a rental-based senior villa located in the city center of Reinbek, Hamburg, Germany. Spanning approximately 3,000 square meters, this luxury senior residence primarily targets high-income retirees. The facility includes 68 assisted-living apartments and 26 nursing care units specifically designed for seniors requiring medical attention.

The villa offers five different types of suites and apartments in varying sizes, including single and double occupancy options, allowing residents to choose based on their needs. The suite sizes range from 31 to 67 square meters, while the Reinbek suites measure between 54 to 67 square meters, and the apartments range from 22 to 41 square meters.

(pictures)

3.2.3.6 Summary of Germany's Elderly Care Model

Germany is truly a welfare-oriented nation when it comes to elderly care. The German elderly care model is characterized by four distinctive features:

Feature 1: Coexistence and Mutual Development of Community-Based and Institutional Care

As one of Europe's "oldest" countries (second only to Italy), where most adult children live separately from their parents after marriage, Germany has actively explored new care models. Both community-based care and institutional care - the two main pillars of Germany's elderly care system - receive government funding and are often built adjacent to each other to facilitate resource sharing.

Feature 2: The "Time Banking" System for Community and Home Care

Through the "care time savings" program, Germans aged 18+ can volunteer at care facilities to accumulate hours of future free care services for themselves. This innovative approach allows seniors to receive nursing home-level care while maintaining community ties. The program attracts many young

volunteers, alleviating staffing pressures at professional care institutions.

Feature 3: Comprehensive Government Subsidies

The government provides tiered financial support:

For home care:

Level 1: €450/month

Level 2: €1,100/month

Level 3: €1,550/month

For institutional care:

Level 1: €1,023/month

Level 2: €1,279/month

Level 3: €1,550/month

Additionally, care facility operators receive a one-time subsidy of €16,000 per bed from local governments.

Feature 4: Complementary Home and Institutional Care

Germany has effectively implemented a system where:

Home care (supported by community services) dominates for those under 80

Institutional care becomes primary for those over 80

This phased approach creates a complementary relationship between home and facility-based care, mirroring China's principle of "home care as foundation, community services as support, institutional care as supplement."

4. Elderly Care Models and Case Studies in China

4.1 Current Main Elderly Care Models in China

Developed countries in Europe and America generally provide higher social welfare for the elderly, with more comprehensive pension systems and diversified elderly care options. They place greater emphasis on developing social elderly care facilities, particularly in the rapidly aging United States, where retirement communities have flourished. However, these countries also bear heavy fiscal burdens.

In contrast, Asian countries like China, deeply influenced by Confucian traditions, prioritize maintaining traditional family ethics and the social custom of respecting and caring for the elderly. In Asia, family-based elderly care remains the dominant model, supplemented by social care.

In terms of elderly care facility construction, Japan emphasizes high service standards and

meticulous management in care institutions. China, on the other hand, primarily relies on traditional nursing homes, including welfare-based homes, government-society co-funded elderly apartments, and privately run care facilities. Over the past decade, new large-scale senior housing projects and various medical-care institutions have emerged, with community-based elderly care facilities increasingly integrated into real estate developments. China is gradually forming an elderly care service system that is family-based, community-supported, and institution-supplemented.

Family-based elderly care remains the primary model. Rooted in thousands of years of cultural tradition and the elderly's attachment to family bonds and familiar environments, most Chinese seniors prefer aging at home. The main forms include co-residence, mobile care (where children rotate caregiving responsibilities), and separate living arrangements.

Institutional elderly care is developing rapidly. According to the 2023 National Report on the Development of Aging released by the Ministry of Civil Affairs and the National Committee on Aging, by the end of 2023, China had 404,000 elderly care institutions and facilities, offering 8.23 million beds—accounting for only 2.8% of the elderly population, far below the international standard of 5%–7%.

Community-based elderly care is playing an increasingly prominent role. Compared to purely family-based or institutional care, community-based care offers clear advantages: Better meets the emotional needs of the elderly. Makes full use of community resources. Leverages family support networks.

4.2 China's Pension Insurance System

China's modern social pension insurance system has undergone over a decade of reform and practice, gradually forming a multi-tiered system with a "social pooling + individual accounts" funding model. However, the system faces growing challenges, including rapid population aging, limited coverage, low coordination levels, hidden debts, and empty individual accounts.

Meanwhile, the traditional rural "family-land security" model is weakening, and the new rural pension insurance pilot program is still in

its early stages, posing significant challenges. Therefore, analyzing the difficulties in China's pension system and proposing targeted reforms are urgent priorities for social security.

4.2.1 Development History of China's Pension Insurance System

China's pension insurance system began with the promulgation of the Labor Insurance Regulations of the People's Republic of China by the Government Administration Council on February 26, 1951. Over the decades, its development can be summarized into four stages:

1951–1965: Establishment Phase

Marked by the issuance of the Labor Insurance Regulations of the People's Republic of China, this phase focused on creating a unified national pension insurance system, gradually moving toward standardization and institutionalization.

1966–1976: Severe Disruption Phase

During this period, China's social insurance system, along with its socioeconomic and cultural development, suffered significant setbacks. The nationwide social insurance fund pooling mechanism was suspended, shifting the financial burden entirely onto individual enterprises. Social insurance effectively became "enterprise insurance," and the normal retirement system was disrupted.

1977–1992: Recovery and Adjustment Phase

Following the end of the decade-long turmoil, China adopted a gradual approach to reform the pension system. This included reinstating the retirement system, adjusting pension benefit calculation methods, and implementing pension fund pooling in certain regions.

1993–Present: Innovative Reform Phase

This stage introduced a pension model combining social pooling with individual accounts, tailored to China's national conditions. Key reforms included revising pension calculation methods, establishing a basic pension growth mechanism, and implementing socialized pension distribution. These measures ultimately led to the establishment of a multi-tiered pension insurance system in China.

4.2.2 Current Status of China's Pension Insurance System Reform

After nearly a decade of reform and development, China has established a new multi-tiered, multi-pillar pension insurance system comprising basic pension insurance,

enterprise supplementary pension insurance, and individual savings pension insurance.

Basic Pension Insurance

Also known as national basic pension insurance, this is a mandatory system implemented under unified national policies to ensure the basic living needs of retirees. It covers all urban enterprises and their employees, self-employed individuals, and urban individual businesses. China's current basic pension insurance consists of four types:

1. Enterprise Employee Basic Pension Insurance ("Qi Bao")

Targets employees of urban enterprises, self-employed individuals, and flexible workers.

2. Urban and Rural Resident Basic Pension Insurance ("Ju Bao")

Covers urban and rural residents aged 16+ (excluding students) who are not enrolled in government institution or enterprise employee pension schemes.

3. Government Institution and Public Sector Employee Pension Insurance ("Ji Bao")

Applies to civil servants and public institution employees, who do not contribute to the system.

4. Rural Pension Insurance ("Nong Bao")

Designed for agricultural household populations, including farmers and migrant workers.

Funding Model:

A "social pooling + individual accounts" system is adopted.

Employers contribute 16%-20% (varies by city) of total wages to social pooling funds. Employees contribute 8% to individual accounts. To qualify for pensions, participants must contribute for at least 15 years and reach retirement age.

Pension Calculation Method:

New System (Post-reform retirees):

Basic Pension = (Local average wage + indexed average contribution wage) / 2 × Contribution years × 1%

Minimum 15% for 15 years, increasing by 1% per additional year (uncapped).

Individual Account Pension = Accumulated balance / Number of months (e.g., 139 months at age 60).

Transitional Pension ("Middle Group") : Additional transitional benefits for those retiring under reform.

Old System ("Old Group") : Pensions are

paid from employer contributions to social pooling.

Statistics (2023):

Total participants: 1.066 billion (+13.36 million YoY).

Enterprise employees: 521 million (+17.66 million).

Urban-rural residents: 545 million.

Current beneficiaries: 31.46 million (enterprise) + 172.68 million (urban-rural).

Enterprise Supplementary Pension Insurance (Enterprise Annuity)

A voluntary corporate pension plan supplementing the basic system.

Contribution Limits:

Employer: ≤8.33% of wages (1/12).

Combined employer-employee: ≤16.66% (1/6).

Market-based operation with fully funded individual accounts.

Statistics (2023):

Total fund size: ¥3.19 trillion (2.5% of GDP).

Participating enterprises: 142,000.

Covered employees: 31.44 million.

Annual payouts: ¥93.8 billion (308,000 beneficiaries).

Challenges:

Low participation due to high costs for SMEs and insufficient policy incentives.

Individual Savings Pension Insurance

A voluntary supplementary scheme where employees contribute to personal accounts managed by banks. Interest rates are no lower than urban-rural savings deposit rates.

Rural Pension Insurance

Targets farmers and migrant workers with lower contributions and benefits.

Pension Structure:

Basic Pension: Fixed at ¥70/month.

Individual Account Pension: (Personal + Collective + Government contributions + interest) / 139.

Conclusion:

China's pension system has evolved into a multi-tiered framework, though challenges remain in expanding enterprise annuities and ensuring rural coverage. Future reforms will focus on sustainability and equitable access.

4.2.3 Challenges in China's Pension Insurance System

China's social pension insurance system has evolved from nonexistence to comprehensive coverage, expanding from urban to rural areas and from employees to residents. Despite

achieving the world's largest pension safety net in a relatively short time given China's economic development level, the system faces significant challenges due to the country's "getting old before getting rich" phenomenon—rapid population aging combined with historical legacy issues. While the framework is established, several critical problems remain unresolved amid growing aging pressures, transitional system gaps, and socioeconomic complexities.

1. Inadequate Coverage

Insufficient Fund Accumulation:

The pension fund system started late and relies heavily on contributions from state-owned enterprises (SOEs), with limited participation from private enterprises and individuals. This narrow funding base results in weak fund reserves.

Limited Coverage Expansion:

Although the system expanded in 1997 to include collective, foreign-funded, and private enterprises above the county level, contribution collection remains challenging, with low compliance rates hindering broader coverage.

2. High Contribution Rates vs. Enterprise Capacity

SOEs, especially those with many legacy retirees, face disproportionate burdens due to high contribution rates (often exceeding sustainable levels).

Regional disparities are exacerbated, with seven provinces reporting pension fund deficits in 2023:

Liaoning: -¥75.7 billion

Heilongjiang: -¥71.4 billion

Zhejiang: -¥36.9 billion

Jilin: -¥22.9 billion

Inner Mongolia: -¥11.7 billion

Gansu: -¥26.0 billion

Qinghai: -¥200 million

These gaps are temporarily bridged by central government coordination funds.

3. Low Fund Yield and Operational Inefficiency

Subpar Investment Returns:

Funds are primarily parked in low-yield instruments like bank deposits and government bonds, with returns further eroded by declining interest rates.

Management Challenges:

Fragmented oversight across multiple agencies leads to inefficiencies and security risks.

Reforms to Boost Returns:

Since 2003, pension funds have been gradually allowed to invest in equities. On January 23, 2024, China announced plans to channel an additional ¥100+ billion into A-shares via insurers, with 30% of new premiums post-2025 earmarked for stock investments.

4. Inequitable Benefits

Pension benefits vary sharply by identity, region, and sector:

Government retirees: ¥6,000–7,000/month (2023 average)

Enterprise retirees: ¥3,162/month

Rural residents: ¥70/month (basic pension)

5. Mounting Payment Pressures

Historical Debt:

Pre-reform employees (SOEs until 1997; public sector until 2014) contributed little, leaving the system with unfunded liabilities.

Economic Slowdown:

GDP growth fell from 10.1% (2004) to 5% (2024), dampening contribution growth.

Aging Demographics:

The 65+ population share is rising rapidly, straining payouts. In 2023:

Expenditures grew 7.3% (¥6.38 trillion)

Revenues rose 6.5% (¥7.05 trillion)

Reserves (¥6.36 trillion) now cover <1 year of outlays.

Policy Response:

On September 13, 2024, China's legislature approved a 15-year phased delay of retirement ages effective January 2025:

Men: 60 → 63 years

Women: 50/55 → 55/58 years (varies by role)

4.3 Development Trends of China's Elderly Care Models

The development trends of China's elderly care models are continuously adjusting and optimizing in response to intensifying population aging, societal structural changes, and policy innovations, exhibiting the following characteristics and directions:

4.3.1 Transition from "Family-Based Care" to "Diversified Integration"

Weakening Function of Family-Based Care: The increase in single-child families and empty-nest elderly makes traditional family-based care unsustainable.

Popularization of the "9073" or "9064" Model:

90% home-based care (supported by community services);

6%–7% community-based care (e.g., daycare

centers, community canteens);

3%–4% institutional care (e.g., nursing homes, care facilities).

Policy Drivers: The government encourages private capital participation in elderly care services through subsidies, tax incentives, and other policies.

4.3.2 Community-Based Home Care as the Core Model

Emergence of "Embedded" Services:

Elderly care service centers within communities provide meal assistance, rehabilitation, and nursing services.

Empowerment Through Smart Elderly Care: IoT, wearable devices, and telemedicine enable health monitoring and emergency response for homebound seniors.

"Time Bank" Mutual Aid Model:

Encourages younger seniors to assist older ones, storing service hours for future use (piloted in cities like Nanjing and Shanghai).

4.3.3 Deepening Integration of Medical and Elderly Care

Policy Support: The National Health Commission promotes partnerships between medical institutions and elderly care facilities, with medical insurance gradually covering nursing services.

Service Model Innovations:

Nursing homes with embedded medical facilities;

Hospitals establishing geriatric departments or transitioning to care facilities;

Community-based "family doctor contracts + home nursing" integration.

Expansion of Long-Term Care Insurance Pilots: Already implemented in 49 cities, providing financial support for disabled seniors.

4.3.4 Specialization and Stratification of Institutional Care

Public Institutions as a Safety Net: Serve low-income, disabled, or cognitively impaired seniors.

Differentiated Development of Private Institutions:

High-end retirement communities (e.g., Taikang Community, Ping An's Wutong Residences);

Mid-range affordable nursing homes;

Specialized dementia care units.

Addressing Rural Elderly Care Shortcomings: Promote mutual-aid happiness homes and regional elderly care

service centers to alleviate challenges for rural left-behind seniors.

4.3.5 Accelerated Adoption of Smart Elderly Care Technologies

Popularization of Smart Devices: Fall detection alarms, smart mattresses, and voice-activated devices enter households.

Platform-Based Services: Governments establish smart elderly care information platforms (e.g., Beijing's "One-Click Call" system) to integrate medical, housekeeping, and other resources.

AI Applications: AI customer service, robotic nursing assistants, and big data health risk prediction technologies are gradually being implemented.

4.3.6 Marketization of the Elderly Care Industry and Financial Innovations

Rise of the "Silver Economy": By 2035, China's elderly care industry is projected to reach RMB 20 trillion, covering rehabilitation aids, age-friendly renovations, senior tourism, and more.

Financial Product Innovations:

Personal pension system (annual contribution of RMB 12,000 with tax benefits);

Elderly care wealth management, insurance, and REITs;

Pilot programs for reverse mortgages and elderly care trusts.

4.3.7 Greater Challenges in Rural Elderly Care

Prominent Left-Behind Elderly Issues:

Over half of rural seniors live alone, with shortages in medical and nursing resources.

Innovative Mutual-Aid Models: Promote "senior associations + mutual care" and "centralized living + shared services" as low-cost solutions.

Urban-Rural Resource Coordination:

Improve service accessibility through "county-level medical alliances" and "rural elderly care service centers."

China's elderly care models are evolving into a multi-tiered system— "home-based as the foundation, community-based as the support, institutional care as the supplement, integrated medical and elderly care, and technology-driven." Future development will emphasize systematization, specialization, and intelligence. However, deep-seated challenges such as uneven resource distribution, insufficient payment capacity, and talent shortages (currently exceeding 5 million vacancies) must be addressed. Measures

include improving long-term care insurance, expanding the elderly care workforce, and promoting age-friendly renovations. Enterprises, non-profits, and families should collaborate to build an "age-friendly society."

4.4 Development Models of China's Elderly Care Projects

4.4.1 Current Mainstream Development Models

As a critical industry response to aging, elderly care projects must balance social needs and commercial sustainability. From an operational perspective, the primary models include:

4.4.1.1 Sales-Based (Property/Usage Rights Sales)

Features: Quick capital recovery through selling property or long-term usage rights (e.g., 50-year leases), bundled with basic services (property management, healthcare, dining).

Applicability: Commercial or residential land use; regions with strong elderly care consumption (e.g., high-end communities in Tier 1 cities).

Examples: Beijing Sun City, Shanghai Qinheyuan (usage rights sales + service fees).

Pros/Cons: Fast capital return reduces development risk; long-term service reputation maintenance increases operational pressure.

4.4.1.2 Rental-Based (Long-Term Holding and Operation)

Features: Developers retain ownership, offering monthly/yearly rentals with tiered service packages (basic living, medical care).

Applicability: Low land costs or policy-supported projects (e.g., collective land use); suited for insurers prioritizing stable cash flow (e.g., Taikang Community).

Examples: Vanke Suiyuan Jiashu (deposit + monthly fees).

Pros/Cons: Sustained cash flow and asset appreciation potential; high initial investment with long payback periods (8–10 years).

4.4.1.3 Membership-Based (Deposit + Service Fees)

Features: High entry fees (RMB 1–3 million, partially refundable) + monthly fees for premium medical/recreational services.

Applicability: Targets high-net-worth seniors; requires unique resources (e.g., proximity to hospitals/scenic areas).

Examples: Shanghai Star Lake Senior Living (localized U.S. model), Ping An's Wutong Residences.

Pros/Cons: Locks in long-term consumption with high profitability; narrow customer base demands exceptional service quality.

4.4.1.4 Medical-Care Integrated (Healthcare-Driven)

Features: Deep collaboration with hospitals/rehabilitation centers, offering "medical + elderly care" packages; leverages insurance coverage.

Applicability: Projects with embedded clinics or nearby tertiary hospitals; focuses on disabled/semi-disabled seniors.

Examples: Yanda Golden Years Health Center, Greentown Wuzhen Yayuan (with rehab hospital).

Pros/Cons: Strong differentiation and stable demand; high operational costs and complex medical licensing.

4.4.1.5 Light-Asset Operation (Brand/Management Output)

Features: No property ownership; profits from brand/management fees + third-party resource integration (healthcare, housekeeping).

Applicability: Repurposed properties (e.g., hotels/factories); regional SME care home chains.

Examples: Jiuru Cheng (chain community care), Japan's Riai Care (China asset-light model).

Pros/Cons: Low capital risk and rapid expansion; requires high standardization and resource integration capabilities.

4.4.1.6 Government-PPP Model

Features: Public-private partnerships for affordable projects with policy benefits (land/subsidies); includes public service obligations (e.g., subsidized beds).

Applicability: Policy-driven projects (e.g., community/rural care centers); led by SOEs or mixed-ownership firms.

Examples: Beijing Shoukai Cunchao Chunhui (SOE + embedded community care).

Pros/Cons: Strong policy support with social impact; low profitability requires balancing public/private interests.

4.4.1.7 Age-Friendly Renovations (Existing Property Upgrades)

Features: Retrofits (e.g., elevators, barrier-free access) to existing buildings for rental/service premiums.

Applicability: Urban core renovations; integrates "property + elderly care" services.

Examples: Vanke "Happy Home" age-friendly apartments.

Pros/Cons: Low investment/short cycles; scalability depends on local demand density.

4.4.2 Core Challenges and Trends

Payment Capacity Bottleneck: Most seniors rely on "pensions + insurance + family support + reverse mortgages."

Policy Dependence: Land use, insurance integration, and safety approvals heavily impact feasibility.

Tech-Driven Differentiation: Smart monitoring/AI companionship are key competitive edges.

4.4.3 Conclusion

The core logic of elderly care projects is "service value-add" over pure real estate. Models must align with target demographics (disabled/active/high-end seniors), funding, and policies. Future trends will emphasize "refined operations + medical integration + financial innovation," while addressing profitability and talent gaps.

4.5 Case Studies of Elderly Care Projects

4.5.1 Shanghai Qinheyuan

Shanghai Qinheyuan is one of the benchmark projects in China's elderly care real estate sector, pioneering the "membership-based retirement community" model. Its success offers valuable insights for the industry. Below is an analysis of its background, operational model, unique services, and key takeaways.

a. Project Background

Launch Year: 2008

Location: Kangqiao Town, Pudong New District, Shanghai

Developer: Qinheyuan Co., Ltd.

Positioning: High-end retirement community targeting middle-to-high-income seniors.

Scale:

Site area: 8.4 hectares

Floor area: 100,000 sqm

Capacity: 1,600 residents

Facilities:

Senior apartments, health club, nursing home, public service building, dining center, landscaped gardens, etc.

b. Product Overview

Senior Apartments:

838 units (58–119 sqm each), accommodating ~1,600 residents.

Yingfeng Senior Apartments (Medical-Care Center):

Comprises 12 multi-story elevator buildings interconnected by covered walkways for all-weather accessibility.

Optimal orientation (south-facing, 15° east) for sunlight exposure.

Adjacent to historical Yanchuan Port and greenbelt, with Kangqiao No. 2 Kindergarten nearby.

Interiors:

Fully furnished with cabinets, beds, appliances, TV, broadband, and 24/7 hot water.

Move-in ready for seniors with minimal personal belongings.

c. Operational Model

"Membership + Service Fee" Structure:

Membership Options for Senior Apartments:

Card A (Permanent Use Right):

One-time fee: ¥1–3 million (refundable, minus depreciation).

Targets asset-preservation-focused clients.

Card B (Lifetime Use Right):

One-time fee: ¥500,000–1 million (non-refundable, valid until passing).

For long-term residents.

Yingfeng Nursing Home (Rental):

Medical Integration: Partners with tertiary hospitals for "minor illnesses treated on-site, major cases referred externally."

Facility: 9 floors, 9,736 sqm, 309 beds.

Floors 1–4: Outpatient clinics.

Floor 5: Showroom.

Floors 6–9: Nursing zones (private bathrooms, emergency call systems).

Fee Structure:

Independent Seniors: ¥5,600–6,800/month (basic care, health monitoring).

Semi-/Fully Dependent Seniors: ¥8,000–18,000/month (assistance with daily activities, 24/7 nursing).

d. Supporting Facilities

Health Club:

8,000 sqm, managed by Shanghai Megafit Health Group.

Services: Gym, hydrotherapy, rehabilitation, sub-health recovery.

Qinhe Academy (Elderly University):

Partnered with Shanghai Elderly University for courses (English, IT, arts, sports).

Integrates interest groups for structured activities.

Community Hotel:

66 suites for short-term stays, vacation rentals, and trial elderly living experiences.

e. Key Takeaways

Core Competitiveness: Service quality and operational expertise.

Success Factors:

"Membership + Outsourcing" Model:

Membership fees recover upfront costs; service fees ensure stable cash flow.

Resource Integration:

Outsourced healthcare, dining, and tourism services enhance quality.

Brand Influence:

Strategic collaboration with Vanke established Qinheyuan as a top-tier operator, setting a national benchmark for partnerships.

Qinheyuan exemplifies how premium elderly care projects can balance financial sustainability with high service standards through innovative membership systems and strategic outsourcing. Its brand and operational blueprints remain widely emulated in China's elderly care industry.

4.5.2 Beijing Oriental Sun City

a. Project Background

Beijing Oriental Sun City is one of China's earliest integrated communities exploring the "elderly care + real estate" model. With its core philosophy of "all-ages, continuous care," it targets middle-to-high-income seniors, offering comprehensive services combining residential living, healthcare, wellness, and cultural activities. This model later became a template for many developers entering the elderly care sector.

Launch Phase: First phase delivered in 2004, developed over three phases spanning a decade.

Location: Situated along the Chaobai River in Shunyi District, northeast Beijing—dubbed the "Oriental Rhine"—with 7,000 acres of natural forests serving as a green barrier.

Scale:

Site area: 2.34 million sqm

Floor area: 800,000 sqm

Residential units: ~2,000 across six themed zones.

Product Mix: Detached villas, townhouses, courtyard homes (siheyuan), and elevator apartments.

b. Product Highlights

Diverse Housing Options: Apartments, villas, and courtyards in varied sizes to accommodate different needs.

Age-Friendly Design:

Barrier-free infrastructure.

Smart security (infrared wireless systems) and eco-tech (geothermal heat pumps).

Premier Amenities:

50,000 sqm of public facilities for wellness, leisure, business, and investment.

Low Density & High Greenery: Ultra-low plot ratio with expansive green coverage, coupled with convenient transportation.

c. Operational Model

"Property Sales + Service Fees" Approach:

Phase 1: Rapid capital recovery through home sales.

Phase 2+3: Long-term revenue from healthcare, housekeeping, and 增值服务 services.

Medical Management: Outsourced to third-party professionals to reduce costs and enhance service quality.

Sales Strategy:

Diversified property types released in phases.

Public facilities completed early to strengthen community appeal.

First-phase units sold out quickly, commanding prices 20–30% above local averages.

d. Key Facilities

Oriental Sun City Hospital:

2,200 sqm comprehensive facility with 20 beds.

Departments: Emergency, internal medicine, surgery, TCM, dentistry, rehabilitation, etc.

Partners with tertiary hospitals for "seamless medical-care integration."

Sun Clubhouse:

Library, senior activity rooms, and 20+ multifunctional conference halls (40–900 sqm).

Resort Hotel:

150,000 sqm of U.S.-style architecture with 108 four-star guest rooms.

Elderly University:

Approved by Shunyi District Education Bureau in 2005.

Courses: Ballet, folk dance, computer skills, etc.

Sports & Wellness:

Outdoor: Tennis, basketball, solar-heated pools.

Indoor: Swimming, aerobics, bowling, billiards, 25m thermal spring pool.

Community Farm:

Residents can lease plots for organic gardening, with expert guidance and 代管 services.

Dining:

Four restaurants (Huaiyang, Sichuan, Cantonese, Western) helmed by master chefs.

Age-Friendly Infrastructure:

Slip-proof pathways, medical-grade elevators (stretcher-compatible).

Smart emergency call systems linked to public restrooms and green spaces.

e. Summary & Insights

Success Factors:

Location: Leveraged suburban ecology for low-density, high-comfort living.

Holistic Care: Integrated medical and recreational resources, forming a closed-loop "care continuum."

Pioneering Model: Set benchmarks for China's elderly care real estate sector.

Challenges:

Market Limitations: High-end positioning restricts replication in lower-tier cities with weaker purchasing power.

Policy Dependence: Heavy reliance on land subsidies and tax incentives.

Capital Intensity: Initial investment reached ¥800 million (unprecedented at launch), with prolonged payback periods.

Legacy:

Oriental Sun City remains a landmark case study in balancing commercial viability with elderly care needs, though its scalability requires tailored adaptations for diverse markets.

4.5.3 Taiwan Chang Gung Health and Wellness Village

a. Project Background

The Chang Gung Health and Wellness Village, developed by Formosa Plastics Group founder Wang Yung-ching with an investment of NT\$50 billion, is a pioneering Continuing Care Retirement Community (CCRC) in Taoyuan's Guishan District. Built adjacent to Chang Gung Memorial Hospital, this 34-hectare community (50% green space) features 3,600 units across seven-story buildings, offering:

Unit Types: 46 sqm (1-bedroom) / 73 sqm (1-bedroom + living room).

Eligibility: Open to applicants aged 60+ (spouses 50+), with pre-admission health checks. Those requiring medical care can access the neighboring Chang Gung Nursing Home.

b. Product Overview

Cluster-Based Neighborhood Design:

Small Groups (8–20 units): Shared social spaces for interaction.

Medium Groups (60–80 units): Laundry

rooms and waste collection areas.

Large Groups (500–700 units): Public dining halls, game rooms, libraries, and recreational facilities.

Age-Friendly Features:

Barrier-free layouts tailored to mobility needs.

Scenic views and optimized living spaces for seniors.

c. Operational Model

Non-Profit Sustainability Model

Housing Options:

Purchase (Restricted): Units sold at cost (government-subsidized land) but non-inheritable—must be returned to the village as a donation when vacated.

Rental: Long-term leases include healthcare, emergency response, and activity programs. Short-term trial stays available.

Wellness Programs:

1-Day Experience Camps: Open to ages 13+ (excluding mobility-impaired individuals).

Facility Rentals: Hosts corporate trainings, conferences, and cultural events.

Employment Opportunities: Part-time roles for residents to offset costs.

Note: Operates at break-even to prioritize accessibility over profit.

d. Key Facilities

On-Site Medical Center (Chang Gung Hospital Extension):

Specialty clinics, rehabilitation, and 24/7 emergency care.

Personalized health plans, medication management, and wellness workshops.

Multifunctional Activity Hub:

Indoors: Dance studios, table tennis, KTV, libraries, prayer rooms.

Outdoors: Basketball/tennis courts, hiking trails, organic farms.

Shared Spaces: 800-seat dining hall, movie theater, conference rooms.

5. Recommendations for China's Elderly Care Industry Development

China is facing rapid population aging, and building a sustainable, multi-tiered elderly care service system has become a national priority. To address current pain points in elderly care model development, we propose systematic advancements across the following dimensions:

5.1 Policy System Innovation

5.1.1 Fiscal & Tax Incentives

Implement "caregiver tax deductions" , allowing personal income tax exemptions based on actual eldercare expenses.

Establish a national "time bank" credit system (modeled after Germany), enabling cross-regional redemption of elderly care services.

5.1.2 Long-Term Care Insurance Reform

Pilot a "commercial insurance + social insurance" co-insurance model, combining private insurers' actuarial expertise with government-backed safeguards.

Develop a national standardized assessment framework for care needs to ensure precise matching of services with demand.

5.2 Service Model Upgrades

5.2.1 Strengthening Home-Based Care

Create "15-minute emergency response zones" in communities using grid-based management systems for rapid crisis intervention.

Implement unified digital management, maintaining individual health profiles for personalized care (e.g., meal delivery, bathing assistance, medical support).

Promote "smart home care systems" integrating IoT sensors for fall detection, medication reminders, and real-time vital sign monitoring.

5.2.2 Enhancing Community-Based Care

Develop embedded community care hubs, offering professional day care, rehabilitation, and home-visit services.

Encourage "community + property management + elderly care" partnerships to leverage local resources.

Mandate village/neighborhood committees to oversee elderly care needs and coordinate support for isolated seniors.

5.2.3 Optimizing Institutional Care

Classify care facilities into three tiers:

Basic safeguard institutions for impoverished/disabled seniors.

Affordable public institutions with government-guided pricing.

Market-driven premium institutions catering to diverse needs.

Link nursing home star ratings to Medicare eligibility.

Expand specialized care centers (e.g., dementia facilities, post-surgery rehab homes).

5.2.4 Deepening Medical-Care Integration

Streamline two-way referrals between

hospitals and care facilities.

Grant prescription rights to qualified in-house clinic staff at nursing homes.

Promote palliative care services in medically equipped facilities.

Strengthen early disability screening and preventive health interventions.

5.3 Urban-Rural Coordination

5.3.1 County-Level Elderly Care Complexes

Build integrated centers in every county, combining daycare, full-time nursing, and rehab services.

Launch "city aids village" partnerships, connecting urban tertiary hospitals with rural care homes via telemedicine.

5.3.2 Rural Elderly Care Innovations

Incorporate elderly care into rural revitalization strategies.

Allow repurposing idle homesteads into senior living communities.

Pilot "land-for-care" programs, letting farmers trade land-use rights for institutional care access.

5.4 Technology Applications

5.4.1 AI-Driven Solutions

Develop elderly-friendly companion robots with dialect-based interaction, cognitive training, and emergency alerts.

Launch a "silver economy big data platform" to monitor real-time supply-demand dynamics.

5.4.2 Age-Friendly Infrastructure Standards

Mandate universal accessibility designs in new housing projects.

Accelerate retrofitting older communities (e.g., elevator installations, barrier-free pathways).

Establish a special renovation fund with "government subsidies + resident crowdfunding" financing.

5.5 Workforce Development

5.5.1 Vocational Education Reform

Introduce "smart elderly care" majors in vocational schools to train interdisciplinary caregivers.

Adopt an 8-tier certification system for care workers, aligning salaries with skill levels (apprentice to chief technician).

5.5.2 Social Participation

Include elderly care volunteering in civil servant performance reviews.

Require university students to complete eldercare internships for academic credits.

5.6 Industrial Ecosystem Development

5.6.1 Silver Economy Industrial Clusters

Establish a unified national elderly care service information platform to optimize supply-demand matching.

Develop national-level health and wellness industry demonstration zones, creating integrated "R&D-manufacturing-service" industrial chains.

Launch specialized technology funds to support R&D in:

Humanoid robots for elderly assistance

Brain-computer interface applications

AI-driven care solutions

Age-friendly smart devices

5.6.2 Financial Instrument Innovation

Infrastructure Financing:

Utilize local government special bonds to fund eligible care facility construction.

Expand credit support for care service providers through policy-backed guarantees.

Capital Market Tools:

Promote elderly care REITs (Real Estate Investment Trusts) for project financing.

Develop elderly care trust products integrating long-term nursing coverage and health management.

Insurance & Pension Reforms:

Standardize "reverse mortgage insurance" with a national property valuation framework.

Introduce target-date pension funds (TDFs), allowing self-directed allocation within personal pension accounts.

5.7 Cultural Value Transformation

5.7.1 Intergenerational Integration Initiatives

Pilot "multi-generational co-living" communities with shared spaces to foster interaction.

Implement "Oral History" programs, empowering youth to document elders' life stories.

5.7.2 End-of-Life Education

Integrate death literacy into community elderly university curricula.

Promote advance care planning and hospice care awareness.

Train grief counseling specialists to support bereaved seniors.

5.8 Implementation Roadmap

5.8.1 Pilot Programs

Select 10 representative cities for policy-breaking reforms (e.g., land use, insurance integration).

5.8.2 Legal Safeguards

Accelerate enactment of the "Elderly Care Services Law" to clarify stakeholder responsibilities.

5.8.3 Quality Oversight

Deploy real-time service monitoring systems with third-party evaluation and exit mechanisms.

The future development of elderly care systems should adhere to the concept of "active aging," leveraging institutional innovation, technological empowerment, and cultural transformation to build an intergenerationally inclusive society with Chinese characteristics. During implementation, it is essential to emphasize regionally differentiated management, establish flexible adjustment mechanisms, and ensure the elderly care service system dynamically aligns with socioeconomic development levels.

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