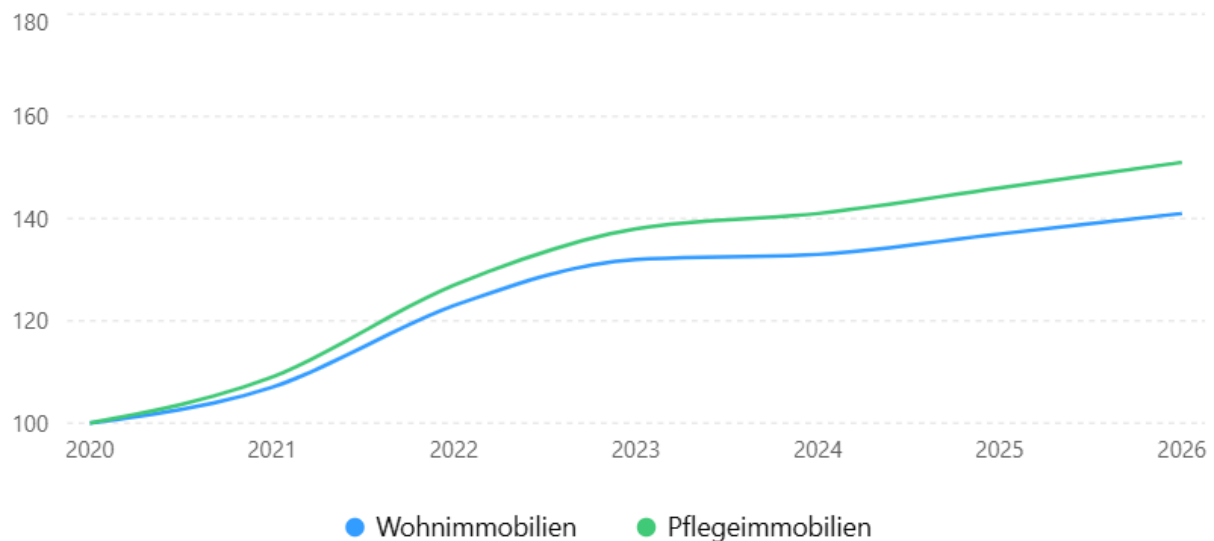


Comparison of Construction Cost Trends Senior Care Facilities vs. Residential Construction

Entwicklung der Baukosten 2020–2026

Indexierte Darstellung (2020=100). Pflegeimmobilien basieren auf Wohnbaukostenentwicklung zuzüglich höherer technischer und regulatorischer Anforderungen.



Key Findings for the Real Estate Industry

- **Residential Real Estate:** The sharpest cost increase occurred between 2021 and 2023 due to rising material, energy, and labor costs. Since 2024, this trend has slowed significantly.
- **Senior Care Facilities:** Costs tended to rise more sharply due to additional requirements that must be met:
 - Fire safety
 - Accessibility
 - Ventilation and HVAC systems
 - Nurse call and security systems
 - Medical infrastructure

As a result, construction costs are typically about 10–18% higher than for comparable residential projects.

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Overview of Construction Cost Trends 2020–2025			
Segment	Costs 2020 (€/m²)	Costs 2025 (€/m²)	Increase (in %)
Care facilities	2.900 – 3.400	4.300 – 5.200	48 – 52
Residential construction	2.000 – 2.600	3.100 – 4.000	53 - 55

Actual figures vary significantly by region, standard, and operator concept.

Key takeaways for investors

- Construction costs for residential real estate have risen by around 50% since 2020.
- Care facilities are following a similar trend, though they start at a higher cost level.
- By 2030, a construction cost range of €3,700–3,900/m² for residential complexes and €4,300–4,600/m² for care facilities appears realistic.
- The difference between the two asset classes is likely to remain at around 15% in the long term, as long as regulatory requirements in the care sector continue to rise.

Avivre Consult provides reliable support before, during, and after the purchase of real estate, offering professional competitive and location analyses, income-based valuation analyses, due diligence, project development and implementation, as well as successful transaction support through to the signing of the purchase agreements.