



Aged Care Cost Indicator

JULY 2025

This Cost Guide has been prepared from data provided by Caulfield Krivanek Architecture (CKA Group (ckagroup.com.au)) in conjunction with Quantity Surveyors Rodney Vapp and Associates Pty Ltd (rodneyvapp.com.au). It is intended as a guide only to assist the managers of aged care facilities and retirement living complexes undertake basic planning for new facilities and extensions to existing ones.

More accurate costs can be provided from concept sketches prepared by CKA Group and financial analyses prepared by Rodney Vapp and Associates.

Contact CKA Group on 03 8658 4000 to discuss your Aged Care Project.

Note

Construction costs have been relatively stable over the last six months. There have been substantial drops in the price of some materials, particularly steel and some subcontractor prices which have been partly offset by modest increases in labour costs in some areas. Clients have reported tender prices coming in favourably, generally below estimates. Many projects, particularly apartment and commercial projects remain on hold or have been cancelled. This has eased the demand on building contractors and suggests that building prices will remain fairly stable over the next six months. A new financial year and promised drops in interest rates may see much needed apartment and housing projects coming back on stream.

Asset Replacement Cost

It is important that facility managers have a good understanding of the replacement value of their assets, for insurance and valuation purposes.

If you know the size of your facility in square metres, you can apply the rates noted in 1.1. If not, you should have the property professionally measured up.

If you would like help working out the size of your facility, CKA Group can provide a complete measure up of your facility and a detailed inspection and maintenance report.

An approximate guide to the size of standard single occupancy room aged care facilities is as follows:

20 bed standard facility with small commercial kitchen, dining, lounge, laundry, admin	1,600m ²
30 bed standard facility with small commercial kitchen, dining, lounge, sitting, laundry, consulting room, admin	2,000m ²
60 bed standard facility with commercial kitchen, multiple dining, and lounge areas, sitting, hairdressing, laundry, consulting room, admin	4,000m ²
90 bed standard facility with large commercial kitchen, commercial laundry, multiple dining and lounge areas, sitting, hairdressing, café, shop, day centre, training facilities, staff and maintenance areas	6,500m ²

1.1 Building and Furniture & Fittings Replacement Costs

Cost per m2			
Replacement Cost	Standard Finishes	Quality Finishes	Luxury Finishes
Building	\$3,100	\$4,250	\$4,800
Furniture & Fittings per bed	\$10,000	\$12,000	\$17,800

Note

Building Replacement Costs include allowances for demolition following a fire, consultant's fees (nominal 10%) and permits required to rebuild. These costs do not include external works and services and Authority charges See 2.3 and 2.4. Separate allowance should be made when assessing insurance for loose furniture & equipment.

New Building Cost Indicator

Indicative new building costs for aged care facilities can be calculated by the following process:

- Assess the quality of facility and finishes you want to achieve. This is generally proportional to the sales or refundable accommodation deposit values in the local area. As a general rule standard facilities are in outer suburban areas, quality facilities in middle suburban areas and luxury facilities in top-end suburbs and selected resort areas.
- Prepare a concept plan of the proposed facility. CKA Group can help you do this.
- Calculate the structural (shell) cost of new construction on a square metre basis.
- Calculate the cost of fitting out kitchens, bathrooms and laundries.
- Calculate the cost of furniture and fittings. Include office and administrative furniture, nurses' stations, beds, lounge and dining room furniture, curtains, blinds and artwork.
- Allow for consultants design fees, planning, building and authorities permit fees.

2.1 Structural (Shell) Cost

The shell includes the basic structure, bedroom, ensuites and floor finishes.

Cost per m2			
Facility size (beds)	Standard Finishes	Quality Finishes	Luxury Finishes
< 30	\$2,800-3,400	\$3,100-3,700	\$3,500-3,650
30-60	\$2,750-3,400	\$3,000-3,650	\$3,400-4,200
60+	\$2,700-3,380	\$3,080-3,610	\$3,420-4,100

2.2 Fit out Cost

The shell includes the basic structure, bedroom, ensuites and floor finishes.

Cost (Total)		
	Standard Finishes	Luxury Finishes
Commercial Kitchen		
< 30	\$150,000	\$220,000
30-60	\$220,000	\$330,000
60+	\$310,000	\$410,000
Commercial Laundry		
< 30	\$100,000	\$190,000
30-60	\$200,000	\$310,000
60+	\$320,000	\$360,000
Public Access Toilet	\$36,000	\$55,000
Assisted Bathroom	\$44,000	\$72,000

2.3 External costs to be added on

External works & services includes those outside of the building line, including fencing, paths, hydraulic services, electrical and gas.

Allowance		
	30 Bed Facility	60 Bed Facility
On Grade Car parking	\$133,000-190,000	\$210,000-280,000
External Works & Services	20-25% of building cost	15-20% of building cost
Landscaping	\$100,000-\$200,000	

2.4 Fees

Consultants' fees include fees for the architect, surveyor, town planner, structural and services engineering, building surveyors, landscape, quantity surveyor etc.

Authorities Fees and Permits can vary enormously depending upon zoning and planning conditions.

Allowance	
Consultants Fees	12-15% of building cost
Authorities Fees & Permits	1-6% of building cost

Sample Budget for Aged Care Facility

	No. of beds	Area per bed	Total building area	Cost per m2	Total cost
Quality finishes	90	80m2	7,200m2	\$3,400	\$24,480,000
Add for sloping site					\$0
Add for adverse soil conditions					\$0
Fitout					
Commercial Kitchen					\$410,000
Commercial Laundry					\$360,000
Assisted Bathroom					\$72,000
Public Access Toilet					\$55,000
INDICATIVE ESTIMATED TOTAL BUILDING COST (excl. GST)					\$25,377,000
External Works & Services (nominal 20% of building cost)					\$5,750,000
Car Parking					\$280,000
Landscaping					\$200,000
INDICATIVE ESTIMATED TOTAL CONSTRUCTION COST (excl. GST)					\$31,607,000
Additional Costs					
Contract Contingency (nominal 5% of construction cost)					\$1,580,000
Consultants Fees (nominal 12% of construction cost)					\$3,790,000
Authority Charges (nominal 1% of construction cost)					\$316,000
Loose Furniture & Equipment (nominal \$10,000 per bed)					\$1,600,000
INDICATIVE ESTIMATED PROJECT COST (excl. GST)					\$38,890,000

2.5 Regional Differences

Construction prices vary from city to city and are generally more expensive in rural areas. Using Sydney construction prices as a base, capital city adjustments are approximately as follows:

- Melbourne -1%
- Brisbane +4%
- Adelaide 0%
- Perth +5%
- Hobart 0%

2.6 Total Cost Structure

The approximate cost structure of new homes and renovations is as follows:

- Materials 40%
- Labour 30%
- Rural areas +5% to 15% depending on distance from major cities