

SEPTEMBER 2021

SHHA

Senior Housing & Healthcare Association

Headlines:

Cofinimmo makes UK debut with £57m deal for three assets

AXA IM Alts raises €1.9bn for life science



Sylwia Ziemacka: SHHA at Expo Real
Responsible Housing to list on LSE
Target Healthcare's £230m UK pipeline



Sharing knowledge and industry insight



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There has been a lot of activity in the senior housing and healthcare markets and, as institutional investor interest continues to grow for the sector, we invite you to join us for a new programme of events designed to share market insight, investment strategy and local insight and research.

Our programme kicks off on 15 September with a focus on emerging markets and unlocking the opportunities as part of a series of online events.

Expo Real will be our first 'official' chance to meet in person. As well as a networking breakfast we will host a Senior Housing & Healthcare Investment Briefing on 12 October at the International Investors Lounge (Hall A1).

Meet us at Expo Real 2021

Impact, Senior Housing & Healthcare Investment Breakfast

A first 'official' chance to meet in person. Join SHHA members, prospective members and those interested in the market for a time-efficient networking breakfast
9.00-10.00, 12 October

Senior Housing & Healthcare Investment Briefing

Your chance to get an update on the current market and the outlook for the sector as well as benefit from the latest research from members, discuss investment opportunities, insights from around Europe, challenges and opportunities – a briefing on the key trends and investment outlook for the sector
15.30-17.00, 12 October

We are also scheduling a series of regional-focused events including the Nordics, Benelux and Southern Europe over the autumn so please let me know if you would be interested to join our events programme and we will make sure you are included on all the updates.

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Care Property Invest snaps up €35m Spanish retirement village

Belgium-headquartered Care Property Invest has paid €35 million for an established retirement village in Spain's Valencia region.

Forum Mare Nostrum was owned by Grupo Goya and managed by Goya Real Estate. The residential complex, near Alicante, has been in operation for more than 20 years and comprises 229 apartments with garages and storage rooms, gardens, swimming pools and other leisure activities. Most of the residents are northern European.

Cushman & Wakefield and Savills

Aguirre Newman, which advised on the sale of the asset, said in a statement the transaction has placed Spain's senior living market firmly on the map for institutional investors.

Cushman & Wakefield international partner Rupert Lea said Spain's Mediterranean coast is the "Florida of Europe" for the retired and demand for retirement villages is strong. "The key is the operator and the ability to produce investment-grade product – either on long-term leases or enabling investors to buy into the operating net income," he said.

Kingstone hires Principal's Muno to head healthcare growth

Kingstone Real Estate has appointed Paul Muno (pictured right), formerly with Principal Real Estate Europe, as the managing director and partner for its healthcare platform, Kingstone Living & Care.

Muno will drive the growth of Kingstone Living & Care together with managing director Bärbel Schomberg.

Kingstone Living & Care enables national and international institutional investors to invest in healthcare properties such as nursing homes, age-appropriate housing, medical centres, health centres and rehabilitation clinics via funds or separate accounts.



Muno had been head of Principal Germany since 2011 and a member of the European board, building up the German and European business with institutional clients. Previously he

was a manager at Commerz Real Spezialfondsgesellschaft and fund manager at what was then Oppenheim Immobilien-Kapitalverwaltungsgesellschaft.

Schomberg commented: "The competition for healthcare properties is becoming increasingly intense. We have already built up a comprehensive pipeline and are still looking for individual, long-term attractive assets across Germany."

Cofinimmo makes UK senior care debut with £57m deal for three properties

Brussels-listed Cofinimmo has entered the UK senior care market with the acquisition of three recently commissioned nursing and care homes for approximately £57 million. The facilities are located in the East and South-East England regions and have 196 beds in total and a total area of 9,500 sq m.

The sites, located at Huntingdon near Cambridge, Milton Keynes and Welwyn Garden City, are leased to Country Court Care Group. Each of the three sites is let on a triple-net lease of 35 years. The rents will be indexed annually to the British retail price index (RPI).

All three buildings have a relatively low energy intensity. Two buildings are equipped with solar thermal systems, a third with a heat pump.

Jean-Pierre Hanin, CEO of Cofinimmo, said: "With our entry into British healthcare real estate, we take an important step in the execution of our corporate strategy: to build and to consolidate our leadership position in European healthcare real estate. With the United Kingdom, we add a ninth country to our geographic presence, the third new country we entered this year."

The company pointed out that the UK has



one of the largest care home landscapes in Europe, but the sector remains highly fragmented with 78% of care home beds in properties that are not purpose built or are more than 20 years old.

The UK population over 85 is set to increase by 27.5% to 2030, seven times the growth rate of the overall UK population and 16 times faster than the working age population.

Based on current rates of occupation, the rise in dementia, and the high levels of co-morbidity among older people, the UK would require a further 10,000 additional care home beds per annum to 2030 to keep up with demand. Cofinimmo said that not only is there a need for a higher quantity of care home beds, but the quality issues of the current stock also need to be addressed urgently.

Moorfields opens hub at north London shopping centre

The world-renowned Moorfields Eye Hospital is to open a diagnostic hub at Brent Cross, the north London shopping centre.

When it opens in September, the facility will be Moorfields' third diagnostic hub outside its central London hospital. Moorfields is to occupy 15,000 sq ft on two floors, in a unit previously occupied by fashion chain New Look.

Brent Cross is jointly owned by Hammerson and Aberdeen Standard Investments. Hammerson said the deal with Moorfields is the latest example of how it is collaborating with businesses and the public sector to repurpose retail space for alternative uses, including for the creation of wellness and community services.

The hub will offer a monitoring service for existing Moorfields patients with retinal problems or glaucoma – two of the leading causes of preventable sight loss in the UK.



AXA IM Alts raises €1.9bn for life science as healthcare drives sector

AXA IM Alts has raised €1.9 billion of equity to accelerate investments into the life sciences sector. The capital was raised over the last seven months from a range of clients in North America, Asia and Europe.

The firm said that while the life sciences asset class is already well established in the US, it is an emerging but high potential asset class in Europe, "supported by a number of economic, demographic and technological changes, notably as it relates to healthcare".

The sector is benefiting from a significant growth in available public and private funding. Companies in the sector are not just demanding additional space to accommodate their growth but are fundamentally considering how they organise themselves and recognising the value of being part of a relevant ecosystem.

Isabelle Scemama, global head of AXA



Isabelle Scemama:
'Capital raise underlines ability to invest at scale'

IM Alts and CEO of AXA IM - Real Assets, commented: "The success of this capital raise underlines our ability to present our clients with opportunities to invest at scale in our key conviction asset classes, such as life sciences, which offer sustainable and growing income returns over the long term."

Most of the capital raised will be invested through Kadans Science Partner, which AXA IM Alts acquired last year. Kadans

is a developer, owner and operator of European science parks and lab offices. Its portfolio comprises around 167,000 sq m of operating space across 22 assets in key research locations in the Netherlands, UK and Germany, as well as eight developments which are due to deliver circa 120,000 sq m of new space over the next three years.

"Our investment into Kadans and the life sciences sector also dovetails with two of our broader investment themes. Firstly of putting capital to work in to opportunities which have strong ESG credentials and make a positive contribution to society and, secondly, of coupling long-term investment capital with operational platforms and highly ambitious management teams wishing to operate without the constraint of short-term investment horizons," Scemama said.

Proximus buys medical centre for healthcare fund

Proximus Invest, a subsidiary of Cologne-based Proximus Real Estate, has acquired the MedicPark (pictured) in Kaiserslautern in the west of Germany, for its Proximus Health Real Estate Germany fund.

The building has five upper floors and around 6,400 sq m of lettable space plus 86 parking spaces.

The specialist medical centre, located at Brusseler Strasse 7, opened at the beginning of the year and is fully let.

The Lutrina Clinic occupies just under half of the space and specialisms also located there include radiology, anaesthesia, cardiology, vascular medicine and physiotherapy. There is also a medical supplies store.

Proximus is seeking further investment opportunities in the healthcare segment across Germany, beyond the fund's target volume of €300 million.

The Kaiserslautern acquisition follows Proximus's acquisition of a medical centre in Warendorf, northern Germany. The 7,400 sq m asset, which was forward-purchased



from JHW Gesundheitszentrum and will be completed in mid-2023, will be included in the Proximus Health Properties Germany fund, launched at the end of 2019.

Anchor tenants will include one of the largest operators of specialist practices for

radiology, radiation therapy and nuclear medicine in Westphalia, as well as a nationwide intensive care service. The building is connected to Warendorf's Josephs Hospital, an academic teaching hospital of the University of Münster.

Senior Housing and Healthcare Association

The Senior Housing & Healthcare Association is a new initiative to help drive forward the Senior Housing and Healthcare Real Estate sector within Europe. The association brings together leaders within the industry, from both the operator and investor side, to share insights with the wider market, help create research, data, benchmarks and encourage best practice and investment in this important and growing sector.



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