

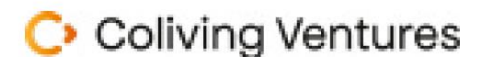
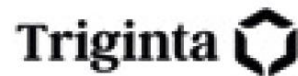


# SHHA

A multi-stakeholder  
perspective on investment  
opportunities across Europe

DRIVING THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE SECTOR FORWARD

# MEMBERS & PARTNERS



**ABOUT US**

**SHHA**

# ABOUT US

---

Multistakeholder platform that brings together the industry leaders – operators, developers, financial institutions, investors.

Established in 2020.

We promote, drive and encourage the maturity of the international senior housing and healthcare real estate investment markets, to help address the post-covid changes and significant growth in demand.

**SHHA**

# OUR GOALS

---

## **Providing data that covers key European markets**

There is a lack of independent data, critical in terms of further market development. The SHHA will establish a source of reliable, readily accessible, headline data covering key European markets.

## **Consistent Senior housing and healthcare real estate terminology**

There is a lack of consistency in industry terminology creating confusion around within the market. The aim is to define a consistent set of industry terminology to support operators, finance providers, advisory and investors.

## **Learning & sharing best practices**

Using the network of the SHHA to share best practices throughout the healthcare real estate chain, learning from one another within Europe as well as international best practice in both real estate and healthcare operations.

## **Drive Investment**

Facilitate underwriting by articulating the resilience and defensive character of the asset class through clear KPI analysis and comparison with other investments

**Encourage Impact Investing** with a focus on performance against ESG and SDG criteria.

**Facilitate the flow of capital** into the sector both at a national and pan-European level.

**SHHA**

# OUR TEAM

---



**Ron Van Bloois**  
Chair  
SHHA



**Richard Betts**  
Group Publisher  
Real Asset Media



**Thorsten Herbert**  
Founding Partner  
Real Asset Media



**Sylwia Ziemacka**  
Head of Membership  
SHHA

**SHHA**

# ACTIVITIES – EVENTS AT MIPIM & EXPO REAL

---

## Live programme at EXPO Real and MIPIM

Building awareness of the sector at the key real estate events in Europe

Senior Housing & Healthcare Investment sessions are held on the International Investors Lounge organised in cooperation with Real Asset Media

Each session is also streamed live to reach a global audience via RealX.Global



**SHHA**





# Senior Housing & Healthcare Summit

---

Annual event that aims to bring together the industry leaders and experts from across Europe (investors, operators, policy makers, financial institutions, asset managers, developers) for a deep dive into the sector and to run a dialogue between business and policy makers on the shape of the market, regulations, financials and investments.

Our first Senior Housing & Healthcare Summit took place on the 27 June in Brussels.

It was co-organized together with EPRA, following the strategic partnership signed earlier this year.



**SHHA**





# ACTIVITIES – SHHA REPORTS

---

SHHA reports published twice per year

Launched at MIPIM and EXPO REAL

- Thought Leadership
- Research & Definitions
- Inspiration & Knowledge

Distributed at MIPIM, EXPO REAL, to decision makers from local governments and national institutions in Europe responsible for senior housing and healthcare policies, to EU institutions, investors, operators, financial institutions

Print, digital & online editions promoted via [www.SHHA.international](http://www.SHHA.international)



**SHHA**



**“WE DEFINE AND MONITOR KPIs TO DEMONSTRATE OUR ESG PERFORMANCE”**

**INTERVIEW WITH FRÉDÉRIC DUROSSEAU**  
Group Chief Real Estate & Development Officer, KORIAN

**HOW DO YOU ASSESS THE CURRENT SITUATION IN SENIOR HOUSING AND THE HEALTHCARE SECTOR? WHAT ARE THE BIGGEST CHALLENGES AND WHAT CREATES OPPORTUNITIES FOR YOU?**

Let's start with senior housing. I believe that, especially in France, we are suffering from the CRPEA scandal.

Earlier this year a book entitled Les fossés (The grand dividers) was published in France. It showed alleged residents' mistreatment and misuse of public money, headquarters fraud and mismanagement. That did cast a large cloud over the sector.

When looking at the healthcare sector in Europe, we face, like all sectors, inflation and high energy prices. And so there are lots of questions regarding

how to tackle both too. These are of course the obvious challenges for the world. Currently we have very high gas prices and very high energy prices in general. I believe we need to rethink our energy mix for the long term, which will hopefully help us to tackle climate change by addressing fossil fuels and providing more renewable energy. So at least if I could take some opportunity out of all these challenges, I would certainly pick this one.

THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET



**Nursing and care home in Oleiros**

The newly-built nursing and care home in the city of Oleiros, Galicia, is operational since October 2021. This is a very representative and important project for Cofinimmo and the Spanish healthcare sector as it is the first healthcare project to be granted a BREEAM Excellent certification in Spain. Thanks to an energy intensity of 58 kWh, the building, which offers **140 beds** and a total surface area of approximately 5,000 m<sup>2</sup>, has achieved an A-level energy performance label.



With this project, Cofinimmo has set a trend in Spain to build healthcare projects as sustainably as possible, it is also one of a long list of new development projects with BREEAM Excellent certifications. The total investment value amounts to **€ 11 million**. The project is operated by Cneo Cofinimmo launched its activities in healthcare real estate in Spain in September 2019 with a first pipeline of five construction projects spread through Galicia, Valencia, Murcia and Andalucía. Since then,

the group has considerably extended its portfolio in this geography, which consists of standing assets, greenfield projects as well as land reserves. In May 2021, the group closed a major transaction which led to the acquisition of a portfolio of 18 well-maintained assets in operation, representing more than 2,700 beds. Spain has been an important source for growth at Cofinimmo now boasting 27 operating sites, currently all nursing and care homes with 5 different leading operators and a large pipeline of future projects.

THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET

**Savills report: UK and European Care Homes 2022 The Countercyclical Asset Class?**

Care Homes have proven to be a countercyclical real estate asset class, performing strongly in economic downturns. Underpinned by compelling supply / demand fundamentals and an ageing population, the European Care Home sector nevertheless has many nuances, and a close understanding of each market's regulation, spending and cultural approach to care, is key for investors looking to access and achieve success in this sector.

Although many elderly care home operators and investors have grown and become more dominant in terms of market share in recent years, European care home markets remain highly fragmented.

Consolidation rates - the proportion of the market made up by the top 5 operators in England, France, Spain and Germany, are between 11% and 13%. Belgium is the most consolidated market with 25%. This presents opportunities for pan-European aggregators.

**EUROPE'S DEMOGRAPHIC TRENDS UNDERPIN FUTURE DEMAND**

In common with many countries around the world, much of Europe has an increasingly ageing population. This means more people needing increasingly complex care, for longer periods of time.

**This indicates that the requirement elderly care will become even greater moving forward**

However, the forecast rate of population change differs across Europe. Over the next 10 years, Spain and the Netherlands will see the largest growth in their populations aged over 65, with an increase

of 25%. Germany currently has the highest old-age dependency ratio (the measure of people aged >65 relative to the number of working age people, 14:64), at 35% and rising to 45% by 2032. This indicates that the requirement for elderly care will become even greater moving forward.

The private care home market is worth €46bn across the 'big 7' European countries

The value of the European elderly care home market was €115bn in 2022, according to Healthcare Business International. The private sector makes up 40%, equivalent to €46bn. The vast majority, €32bn (70%), is in the UK and Germany - by far the two largest private care home markets.

Germany is the largest market in Europe, both in terms of value (€35.8 bn) and the number of care home beds (800,000). This is perhaps unsurprising, given that it has the largest population.

THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET



**“WE FOCUS MAINLY ON SUSTAINABLE FUTURE-PROOF ASSETS WITH RESPECTABLE AND STABLE OPERATORS”**

**INTERVIEW WITH VALÉRIE JONKERS**  
COO, Executive Director, CARE PROPERTY INVEST

**WHAT'S THE SITUATION IN THE SENIOR HOUSING AND HEALTHCARE MARKETS ACROSS EUROPE?**

Care Property Invest is a Belgian REIT and we are investing in healthcare real estate. For the moment we are active in four target markets: Spain, The Netherlands, Belgium, and since this year in Ireland. Care Property Invest has grown significantly in the

past years. Despite the shortage in nursing staff and COVID, the demographic evolution continues and it is a simple fact that the ageing of the European population is continuing. Demographic forecasts in our target markets indicate that demand for healthcare real estate will continue to increase until at least the end of the century. Although demographic evolution might be similar, there are also differences between these markets. For example, in The Netherlands most

projects are small-scale projects, whereas in Spain we see more large-scale projects with 150 beds at a minimum.

I also believe that differences in subsidies in the healthcare sector play a major role. In recent years, we have had some COVID grants, but we also have the normal grants within the healthcare sector.

THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET



**“WE ARE WORKING ACTIVELY WITH DEVELOPERS AND OPERATORS TO SEE HOW WE CAN MEET THE DEMOGRAPHICALLY DRIVEN DEMAND FOR HEALTHCARE REAL ESTATE”**

**INTERVIEW WITH RAOUL THOMASSEN**  
Chief Operating Officer, AEDIFICA

AEDIFICA HAS HAD AN INTENSIVE TIME IN TERMS OF ITS DEVELOPMENT IN SEVERAL EUROPEAN MARKETS, WHILE AT THE SAME TIME IT HAS STEPPED UP ITS SUSTAINABILITY AMBITIONS BY DEVELOPING A NEW CSR FRAMEWORK. CAN YOU TELL US ABOUT THE CONTEXT OF THE NEW STRATEGY?

We have structured our strategy around three pillars - our portfolio, our partners and our organisation. Within each of these three pillars, there are several actions that help us - as a future-proof organisation - to have a future-proof portfolio.

When we talk about our portfolio, we talk about our ambitions to achieve net zero emissions by 2050. Aside from our intrinsic drive, this is externally

demanding by governments shaping regulations to achieve that goal, as well as from it from the investor side - investors expect us to develop a sustainable portfolio. We have been actively working on that, including by making our reporting more transparent.

Another important aspect of our new framework concerns HR. As our portfolio grows, so does the number of people working in the company.

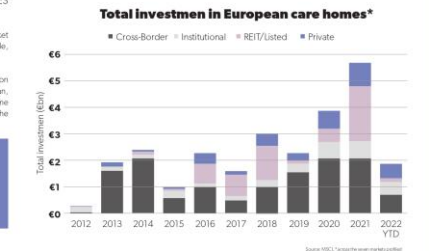
THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET

**INVESTMENT IN EUROPEAN CARE HOMES CONTINUES TO INCREASE**

Investment across the European care home market has been steadily rising over the past decade, reaching a record high of €5.7bn in 2021.

Total annual acquisitions have averaged €2.4bn since 2012. As the major operators such as Korian, Orpea, Aedifica, Cofinimmo and Swiss Life become more pan-European in their focus, so too does the investment market, which is continuing to grow.

**Regardless of the economic situation, elderly people will still require care in the later stages of their life**



THE SENIOR HOUSING AND HEALTHCARE REAL ESTATE MARKET

# ACTIVITIES: HIGHLIGHTING THE SECTOR

Dedicated SHHA special section in every issue of the Real Asset Insight magazine

Magazine: 6 issues per year

– online, digital and print

– 30,000 global readers

realasset  
INSIGHT

Issue 11 | July 2021

## THE WINDS OF CHANGE

INFRASTRUCTURE SPECIAL:

How renewable energy has become a compelling proposition for investors

SPECIAL REPORT Poland's Olivia Business Centre | Insight & Strategy France | European H2 Outlook Residential | Affordable Cities | Retail | Debt Financing | Student Housing | Plus People & Moves

## SHHA

### Care homes remain attractive despite market complexities

Sector fundamentals outweigh myriad regulations across Europe, reports Paul Strohm

A recent report by law firm CMS has revealed the complexity and diversity of the care home markets across Europe and the UK. The report also highlights the growing demand for the sector both from the consumer perspective and from the point of view of investors.

"Over the next 10 years it is expected that we will see three 50+ year olds retiring, says CMS partner Candice Blackwood.

Follow partner Stefan Voss adds that in Germany the baby boomer generation is likely to retire over the next 10 to 15 years and up to 2030 at between 200 and 250 care homes will have to be developed to maintain quality.

But the strength of demand and the stability of income, which is effectively underwritten by the social security system, makes it an attractive investment.

Funding is diverse and ultimately, it is government backed, which is an attraction for investors.

"Something we have seen in the past few months is that many fund managers and international REITs are quite interested in this kind of property – Audacia from Belgium, Calista from Sweden, Cotemore, also from Belgium, Patriza, Pimonte, Icade from France... so there's really very big interest in this asset class," Voss adds.

The pandemic has placed a strain on operators and more consolidation can be expected in the market, Blackwood says. The covenant strength of the operators that invest in partnership with is therefore critical, she adds.

The complexity of the regulations which



apply to the sector can be a challenge for both investors and operators. "In Germany in particular, we have a specific care home regulation in all 16 federal states that make it quite different when investing in portfolios which cover properties located in more than one federal state. It is a very complex issue which needs to be observed by all investors," Voss says.

Although, as Blackwood points out, the situation is not as complex in the UK, there are different regulations in England, Scotland and Wales which operate slightly different regimes.

It is important that investors have a good grasp of regulations as well, Blackwood says: "The investors invest in the real estate and tend to lease the premises back, and the operators have to be registered with the different regulatory authorities, such as the Care Quality Commission in England.

"But it is, for instance, a business as usual performing and an investor needs to step in to the lease, it is important that they explore other options to ensure that the patients living in the care homes always have regulated care providers looking after them."

While the demographics are heading in one direction, Blackwood explains that another change is that in the West, people with long-term, chronic conditions, such as those with diabetes, multiple sclerosis or severe asthma, are better looked after.

"People are living longer and the care

home population has to be looked after more. They're being admitted later into care homes and living there perhaps 18 months to two years with perhaps a number of issues that need nursing care, whereas 10 to 20 years ago people were being admitted to care homes and living there quite happily in what was known as 'residential care' for perhaps five years.

"The market is now moving in a different direction and there are care homes for complex needs, dementia in particular, as people age."

This has implications for the funding system, which Voss points out is tightly regulated by the national care insurance system in Germany, for example.

"There's a quite complicated mechanism which requires special contracts between the operators and the local care insurance bodies," he says. "For example, for in-patient nursing homes the amount which will be refunded to each occupant per day

is determined and a part of this payment is dedicated to the investment costs and that's the main figure investors are looking at – how much investment cost to the real value for each nursing home."

Reits are not calculated per square metre like other asset classes but it is always linked to the investment cost, he adds: "If an occupant cannot pay the investment costs the social security system steps in."

**FINANCE CHALLENGES**  
Voss explains that because of the complexity there are not many banks that will finance such healthcare assets. However, there are banks with specialist in-house departments in this area and which are happy to finance healthcare real estate.

Blackwood explains that in the UK, individual care home clients are means tested by the local authority on admission and various thresholds are applied depending whether it is England, Scotland or Wales. Part of the attraction for investors

## Senior Housing & Healthcare SPECIAL SECTION

'Something we have seen in the past few months is that many fund managers and international REITs are quite interested in this kind of property.'

Stefan Voss, CMS



is that such assets are effectively government-backed. "Other people are suffering severely and are totally incapable of looking after themselves when the National Health Service will support them, or they're at a stage where they can partially look after themselves but need more help and their local authority funded," she says.

Blackwood says the key for investors is to observe the local healthcare market structure. "The one thing that the research showed is that there's no single system as over Europe. It's also a very local market."

Voss adds that complexity is increased because of the large number of operators. In Germany, about 50% of the 500,000-plus nursing home beds are operated by ACO, the largest operator group. However, one more universal characteristic is that the sector does tend to play to the institutions' ESG requirements. "It's sustainable and ESG regulatory governance is it's a very important asset class on that front," Blackwood says.

### Seniors will take bigger share of healthcare capital

The nursing and care home component of European investment volumes in 2020 and Q1 2021 exceeded that targeting senior living assets for the first time in the year, says Colliers in its Senior Living & Healthcare – A Growth Market report.

However, demand for increased senior housing options will drive higher investment market share for these assets longer term, the firm said.

The report, which surveyed eight European countries, said the 65+ population accounts for 25% of national populations in these countries, and will



collectively increase by 217 million between 2020 and 2035, creating a significant market force.

"The proven long-term positive market balance of the senior living and healthcare sector in more mature markets such as the UK, alongside the significant growth in demand for assets and care

services created by an ageing population is attracting greater diversity of capital to this sector," said Colliers head of EMEA research Damian Harrington.

"The expansion of the 65+ population to 25% of our population by 2035 is multiplied by high levels of wealth, creating demand for more senior living options."

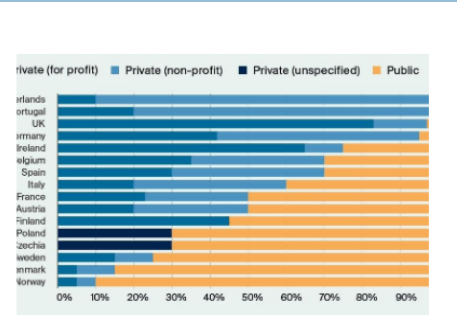
Colliers' recent Global Investor Survey noted that 21% of respondents expressed an interest in investing in senior living assets in 2021. So far in 2021, investment volume into the sector has expanded to 3.8% from a five-year average of 2.3%.

# ACTIVITIES: GLOBAL ON-LINE PRESENCE

Articles and video Interviews published on the SHHA website and Real Asset Insight

<https://realassetinsight.com/>

60 Countries  
16.000 registered readers  
30.000 readers online  
1.2 Mln impressions, 100.000 viewers



Demographics seal investors into the elderly care market



Spanish REIT Adriano Care commits €45m to senior living



3 hours ago

Fragmented healthcare a 'tremendous opportunity'

Justin Curlow, Global Head of Research & Strategy, AXA IM Alts.

**SHHA**

# Video content / Thought Leadership section





# ACTIVITIES – HIGHLIGHTING OUR MEMBERS

---

Member news and insights at SHHA website

<https://shha.international/>

Senior Housing and Healthcare Association  
Linkedin profile

<https://www.linkedin.com/company/senior-housing-healthcare-association/?viewAsMember=true>

Newsletter



**CARE PROPERTY INVEST  
EXPANDS ITS SPANISH  
PROPERTY PORTFOLIO**



**COFINIMMO CONTINUES  
ITS EXPANSION IN  
GERMANY**

**SHHA**

**SHHA** Senior Housing & Healthcare Association  
523 obserwujących  
1 t • Edytowano •

The second edition of the SHHA report is now available online 🚀

Created by the SHHA members, it presents a multi-stakeholder perspective ...zobacz więcej

[Zobacz tłumaczenie](#)

SHHA Report - edition EXPO REAL 2022 • 68 stron

**The senior housing  
and healthcare real  
estate market**



# SHHA

A multi-stakeholder  
perspective on investment  
opportunities across Europe

EXPO REAL REPORT

Ty i 24 inne osoby

4 komentarze • 6 udostępnień

**SHHA** Senior Housing & Healthcare Association  
523 obserwujących  
2 t • Edytowano •

☀️😊 Join us at [EXPO REAL \(Messe München\)](#) and meet our fantastic members open to share knowledge, experience and good energy 🚀

...zobacz więcej

[Zobacz tłumaczenie](#)



Meeting the demographically driven demand for healthcare real estate - SHHA

shha.international • Do przeczytania w 7 min

**SHHA** Senior Housing & Healthcare Association  
523 obserwujących  
3 mies. •

Germany's healthcare real estate market saw investment transactions worth a total of approximately €1 billion take place in the first half of this year according to [Cushman & Wakefield](#). ...zobacz więcej

[Zobacz tłumaczenie](#)



German healthcare investment volumes hit €1bn in H1: C&W - SHHA

shha.international • Do przeczytania w 2 min

Ty i 57 innych osób

1 komentarz



# ACTIVITIES – BRIEFINGS

## On-line Investment Briefing sessions

- Geographical opportunities around Europe and beyond
- New concepts in senior housing and healthcare
- Regulatory environment
- Impact investing and ESG



SHHA

# ACTIVITIES – CREATING CONNECTIONS

---

## Quarterly SHHA Board Meeting

- to define the associations goals and projects

## Focus groups

1. Research: definitions and asset class/benchmark/deal flow analysis (towards an inspirational database)
2. Geographical exploration
3. ESG/Impact investing
4. Media visibility, thought leadership and networking
5. Forward-looking themes: for example 'Ehpad du Future'



**CHOOSE YOUR MEMBERSHIP PLAN**

**SHHA**

# MEMBERSHIP BENEFITS

---

- The opportunity to shape the voice of the industry
- Draw on thought leadership & unique insight
- Work together with other key players in the industry
- Expand your network of decision-makers
- Helping inform and influence public policy
- Recognition & brand visibility for your company

# SHHA BOARD MEMBERSHIP

- Membership of the SHHA Executive Board
  - Shaping & leading the ongoing strategy of the SHHA
  - Defining the research agenda
  - Data: creating data benchmark output
- Media visibility through articles, interviews & guaranteed speaking opportunities
  - Speaking opportunities at SHHA panels at MIPIM and EXPO Real
  - Speaking opportunities in selected on-line Investment Briefings (country focus, regulation, new concepts, impact investing and key trends)
  - Publication of selected content in Real Asset Insight magazine
  - Articles published on [realassestinsight.com](http://realassestinsight.com) and [shha.international](http://shha.international)
  - Real Asset Live video interviews & podcasts
  - Member content shared via the SHHA LinkedIn profile
  - Quarterly SHHA Board Meeting: research output, sharing strategy, insights & best practice
  - Real Asset Day / SHHA updates: news and deal flow
- Strategic Partner of the SHHA annual industry report (logo, company profile & editorial content)

**Annual Membership: €10.000**

# CORPORATE MEMBERSHIP

- Media visibility through articles, interviews & guaranteed speaking opportunities
  - Speaking opportunities at SHHA panel at MIPIM or EXPO Real
  - Speaking opportunities in selected on-line Investment Briefings (country focus, regulation, new concepts, impact investing and key trends)
  - Publication of selected content in Real Asset Insight magazine
  - Articles published on [realassestinsight.com](http://realassestinsight.com) and [shha.international](http://shha.international)
  - Real Asset Live video interviews & podcasts
  - Member content shared via the SHHA LinkedIn profile
  - Quarterly SHHA Board Meeting: research output, sharing vision, strategy & best practices
  - Real Asset Day / SHHA updates: news and deal flow
- Partner of the SHHA annual industry report (logo, company profile & editorial content)

**Annual Membership: €7.500**



# CORPORATE MEMBERSHIP FOR SMALL & MEDIUM COMPANIES

- Media visibility through articles, interviews & guaranteed speaking opportunities
  - Speaking opportunities in selected on-line Investment Briefings (country focus, regulation, new concepts, impact investing and key trends)
  - Publication of selected content in Real Asset Insight magazine
  - Articles published on [realassestinsight.com](http://realassestinsight.com) and [shha.international](http://shha.international)
  - Real Asset Live video interviews & podcasts
  - Member content shared via the SHHA LinkedIn profile
  - Quarterly SHHA Board Meeting: research output, sharing vision, strategy & best practices
  - Real Asset Day / SHHA updates: news and deal flow
- Partner of the SHHA annual industry report (logo, company profile & editorial content)
- Speaking opportunities at MIPIM, EXPO and annual Summit are invitational not guaranteed

**Annual Membership: €3.750**

# INDIVIDUAL MEMBERSHIP

Designed for individuals, smaller companies or academic institutions

- Market Insight, Research & data
  - Real Asset Insight publication
  - Real Asset Day / regular updates on sector news and dealflow
  - Member content shared via the SHHA LinkedIn profile
  - Logo in the SHHA reports
  
- Events & Networking
  - Personal invitations to Investment Briefings & SHHA Events
  - Opportunities to join SHHA member-only networking events
  - SHHA Annual Conference

**Annual Membership: €500**

# JOIN US

SHAPE THE INDUSTRY AND MAKE AN IMPACT

---

## CONTACT

Sylwia Ziemacka

Head of Membership / Partners Network

E-mail: [sylwia.ziemacka@shha.international](mailto:sylwia.ziemacka@shha.international)

[shha.international](http://shha.international)