

First SHHA summit to focus on megatrends



Ron van Bloois, co-founder and chair, SHHA

Join us in Brussels at our first Senior Housing and Healthcare Summit on 27 June. The event is co-organised by the SHHA and EPRA, following our strategic partnership signed earlier this year. Together we will be looking for new equilibrium with long-term scope in the market.

The aim of this LIVE event is to bring together industry leaders and experts from across Europe (investors, operators, policymakers, financial institutions, asset managers and developers) for a deep dive into the sector to create a dialogue on the shape of the market, regulation, financials and investments.

From an SHHA perspective, our aim is to reinforce collaboration, trust and focus on the long term.

Close and successful cooperation between

'By creating awareness about impactful topics the SHHA is a voice for the industry.'

operators, residents, investors and stakeholders such as local authorities is the mission of the SHHA.

Creating alignment in the value chain is the only way to tackle the biggest

residential and healthcare challenges of the coming decades.

With ageing populations becoming a megatrend in European societies, EPRA emphasises that the need for social care and senior living is becoming ever greater, as is the provision of long-term retirement income as we live longer.

"Because real estate is a very capital-intensive business, the private sector – through listed property companies – will always play an essential role in delivering long-term capital investment and providing quality assets for social care," says Dominique Moerenhout, chief executive of EPRA.

Join us to shape the voice of the industry. Learn how the big trends will affect your business and how can you become a part of this growing sector. www.SHHA.international



AXA IM Alts makes second foray into Japanese healthcare sector

XA IM Alts has acquired two nursing homes in Japan. The portfolio comprises more than 170 newly developed and purposebuilt assisted-living bedrooms, split between the two assets in Kyoto and Nishinomiya (pictured). Both are part of the Greater Osaka conurbation, which has strong demographic drivers

supporting demand for elderly care accommodation.

This acquisition follows soon after AXA IM Alts' entry into the Japanese healthcare market in December 2022, when it acquired a portfolio of 15 nursing homes across Tokyo, Osaka and Aichi for ¥21.9 billion (€156 million).



La Française enters medical market with Paris clinic buy

a Française Real Estate Managers has paid €34 million for a 159-bed medical facility in the 11th district of Paris.

The 6,976 sq m Clinique Mont-Louis at 8-10 Rue de la Folie-Regnault consists of the ground floor and nine upper storeys, as well as three basement levels, which comprise 2,729 sq m of the total. It has 118 surgical beds, 21 full-hospitalisation medical beds and 20 outpatient surgical places. There are nine operating theatres and three endoscopy units.

The asset is operated by the Oc Santé group. More than 100 doctors and surgeons work at the Clinique Mont-Louis, where 19,000 operations are carried out annually.

La Française REM plans to improve the ESG positioning of the asset, which it has acquired on behalf of a collective real estate investment fund.

"Medical, surgical and obstetrics clinics are the backbone of the healthcare system in France, alongside university hospitals," said Jérôme Valade, head of healthcare assets at La Française REM. While these assets are niche in real estate terms, Valade said the transaction demonstrates La Française REM's ability to be a key participant in a market normally reserved for specialists.

German investors prefer assisted living assets over healthcare in first quarter

ssisted living has replaced nursing homes as the healthcare asset in greatest demand from investors in Germany, but total transaction volumes have fallen, according to figures from Cushman & Wakefield.

The firm recorded a transaction volume of around €325 million in the German healthcare real estate market in the first quarter of the year. This was 40% down on the corresponding quarter last year. Cushman & Wakefield attributes this to uncertainty in the market, transaction processes taking longer to complete and changes in the financing environment.

The assisted living segment's contribution to total volumes was almost €190 million, while nursing home transaction volumes were around €75 million.

About €215 million (around 66%) of the total Q1 healthcare transaction volume was attributed to deals on individual assets,



Jan-Bastian Knod: 'The sources of capital for acquisitions have become more cautious'

with four portfolio transactions contributing around €110 million.

"The speed of transactions has slowed down considerably over the past six

months," said Jan-Bastian Knod, head of healthcare and residential advisory at Cushman & Wakefield. "There is still sufficient liquidity for healthcare real estate in Germany, but the sources of capital for acquisitions have become more cautious.

"In particular, property quality and compliance checks with the ESG target criteria have gained still more importance, and these add significantly to the length of transactions.

"Properties with low ESG compliance are more clearly penalised in order to minimise the risk of acquiring future stranded assets."

The prime yield for nursing homes is currently 4.4%, which represents an increase of 20 basis points compared with the end of 2022. The figure was 3.9% in the first quarter of 2022.

For assisted living properties, yield ranged from 3.75% to 4%, an increase on the first quarter of 2022's 3%-3.5% and Q4's 3.25%-3.50%.

AIF Capital adds three German healthcare facilities to portfolio

IF Capital has acquired three care facilities in Germany for AIF Fürsorge I, the open-ended healthcare fund, increasing its portfolio to 15 assets.

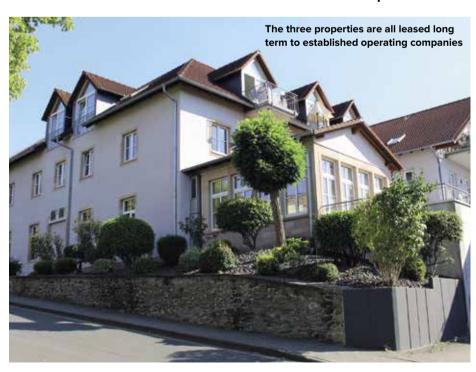
The properties from the so-called LaVie portfolio, a joint venture between AG Real Estate and Cardif Lux Vie, are located in Lübeck, Sulzbach and Wetzlar.

The three assets have 353 care places in total and a single-room occupancy rate of about 90%. The facility in Lübeck has 100 inpatient care places, Sulzbach 119 and Wetzlar 114, including 20 residential units in the assisted-living segment.

The three properties have a total rental area of around 20,300 sq m and all are leased long term to established operating companies with a WALT of about 13 years.

"For AIF Fürsorge I, [this] is a further step in diversification of locations and operators of the portfolio," said Daniel Wolf, managing director of AIF Management.

The transaction price was not disclosed.



Korian's Casa Barbara brand targets post-war baby-boomers

The group created the housing brand to appeal to "autonomous seniors" looking for a hotel club-type experience in a connected, urban setting. **Paul Strohm** reports

here is a distinct difference in the attitudes and preferences of senior citizens born before and after the second world war, according to Arnaud Choulet, executive director of senior residence services at Paris-headquartered Korian, the group which has launched the Casa Barbara senior housing brand.

Broadly, while the earlier "discreet generation" tends to accept what it is offered, post-war "baby boomers" want choice, they do not want life decisions imposed upon them and "client experience" and "client satisfaction" are key requirements.

Korian realised that as a baby-boomer cohort of "autonomous seniors" emerged as potential clients, a different product might be needed. This led to the creation of the Casa Barbara brand.

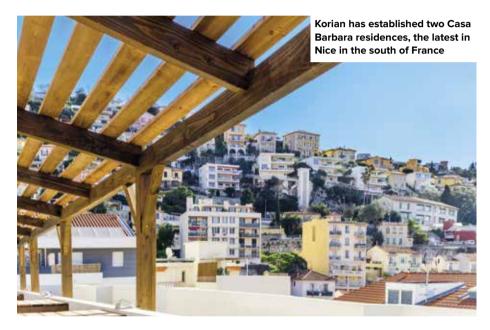
After undertaking a study that revealed these preferences, Korian set about creating the new assisted-living brand, opening the first residence in Levallois-Perret, Paris, in September 2022.

"We interviewed lots of potential customers. They said they were looking for security, for proximity [to local services and opportunities], social links and for a hotel club-type experience and a portfolio of solutions that would make their lives better," Choulet explains.

A link was forged with the Trigano family, which had been instrumental in the establishment of the Club Med brand and, more recently, the Mama Shelter chain of hotels.

"I was inspired by Mama Shelter, because they were the first hotels in France where local customers, and not just travellers, came to use the restaurant and bar.

"The perception is that nursing homes and assisted living are not open enough to the outside world, and this is something that I want to change," says Choulet



On the one hand, Casa Barbara aims to achieve the conviviality of shared spaces and create opportunities to interact, and on the other, the opportunity to retreat to a private, self-contained flat, Choulet says.

"I want Casa Barbara to have close relationships with the local community and different generations. I want it to be well known as a place to go for a drink," he says.

COMMUNITY INTEGRATION

The bar is therefore the heart of it all and is situated so that everything emanates from it: restaurants, living and activity rooms, such as a movie theatre, gym and wellness, sauna or dining rooms.

The restaurant and food on offer are key, both to give residents freedom of choice and also to attract non-residents, so renowned restaurateur Pierre Gagnaire was hired to create the menu.

Aesthetics are similarly vital, so interiors architect Sandra Benhamou was

commissioned to create a homely and cosy environment.

So far, Korian has established two Casa Barbara residences, the latest in Nice in the south of France.

Choulet explains that the urban location is important for providing proximity to local services and activities, but also to promote the two-way traffic the brand encourages by opening up its activity rooms to local organisers, associations and teachers, whether their clients are resident or not.

"They come and do sport lessons or creative lessons like painting. We do exchanges, so I give the rooms to the teachers for two or three hours a week and they give an hour free to residents. People from the city come in and when they leave, they might have a drink or a meal."

Creating a high level of integration with the local community is essential, says Choulet.



There is real momentum behind the senior living and healthcare sectors, as ageing demographics is leading to growing demand and supply is limited. What used to be an alternative asset class has become mainstream and the opportunities in Europe are driving domestic and foreign investors' interest.

JOIN US TO SHAPE THE VOICE OF THE INDUSTRY AND FOLLOW THE OPPORTUNITIES THAT ARE AHEAD!

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