

**PRIMONIAL REIM: RESULTS OF ITS
"FOURTH-AGE LIVING IN THE 21ST CENTURY" SURVEY, CARRIED OUT IN
CONJUNCTION WITH BVA OPINION**

Primonial REIM, a major investor in healthcare real estate in Europe, has unveiled the results of its "Fourth-age living in the 21st century" study, carried out in conjunction with BVA Opinion in four major eurozone countries (France, Italy, Spain and Germany) and in which more than 4,000 people aged 60 and over took part. [Etude BVA pour Primonial REIM](#)

Given the growing challenge posed by population ageing in Europe, questions around **"ageing well", improving care for seniors and ensuring the availability of suitable housing that meets their needs** are more relevant than ever.

The results of this Primonial REIM/BVA study emphasise the **importance for healthcare real-estate specialists of maintaining their commitment to increasing the availability of housing designed specifically for seniors**, both by adapting the large number of existing properties and by developing new ones. **The diverse range of seniors' personal situations, needs and expectations** mean that **innovative and varied solutions** are required.

Key learnings from the Primonial REIM/BVA study on seniors' expectations

- For European seniors, "ageing well" is strongly associated with maintaining a good level of health, and they do not generally anticipate the changes that will have to be made if they become less independent;
- European seniors are keen to remain at home or to have a "like home" solution, while recognising that possible dependency will make their housing arrangements a key priority;
- The propensity to use senior-specific housing varies according to personal situations but also according to cultural traditions;
- Care, the quality of staff, price and the level of medical support are key criteria in choosing housing for seniors;
- European seniors would overwhelmingly like to see a comprehensive service including custom elements, with a range of services and wellness options to choose from;
- European seniors are divided about the use of new technologies, which they regard as positive in helping them to remain at home, but negative regarding the use of their personal data;
- European seniors want healthcare real estate to address their complex aspirations, combining individuality and intimacy with self-sufficiency and sociability.

Grégory Frapet, Chairman of **Primonial REIM's** Executive Board, said: *"Since 2012, we have sought to accompany the healthcare sector as it has changed. Today, we are a major player in healthcare real estate, and by carrying out this survey we wanted to focus on "ageing well" – a key issue for our society. Taking into account the aspirations of seniors, we want to take a fresh look at the issue of fourth-age living, in order to provide robust, innovative housing solutions for seniors."*

People entering the fourth age without really considering or preparing for a possible future loss of independence

In the countries surveyed, 66% of respondents admitted that they were **concerned by their health**, but **have not really made preparations to deal with becoming less independent in future**. Only 3 out of 10 seniors said they had taken steps to address their future loss of independence. Although 77% said they had made plans in terms of savings and investments, only 22% said they had thought about where they would live in the event that they became less independent.

Overwhelming preference for remaining at home or for “like home” accommodation, although the matter of housing will arise sooner or later as people become more dependent

With the increase in people’s life expectancy – a major social issue – 57% of seniors regard **taking steps that make it easier to remain at home as a priority**, much more so than the need for greater financial support.

In the survey, many seniors expressed the desire to remain at home as long as possible, even if they have less independence (59% of respondents). However, they are aware about the existing housing options and know that they could be confronted with a choice in future.

Widely varying levels of preparation for old age between countries

While 41% of Germans have already taken steps to prepare for their old age, only 17% of Italians have done likewise. The varying figures stem from cultural differences between countries: in France, people mainly rely on themselves to ensure a comfortable old age (52%), while in Spain people expect to rely on the support of their spouse (48%) and in Italy, more than elsewhere, on that of their children (28%). Intergenerational support is unquestionably greater in Southern European countries.

Housing solutions that address the twin issues of image and services, to offer a better combination of care and wellbeing

More than half of respondents said that their knowledge of housing options was good or very good (53%), with higher figures in France and Germany than in Spain and Italy, where it is less common for people to find out about available possibilities.

Care remains one of the main concerns for seniors, along with **quality of staff, price** and the **level of medical support** among the key criteria when choosing a housing solution. However, **the provision of a range of services and wellness options** is also seen as **overwhelmingly important**, including green spaces and gardens, intimate areas in which to meet loved ones, social areas, laundry and dining services, and multimedia and sports facilities. Older people clearly want to be cared for in order to live, not to live in order to receive care.

New technologies are viewed positively by 8 out of 10 seniors in terms of helping the most elderly to continue living at home, for example through the use of videosurveillance, connected health tools and GPS trackers. However, seniors are still reluctant to make systematic use of these new technologies, feeling that they represent problems in terms of privacy and personal data and that excessive digitalisation leads to dehumanisation.

A desire for a range of healthcare real-estate solutions that combine individuality and intimacy with self-sufficiency and sociability

Above all, seniors still want to be considered as individuals in their own right. In the survey, they **expressed their expectations in terms of self-sufficiency, freedom and flexibility**, including the ability to have their own room in a long-term care facility, to have personalised fittings in a retirement apartment, to have stays of varying lengths and to travel independently.

Healthcare real-estate companies must therefore **work on developing a hybrid offering** that provides a **more modular approach to care and services**, so that **seniors can be cared for in a more flexible and comprehensive way**, all within an atmosphere that **feels as much as possible like home**.

Primonial REIM: addressing the key social issue of providing seniors with suitable housing that meets their particular needs

With this study, **Primonial REIM is addressing a major challenge facing European societies, i.e. the question of housing older adults**, whether they are self-sufficient or dependent. There is a huge amount of work to do by all concerned, i.e. operators and investors in both the public and private sectors, to explore appropriate, innovative solutions in conjunction with existing funding capabilities.

Primonial REIM has been strongly committed to investing in healthcare (and educational) real estate since 2012, when it launched its first dedicated SCPI real-estate fund, Primovie, in a market that was fragmented at the time but that has since consolidated.

Today, Primonial REIM is **one of Europe's leading healthcare real-estate managers**, and its funds own almost **170 facilities** (long-term care, post-acute and rehabilitation clinics, MSO facilities, senior residences etc.) in France, Germany, Spain, Italy and Ireland, with a value of over €4 billion.

Based on studies and analysis by Primonial REIM's experts, increasing the supply of senior housing is a major priority for the next few years.

In 2018, Primonial REIM has strengthened its position as a major player in the European healthcare real-estate sector with:

- The acquisition of the **Léonard de Vinci health centre** in Tours, a 43,000 m² complex that houses short- and medium-stay medical activities as well as consultation and out-patient care facilities;
- The acquisition of **six long-term care facilities in Spain**, in the Valencia region, leased to Spanish operator La Saleta (Armonea group);
- The acquisition of the **BestCare portfolio in Germany**, comprising five nursing homes in Schleswig-Holstein and Hesse, operated by senior residence specialist ProSeniore;
- The signature of a **European partnership with Korian and CAREIT** regarding the reconfiguration of Korian's real-estate holdings, which consist of follow-up care and rehabilitation facilities and medical nursing homes.

With **€4.4 billion of healthcare real-estate assets currently under management**, Primonial REIM is pursuing its investment strategy in France and the eurozone, with the **aim of increasing the portion of its asset portfolio devoted to healthcare real estate and continuing to support its operator tenants with their growth and real-estate investment needs**.

About the Primonial REIM / BVA study:

The study was carried out in July and August 2018 using a representative sample of 4,002 European people aged 60 or over (1,000 French, 1,000 German, 1,002 Spanish and 1,000 Italian). The sample's representativeness was ensured by using the quota method and it was adjusted in each country according to the following variables: sex, age, professional situation and region.

About Primonial REIM

Primonial REIM is a portfolio management company that was authorised by the Autorité des Marchés Financiers (AMF) in 2011. Its purpose is to design and manage a range of investment vehicles that reflect its strong convictions about real-estate markets. Its aim is to make SCPI real-estate funds – investing in office, retail, healthcare/education and residential properties – available to the widest possible audience.

As a portfolio management company, Primonial REIM creates and manages real-estate CIUs for institutional and retail investors. On 10 June 2014, Primonial REIM obtained AIFM (Alternative Investment Fund Manager) authorisation from the AMF, under which it is subject to increased obligations in areas such as reporting, liquidity monitoring and risk management. Its Executive Board consists of Grégory Frapet, Chairman, Stéphanie Lacroix, CEO and Tristan Mahaut, Corporate Secretary. www.primonialreim.com

Key figures at 30 June 2018

55,138 investors // €15.2 billion under management // 3,552,329m² of real estate assets managed // 7,000 tenant companies

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