

Press release

AXA Investment Managers - Real Assets enters Irish care home sector with acquisition of purpose built portfolio.

AXA Investment Managers - Real Assets (“AXA IM - Real Assets”), a global leader in real asset investments and the leading⁽¹⁾ real estate portfolio and asset manager in Europe, announces that it has completed, on behalf of a client and as part of its structurally supported alternative asset classes strategy, the acquisition of a portfolio of ten purpose built care homes, in Ireland. The portfolio will be operated by Mowlam Healthcare (“Mowlam”), Ireland’s largest⁽²⁾ care/nursing home operator with 1,500 beds across 27 facilities, under new 25 year triple net leases.

The portfolio totals some 600 beds and 52 additional independent living units, and is almost fully occupied. The single story, modern homes have all been purpose-built since 2002, with approximately 80% of the portfolio featuring en-suite wet rooms and are situated across Ireland.

The Irish care home market is characterised by high occupancy rates and favorable demand/supply dynamics, fuelled by a lack of development activity during and immediately following the global financial crisis as well as ongoing high barriers to entry. The share of the Irish population over 64 years of age is forecast to grow by 55% by 2030⁽³⁾, leading to an increase in the demand for care home beds. As the market remains highly fragmented, with 75% of private care beds made up of individual homes operated by single entities/owners⁽⁴⁾, a stronger emphasis is likely to be put on private funding.

This transaction extends AXA IM - Real Assets’ c. €2 billion managed healthcare portfolio into the Irish senior housing sector. It follows acquisitions on behalf of clients in the UK, Germany, Italy, Finland, Spain and in France, where a portfolio of eight Paris care homes was purchased last year.

Andrew Ovey, Head of Healthcare at AXA IM - Real Assets, commented: “This portfolio acquisition allows us to enter what is a fast growing and demographically supported sector. Given the quality of the portfolio and its high occupancy rates, this investment is expected to offer our clients the opportunity to benefit from capital value growth across the portfolio as well as long-term, sustainable income.”

“At the same time, working alongside Ireland’s market leader Mowlam Healthcare should ensure we are well positioned to benefit from further opportunities which may arise in what is a hugely fragmented and undersupplied market.”

– ENDS –

1 Source: INREV/ANREV Fund Manager Survey – May 2018 – in terms of assets under management

2 <http://mowlamhealthcare.com/chairman-message/>

3 Eurostat, 2018

4 Future Analytics & CBRE Alternative Investment in Ireland 2017

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About AXA Investment Managers

AXA Investment Managers (AXA IM) is an active, long-term, global, multi-asset investor. We work with clients today to provide the solutions they need to help build a better tomorrow for their investments, while creating a positive change for the world in which we all live. With approximately €740 billion in assets under management as at end of September 2018, AXA IM employs over 2,390 employees around the world and operates out of 30 offices across 21 countries. AXA IM is part of the AXA Group, a world leader in financial protection and wealth management.

About AXA Investment Managers - Real Assets

AXA Investment Managers - Real Assets has €79 billion in assets under management, including €59.8 billion in direct property & infrastructure and €15.6 billion in real asset finance as of end of September 2018(2). We offer a 360° approach to investing in real assets, which comprises opportunities in equity or debt, across different geographies and sectors, as well as via private or listed instruments. We are a global leader in real assets investment, the number one property portfolio and asset manager in Europe(3), and one of the largest worldwide. Our teams have been managing funds and mandates for over 30 years and comprise over 600 people in 14 offices that operate in over 20 countries around the world, which provide us with in-depth knowledge of countries, cities and sectors.

AXA Investment Managers is part of the AXA Group, a world leader in financial protection and wealth management.

Visit our websites: www.axa-im.com / <https://realassets.axa-im.com>
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¹ Source: AXA IM unaudited data

² Source: AXA IM - Real Assets' unaudited data

³ Source: INREV/ANREV Fund Manager Survey – May 2018 in terms of assets under management

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