

Round Hill Capital and Auxenia grow German senior housing portfolio

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Round Hill Capital and Auxenia RE have purchased Pflege-Residenz-Beuren, a senior living facility in Beuren, a spa town located around 30 kilometres south-east of Stuttgart. The transaction was undertaken by Round Hill Capital on behalf of a client investment strategy that aims to assemble a significant portfolio of senior living facilities in Germany, exploring opportunities created by lack of quality senior housing supply and an ageing demographic. The total investment cost for the acquisition, including capex to improve the facility offering, increase the number of beds through the addition of an extension and develop a best-in-class service offering is circa €32m.

Pflege-Residenz-Beuren currently has 132 care units set across two buildings constructed between 2001 and 2005. With the refurbishment of these buildings, and the construction of an adjacent extension commencing in 2025, the offering will expand to include a total of 166 single bed units and an assisted living area. The planned capex initiatives will bring the development to the highest quality standards within the German regulatory and legal framework. The refurbished development will include 9,845m² of amenity spaces designed to support the health and wellbeing of the residents.

The residence will be operated by Cosiq which, as part of the transaction, has acquired the operating company managing the asset and signed a new lease with a 20-year fixed term for the existing facilities and the new building. Cosiq operates 20 care facilities in Germany.

Michael Bickford, CEO at Round Hill Capital, said: *“Germany has a rapidly growing elderly population with a significant shortage of quality care beds. This acquisition, refurbishment and development will create 166 future-proofed care beds to help service the growing demand in the sector and offer high quality senior care and living.”*